



**State Representative Derek Merrin
District 47**

**House Bill 169 – Sponsor Testimony
State and Local Government Committee
May 9, 2017**

Chairman Anielski, Vice-Chairman Hambley, and members of the State and Local Government Committee. Thank you for allowing me to present testimony on House Bill 169, which requires exempt state employees to pay a portion of their dental, vision, and basic life insurance premiums. Exempt state employees currently pay 15% of their premium for medical insurance – while paying 0% of the premium for dental, vision, and basic life insurance coverage they receive after one year of service. This legislation requires exempt state employees pay the same percentage for dental, vision, and life coverage as they pay for their medical insurance premium.

The legislation would immediately impact 13,000 exempt state employees and save Ohio taxpayers at least \$2.6 million annually. The cost-savings could be more as employees may decline coverage since it will no longer be completely free. Also, House Bill 169 directs the state to seek the same provision when negotiating collective bargaining agreements that cover about 35,900 unionized state employees, which would save taxpayers an additional \$4.7 million annually. This legislation would cost an exempt state employee receiving single coverage about \$5.13 for dental and \$1.51 for vision coverage monthly. An exempt state employee receiving family coverage would pay \$14.88 for dental and \$4.14 for vision monthly. For basic life insurance, state employees would pay less than two cents per \$1,000 of coverage. The taxpayers would still be generously paying 85% of premium.

State employees already receive a great bargain by paying only 15 percent for their medical insurance premium. At the very least, state employees should pay 15 percent for their dental, vision, and basic life insurance benefits. Many private-sector employees are not offered dental and vision benefits – let alone absolutely free.

In 2012, a Kaiser/HRET Survey of Employer-Sponsored Health Benefits reported that only 54% of private employers even offer a separate dental insurance benefit and only 27% offered a vision insurance benefit. Even fewer employees are offered dental and vision benefits, because that study did not include employers that declined to offer medical insurance; meaning, they do not provide dental or vision

coverage as well. Although many Ohio taxpayers are not offered dental and vision insurance, they pick-up 100% of the cost for state employees.

It is time for state employees free ride to end. As many Ohioans struggle to pay for basic medical insurance coverage, they should not have to fully pay the entire premium for state employees dental, vision, and basic life insurance benefits. I respectfully ask for your support and welcome any questions.