

SESSION OF 2017

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2360

As Recommended by House Committee on
General Government Budget

Brief*

HB 2360 would transfer administration of the State Employee Health Plan (SEHP) from the Division of Health Care Finance in the Department of Health and Environment to the Department of Administration. A new division would be established in the Department of Administration called the "Division of the State Employee Health Benefits Plan." All powers, duties, functions, employees, and fund balances of the Division of Health Care Finance to administer the SEHP would be transferred to the Department of Administration.

Background

In the House Committee on General Government Budget hearing, a representative of the Department of Administration testified as a proponent of the bill. The representative stated the bill would simplify administration of state employee benefits by centralizing those benefits within the Department of Administration. The representative further testified the bill would implement the State Employee Health Plan Recommendation #3 from the "Kansas Statewide Efficiency Review" conducted by Alvarez and Marsal.

No opponent or neutral testimony was provided.

According to the fiscal note prepared by the Division of the Budget, there would be no fiscal effect from enactment of the bill. As included in *The FY 2018 Governor's Budget Report*, expenditures for the SEHP are estimated to be \$607.4 million in FY 2018 and \$637.0 million in FY 2019.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>