

RISE Delaware™ Update: IMPORTANT MESSAGE FROM REP. BAUMBACH ABOUT STATUS
OF HB 330

Dear RISE Supporters,

Below is what Mary Graham posted this evening about HB 330 on the RISE Delaware facebook page at <https://www.facebook.com/RISEDelaware2024/>

Elisa Diller, President, RISE Delaware

Important message from Rep. Baumbach about HB 330 and strategy:

Some of you have wondered about the status of HB 330. See the below helpful message from Rep. Baumbach that he asked us to share with all of you. Our take away is that he is working really hard on the overall legislative package needed to best keep secure our Medicfill healthcare benefit. But our patience and understanding are needed. He's our friend - and he knows the strategy to best navigate his political legislative world!

Mary Graham, Legal Liaison for RISE Delaware

Important message from Rep. Baumbach about HB 330 and strategy:

"I have been asked about the status of HB 330, the bill to use a percent of payroll approach to boost the OPEB retiree healthcare fund in a gradual manner. This is #2 of the 7 recommendations in the 12/31/23 RHBAS report. It has been sitting in the House Administration Committee for two months.

It hasn't moved because of me. I have not requested that it be heard during this time, as I have been furiously working on three other recommendations, those numbered 4-6, changing the vesting schedule, the coordination of benefits feature, and ensuring the default Medicare Supplement for those hired after 2024 can become Medigap G, and that Medigap L is available as an option.

All three of these recommendations involve savings to the state, and the first and third apply only to those hired after 2024 when they reach age 65, and the second one only applies to those hired in 2015 and later. These three involve sacrifices by retirees, and were offered 'as a package', in order to build support for the other recommendations, which involve very large, regular, and growing financial contributions from the state towards eliminating the \$8B funding gap in this OPEB fund.

The reason that I have not pushed HB 330 yet is that HB 330 comes with a big cost to the state (\$2.7M in the first year, \$7.5M the second, and \$12.5M the third). I believe that I will be more successful with HB 330 when I have the three bills that save the state money considered at the same time. This is the reason for the delay—it is intentional and strategic.

We have completed two of the three, and are near completion on the third. This is taking much longer than I had expected, but we've got to do them right. I hope that we have all three filed by next week.

Thank you for your patience.

Paul S Baumbach (He/Him/His)
Delaware State Representative
23rd Representative District"