



STATE EMPLOYEES HEALTH CARE COMMISSION

*Mark Parkinson, Governor
Duane Goossen, Chairman
Connie Hafenstine, Commissioner
Sandy Praeger, Commissioner
John Staton, Commissioner
Nancy Ruoff, Commissioner*

Kansas State Employees Health Care Commission

March 15, 2010 Minutes

CALL TO ORDER

The Kansas State Employees Health Care Commission (HCC) meeting was called to order at 1:30 p.m. in the KPERs Boardroom, 611 S. Kansas Avenue, Topeka, Kansas. Introduction was made of new HCC Commissioner Steve Decant, retiree representative. Commissioners present were Duane Goossen (Chairman), John Staton, Nancy Ruoff, Steve Decant and Sandy Praeger. Doug Farmer and Mike Michael from KHPA and Debbie Donaldson and Tim Nimmer from Aon were also in attendance.

1. Approval of Minutes

Chairman Goossen asked for the approval of the January 26, 2009 Minutes. Chairman Goossen noted that a change had been made to the proposed minutes that had been sent out to Commission members earlier. It was noted that the changes provided more explanation, but had not changed the meaning in those areas of the minutes.

IT WAS MOVED BY COMMISSIONER PRAEGER AND SECONDED BY COMMISSIONER STATON TO APPROVE THE MINUTES OF JANUARY 26, 2009. MOTION PASSED 5-0.

2. Selections to Fill Vacant Employee Advisory Committee Positions

It was recommended that nominees Tracy Clark and Beth Fenske be selected to serve on the Employee Advisory Committee (EAC) to complete the unexpired terms which had become vacant.

IT WAS MOVED BY COMMISSIONER STATON AND SECONDED BY COMMISSIONER PRAEGER TO APPROVE THE NOMINEES. MOTION PASSED. 5-0

3. EAC Report

Cheryl Buxton from EAC reported that EAC is in favor of enforcing consequences on the non tobacco enforcement issue. These suggestions included random testing performed by an outside entity and not informing the employee ahead of time that testing will occur.

EAC Recommended retaining Plan A, B & C, but possibly raising co-pay and deductible for Plan A – leaving B & C the same. Possibly moving deductibles from 150/single 300/family to 400/single 800/family.

Plan rates for 2011 – EAC recommended regarding the Target Reserves Funding Levels – change the Target Reserve and the co-pay.

4. Financial Reports

Doug Farmer presented the financial report. Discussed the importance of the IBNR and CFR when studying numbers. Commissioner Praeger noted that Staff's scenarios showed levels that are less than what (private) insurers would be required to have in reserve. AON representatives discussed trends and confidence levels. No action needed at this meeting. Overview only.

5. Health Care Cost Trend

The number of covered individuals has grown and our plans have changed over the last few years.

Questions about participation in various plans.

Start with EAC recommendations first: We are at deductibles of \$150.00/\$300.00. Discussed increasing the co-pay by \$5.00 and the deductible to \$400.00/\$800.00. Out of Pocket Max would be \$1,400/\$2,800.

Plan B – Discussed the goal of trying to get more employees to move to this plan.

Dates of Next Meetings

The April 23, 2010 meeting has been cancelled. There will be a meeting scheduled sometime in mid-May.

May 27, 2010.

Final Plan design decision date.

September 13.

Quarterly Meeting

MEETING ADJOURNED AT 3:20