



131st MAINE LEGISLATURE

LD 112

LR 207(01)

An Act to Increase the State's Share of Retired Teacher Health Insurance

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Dodge of Belfast

Committee: Labor and Housing

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

| | FY 2023-24 | FY 2024-25 | Projections FY 2025-26 | Projections FY 2026-27 |
|-----------------------------------|-------------|-------------|---------------------------|---------------------------|
| Net Cost (Savings) | | | | |
| General Fund | \$3,268,715 | \$6,828,304 | \$7,132,119 | \$7,449,453 |
| Appropriations/Allocations | | | | |
| General Fund | \$3,268,715 | \$6,828,304 | \$7,132,119 | \$7,449,453 |

Fiscal Detail and Notes

The Retired Teachers' Health Insurance Program within the Department of Education will require General Fund appropriations of \$3,268,715 in fiscal year 2023-24 and \$6,828,304 in fiscal year 2024-25 for the costs associated with increasing the State's contribution to the retired teachers' cost of health insurance premiums from 55% to 60% in fiscal year 2023-24 and from 60% to 65% in fiscal year 2024-25. The estimated cost of this bill, provided by the Office of Employee Health and Benefits, assumes an average increase in premiums of 4.45% per year. The total cost of this provision over time will depend on actual health premium cost inflation and the number of retired teachers in the future.