



# LEGISLATIVE *Update*

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## Showdown Over State Health Plan Reform

As reported in SEANC [Executive Director Dana Cope's message yesterday](#), on Wednesday Gov. Bev Perdue vetoed SB 265, the State Health Plan Reform bill. The bill contained the following reform measures to ensure the long-term viability of the plan:

1. Transferring oversight of the SHP away from the General Assembly - SEANC's No. 1 legislative priority in the General Assembly as voted on by our 2010 convention
2. Establishing a board of trustees with major representation from active and retired state employees
3. Ending cost-plus profit SHP contracts
4. Abolishing punitive BMI and tobacco penalties
5. Forcing the current SHP contract to become a public record

Yesterday, the Senate passed a motion to override the governor's veto of the SHP Reform bill. Senate members overwhelmingly agreed that this veto made no sense because the bill is extremely similar to the governor's proposed budget. The governor, after all, is the one who charged a premium in her budget to active employees and retirees for the 80/20 health plan.

During debate, Senate leader Phil Berger said "This is the governor basically vetoing her own plan."

The motion to override SB 265 is now before the House. This morning SEANC Executive Director Dana Cope and Legislative Affairs Director Ardis Watkins met with House Speaker Thom Tillis and representatives from the North Carolina Association of Educators (NCAE) and the Retired Governmental Employees Association on the bill. Cope made it clear that SEANC's goal is to get a bill that maintains the health plan reforms and ideally a premium-free health plan option.

Ironically the same day Perdue vetoed the SHP Reform, she accused the Republicans of playing partisan politics with unemployment insurance. Funny. Perdue does not think partisan politics are okay when it comes to something as important as unemployment insurance. Apparently she thinks it's just fine to play party politics with health insurance.

SEANC will continue to work on the SHP reform bill all weekend. Stay tuned for updates.