

**FOR IMMEDIATE RELEASE**

**DATE: 06.10.2011**

**FROM: SEN. LONG**

**PHONE: 318.628.5799**

## **UPDATE FROM 2011 FISCAL LEGISLATIVE SESSION**

### **SENATOR LONG COMMITS TO PROTECT STATE EMPLOYEE HEALTH BENEFITS**

In a move to allow for greater budget flexibility in future years, Governor Jindal's administration has proposed hiring a private company to run the health insurance program for the state's employees and retirees currently administered by the Office of Group Benefits (OGB). District 31 Senator Gerald Long (R-Winnfield) has committed to protect the interests of the roughly 62,000 state employees who stand to be affected by the plan when considering any proposal to privatize OGB. The administration has argued that privatization would provide recurring savings of \$10.2 million, eliminate 149 positions and boost state revenue with a significant upfront payment from the company hired to maintain the program. Lawmakers opposing the measure have responded by defending what many consider to be a reliable agency which has delivered quality service and which has accumulated a surplus of roughly \$500 million.

The controversy between lawmakers and the Jindal administration was heightened Wednesday when a Senate committee demanded detailed information on whether or not privatization of OGB would be in the best interests of state tax payers. The early resignation of Scott Kipper as CEO of the Office of Group Benefits Monday, amid uncertainty over the future of the program, has further complicated the proposal. Any plan to privatize OGB would require approval from the Joint Legislative Committee on the Budget.

Sen. Long said, "I want to ensure our state's workers that I will continue to put their interests first. I will not support any proposal to change the way the Office of Group Benefits is run which would affect the security or integrity of our state insurance programs, especially those which affect our teachers. Any program should be assessed on whether or not it can deliver efficient and adequate benefits to the employees it serves."