

HOUSE BILL No. 2834

By Committee on Appropriations

Requested by Representative Sutton

3-12

1 AN ACT concerning the ~~state health care benefits program~~; transferring
2 officers, employees, powers, duties and functions relating to ~~such~~
3 ~~program~~ from the division of the state employee health benefits plan of
4 the department of administration to the insurance department;
5 establishing the commissioner of insurance as the chairperson of the
6 Kansas state employees health care commission; providing that all
7 management functions of such commission shall be administered by the
8 commissioner of insurance; eliminating a pilot program regarding
9 employer contributions for certain children; amending K.S.A. 75-6503
10 and K.S.A. 2023 Supp. 75-37,169 and 75-6502 and repealing the
11 existing sections; also repealing K.S.A. 75-6506a and K.S.A. 2023
12 Supp. 75-37,162, 75-37,163, 75-37,164, 75-37,165, 75-37,166, 75-
13 37,167 and 75-37,168.
14

department of administration; relating to the division of the state
employee health benefits plan

the state health care benefits program and the
state workers compensation self-insurance fund

44-512, 44-575, 44-577, 44-578 and

, 75-37,169, 75-37,170 and 75-37,171

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

16 New Section 1. All powers, duties and functions of the staff of the
17 division of the state employee health plan of the department of
18 administration established in K.S.A. 75-6501 et seq. and 75-7405(c)(7),
19 and amendments thereto, and any other statute involving the
20 administration of the state health care benefits program are hereby
21 transferred to and imposed upon the insurance department under the
22 direction of the commissioner of insurance.

23 New Sec. 2. (a) All officers and employees of the division of the state
24 employee health benefits plan of the department of administration who,
25 immediately prior to July 1, 2024, are engaged in the exercise and
26 performance of the powers, duties and functions involving the
27 administration of the state employee health benefits plan, as well as all
28 officers and employees of the department of administration who are
29 determined by the commissioner of insurance to be engaged in providing
30 administrative, technical or other support services that are essential to the
31 exercise and performance of the powers, duties and functions transferred
32 by section 1, and amendments thereto, are hereby transferred to the
33 insurance department. All classified officers and employees so transferred
34 shall retain their status as classified employees.

35 (b) Officers and employees of the division of the state employee

1 health benefits plan of the department of administration transferred by this
2 section shall retain all retirement benefits and leave balances and rights
3 that had accrued or vested prior to the date of transfer. The service of each
4 such officer and employee so transferred shall be deemed to have been
5 continuous. Any subsequent transfers, layoffs or abolition of classified
6 service positions under the Kansas civil service act shall be made in
7 accordance with the civil service laws and any rules and regulations
8 adopted thereunder. Nothing in this section shall affect the classified status
9 of any transferred person employed by the division of the state employee
10 health benefits plan of the department of administration prior to the date of
11 transfer.

12 (c) Notwithstanding the effective date of this section, the provisions
13 of this section prescribing the transfer of officers and employees from the
14 division of the state employee health benefits plan of the department of
15 administration to the insurance department shall commence at the start of a
16 payroll period.

17 New Sec. 3. (a) The insurance department shall be the successor in
18 every way to the powers, duties and functions of the division of the state
19 employee health benefits plan of the department of administration
20 involving the administration of the state health care benefits program that
21 were vested pursuant to K.S.A. 75-37,162 through 75-37,168, prior to their
22 repeal.

23 (b) Every act performed in the exercise of such transferred powers,
24 duties and functions by or under the authority of the insurance department
25 and the commissioner of insurance involving the administration of the
26 state health care benefits program shall be deemed to have the same force
27 and effect as if performed by the division of the state employee health
28 benefits plan, the secretary of administration or the director of the state
29 ~~employees~~ health benefits plan in which the same were vested pursuant to
30 K.S.A. 75-37,162 through 75-37,168, prior to their repeal.

31 (c) Whenever the division of the state employee health benefits plan
32 of the department of administration or words of like effect are referred to
33 or designated by a statute, contract, memorandum of agreement or other
34 document and such reference is in regard to any of the powers, duties and
35 functions transferred to the insurance department pursuant to section 1,
36 and amendments thereto, such reference or designation shall be deemed to
37 apply to the insurance department.

38 (d) All rules and regulations, orders and directives of the division of
39 the state employee health benefits plan of the department of administration
40 that relate to the powers, duties and functions transferred by section 1, and
41 amendments thereto, and are in effect on July 1, 2024, shall continue to be
42 effective and shall be deemed to be rules and regulations, orders and
43 directives of the commissioner of insurance until revised, amended,

employee

1 repealed or nullified pursuant to law.

2 New Sec. 4. (a) The balances of all funds or accounts thereof
3 appropriated or reappropriated for the division of the state employee health
4 benefits plan of the department of administration relating to the powers,
5 duties and functions involving the administration of the state health care
6 benefits program are hereby transferred within the state treasury to the
7 insurance department and shall be used only for the purpose for which the
8 appropriation or reappropriation was originally made.

9 (b) Liability for all accrued compensation or salaries of officers and
10 employees who are transferred to the insurance department pursuant to
11 section 2, and amendments thereto, shall be assumed and paid by the
12 insurance department.

13 New Sec. 5. (a) The insurance department shall succeed to all
14 property, property rights, contracts and records that were used for or
15 pertain to the performance of powers, duties and functions involving the
16 administration of the state health care benefits program that were
17 transferred to the division of the state employee health benefits plan of the
18 department of administration pursuant to K.S.A. 75-37,162 through 75-
19 37,168, prior to their repeal.

20 (b) When any conflict arises as to the disposition of any personnel,
21 property, property right, contract, record, power, duty, function or the
22 unexpended balance of any appropriation as result of any transfer made by
23 or under the provisions of sections 1 through 5, and amendments thereto,
24 such conflict shall be resolved by the commissioner of insurance, whose
25 decision shall be final.

26 New Sec. 6. (a) No suit, action or other proceeding, judicial or
27 administrative, lawfully commenced, or that could have been commenced,
28 by or against the division of the state employee health benefits plan of the
29 department of administration or by or against the secretary of
30 administration in such secretary's official duties, shall abate by reason of
31 the transfer effected under the provisions of sections 1 through 5, and
32 amendments thereto. The court may allow any such suit, action or other
33 proceeding to be maintained by or against the insurance department or the
34 commissioner of insurance.

35 (b) No criminal action commenced or that could have been
36 commenced by the state shall abate by reason of the transfer effected under
37 the provisions of sections 1 through 5, and amendments thereto.

38 ~~Sec. 7. K.S.A. 2023 Supp. 75-37,169 is hereby amended to read as~~
39 ~~follows: 75-37,169. (a) All powers, duties and functions of the staff of the~~
40 ~~department of health and environment established in K.S.A. 44-575~~
41 ~~through 44-580, and amendments thereto, involving the administration of~~
42 ~~the state workers compensation self-insurance fund are hereby transferred~~
43 ~~to and imposed upon the department of administration, under the direction~~

Strike K.S.A. 2023 Supp.
75-37,169 from the bill and
repeal the section

1 of the secretary of administration, and its division of the state employee
2 health benefits plan, under the direction of the director of the state
3 employee health benefits plan.

4 (b) ~~The secretary of administration shall administer the state workers~~
5 ~~compensation self-insurance fund and all payments from such fund shall~~
6 ~~be upon warrants of the director of accounts and reports issued pursuant to~~
7 ~~vouchers approved by the secretary of administration or a person of~~
8 ~~persons designated by the secretary. The director of accounts and reports~~
9 ~~may issue warrants pursuant to vouchers approved by the secretary for~~
10 ~~payments from the state workers compensation self-insurance fund not~~
11 ~~withstanding the fact that claims for such payments were not submitted or~~
12 ~~processed for payment from money appropriated for the fiscal year in~~
13 ~~which the state workers compensation self-insurance fund first became~~
14 ~~liable to make such payments.~~

15 (c) ~~The secretary of administration shall remit all moneys received by~~
16 ~~or for the secretary in the capacity as administrator of the state workers~~
17 ~~compensation self-insurance fund, to the state treasurer in accordance with~~
18 ~~the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt~~
19 ~~of each such remittance, the state treasurer shall deposit the entire amount~~
20 ~~in the state treasury to the credit of the state workers compensation self-~~
21 ~~insurance fund.~~

22 (d) ~~The balances of all funds or accounts thereof appropriated or re-~~
23 ~~appropriated for the division of health care finance of the department of~~
24 ~~health and environment or any state agency, department, board,~~
25 ~~commission or council, relating to the powers, duties and functions~~
26 ~~involving the administration of the state workers compensation self-~~
27 ~~insurance fund are hereby transferred within the state treasury to the~~
28 ~~department of administration for the division of the state employee health~~
29 ~~benefits plan and shall be used only for the purpose for which the~~
30 ~~appropriation was originally made. Liability for all accrued compensation~~
31 ~~or salaries of officers and employees who are transferred to the department~~
32 ~~of administration and the division of the state employee health benefits~~
33 ~~plan pursuant to this order shall be assumed and paid by the division of the~~
34 ~~state employee health benefits plan of the department of administration.~~

35 (e) ~~There is hereby established the state workplace health and safety~~
36 ~~program within the state workers compensation self-insurance program of~~
37 ~~the department of administration. The secretary of administration shall~~
38 ~~implement and the division of industrial health and safety of the Kansas~~
39 ~~department of labor shall assist in administering the state workplace health~~
40 ~~and safety program for state agencies. The state workplace health and~~
41 ~~safety program shall include, but not be limited to:~~

42 (1) ~~Workplace health and safety hazard surveys in all state agencies,~~
43 ~~including onsite interviews with employees;~~

- 1 ~~(2) workplace health and safety hazard prevention services, including~~
2 ~~inspection and consultation services;~~
3 ~~(3) procedures for identifying and controlling workplace hazards;~~
4 ~~(4) development and dissemination of health and safety informational~~
5 ~~materials, plans, rules and work procedures; and~~
6 ~~(5) training for supervisors and employees in healthful and safe work~~
7 ~~practices.~~
- 8 ~~(f) Except as provided in this order, the secretary of administration~~
9 ~~shall be the successor in every way to the powers, duties and functions of~~
10 ~~the secretary of health and environment that relate to the state workers~~
11 ~~compensation self-insurance fund, in which the same were vested prior to~~
12 ~~the effective date of this order.~~
- 13 ~~(g) All orders and directives of the secretary of health and~~
14 ~~environment that relate to the state workers compensation self-insurance~~
15 ~~fund in existence immediately prior to the effective date of this order shall~~
16 ~~continue to be effective and shall be deemed to be the orders or directives~~
17 ~~of the secretary of administration, until revised, amended, repealed or~~
18 ~~nullified pursuant to law.~~
- 19 ~~(h) The secretary of administration shall succeed to all property,~~
20 ~~property rights, contracts and records that were used for or pertain to the~~
21 ~~performance of the powers, duties and functions transferred to the~~
22 ~~secretary of administration from the division of the state workers~~
23 ~~compensation self-insurance fund of the department of health and~~
24 ~~environment pursuant to this order. Any conflicts as to the proper~~
25 ~~disposition of property, property rights, contracts and records arising under~~
26 ~~this section shall be resolved by the governor, whose decision shall be~~
27 ~~final.~~
- 28 ~~(i) All officers and employees of the division of the state workers~~
29 ~~compensation self-insurance fund of the department of health and~~
30 ~~environment who, immediately prior to the effective date of this order, are~~
31 ~~engaged in the exercise and performance of the powers, duties and~~
32 ~~functions involving the administration of the state workers compensation~~
33 ~~self-insurance fund and transferred by this order, as well as all officers and~~
34 ~~employees of the department of health and environment who are~~
35 ~~determined by the secretary of administration to be engaged in providing~~
36 ~~administrative, technical or other support services that are essential to the~~
37 ~~exercise and performance of the powers, duties and functions transferred~~
38 ~~by this order, are hereby transferred to the department of administration,~~
39 ~~under the direction of the secretary of administration, and its division of~~
40 ~~the state employee health benefits plan. All classified officers and~~
41 ~~employees so transferred shall retain their status as classified employees.~~
- 42 ~~(j) Officers and employees of the division of the state workers~~
43 ~~compensation self-insurance fund of the department of health and~~

1 environment transferred by this order shall retain all retirement benefits
 2 and leave balances and rights that had accrued or vested prior to the date
 3 of transfer. The service of each such officer or employee so transferred
 4 shall be deemed to have been continuous. Any subsequent transfers,
 5 layoffs or abolition of classified service positions under the Kansas civil
 6 service act shall be made in accordance with the civil service laws and any
 7 rules and regulations adopted thereunder. Nothing in this order shall affect
 8 the classified status of any transferred person employed by the division of
 9 the state workers compensation self-insurance fund of the department of
 10 health and environment prior to the date of transfer.

11 [Sec. 8. K.S.A. 2023 Supp. 75-6502 is hereby amended to read as
 12 follows: 75-6502. (a) There is hereby established the Kansas state
 13 employees health care commission which is composed of seven members
 14 as follows: (1) The commissioner of insurance; (2) the secretary of
 15 administration; (3) a current state employee who is currently enrolled in
 16 the state healthcare benefits program group health insurance medical plan,
 17 appointed by the governor; (4) a person who retired from a position in
 18 state service and who is currently enrolled in the state healthcare benefits
 19 program group health insurance medical plan, appointed by the governor; (5) a
 20 representative of the general public, appointed by the governor; (6) a
 21 member of the senate ways and means committee, appointed by the
 22 president of the senate; and (7) a member of the house of representatives
 23 appropriations committee, appointed by the speaker of the house of
 24 representatives. A state officer or employee may not be appointed as the
 25 member representative of the general public.

26 (b) Each member appointed under this section by the governor shall
 27 serve at the pleasure of the governor. The member appointed by the
 28 president of the senate shall serve at the pleasure of the president of the
 29 senate, and the member appointed by the speaker of the house of
 30 representatives shall serve at the pleasure of the speaker of the house of
 31 representatives. Not more than five members of the commission shall be
 32 members of the same political party.

33 (c) The chairperson of the commission shall be designated by the
 34 governor commissioner of insurance. The commission shall meet at least
 35 once each calendar quarter and at such other times as may be required on
 36 call of the chairperson or any three members thereof.

37 (d) A quorum of the Kansas state employees health care commission
 38 shall be four. All actions of the commission shall be taken by a majority of
 39 all of the members of the commission.

40 (e) Members of the Kansas state employees health care commission
 41 attending meetings of such commission, or attending a subcommittee
 42 meeting thereof authorized by such commission, shall be paid
 43 compensation, subsistence allowances, mileage and other expenses as

Insert:
 New Sec. 7.
 Sec. 8. K.S.A. 44-512
 Sec. 9. K.S.A. 44-575
 Sec. 10. K.S.A. 44-577
 Sec. 11. K.S.A. 44-578
 (See attachment)
 Renumber remaining sections accordingly

1 provided in K.S.A. 75-3223, and amendments thereto.

2 Sec. 9. K.S.A. 75-6503 is hereby amended to read as follows: 75-
3 6503. (a) Except as otherwise provided by this act, all budgeting,
4 purchasing and related management functions of the Kansas state
5 employees health care commission shall be administered by the secretary
6 of administration ~~under the direction and supervision of the chairperson of~~
7 ~~the commission~~ *commissioner of insurance*. All vouchers for expenditures
8 and all payrolls of the Kansas state employees health care commission
9 shall be approved by the chairperson of the commission or by a person or
10 persons designated by the chairperson.

11 (b) There is hereby created the position of technical administrator for
12 the state health care benefit program. Under the direction and supervision
13 of the ~~secretary of administration~~ *commissioner of insurance*, the technical
14 administrator shall provide primary staffing assistance to the commission
15 and perform such other functions and duties as may be prescribed by the
16 commission. The technical administrator shall be in the ~~classified or~~
17 unclassified service under the Kansas civil service act ~~as specified by the~~
18 ~~secretary of administration~~ and shall be appointed by the ~~secretary of~~
19 ~~administration~~ *commissioner of insurance*. Within the limits of available
20 appropriations, the ~~secretary of administration~~ *commissioner of insurance*
21 shall provide such additional assistance as may be requested by the
22 commission.

23 Sec. 10. K.S.A. 75-6503 and 75-6506a and K.S.A. 2023 Supp. 75-
24 37,162, 75-37,163, 75-37,164, 75-37,165, 75-37,166, 75-37,167, 75-
25 37,168, 75-37,169 and 75-6502 are hereby repealed.

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

44-512, 44-575, 44-577, 44-578,

, 75-37,170, 75-37,171

1 New Sec. 7. (a) All powers, duties and functions of the staff of the division of the state employee health benefits plan of the
2 department of administration established in K.S.A. 44-575 through 44-580, and 75-7405(c)(8), and amendments thereto, and any other
3 statute involving the administration of the state workers compensation self-insurance fund are hereby transferred to and imposed upon
4 the insurance department, under the direction of the commissioner of insurance.

5 (b) The balances of all funds or accounts thereof appropriated or reappropriated for the division of the state employee health benefits
6 plan of the department of administration or any state agency, department, board, commission or council, relating to the powers, duties
7 and functions involving the administration of the state workers compensation self-insurance fund are hereby transferred within the
8 state treasury to the insurance department and shall be used only for the purpose for which the appropriation or reappropriation was
9 originally made. Liability for all accrued compensation or salaries of officers and employees who are transferred to the insurance
10 department pursuant to this section shall be assumed and paid by the insurance department.

11 (c) Except as provided in this section, the commissioner of insurance shall be the successor in every way to the powers, duties and
12 functions of the secretary of administration that relate to the state workers compensation self-insurance fund, in which the same were
13 vested prior to July 1, 2024.

14 (d) All orders and directives of the secretary of administration that relate to the state workers compensation self-insurance fund in
15 existence immediately prior to July 1, 2024, shall continue to be effective and shall be deemed to be the orders or directives of the
16 commissioner of insurance, until revised, amended, repealed or nullified pursuant to law.

17 (e) The commissioner of insurance shall succeed to all property, property rights, contracts and records that were used for or pertain
18 to the performance of the powers, duties and functions transferred to the commissioner of insurance from the division of the state
19 employee health benefits plan of the department of administration pursuant to this section. Any conflict as to the proper disposition of
20 property, property rights, contracts and records arising under this section shall be resolved by the commissioner of insurance, whose
21 decision shall be final.

22 (f) All officers and employees of the division of the state employee health benefits plan of the department of administration who,
23 immediately prior to July 1, 2024, are engaged in the exercise and performance of the powers, duties and functions involving the
24 administration of the state workers compensation self-insurance fund and transferred by this section, as well as all officers and
25 employees of the department of administration who are determined by the commissioner of insurance to be engaged in providing
26 administrative, technical or other support services that are essential to the exercise and performance of the powers, duties and
27 functions transferred by this section, are hereby transferred to the insurance department, under the direction of the commissioner of
28 insurance. All classified officers and employees so transferred shall retain their status as classified employees.

29 (g) Officers and employees of the division of the state employee health benefits plan of the department of administration transferred
30 by this section shall retain all retirement benefits and leave balances and rights that had accrued or vested prior to the date of transfer.
31 The service of each such officer or employee so transferred shall be deemed to have been continuous. Any subsequent transfers,
32 layoffs or abolition of classified service positions under the Kansas civil service act shall be made in accordance with the civil service
33 laws and any rules and regulations adopted thereunder. Nothing in this section shall affect the classified status of any transferred

1 person employed by the division of the state employee health benefits plan of the department of administration prior to the date of
2 transfer.

3 Sec. 8. K.S.A. 44-512 is hereby amended to read as follows: 44-512. Workers compensation payments shall be made at the same
4 time, place and in the same manner as the wages of the worker were payable at the time of the accident, but upon the application of
5 either party the administrative law judge may modify such requirements in a particular case as the administrative law judge deems
6 just, except that: (a) Payments from the workers compensation fund established by K.S.A. 44-566a, and amendments thereto, shall be
7 made in the manner approved by the commissioner of insurance; (b) payments from the state workers compensation self-insurance
8 fund established by K.S.A. 44-575, and amendments thereto, shall be made in a manner approved by the ~~secretary of health and~~
9 ~~environment~~ commissioner of insurance; and (c) whenever temporary total disability compensation is to be paid under the workers
10 compensation act, payments shall be made only in cash, by check or in the same manner that the employee is normally compensated
11 for salary or wages and not by any other means, except that any such compensation may be paid by warrant of the director of accounts
12 and reports issued for payment of such compensation from the workers compensation fund or the state workers compensation self-
13 insurance fund under the workers compensation act.

14 Sec. 9. K.S.A. 44-575 is hereby amended to read as follows: 44-575. (a) As used in K.S.A. 44-575 through 44-580, and amendments
15 thereto, "state agency" means the state, or any department or agency of the state, but not including the Kansas turnpike authority, the
16 university of Kansas hospital authority, any political subdivision of the state or the district court with regard to district court officers or
17 employees whose total salary is payable by counties.

18 (b) For the purposes of providing for the payment of compensation for claims arising on and after July 1, 1974, and all other
19 amounts required to be paid by any state agency as a self-insured employer under the workers compensation act and any amendments
20 or additions thereto, there is hereby established the state workers compensation self-insurance fund in the state treasury. The name of
21 the state workmen's compensation self-insurance fund is hereby changed to the state workers compensation self-insurance fund.
22 Whenever the state workmen's compensation self-insurance fund is referred to or designated by any statute, contract or other
23 document, such reference or designation shall be deemed to apply to the state workers compensation self-insurance fund.

24 (c) The state workers compensation self-insurance fund shall be liable to pay: (1) All compensation for claims arising on and after
25 July 1, 1974, and all other amounts required to be paid by any state agency as a self-insured employer under the workers compensation
26 act and any amendments or additions thereto; (2) the amount that all state agencies are liable to pay of the "carrier's share of expense"
27 of the administration of the office of the director of workers' compensation as provided in K.S.A. 74-712 through 74-719, and
28 amendments thereto, for each fiscal year; (3) all compensation for claims remaining from the self-insurance program which existed
29 prior to July 1, 1974, for institutional employees of the commission of community services and programs of the Kansas department for
30 aging and disability services; (4) the cost of administering the state workers compensation self-insurance fund including the defense of
31 such fund and any costs assessed to such fund in any proceeding to which it is a party; and (5) the cost of establishing and operating
32 the state workplace health and safety program under subsection (f). For the purposes of K.S.A. 44-575 through 44-580, and
33 amendments thereto, all state agencies are hereby deemed to be a single employer whose liabilities specified in this section are hereby

1 imposed solely upon the state workers compensation self-insurance fund and such employer is hereby declared to be a fully authorized
2 and qualified self-insurer under K.S.A. 44-532, and amendments thereto, but such employer shall not be required to make any reports
3 thereunder.

4 (d) ~~The secretary of health and environment commissioner of insurance~~ shall administer the state workers compensation self-
5 insurance fund and all payments from such fund shall be upon warrants of the director of accounts and reports issued pursuant to
6 vouchers approved by the ~~secretary of health and environment commissioner of insurance~~ or a person or persons designated by the
7 ~~secretary commissioner~~. The director of accounts and reports may issue warrants pursuant to vouchers approved by the ~~secretary~~
8 commissioner of insurance for payments from the state workers compensation self-insurance fund notwithstanding the fact that claims
9 for such payments were not submitted or processed for payment from money appropriated for the fiscal year in which the state
10 workers compensation self-insurance fund first became liable to make such payments.

11 (e) ~~The secretary of health and environment commissioner of insurance~~ shall remit all moneys received by or for the ~~secretary~~
12 commissioner in the capacity as administrator of the state workers compensation self-insurance fund, to the state treasurer in
13 accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer
14 shall deposit the entire amount in the state treasury to the credit of the state workers compensation self-insurance fund.

15 (f) There is hereby established the state workplace health and safety program within the state workers compensation self-insurance
16 program of the insurance department of health and environment. The ~~secretary of health and environment commissioner of insurance~~
17 shall implement and the division of industrial health and safety of the Kansas department of labor shall assist in administering the state
18 workplace health and safety program for state agencies. The state workplace health and safety program shall include, but not be
19 limited to:

- 20 (1) Workplace health and safety hazard surveys in all state agencies, including onsite interviews with employees;
- 21 (2) workplace health and safety hazard prevention services, including inspection and consultation services;
- 22 (3) procedures for identifying and controlling workplace hazards;
- 23 (4) development and dissemination of health and safety informational materials, plans, rules and work procedures; and
- 24 (5) training for supervisors and employees in healthful and safe work practices.

25 Sec. 10. K.S.A. 44-577 is hereby amended to read as follows: 44-577. (a) All claims for compensation under the workers
26 compensation act against any state agency for claims arising on and after July 1, 1974, and claims for compensation remaining from
27 the self-insurance program which existed prior to July 1, 1974, for institutional employees of the commission of community services
28 and programs of the Kansas department for aging and disability services shall be made against the state workers compensation self-
29 insurance fund. Such claims shall be served upon the ~~secretary of health and environment commissioner of insurance~~ in the ~~secretary's~~
30 commissioner's capacity as administrator of the state workers compensation self-insurance fund in the manner provided for claims
31 against other employers under the workers compensation act. The chief attorney for the insurance department of health and
32 ~~environment~~, or another attorney of the insurance department of health and environment designated by the chief attorney, shall
33 represent and defend the state workers compensation self-insurance fund in all proceedings under the workers compensation act.

1 (b) The ~~secretary of health and environment~~ commissioner of insurance shall investigate, or cause to be investigated, each claim for
2 compensation against the state workers compensation self-insurance fund. For the purposes of such investigations, the ~~secretary of~~
3 ~~health and environment~~ commissioner of insurance is authorized to obtain expert medical advice regarding the injuries, occupational
4 diseases and disabilities involved in such claims. If, based upon such investigation and any other available information, the ~~secretary~~
5 ~~of health and environment~~ commission of insurance finds that there is no material dispute as to any issue involved in the claim, that
6 the claim is valid and that the claim should be settled by agreement, the ~~secretary of health and environment~~ commissioner of
7 insurance may proceed to enter into such an agreement with the claimant, for the state workers compensation self-insurance fund. Any
8 such agreement may provide for lump-sum settlements subject to approval by the director and all such agreements shall be filed in the
9 office of the director for approval as provided in K.S.A. 44-527, and amendments thereto. All other claims for compensation against
10 such fund shall be paid in accordance with the workers compensation act pursuant to final awards or orders of an administrative law
11 judge or the board or pursuant to orders and findings of the director under the workers compensation act.
12 (c) For purposes of the workers compensation act, a volunteer member of a regional emergency medical response team as provided
13 in K.S.A. 48-928, and amendments thereto, shall be considered a person in the service of the state in connection with authorized
14 training and upon activation for emergency response, except when such duties arise in the course of employment or as a volunteer for
15 an employer other than the state.
16 Sec. 11. K.S.A. 44-578 is hereby amended to read as follows: 44-578. The ~~secretary of health and environment~~ commissioner of
17 insurance may adopt rules and regulations necessary for the administration of the state workers compensation self-insurance fund,
18 including the processing and settling of claims for compensation made against such fund.
19