

Employee Advisory Committee Meeting Minutes
May 12, 2010
Landon State Office Bldg., 900 SW Jackson St.
FINAL

Attending: Pres. Cheryl Buxton, Brant Barber, Barbara Barto, Patty Delmott, Beth Fenske, Kim Fowler, Beth Fultz, Marjorie Knoll, John Oswald, Greg Piper, Kristy Rizek, Jackie Scott, Jan Sides, Elizabeth Smith, Steve Stankiewicz, Susan Warriner

By Phone: Linda Kelly, Linda Prothe

Absent: Kyle Austin, Tracy Clarke, Ben Middleton

Representatives from health plan providers and KHPA were also present.

Meeting called to order by President Cheryl Buxton at 10:40 a.m.

She thanked Jennifer Flory for conducting the EAC Training Session prior to EAC meeting.

Approval of January 13th & April 12th Minutes

Unanimously approved as written.

Review, Discuss, Recommend Options for 2010 Health Plans

Doug Farmer presented a spreadsheet to the group that showed where things stand with Plan B and recommendations to the HCC. The HCC will make decisions at the May 27, 2010 meeting. The current KHPA recommendations are:

Plan A – Increase deductibles from \$150 to \$400 single and from \$300 to \$800 family
Increase Co-Pay by \$5 from \$20 to \$25 primary care and \$40 to \$45 specialist
Annual Coinsurance Max from \$1,200 to \$1,400 single and from \$2,400 to \$2,800 family

Plan B – Add a deductible \$300 single/\$600 family
Increase Coinsurance 5% from 30% to 35%

A model needs to be developed which balances the plans' values and costs and also funds the obligations. New costs due to legislation passed this year include: coverage for autism therapy with an estimated cost of \$4.2 million to the plan next year; coverage for dependents until age 26 at a cost of \$1.2 million; orthognathic surgery coverage until age 26 at an estimated cost of \$100,000; and the FSA limit change costing approximately \$10,600.

The legislature also passed legislation to book \$27 million in savings that should be generated from a claim audit, of which \$9.7 million will come from the state employee health plan. The legislature will remove the \$9.7 million from the reserves effective July 1, 2010.

The committee used an excel sheet to run scenarios to see how different employer and employee rates impacted the plan reserves for 2011 and 2012.

Next EAC meeting: August 31, next HCC meeting May 27. Meeting Adjourned.