State Employees Pooled Health Benefit Plans
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1) State Employees Pooled with Local and School Government Units

More than half the states allow, and in a few cases, require, state employee health plans to combine with other government employee participants.

States include:

- Cities, towns and counties. Permitted in AK, AL, CA, HI, IL, LA, ME, MD, MA, MO, NJ, ND, NM, NY, OK, SC, TN, UT, VA, WA, WV and WI.
  * California's CalPERS agency provides the largest combined health program, serving 1.6 million members; as of 2009, 30% of their enrollees were state employees, 38% were school employees and 32% were local public agency employees. [CA report.]
  * Massachusetts in 2008 expanded eligibility to all cities and towns.
  * New Jersey includes 31% public school employees, 18% cities and towns and 15% universities and colleges.
  * In North Carolina, the program has 58% public school employees and 11% universities and colleges.
  * Washington enrollment includes 40% universities and colleges, 2% public schools and 3% cities and towns.

- Universities and colleges. Permitted in at least 16 states: CA, HI, IL, LA, MA, NV, NJ, NC, ND, OK, OR, TX, WV, MO, UT and WA. 13 other states classify state college employees as state employees and do not list them separately.

- Public Schools. Permitted to be included in about 19 states including AR, DE, FL, GA, HI, KY, LA, MS, MO, NV, NJ, NY, NC, OK, SC, TN, UT, VA, WA and WV. Actual practices vary considerably since no state directly runs its public schools.

- Other local districts or units, such as fire districts, recreation districts may be included in some states. Local statistics are not available.

2) See available NCSL brief, Pooling Public Employee Health Care - Web report updated 2017; includes the 2010 PDF.
3) RECENT UPDATES AND INSIGHTS

New Jersey has one of the most extensive combined or pooled programs, linking local public employees, school district employees and the state, formally termed State Health Benefits Program (SHBP) and School Employees' Health Benefits Program (SEHBP). The members generally have the same or similar benefits. The State Health Benefits Program (SHBP) was established in 1961 under N.J.S.A. 52:14-17.25 et seq. to provide health benefits to State employees, retirees, and their dependents.

- The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in the SHBP. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.
- The State Health Benefits Commission is the executive body established by statute to be responsible for operation of the SHBP. The Commission meetings are open to the public and are conducted at the Division of Pensions and Benefits in Trenton. Plan members are entitled to appeal to the Commission for resolution of any complaints after they have completed the formal grievance procedure of their plan administrator.
- The School Employees' Health Benefits Program (SEHBP) was established by Chapter 103, P.L. 2007. It offers medical and prescription drug coverage to qualified school employees and retirees, and their eligible dependents. Local employers must adopt a resolution to participate in the SEHBP. The School Employees’ Health Benefits Program Act is found in the N.J.S.A. 52:14-17.46 et seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

Virginia, in November 2015 conducted and published an actuarial review of the impact on the state, the school boards, and other political subdivisions, from including the employees, and their dependents, of local governments including local school divisions in the state employee health program or in one statewide pooled plan for employees of political subdivisions. It included an examination of The Local Choice program's policies, including its pooling and rating methodology, to determine whether overall improvements may be made to the program, with a specific goal of trying to increase The Local Choice program's appeal among rural school divisions and local governments.


- Maryland. The summary material above includes Maryland as allowing some combination with the state and cities and towns.