



MEMORANDUM

TO: Health Care Commission
Duane Goossen, Chair
Sandy Praeger
Nancy Ruoff
John Staton
Steve Dechant

FROM: Doug Farmer

DATE: December 1, 2010

SUBJECT: Revisions to K.A.R. 108-1-1, 108-1-3 and 108-1-4

As we have previously discussed, the Patient Protection and Affordable Care Act requires that health plans issued or renewed after September 23, 2010, extend dependent coverage to adult children under the age of 26. This expanded definition of eligible dependent will apply to the State Employee Health Plan (SEHP) effective January 1, 2011. The permanent regulations update the SEHP's dependent eligibility requirements to include dependent children to age 26. The change will bring the regulations in compliance with federal health reform requirements.

In addition, the regulations have been revised to place the definitions of terms all in the first subsection of each regulation. Earlier this year, when the legislative oversight committee was reviewing the regulation changes that reduced the waiting period for new employees, that committee specifically requested that we move the definitions. We advised the legislative oversight committee that further revisions to the regulations would be required this fall and so, due to the timing, we agreed to move the definitions in this future version. Staff met with the legislative oversight committee on November 8, 2010, and discussed the changes being made. We have not received any follow-up from the committee as a result of meeting. A public hearing on the regulations is scheduled for January 11, 2011.

As the federal law will be effective January 1, 2011, no action is needed by the Health Care Commission (HCC) in order for this change to occur on January 1. We will want the HCC to approve the final versions of the regulations at a future meeting so that our regulations are in compliance with federal requirements.