

MEMORANDUM

TO: Employee Advisory Committee
FROM: Natalie Yoza, President
DATE: May 1, 2020
SUBJECT: Proposal for Reducing HealthQuest Credit Requirements in Plan Year 2020

The novel coronavirus disease 2019 (COVID-2019) pandemic has disrupted many aspects of State employees' daily lives and caused financial strain for many State Employee Health Plan (SEHP) participants and their families. Several participants reached out to members of the Employee Advisory Committee (EAC) to express concern about the ability to earn the HealthQuest credits required to receive the Plan Year 2021 premium discount and the HRA/HSA contributions for Plan Year 2020. For example, employees noted that some biometric screening events were cancelled, and many dental providers have cancelled dental cleaning appointments. The SEHP is working hard to ensure that biometric events are rescheduled and that participants have alternative avenues for earning the credits. But the pandemic has also caused increased demands on employees' and their spouses' time as they navigate virtual work environments, care for their children, and State employees continue to provide the customer service Kansans deserve while the state agencies face increased utilization and a quickly changing landscape of legal requirements and work place protocol.

Currently, to receive the \$480 premium discount in Plan Year 2021, employees and spouses enrolled in medical Plans A, C, Q, N, and J must earn **40 total credits** before December 31, 2020. Employees and spouses in Plans C, Q, N, and J may also earn **\$10 in their HRA/HSA for each credit earned up to 50 credits or \$500.**

One way to assist those employees is to reduce by half the number of credits required to earn the Plan Year 2021 premium discount and the maximum HRA/HSA employer contributions for Plan Year 2020. And I recommend that the EAC consider this proposal (or something similar) and make a recommendation to the Health Care Commission on whether it should be adopted.

If the required credits were reduced by half, employees and spouses in medical Plans A, C, Q, N, and J would each need to earn **20 total credits** to receive the Plan Year 2021 \$480 premium discount. For Plans C, Q, N, and J, employees and spouses would each earn **\$20 in their HRA/HAS for each credit earned up to 25 credits or \$500.**

These changes would apply retroactively to points earned beginning on January 1, 2020, so employees and spouses that have already earned contributions to their HRA/HSA would receive an additional \$10 per credit. That credit would be deposited during one pay period after SEHP staff have time to implement the change.

But the deadlines to earn these credits would remain the same. Employees and spouses would still have until December 31, 2020, to earn the premium discount. And employees and spouses would still have until November 18, 2020, to earn contributions to their HRA/HSA.