



State of Rhode Island and Providence Plantations

State House  
Providence, Rhode Island 02903-1196  
401-222-2080

Donald L. Carcieri  
Governor

July 9, 2009

TO THE HONORABLE, THE PRESIDENT OF THE SENATE:

In accordance with the provisions of Section 14, Article IX of the Constitution of the State of Rhode Island and Section 43-1-4 of the Rhode Island General Laws, I transmit, with my disapproval, 2009 S 0777, Substitute A, as amended, "An Act Relating to Insurance – Teacher's Health Insurance."

This act would establish a board of directors of the Rhode Island Uniform Public School Employees' Health Care Benefit Program, and empower this board to create "uniform medical and prescription drug benefit plan designs" for all public school teachers in Rhode Island.

While I have long supported and championed the cause of consolidating health care plans for teachers and other municipal workers in order to decrease costs for Rhode Island's taxpayers, this legislation is seriously flawed.

First, the Board consists of twelve (12) members, at least ten (10) of whom are potentially direct beneficiaries of whatever benefit plans are negotiated. Additionally, none of the proposed membership represents municipal or state government or Rhode Island's taxpayers. Municipal officials and the people elected by the voters to balance budgets, fund education and set property tax rates should have more control over school budgets, not less. While health care plans need to be sufficiently robust to provide a significant benefit to the employee, they also must be affordable.

Second, this legislation does nothing to establish a minimum co-share or a standardized buy-back provision for teacher health care contracts. My supplemental budget proposed a minimum co-share of twenty-five (25) percent, and a maximum buy-back payment not to exceed ten (10) percent of the working rate in any year. Inclusion of these provisions would have saved cities and towns millions of dollars a year.

Again, while taxpayers and local governments can achieve significant cost savings through the creation of uniform health care benefit plans for public school

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teachers and municipal employees, I am not convinced this legislation provides an effective mechanism or sufficient incentive to do so.

For these reasons, I disapprove of this legislation and respectfully urge your support of this veto.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald L. Carcieri", followed by a long horizontal line extending to the right.

Donald L. Carcieri  
Governor