



J. Scott Day, Commissioner
Steve Dechant, Commissioner
Sandy Praeger, Commissioner
Nancy Ruoff, Commissioner
Dennis R. Taylor, Chair

Kansas State Employees Health Care Commission

Sam Brownback, Governor

**Kansas State Employees Health Care Commission
December 10 2012 Minutes
LSOB, Room 106, 900 SW Jackson, Topeka, Kansas**

CALL TO ORDER

The Kansas State Employees Health Care Commission (HCC) meeting was called to order on September 19, 2012 at 1:30 p.m. in the Landon State Office Building, Room 106, 900 SW Jackson, Topeka, Kansas. The following persons were present: Commissioners Dennis R. Taylor (Chairman), Steve Dechant, Sandy Praeger, Nancy Ruoff and J. Scott Day; Shelley H. King from the Department of Administration, Office of Chief Counsel, and Mike Michael from the Division of Health Care Finance (HCF) within the Kansas Department of Health and Environment (KDHE).

AGENDA:

1. Approval of Minutes

Chairman Taylor asked for approval of the September 19, 2012 minutes.

IT WAS MOVED BY COMMISSIONER PRAEGER AND SECONDED BY COMMISSIONER DECHANT TO APPROVE THE MINUTES OF SEPTEMBER 19, 2012. MOTION PASSED 4-0.

Chairman Taylor asked for approval of new EAC Members.

IT WAS MOVED BY COMMISSIONER PRAEGER AND SECONDED BY COMMISSIONER DECHANT. MOTION PASSED 4-0.

2. Reports

Active Employee Open Enrollment was held from October 1 through October 31, 2012. One hundred (100) Open Enrollment meetings were held for employees in thirty-three (33) cities, and four online Open Enrollment webinars were also held. Staff estimates that approximately 5,461 employees attended these meetings.

Approximately 27,948 employees utilized the online Open Enrollment system for State employees to review their health plan coverage. Of those logging into the Open Enrollment system, 27,460 reviewed and saved their health plan elections for



Plan Year (PY) 2013. Non State Groups also enrolled online and 5,496 Non State employees made health care elections.

Flexible Spending Accounts (FSAs) require an annual election to participate, and 7,113 State employees elected the traditional medical FSA, 378 Plan C members elected the limited purpose FSA, and 1,164 elected a dependent care FSA.

The Direct Bill open enrollment for retirees began November 1 and ended on November 30. Enrollment numbers for the Direct Bill program are not available at this time. The Direct Bill call center staff conducted twenty five (25) Direct Bill open enrollment meetings at twelve (12) locations throughout the state.

We did receive feedback from the Regent's regarding the HSA being fully funded on the first payroll cycle of the plan year. They expressed concern over how their current structure for the funding of the grant funded positions is currently being done. They are concerned when they pay the full amount for the HSA in Jan that if that individual leaves their current position the grant funding does not allow for additional health care funds and the additional cost for the HSA funds when any employee leaves a position. Their preference would be for the employer funding to continue the same as it currently is with the employer contribution to be deducted per pay period and the health plan fund absorbing the difference in the amount for the full funding of the HSA on the first payroll cycle. Staff will take this feedback along with any other comments into consideration as we prepare information for the commission to evaluate when we begin discussions for PY 2014.

Discussion followed.

2013 RFP Report

A number of contracts are set to expire at the end of 2013. Requests for Proposals (RFPs) for the following are expected in 2013:

- Pharmacy Benefit Management
- Medicare Part D Employee Group Waiver Program
- Wellness
- Employee Assistance Program
- Flexible Spending Account

Staff is working to prepare the RFPs for all of these products. An RFP for the wellness consultant contract may be released later this year depending on negotiations with the current vendors.



Finance Report

Revenues for 2012 are projected to exceed budget by 1.8%, or \$8.7M, based on data through October 2012 projected through December 2012. Expenses for 2012 are projected to be lower than budget by 1.1%, or \$4.6M, based on data through October 2012 projected through December 2012. The variances to the revenue and expense budget were discussed.

3. Bariatric Surgery

With some new developments for bariatric surgery staff inquired to see if the commission has any interest in reviewing additional information & data to determine if this benefit should be added for plan year 2014. After discussion the commission would like to review additional information.

4. Next HCC Meeting

Next meeting is scheduled for February 25, 2012 at 1:30 p.m. in the Landon State Office Building, Room 106.

Adjournment – 2:00 p.m.

IT WAS MOVED BY COMMISSIONER DAY AND SECONDED BY COMMISSIONER RUOFF TO ADJOURN THE MEETING. MOTION PASSED 4-0.