

**Employee Advisory Committee Meeting Minutes
May 24, 2011
Landon State Office Bldg., Room 106**

Attending: Pres. Cheryl Buxton, Brant Barber, David Boyle, Kim Fowler, Elizabeth Fultz, Mitchel Hoag, Linda Kelly, Marjorie Knoll, John Oswald, Greg Piper, Kristy Rizek, Jackie Scott, Jan Sides and Susan Warriner

By Phone: Barbara Barto, Tracy Clarke and Linda Prothe

Absent: Patty Delmott, Steve Stankiewicz and Casey Wells

Meeting called to order by President Cheryl Buxton.

Approval of April 20, 2011, Meeting Minutes

Legislative Action 2.5% Surcharge

The budget bill contained a provision that would add a 2.5% surcharge on the amount of the employee payroll deduction by active state employees for participation in the state health care benefits program. The surcharge will apply from January 1, 2012 to June 10, 2012. *

2012 Plan Design, Rates, and Funding

Mike Michael, KHPA, presented a comparison of the Employee Advisory Committee recommendations for Plan Year 2011 and the Health Care Commission action for Plan Year 2011.

The Health Care Commission desires recommendations that will bring the plan to a 95% employer/5% employee contribution mix for single coverage and 55% employer/45% employee contribution mix for dependent coverage. The plan currently has about 50% of employees selecting single coverage and 50% of employees selecting dependent coverage. Mike Michael, KHPA, presented scenarios that will be submitted to the Health Care Commission on June 8.

Scenarios were discussed which would bring the plan to 95%/5% and 55%/45%. The options varied by adjusting a combination of contribution rates, deductibles, copays, coinsurance and coinsurance maximums.

Mike then discussed two recommendations by Legislative Post Audit to modify prescription coinsurance coverage. Plan one option would raise the coinsurance on all prescriptions by 5%. The other option would raise the coinsurance on non-generic prescriptions by 5%. While these options would save the plan \$2.2 million to \$2.8 million, the EAC did not like either option that increased the cost of prescription coverage.

The EAC strongly felt that they wanted no plan changes and would rather see premium increases. Marjorie motioned that the EAC recommend no plan changes. Jan seconded the motion and it was passed by the group. If the HCC desired plan changes, the EAC would prefer the 5% increase on all prescription coverage, but it is not a recommendation of the committee.

Wellness Program Update

A PowerPoint was presented regarding plan changes that would expand the wellness program. Funding for the expansion would come from eliminating the non-tobacco discount and the \$50 gift card for completing the health risk assessment. Employees could participate in various health-related events to earn credits. Premium discounts would be given if employees earn a given number of credits.

Next Meetings

HCC: Wednesday, June 15, 2011 – KPERS Boardroom, 611 S. Ks. Ave., at 1:30 p.m.

EAC: Wednesday, November 16, 2011 – LSOB Rm. 106 at 10:30 a.m.

Meeting Adjourned.

* The Governor vetoed this provision of the budget bill.