

HOUSE BILL No. 2026

By Representative Otto

1-9

9 AN ACT relating to school districts; concerning participation in the state
10 health care benefits program; amending K.S.A. 2006 Supp. 75-6506
11 and repealing the existing section.
12

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

14 New Section 1. (a) All public school districts in this state are au-
15 thorized to participate in the state health care benefits program available
16 to state employees pursuant to K.S.A. 75-6501 et seq., and amendments
17 thereto. The employer contribution rate for school districts and the em-
18 ployee contribution rate for school district employees shall be the same
19 as the employer and employee rates applicable to state agencies and their
20 employees as established by the Kansas state employees health care
21 commission.

22 (b) For school districts that allow employees a choice between se-
23 lecting a health care benefit plan with an employer contribution or ac-
24 cepting cash or some other benefit option, such school districts may con-
25 tinue such option but only for employees hired prior to the school districts
26 participation in the state health care benefits program.

27 (c) School districts may elect to participate in the state health care
28 benefits program without negotiations. Such election and participation
29 shall be exempt from the provisions of K.S.A. 72-5413 et seq., and amend-
30 ments thereto.

31 Sec. 2. K.S.A. 2006 Supp. 75-6506 is hereby amended to read as
32 follows: 75-6506. (a) The participation of a person qualified to participate
33 in the state health care benefits program shall be voluntary, and the cost
34 of the state health care benefits program for such person shall be estab-
35 lished by the Kansas state employees health care commission.

36 (b) Periodic deductions from state payrolls may be made in accord-
37 ance with procedures prescribed by the secretary of administration to
38 cover the costs of the state health care benefits program payable by per-
39 sons who are on the state payroll when authorized by such persons. Any
40 such periodic payroll deductions in effect on an implementation date for
41 biweekly payroll periods shall be collected in the manner prescribed by
42 the secretary of administration.

43 (c) In the event that the Kansas state employees health care com-

1 mission designates by rules and regulations a group of persons on the
2 payroll of a county, township, city, special district or other local govern-
3 mental entity, public school district, licensed child care facility operated
4 by a not-for-profit corporation providing residential group foster care for
5 children and receiving reimbursement for all or part of such care from
6 the department of social and rehabilitation services, nonprofit community
7 mental health center, as provided in K.S.A. 19-4001 *et seq.* and amend-
8 ments thereto, nonprofit community facility for the mentally retarded, as
9 provided in K.S.A. 19-4001 *et seq.* and amendments thereto, or nonprofit
10 independent living agency, as defined in K.S.A. 65-5101 and amendments
11 thereto, as qualified to participate in the state health care benefits pro-
12 gram, periodic deductions from payrolls of the local governmental entity,
13 public school district, licensed child care facility operated by a not-for-
14 profit corporation providing residential group foster care for children and
15 receiving reimbursement for all or part of such care from the department
16 of social and rehabilitation services, nonprofit community mental health
17 center, as provided in K.S.A. 19-4001 *et seq.* and amendments thereto,
18 nonprofit community facility for the mentally retarded, as provided in
19 K.S.A. 19-4001 *et seq.* and amendments thereto, or nonprofit independ-
20 ent living agency, as defined in K.S.A. 65-5101 and amendments thereto,
21 may be made to cover the costs of the state health care benefits program
22 payable by such persons when authorized by such persons. All such mon-
23 eys deducted from payrolls shall be remitted to the Kansas state employ-
24 ees health care commission in accordance with the directions of the
25 commission.

26 (d) On and after July 1, 2002, whenever the Kansas state employees
27 health care commission designates any entity listed in subsection (c) as
28 qualified to participate in the state health care benefits program, such
29 entity's participation shall be conditioned upon the following:

30 (1) At least 70% of such entity's employees shall participate in the
31 state health care plan;

32 (2) except as provided by paragraph (6) of this subsection, the rate of
33 the premium paid by the entity as the employer's share of the total
34 amount of premium paid shall be at least equal to the rate paid by the
35 state of Kansas for its employees;

36 (3) the entity shall not create, maintain or permit any exemption from
37 participation in the state health care plan for such entity's employees;

38 (4) the rate charged to such entity shall be sufficient to pay for any
39 administrative or underwriting costs incurred by the state employees
40 health care commission;

41 (5) the rate charged to such entity shall not increase the rate of pre-
42 mium paid by the state of Kansas for its employees;

43 (6) the entity shall elect to participate for a minimum of three con-

1 consecutive years in the state health care benefits program; and
2 (7) the commission may authorize an entity to pay less than the state
3 rate for the employee coverage for no more than three years and no more
4 than five years for dependent coverage on the condition that the entity
5 elects to participate for at least three consecutive years after first paying
6 the state rate for employee coverage.

7 *The provisions of this subsection (d) shall not be applicable to school*
8 *districts electing to participate in the state health care benefits program*
9 *on or after July 1, 2007.*

10 Sec. 3. K.S.A. 2006 Supp. 75-6506 is hereby repealed.

11 Sec. 4. This act shall take effect and be in force from and after its
12 publication in the statute book.