

**SENATE BILL No. 142**

By Committee on Ways and Means

2-2

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1 AN ACT concerning the state health care benefits program; relating to the  
2 powers of the Kansas state employees health care commission;  
3 requiring legislative approval before changing coverage options;  
4 establishing qualified participants; amending K.S.A. 2016 Supp. 75-  
5 6501 and repealing the existing section.  
6

7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. K.S.A. 2016 Supp. 75-6501 is hereby amended to read as  
9 follows: 75-6501. (a) Within the limits of appropriations made or available  
10 therefor and subject to the provisions of appropriation acts relating thereto,  
11 the Kansas state employees health care commission shall develop and  
12 provide for the implementation and administration of a state health care  
13 benefits program.

14 (b) (1) Subject to the provisions of paragraph (2), the state health care  
15 benefits program may provide benefits for persons qualified to participate  
16 in the program for hospitalization, medical services, surgical services,  
17 nonmedical remedial care and treatment rendered in accordance with a  
18 religious method of healing and other health services. The program may  
19 include such provisions as are established by the Kansas state employees  
20 health care commission, including, but not limited to, qualifications for  
21 benefits, services covered, schedules and graduation of benefits,  
22 conversion privileges, deductible amounts, limitations on eligibility for  
23 benefits by reason of termination of employment or other change of status,  
24 leaves of absence, military service or other interruptions in service and  
25 other reasonable provisions as may be established by the commission.  
26 *Beginning July 1, 2017, the Kansas state employees health care*  
27 *commission shall maintain available coverage options that include at least*  
28 *one preferred provider organization plan and at least one high deductible*  
29 *plan. Coverage options under each plan type shall remain consistent with*  
30 *plan year 2017 levels. No coverage option existing in plan year 2017 may*  
31 *be altered or substantially changed without prior specific authorization by*  
32 *an act of the legislature. Additional coverage options may be made*  
33 *available at the commission's discretion. Employee costs for each*  
34 *coverage option shall remain consistent with plan year 2017 levels*  
35 *through plan year 2019 and shall not be increased by more than 1.5% for*  
36 *any subsequent plan year without prior specific authorization by an act of*

1 *the legislature.*

2 (2) The state health care benefits program shall provide the benefits  
3 and services required by K.S.A. 2016 Supp. 75-6524, and amendments  
4 thereto.

5 (c) *All active and retired public officers and employees and such*  
6 *officers' and employees' dependents who were qualified to participate in*  
7 *the state health care benefits program for plan year 2017 shall be*  
8 *qualified to participate in the state health care benefits program in*  
9 *subsequent plan years.* The Kansas state employees health care  
10 commission shall designate by rules and regulations those persons who are  
11 qualified to participate in the state health care benefits program, including  
12 active and retired public officers and employees and their dependents as  
13 defined by rules and regulations of the commission. Such rules and  
14 regulations shall not apply to students attending a state educational  
15 institution as defined in K.S.A. 76-711, and amendments thereto, who are  
16 covered by insurance contracts entered into by the board of regents  
17 pursuant to K.S.A. 75-4101, and amendments thereto. In designating  
18 persons qualified to participate in the state health care benefits program,  
19 the commission may establish such conditions, restrictions, limitations and  
20 exclusions as the commission deems reasonable. Such conditions,  
21 restrictions, limitations and exclusions shall include the conditions  
22 contained in ~~subsection (d)~~ of K.S.A. 75-6506(d), and amendments  
23 thereto. Each person who was formerly elected or appointed and qualified  
24 to an elective state office and who was covered immediately preceding the  
25 date such person ceased to hold such office by the provisions of group  
26 health insurance or a health maintenance organization plan under the law  
27 in effect prior to August 1, 1984, or the state health care benefits program  
28 in effect after that date, shall continue to be qualified to participate in the  
29 state health care benefits program and shall pay the cost of participation in  
30 the program as established and in accordance with the procedures  
31 prescribed by the commission if such person chooses to participate therein.

32 (d) (1) Commencing with the 2009 plan year that begins January 1,  
33 2009, if a state employee elects the high deductible health plan and health  
34 savings account, the state's employer contribution shall equal the state's  
35 contribution to any other health benefit plan offered by the state. The cost  
36 savings to the state for the high deductible health plan shall be deposited  
37 monthly into the employee's health savings account up to the maximum  
38 annual amount allowed pursuant to ~~subsection (d)~~ of 26 U.S.C. § 223(d),  
39 as amended, for as long as the employee participates in the high deductible  
40 plan.

41 (2) If the employee had not previously participated in the state health  
42 benefits plan, the employer shall calculate the average savings to the  
43 employer of the high deductible plan compared to the other available plans

1 and contribute that amount monthly to the employee's health savings  
2 account up to the maximum annual amount allowed pursuant to ~~subsection~~  
3 ~~(d)~~ of 26 U.S.C. § 223(d), as amended.

4 (3) The employer shall allow additional voluntary contributions by  
5 the employee to their health savings account by payroll deduction up to the  
6 maximum annual amount allowed pursuant to ~~subsection (d)~~ of 26 U.S.C.  
7 § 223(d), as amended.

8 (e) The commission shall have no authority to assess charges for  
9 employer contributions under the student health care benefits component  
10 of the state health care benefits program for persons who are covered by  
11 insurance contracts entered into by the board of regents pursuant to K.S.A.  
12 75-4101, and amendments thereto.

13 (f) Nothing in this act shall be construed to permit the Kansas state  
14 employees health care commission to discontinue the student health care  
15 benefits component of the state health care benefits program until the state  
16 board of regents has contracts in effect that provide student coverage  
17 pursuant to the authority granted therefor in K.S.A. 75-4101, and  
18 amendments thereto.

19 Sec. 2. K.S.A. 2016 Supp. 75-6501 is hereby repealed.

20 Sec. 3. This act shall take effect and be in force from and after its  
21 publication in the statute book.