

ONE HUNDRED THIRD LEGISLATURE

FIRST SESSION

LEGISLATIVE RESOLUTION 250

Introduced by Harr, 8.

PURPOSE: A study to analyze the State of Nebraska's self-insured workers compensation plan administered by the Department of Administrative Services for the State of Nebraska.

1. The study shall include a review of the efficiency and financial stability of the plan, the effectiveness of the operations and its operating policies and procedures, and the equity of the plan's cost allocation to state agencies.

2. The goals of the study are to:

a. Determine if self-insurance is the most cost-effective means of providing coverage for all agencies. The study should review whether any agencies should consider traditional insurance coverage versus the current self-insurance approach;

b. Review the policies and procedures of the Department of Administrative Services for administering the plan. The study should compare the policies and procedures to industry standards;

c. A review of the methodology used by the Department of Administrative Services to allocate the costs of the plan to each agency. The study should consider the equity of the distribution, the stability in budgeting for agencies, and other issues deemed appropriate;

d. The study should consider trends in the insurance industry for reducing plan costs through education, wellness, or other methods;

e. The study should provide historical trends for both funding and payment from the fund;

f. The study should recommend whether it is financially sound for the plan and equitable to plan recipients to pay lump sum settlements to plan recipients. If it is, then policies or guidelines should be suggested; and

g. Other matters as determined by the committee.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE ONE HUNDRED THIRD LEGISLATURE OF NEBRASKA, FIRST SESSION:

1. That the Business and Labor Committee of the Legislature shall be designated to conduct an interim study to carry out the purposes of this resolution.

2. That the committee shall upon the conclusion of its study make a report of its findings, together with its recommendations, to the Legislative Council or Legislature.