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300 SW TENTH AVENUE - SUITE 24-E - TOPEKA, KS 66612 - (785) 296-2321

MEMORANDUM

To: Chairman Sutton and the House Committee on Insurance

From: Office of Revisor of Statutes

Date: February 10, 2025

Subject: HB 2245 – Transferring officers, employees, powers, duties and functions relating to the

state health care benefits program from the division of the state employee health benefits plan of the department of administration to the insurance department, establishing the commissioner of insurance as the chairperson of the Kansas state employees health care commission, providing that all management functions of such commission be administered by the commissioner of insurance and eliminating a pilot program regarding

employer contributions for certain children.

HB 2245 transfers the officers, employees, powers, duties and functions relating to the state health care benefits program from the division of the state employee health benefits plan of the department of administration (division) to the insurance department.

New Section 1 transfers all powers, duties and functions of the state of the division of the state employee health plan of the department of administration to the insurance department.

New Section 2 transfers all officers and employees of the division to the insurance department. All classified officers and employees so transferred shall retain their status as classified employees. All such transferred officers and employees shall retain all retirement benefits and leave balances and service shall be deemed as continuous.

New Section 3 provides that the insurance department shall be the successor to the powers, duties and functions of the division involving the administration of the state health care benefits program. Every act performed in the exercise of such transferred powers, duties and functions by the insurance department or the commissioner of insurance shall be deemed to have the same force and effect as if performed by the division or the secretary of administration.

New Section 4 provides that the balances of all funds or accounts appropriated or reappropriated for the division are transferred within the state treasury to the insurance department.

New Section 5 provides that the insurance department shall succeed to all property, property rights, contracts and records that were used for or pertain to the performance of powers, duties and functions involving the administration of the state health care benefits program. Any conflict shall be resolved by the commissioner of insurance.



New Section 6 provides that no suit, action or other proceeding commenced by or against the division or the secretary of administration shall abate by reason of the transfer. The court may allow any such suit, action or proceeding to be maintained against the insurance department or the commissioner of insurance. No criminal action commenced or that could have been commenced by the state shall abate by reason of the transfer.

Section 7 amends K.S.A. 75-37,169 to eliminate references to the division of the state employee health plan.

Section 8 amends K.S.A. 75-6502 to make the commissioner of insurance the chairperson of the Kansas state employees health care commission.

Section 9 amends K.S.A. 75-6503 to replace references to the secretary of administration with the commissioner of insurance relating to budgeting, purchasing and related management functions of the Kansas state employees health care commission.

HB 2834 also repeals statutes originally part of Executive Reorganization Order No. 45 from 2020 that transferred the powers, duties and functions of the state employee health benefits program from the division of health care finance of the department of health and environment to the division of the state employee health benefits plan of the department of administration and repeals K.S.A. 75-6506a concerning a plan year 2002 pilot program for certain employer contributions for certain children in the state health care benefits program.