

**SENATE BILL No. 511**

By Committee on Ways and Means

3-14

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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. 2015 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. 2015 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, 2016, the Kansas state employees health care*  
27 *commission shall maintain available coverage options of at least one*  
28 *preferred provider organization plan and at least one high deductible*  
29 *plan. Coverage options under each plan type shall remain consistent with*  
30 *2016 plan year levels. No coverage option existing in the 2016 plan year*  
31 *may be altered or substantially changed without prior specific*  
32 *authorization by an act of the legislature. Additional coverage options*  
33 *may be made available at the commission's discretion.*

34 (2) The state health care benefits program shall provide the benefits  
35 and services required by K.S.A. 2015 Supp. 75-6524, and amendments  
36 thereto.

1 (c) *All active and retired public officers and employees and their*  
2 *dependents who were qualified to participate in the state health care*  
3 *benefits program for the 2016 plan year shall be qualified to participate in*  
4 *the state health care benefits program in subsequent plan years.* The  
5 Kansas state employees health care commission shall designate by rules  
6 and regulations ~~those other~~ persons who are qualified to participate in the  
7 state health care benefits program, ~~including active and retired public~~  
8 ~~officers and employees and their dependents~~ as defined by rules and  
9 regulations of the commission. Such rules and regulations shall not apply  
10 to students attending a state educational institution as defined in K.S.A.  
11 76-711, and amendments thereto, who are covered by insurance contracts  
12 entered into by the board of regents pursuant to K.S.A. 75-4101, and  
13 amendments thereto. In designating persons qualified to participate in the  
14 state health care benefits program, the commission may establish such  
15 conditions, restrictions, limitations and exclusions as the commission  
16 deems reasonable. Such conditions, restrictions, limitations and exclusions  
17 shall include the conditions contained in ~~subsection (d) of~~ K.S.A. 75-  
18 6506(d), and amendments thereto. Each person who was formerly elected  
19 or appointed and qualified to an elective state office and who was covered  
20 immediately preceding the date such person ceased to hold such office by  
21 the provisions of group health insurance or a health maintenance  
22 organization plan under the law in effect prior to August 1, 1984, or the  
23 state health care benefits program in effect after that date, shall continue to  
24 be qualified to participate in the state health care benefits program and  
25 shall pay the cost of participation in the program as established and in  
26 accordance with the procedures prescribed by the commission if such  
27 person chooses to participate therein.

28 (d) (1) Commencing with the 2009 plan year that begins January 1,  
29 2009, if a state employee elects the high deductible health plan and health  
30 savings account, the state's employer contribution shall equal the state's  
31 contribution to any other health benefit plan offered by the state. The cost  
32 savings to the state for the high deductible health plan shall be deposited  
33 monthly into the employee's health savings account up to the maximum  
34 annual amount allowed pursuant to ~~subsection (d) of~~ 26 U.S.C. § 223(d),  
35 as amended, for as long as the employee participates in the high deductible  
36 plan.

37 (2) If the employee had not previously participated in the state health  
38 benefits plan, the employer shall calculate the average savings to the  
39 employer of the high deductible plan compared to the other available plans  
40 and contribute that amount monthly to the employee's health savings  
41 account up to the maximum annual amount allowed pursuant to ~~subsection~~  
42 ~~(d) of~~ 26 U.S.C. § 223(d), as amended.

43 (3) The employer shall allow additional voluntary contributions by

1 the employee to their health savings account by payroll deduction up to the  
2 maximum annual amount allowed pursuant to ~~subsection (d)~~ of 26 U.S.C.  
3 § 223(d), as amended.

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

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

15 Sec. 2. K.S.A. 2015 Supp. 75-6501 is hereby repealed.

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