
OFFICE OF GOVERNOR RONNIE MUSGROVE
INTEROFFICE MEMORANDUM

TO: GOVERNOR
FROM: BOYD
SUBJECT: HEALTH INSURANCE PROGRAMS
DATE: 9/5/2000
CC: FILE

To address the annual shortfall for the Public Employees and Teachers Health Insurance Program, we should consider requiring Medicaid to contract the Children's Health Insurance Program with the Public Employees Health Insurance Board.

1. Children tend to be the lowest risk group for health insurance programs (the healthiest);
2. The State currently pays Blue Cross more than \$180/mo/enrollee for coverage similar to the state health insurance plan (Based on August enrollment figures, the annual payment is equal to \$30 million in premiums);

Therese Hanna is working on a memo outlining the steps needed to transfer the program to state administration. One improvement to the plan would be to provide eye and dental care for children enrolled in the state health insurance program.