



J. Scott Day, Commissioner
Steve Dechant, Commissioner
Ken Selzer, Commissioner
Heather Young, Commissioner
Sarah L. Shipman, Chair

Kansas State Employees Health Care Commission

Sam Brownback, Governor

**Kansas State Employees Health Care Commission
March 7, 2016, Minutes
KPERS Boardroom, 611 S Kansas Ave, Topeka, Kansas**

CALL TO ORDER

The Kansas State Employees Health Care Commission (HCC) meeting was called to order on March 7, 2016, at 1:30 p.m. in the KPERS Boardroom, 611 S Kansas Avenue, Topeka, Kansas. The following persons were present: Commissioners Sarah L. Shipman (Chair), J. Scott Day, Steve Dechant, Kenneth Selzer, and Heather Young; John Yeary for 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

Chair Shipman asked for approval of the minutes of the December 14, 2015, meeting.

It was moved by Commissioner Dechant and seconded by Commissioner Selzer to approve the minutes of December 14, 2015. Motion passed 5-0.

Action Items

The renewal premium for the Blue Cross and Blue Shield of Kansas (BCBS) Kansas Senior Plan C Medicare Supplement policy has been received. Senior Plan C is a fully insured program available to direct bill members eligible for Medicare coverage.

As of January 1, 2016, 8,458 direct bill members are enrolled in Kansas Senior Plan C. BCBS has proposed no increase to the current premium of \$203.00 per month for Plan Year 2017.

Recommendation:

Staff recommends the approval of the Plan Year 2017 premium for Kansas Senior Plan C of \$203.00 per member per month.

It was moved by Commissioner Dechant and seconded by Commissioner Selzer to approve the Kansas Senior Plan C premium of \$203.00 per member per month for 2017. Motion passed 5-0.



2. Reports

RFP Report

Several Requests for Proposals (RFPs) are currently in process or will be released during 2016 for contracts that will end December 31, 2016, as follows:

- Request for Proposal (RFP) EVT0004104 to provide a wellness program closed on January 20, 2016. Bids are currently under review and negotiations will be scheduled in the near future.
- RFP EVT0004200 to provide Pharmacy Benefit Management Services was released on February 3, 2016, and closes on March 17, 2016.
- RFP EVT0004249 to provide Flexible Spending Accounts was released on February 25, 2016, and closes on March 30, 2016.

Non-State Public Employer Group Report

The following table shows the current enrollment in the Non-State employer groups of the State Employee Health Plan (SEHP). Effective February 1, 2016, there are 172 Non State entities enrolled in the SEHP.

Summary	Number of Groups	Covered Employees
Public Schools/Community Colleges	31	2,881
Cities	52	479
Counties	29	2,594
Townships	2	19
Public Hospitals & Community Mental Health Centers	16	1,166
MEW&L (Extension Agencies, Water Districts & Libraries)	23	86
Misc. (Housing Authorities)	9	36
Local Governmental Entities	9	81
Total	171	7,342

Finance Report

Mike Michael welcomed Ken Vieira and Kirsten Schatten of Segal Consulting as the new financial consultants to the SEHP. They presented an update of the Statement of Operations for the State Employee Health Plan (SEHP) for Plan Year 2016.

HCC Annual Report: Plan Year 2015

The Annual Report for Plan Year 2015 was presented to the Commissioners for their review.



3. Discussion Items

Information was presented listing the SEHP contracts that will expire at the end of 2016 through 2018 in order to consider the RFPs that will be prepared for bidding.

Discussion was held regarding the delay of the implementation of the federal Excise Tax Projection until 2020 and the estimation of financial impacts of the excise tax and potential solutions for the increased tax to the SEHP. Future implementation will be monitored for new legislation or revisions to the current proposal by the federal government.

The State Employee Health Plan report prepared by Alvarez & Marsal, independent consultants performing an efficiency study for the State of Kansas, was presented and the three efficiency initiatives pertaining to the SEHP were reviewed.

Discussion was held regarding the 10-year Projection Sheet for Plan Year 2017.

4. Future Meetings

The next meeting is scheduled for Wednesday, April 20, 2016, at 1:30 p.m. in the KPERS Boardroom.

It was moved by Commissioner Dechant and seconded by Commissioner Selzer to adjourn the meeting. The motion passed 5-0. Meeting was adjourned at 3:13 p.m.