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Robert Moser, MD, Secretary  
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Sam Brownback, Governor

## **MEMORANDUM**

**TO:** Health Care Commission  
J. Scott Day  
Steve Dechant  
Sandy Praeger  
Nancy Ruoff  
Dennis Taylor

**FROM:** Mike Michael

**DATE:** February 10, 2012

**SUBJECT:** **Renewal of the Actuary/Consulting Contract**

The Health Care Commission's contract for actuary/consulting services for the State Employee Health Plan (SEHP) will expire on December 31, 2012. Aon Consulting, Inc. currently provides these services which include assistance with rate setting, other postemployment benefits reporting, funding analysis, and analysis and projections for the health plan.

The contract allows for the SEHP, at its option, to renew the contract for an additional agreed upon term. The SEHP staff has been in negotiations with Aon to exercise the option to renew this contract. Aon has presented a proposal to the SEHP to extend the current contract with the same services to the SEHP at the current annual fee of \$300,000. This contract extension would be for the period January 1, 2013, through December 31, 2015.

### **Recommendation:**

Staff recommends that the Health Care Commission approve the three (3) year contract extension with Aon Consulting, Inc. extending the contract to December 31, 2015.