

April 22, 2016

The Honorable Jeff Longbine, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 235-E
Topeka, Kansas 66612

Dear Senator Longbine:

SUBJECT: Fiscal Note for SB 511 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 511 is respectfully submitted to your committee.

SB 511 would amend current law regarding the State Employees' Health Benefits Program (SEHBP) which provides benefits and services as directed by the Kansas State Employees Health Care Commission. Beginning on July 1, 2016, the Commission would be required to maintain available coverage options of at least one preferred provider organization plan and at least one high deductible plan in the SEHBP. Coverage options under each plan type must remain consistent with the 2016 plan year levels, and could not be altered or substantially changed without prior specific authorization by the Legislature. The Commission could, however, establish additional coverage options for beneficiaries. In addition, all active as well as retired public officers and employees and their dependents that were qualified to participate in the SEHBP for the 2016 plan year would be qualified to participate in the program in subsequent plan years.

The SEHBP is administered through the Kansas Department of Health and Environment (KDHE). The Department has been contacted regarding the fiscal effect of SB 511. At this time, KDHE is unable to estimate any fiscal effect resulting from the passage of the bill. If further information regarding the fiscal effect of the bill is received by the Division of the Budget, a revised fiscal note will be issued. Any fiscal effect associated with SB 511 is not reflected in *The FY 2017 Governor's Budget Report*.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Aaron Dunkel, Health & Environment