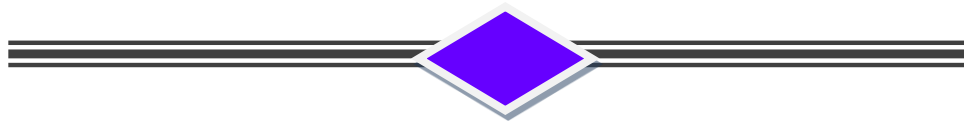
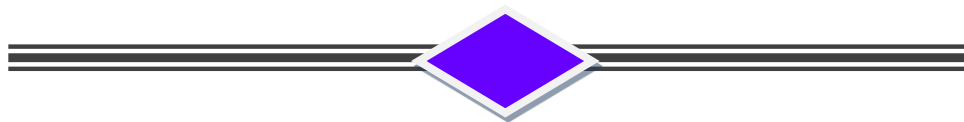


KANSAS STATE EMPLOYEES HEALTH CARE COMMISSION



ANNUAL REPORT



PLAN YEAR
2019

**Kansas State Employees Health Care Commission
2019 Annual Report**

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EXECUTIVE SUMMARY

- Beginning with Plan Year 2015, the Health Care Commission made the decision to reduce the fund balance and the health insurance plan's fund balance has been significantly reduced over the last five years by reducing and limiting employer contribution increases and increasing plan member cost shares and contributions. For Plan Year (PY) 2020, including the additional employer and employee contributions, the opinion of the State Employee Health Plan (SEHP) actuaries is that the SEHP fund should have sufficient funds to pay the health care expenses for a self-funded plan covering approximately 85,000 lives for PY 2020.
- The Open Enrollment (OE) period was October 1 through October 31. Staff presented onsite at ten (10) personnel officer meetings across the state to State agencies and Non State Public Employer Groups prior to the start of OE. There were 366 individuals attending these meetings. During OE, staff presented at nineteen (19) onsite meetings for employees in eleven (11) cities. During the OE period, 38,887 State and Non State Public Employer Group employees utilized the online membership system to review their health plan coverage and save their elections for Plan Year 2020.
- For PY 2019 and 2020, employees have five (5) plan design options from which to choose: Plan A is a traditional Preferred Provider Organization (PPO); Plan C and Plan N are Qualified High Deductible Health Plans (QHDHPs); and Plan J and Plan Q are PPOs designed to promote member consumerism, and include a Health Reimbursement Account (HRA). All health Plan options are administered by both health plan vendors: Aetna and Blue Cross and Blue Shield of Kansas. Plan C and Plan N members are eligible to elect a Health Savings Account (HSA) or a Health Reimbursement Account (HRA).
- In 2018, the HCC agreed to release a Request for Proposal and negotiate with potential vendors to operate an onsite primary care health center for employees. The Request for Proposal (RFP) EVT0005634 was issued for an onsite health center. Following negotiations with potential vendors, a contract was awarded to Marathon Health for an onsite health center. Demolition began the week of January 7, 2019 and the clinic opened the first week of May 2019. Marathon Health has staffed the clinic with a physician, two (2) nurse practitioners, a mental health provider, a health coach and three (3) medical assistants. The HealthQuest (HQ) Health Center is located in the Mills Building at 901 S. Kansas Avenue, Topeka, KS. This clinic is being implemented as a pilot and the HCC could elect to offer additional health centers in the future, located in other communities for SEHP members.

BACKGROUND

The Kansas State Employees Health Care Commission (HCC) was created by the 1984 Legislature through the enactment of K.S.A. 75-6501 et seq. to “develop and provide for the implementation and administration of a state health care benefits program. . . . [It] may provide benefits for persons qualified to participate in the program for hospitalization, medical services, surgical services, nonmedical remedial care and treatment rendered in accordance with a religious method of healing and other health services.” Under K.S.A. 75-6504(b), the HCC is authorized to “negotiate and enter into contracts with qualified insurers, health maintenance organizations and other contracting parties for the purpose of establishing the state health care benefits program.”

The HCC is composed of five (5) members and met six (6) times during 2019. The Secretary of Administration and the Commissioner of Insurance serve as members of the HCC as mandated by statute, while the Governor appoints the other three members. K.S.A. 75-6502 requires one member to be a representative of the general public, one member to be a current state employee in the classified service, and one member to be a retired state employee from the classified service. The 2019 HCC members were:

Duane Gossen, Chair and Acting Secretary of Administration until 6/30/2019

DeAngela Burns-Wallace Chair and Acting Secretary of Administration beginning 7/1/2019

J. Scott Day, representative from the general public until 5/31/2019

Ximena Garcia, M.D. representative from the general public beginning 6/1/2019

Steve Dechant, retired employee from the classified service

Vicki Schmidt, Commissioner of Insurance

Heather Young, active employee from the classified service

An Employee Advisory Committee (EAC) assists the HCC. It is composed of 21 members, 18 of whom are active employees and 3 who participate through Direct Bill. Members are selected on the basis of geographic location, agency, gender, age, and plan participation in order to ensure a balanced membership representing a broad range of employee and Direct Bill member interests. Each member serves a three (3) year term. (See Exhibit A.) The EAC met four (4) times during 2019.

Effective July 1, 2011, the staff that administer the State Employee Health Plan (SEHP) became part of the Division of Health Care Finance within the Kansas Department of Health and Environment (KDHE). The Director of the State Employee Health Benefits Program (SEHBP) reports to the Chief Financial Officer of KDHE. The SEHP is responsible for bringing recommendations to the HCC and carrying out the operations of the SEHP. SEHP staff prepared this report. Segal Consulting provided the actuarial and consulting services for the health plan.

I. SUMMARY OF CHANGES AND OTHER ACTIVITIES IN PLAN YEAR 2019

This section provides a summary of improvements, changes, and other activities in the State Employee Health Plan (SEHP) that occurred or took effect in Plan Year (PY) 2019 (i.e., calendar year 2019). The summary includes a record of the HCC's contracting activities during the year and an overview of the enrollment trends during 2019. The HealthQuest program is highlighted separately in Section III of this report. The impact of these plan changes on SEHP finances in 2019 and in future years is summarized in Section IV.

HEALTH PLAN ADMINISTRATION

Beginning with Plan Year (PY) 2008, the SEHP self-insures all the active employee medical products. PY 2019 represents the twelfth full plan year of self-funding all the active employee medical plans. This was the second year of the HCC's three-year contract with each vendor for administrative services. The following vendors provided administrative and network services for each of the SEHP programs for PY 2019:

- Aetna
- Blue Cross and Blue Shield of Kansas (BCBS)

The SEHP Membership Administration Portal (MAP) for enrollment and membership allows for all enrollment activities to be done online. Both Active employees and Direct Bill members utilized the web portal for making their annual open enrollment selections. The MAP system is designed to improve the efficiency of the enrollment process. The portal also provides human resource officers enhanced resources for viewing, tracking, reporting and updating employee records.

HEALTH PLAN CHANGES

The HCC voted to allow the dental program to be offered as a standalone program. Employees are no longer required to enroll in medical coverage to purchase the dental plan. A change was made in the start date for employer contributions into an HSA or HRA for new employees. New employees will be eligible on the next regularly scheduled quarterly employer contributions instead of a pro-rated amount based on their start date. The HCC voted to increase the employee and employer contributions for the health plan by three point three (3.3) percent. In addition to the three point three (3.3) percent increase, the HCC voted to reduce further the premium subsidies provided for covered spouses, resulting in an increase on the employee contribution for the member and spouse and family tiers of sixteen point seven (16.7) percent.

Medicare Eligible Direct Bill Plan Changes

Senior Plan C, the Medicare supplement policy offered to Medicare Eligible direct bill members is a standardized Medicare Supplement product that is not age-rated. Senior Plan C has been in place for many years and enrollment numbers indicate it has been the preferred product by the direct bill Medicare members for their supplemental coverage need. With the passage of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) the current standard Plan C policy will not be available for enrollment by newly eligible members with Medicare who turn age 65 on or after January 1, 2020. The HCC can continue to offer the current Plan C product for Plan Year 2019.

The Health Care Commission added additional standardized Medicare Supplement plan options from BCBS of Kansas for PY 2019. Added were Medicare Supplement Plans G and N which meet the MACRA requirements taking effect in PY 2020. Also new in PY 2019 is the offering of the Select plan option on Senior Plan C and Plan G. The Select plan option is available for members living in three geographic areas of Kansas where BCBS offers a limited hospital network. The narrow network of hospital providers allows the plans to be offered with a lower premium. Direct Bill members pay the entire premium for their health plan coverage.

In addition to the Medicare Supplement plans, Medicare eligible Direct Bill members have the option of enrolling in a Medicare Part C plan also known as Medicare Advantage plans. Medicare Eligible members for 2019 have the choice of three (3) options from Aetna:

- Aetna Freedom
- Aetna Liberty
- New Option added for 2019 Aetna Elite.

Complete details on all the new offerings for Direct Bill members can be found at: <http://www.kdheks.gov/hcf/sehp/OE-DB-2019.htm>

OPEN ENROLLMENT FOR PLAN YEAR 2019

The enrollment period was October 1 through October 31, 2018. Staff presented onsite at eleven (11) personnel officer meetings across the state to State agencies and Non State Public Employer Groups prior to the start of OE. There were 379 individuals attending these meetings. During OE, staff presented at twenty-three (23) onsite meetings for employees in ten (10) cities. Staff and the health plan vendor partners also provided plan information during fifty-eight (58) webinars for State employees and the Non State Public Employer Group employees. Staff estimates that approximately 2,100 employees attended these onsite meetings and 9,700 attended the webinars. Staff assisted members and human resource staff with questions from 598 emails received at the benefits email address during OE. Members had access to a new interactive web-based tool to assist them in determining enrollment selections for their medical, dental, vision, voluntary benefit and Flexible spending account participation. This new shopping tool resource is called "ASK ALEX", and was accessed by the members 7,649 separate times during OE. Members were provided online access to vendor videos with closed captioning, and the OE presentation with closed captioning.

During the OE period, 38,395 State and Non State Public Employer Group employees utilized the online OE system to review their health plan coverage and save their elections for Plan Year 2019. A total of 636 employees (568 employees from the State agencies and 68 from the Non State Public Employer Groups) did not actively engage in the enrollment process and were enrolled in Plan N with an HRA for 2019.). Final enrollment numbers as of November 21, 2018, for State and Non State active employees were as follows:

Vendor	Plan A	Plan C	Plan J	Plan N	Plan Q	Waived
Aetna	1,149	759	74	240	39	
BCBS	17,330	14,789	554	2,444	258	
Total	18,479	15,548	628	2,684	297	4,779

Delta Dental enrollment numbers for the State and Non State Public Employer Group employees:

Enrolled	Waived
37,055	5,360

Surency Vision enrollment numbers for the State and Public Employer Group employees:

Plan	Enrolled
Basic Plan	9,255
Enhanced Plan	21,440
Total Enrolled	30,695

Voluntary benefit plans by MetLife enrollment numbers:

Plan	Enrolled
Accident Insurance	7,917
Critical Illness	5,583
Hospital Indemnity	5,061

Section 125 Plan

The SEHP implemented a Section 125 Pre-Tax Premium Option in July 1986. Employees have the option to have their health care premiums deducted from their paycheck using a pre-tax option. This pre-tax deduction reduces the employee's taxable income and reduces the amount of FICA tax owed by the State. Over ninety-seven (97) percent of active employees with group health insurance participate in this option.

The SEHP established Health Care Flexible Spending Accounts (HCFSA) and Dependent Care Flexible Spending Accounts (DCFSA) effective February 1, 1991. In 2011, a limited purpose Flexible Spending Account (FSA) program was added for employees enrolled in Plan C and N, which are Qualified High Deductible Health Plans (QHDHP). As a QHDHP, when the member selects the Health Savings Account (HAS) option with Plan C and N, under federal law they are only eligible for the limited purpose FSA. The limited purpose FSA provides QHDHP members with an HSA the ability to set aside money on a pre-tax basis for eligible anticipated out-of-pocket expenses for dental and vision claims. The administration of the flexible spending accounts is through NueSynergy located in Leawood, KS.

The Flexible Spending Account (FSA) plans require an annual election. The limited purpose FSA is for Plan C and Plan N members and covers vision and dental expenses. FSA enrollment numbers for State employees:

FSA Plan	Enrolled
Health Care	5,332
Limited Purpose	1,487
Dependent Care	1,454
Total	8,273

Direct Bill

The Direct Bill Open Enrollment for retirees was held from October 16 through November 15, 2018. The Direct Bill call center staff conducted twenty-two (22) Direct Bill Open Enrollment meetings at ten (10) locations throughout the state and six (6) online webinars. There were approximately 1,300 individuals who attended an onsite meeting and seventy-five (75) attended a webinar.

This was the ninth year for retirees to use the online Open Enrollment system. Those members who elected to make no health plan enrollment changes did not need to take any action, as their current election will roll forward for Plan Year 2019. Enrollment numbers as of November 21, 2018:

Direct Bill Pre-Medicare Population

Vendor	Plan A	Plan C	Plan J	Plan N	Plan Q
Aetna	6	6	1	0	2
BCBS	200	301	7	40	32
Total	206	307	8	40	34

Direct Bill Medicare-Eligible Population

Vendor	Senior Plan C	Senior Plan C Select	Senior Plan G	Senior Plan G Select	Senior Plan N
BCBS of Kansas	5,431	147	30	3	60
Aetna Part D – Premier Option	2,312	24	5	0	4
Aetna Part D – Value Option	160	22	2	0	1
Total	7,903	193	37	3	65

Vendor	Advantra Freedom PPO	Advantra Liberty PPO	Advantra Elite PPO
Aetna	610	39	34
Aetna Part D – Premier Option	49	4	12
Aetna Part D – Value Option	10	2	5
Total	669	45	51

All Direct Bill Members

Vendor	Dental	Basic Vision	Enhanced Vision
Delta Dental	9,009		
Surency Vision		1,194	3,992

NON STATE PUBLIC EMPLOYERS

K.S.A. 75-6506(c) authorizes the Kansas State Employees Health Care Commission to designate by rules and regulations the inclusion of public schools and certain local governmental entities into the SEHP. The following chart shows the enrollment by type of eligible group as of January 1, 2019:

Summary	Number of Groups	Covered Employees
Educational Entities	29	2,231
Cities	49	457
Counties	25	2,548
Townships	2	19
Public Hospitals & Community Mental Health Centers	17	1,250
Misc. Local Governmental Entities	42	204
Total	164	6,709

ADDITIONAL HEALTH PLAN OFFERINGS

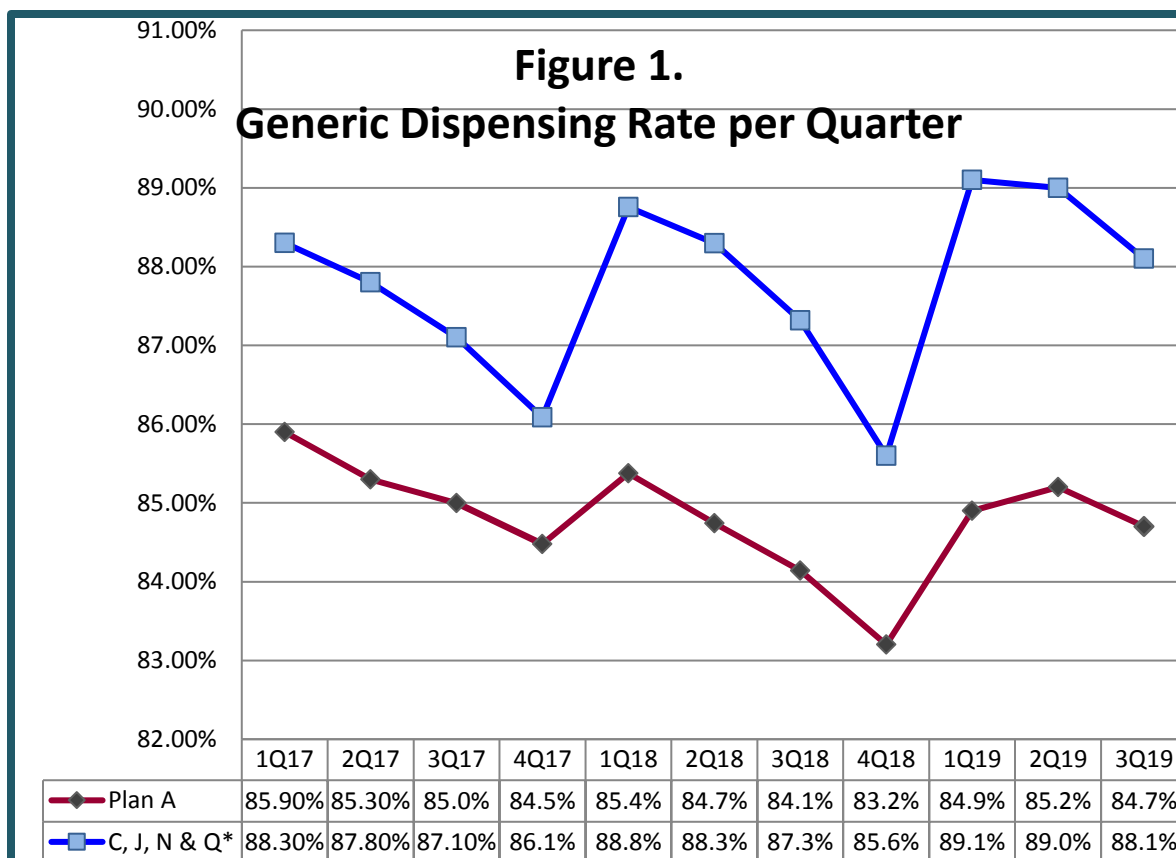
Preferred Lab Services

The SEHP has negotiated discount pricing arrangements with two preferred labs vendors. The negotiated discount pricing offered by the preferred lab vendors result in a cost savings to the health plan and the members. The two (2) preferred lab vendors available to members are: Quest Labs that offers a statewide and nationwide preferred lab network and Stormont-Vail Healthcare, Inc. is the regional preferred lab vendor. Members on Plan A have the option of using a preferred lab vendor for covered lab services, with the covered lab charges paid at 100 percent by the plan.

For Plans C, J, N and Q the benefit works differently due in part to federal guidelines that govern Qualified High Deductible Health Plans (QHDHPs) such as Plan C and N. For Plan C, J, N and Q members who use either of the preferred lab vendors for covered lab work will receive the negotiated discount pricing for covered lab services while in the deductible phase. Once their deductible has been satisfied, covered lab services provided by a preferred lab vendor are paid at 100% by the plan. The preferred lab benefit is optional. Members have coverage for covered lab services when provided by another lab providers subject to the applicable plan deductible and coinsurance.

Prescription Drug Coverage

The HCC continued its multi-tiered coinsurance plan design for the prescription drug plan. The plan design encourages and rewards cost-effective consumer purchasing through a coinsurance plan design. On Plan A, prescription drugs are not subject to the deductible. Members pay coinsurance for their prescriptions and their coinsurance accumulates toward the combined medical and pharmacy out of pocket maximum. On Plans C, J, N and Q prescriptions are treated like any other medical service and are subject to the plan's combined medical and pharmacy deductible. Once the deductible is satisfied, the same coinsurance tiers as Plan A apply to purchases and accumulate toward the combined medical and pharmacy out of pocket maximum. Through proactive plan management, increased consumer awareness, and the introduction of several new generic products, the generic dispensing rate has continued to be above eighty (80) percent each year. (See Figure 1.)



*The data represented as the blue line in PY 2017 is for Plan C only. Starting in PY 2018, the blue line represents Plans C, J, N and Q data. Plans J, N and Q were new plan offerings.

Smart Shopper

The Vitals Smart Shopper program for all active BCBS members started June 1, 2018, and continues to be available to BCBS members. The health plan worked with BCBS and Vitals to identified medical procedures where shopping for the service can reduce the cost of care, saving the health plan and the member money. For these identified services, when a member calls a SmartShopper Personal Assistant for shopping help or visits the BCBS website and searches for a health care provider before they receive the service, they can see the estimated cost for the service at different facilities offering the care. If they choose to use the lower cost facilities for services, they will be eligible for a cash reward for shopping. For more information on the Smart Shopper program, visit: http://www.kdheks.gov/hcf/sehp/download/State_of_Kansas_Steps.pdf.

Premium Billing

Effective July 1, 2016, premium billing for the Non State Public Employer Groups and the Direct Bill members was done by SEHP staff using the Membership Administration Portal (MAP).

Long Term Care Insurance

The SEHP offers a Voluntary Group Long Term Care (LTC) Insurance Program through LifeSecure Insurance Company. The program is offered to State of Kansas benefits-eligible active employees, retired employees, and their family members. The long term care insurance is entirely employee-paid coverage.

HEALTHQUEST HEALTH CENTER

During the 2017 Legislative Session a proviso was passed establishing an onsite employee health center in Topeka under the Department of Administration. The Department of Administration released an Invitation For Bids (IFB), but did not receive any bids meeting the requirements. As the Secretary of the Department of Administration also serves as HCC chair, the Secretary met with the legislative committee and agreed to take the proposed project to the HCC Commissioners for consideration as an HCC project. The Commissioners recognized the onsite health center as an opportunity for the SEHP to offer high quality, value-added services to

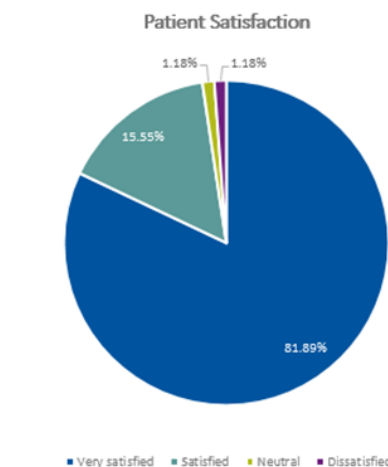
employees while reducing medical and drug claim costs. The HCC agreed to release a Request for Proposal (RFP), and negotiate with potential vendors to operate an onsite employee health center. Request for Proposal (RFP) EVT0005634 for an onsite health center was released on January 23, 2018, and closed on March 13, 2018. Ten (10) bid responses were received.

The required minimum services for the clinic included general primary care services, limited dispensing of medications, onsite laboratory services that are granted waived status under the federal clinical laboratory improvement amendments of 1988 by the FDA, access to third-party laboratory services that are not eligible for waiver status, behavioral health services, physical medicine services, and services that align with the SEHP wellness initiatives. Following negotiations with potential vendors, a contract was awarded to Marathon Health for an onsite health clinic.

The HealthQuest (HQ) Health Center is located in the Mills Building at 901 S. Kansas Ave., Topeka, KS. Demolition began the week of January 7, 2019 and the clinic opened the first week of May 2019. Marathon Health has staffed the clinic with a physician, two (2) nurse practitioners, a mental health provider, a health coach and three (3) medical assistants. The SEHP is able to utilize its preferred lab agreement with Stormont Vail Health to provide for the third-party lab services to the HQ Health Center. More information about the health center is available at: http://www.kdheks.gov/hcf/sehp/HQ_Health_Center.htm

State employees who have accessed the HQ Health Center have provided positive feedback regarding their experience. After each visit the patient is sent a survey to assess their visit. The health center has received feedback indicating over ninety-seven (97) percent “satisfied” or “very satisfied” with their care.

Patient Experience Survey Results



Survey Comments include:

- Quick and efficient
- Friendly staff
- I felt like I was important.... Like they really cared about how I was feeling. Thank you
- I have been to the Topeka clinic twice now. I have been very impressed with the staff!! They are always courteous, have a smile on their face and very helpful as well. I am glad that the State of Kansas was able to make this partnership and have this for their staff!
- I am not a fan of doctors whatsoever, but this office made me feel comfortable! I really appreciate it.

- 97.4% Satisfied or very satisfied.
- Data gathered from May 1st through Nov. 30 2019.
- Response rate was 27.25%.
- Net Promoter is 83.00



This clinic is being implemented as a pilot and the HCC could elect to offer additional clinics in the future in other communities for the SEHP members.

RE-CONTRACTING FOR HEALTH PLAN VENDORS AND SERVICES

The HCC issued a number of Request for Proposals during Plan Year 2019:

Request for proposal (RFP) EVT0005950 for administration of the Flexible Spending Account (FSA) program was released on July 16, 2018, and closed on August 23, 2018. The programs under the FSA program include the Health Care FSA, Limited Purpose FSA and Dependent Care FSA programs. Four (4) bids were received. Bids were received from Application Software, Inc.(ASIFlex), NueSynergy, Total Administrative Services Corporation (TASC) and WageWorks. Staff held negotiation meetings with three (3) vendors. The HCC voted to award a three (3) year contract for FSA programs program to NueSynergy.

Request for proposal (RFP) EVT0005965 for a Wellness Program was released on July 20, 2018 and closed on August 30, 2018. Seventeen (17) bids were received. Seven companies were invited for negotiations Cerner Corporation, Health Enhancements Systems, Impact health, Quest Diagnostics, Simple Health Care/Green Circle, StayWell and Virgin Pulse. Some of the core services requested include the web portal, wellness challenges, administration of the health assessment and biometric screenings, health coaching, and tobacco cessation. The HCC voted to award a three (3) year contract for the wellness program to Cerner.

Request for proposal (RFP) EVT0006046 for an Employee Assistance Program (EAP) was released on August 31, 2018 and closed on October 9, 2018. Four (4) bids were received. Bids were received from ComPsych Corporation, Deer Oakes EAP Services, KEPRO and New Directions Behavioral Health. Based upon the vendors' responses, State Employee Health Plan staff held negotiation meetings with all four vendors. The HCC voted to award a three (3) year contract for EAP services to ComPsych.

Request for proposal (RFP) EVT0006299 for a Flu Vaccination Program was released on January 8, 2019 and closed on March 4, 2019. Three (3) bids were received. Bids were received from BiolQ, Inc, Maxim Healthcare Services, LLC and OccuVax, LLC. The State Employee Health Plan (SEHP) began offering onsite flu vaccinations in 2009. In 2018 the onsite vaccinations were offered in 44 cities with 119 events and 5,454 individuals received their vaccination. The State Employee Health Plan staff held negotiation meetings with three (3) vendors. The HCC voted to award a three (3) year contract for flu shot vaccination services to BiolQ. Prior to the start of the contract in 2020, the HCC was notified that BiolQ had made a business decision to cease offering their flu vaccination program and withdrew from the contract.

Request for proposal (RFP) EVT0006329 for a prescription drug Pharmacy Benefit Manager (PBM) was released on January 23, 2019, and closed March 14, 2019. Seven bids were received. Bids were received from Blue Cross Blue Shield of Kansas partnering with Prime Therapeutics, CVS Health, Envelope, Navitus Health Solutions, OptumRx, WellDyneRx, and the University of Kansas Health System. The State Employee Health Plan staff held negotiation meetings with five companies. The HCC voted to award the PBM contract to CVS Caremark for a period of three (3) years.

Request for proposal (RFP) EVT0006581 for a fully insured Medicare Part D prescription drug plan was released April 26, 2019, and closed June 25, 2019. Two (2) bids were received from Aetna Life Insurance Company and Envision Insurance Company. The State Employee Health Plan staff held negotiation meetings with both vendors. The Aetna bid was disqualified. The HCC voted to award a contract to Envision Insurance company for one (1) year.

The contract for the Naturally Slim weight loss program for State employees was awarded by the HCC on April 8, 2016. The contract was set to expire December 31, 2019. A renewal offer was received and reviewed by the HCC. Naturally Slim proposed a three (3) year extension of the contract with the same terms as the original contract. Naturally Slim is an online program which helps the individual change how they eat instead of what they eat to assist in weight management. The program teaches the skills to lose weight and keep it off permanently while still enjoying their favorite foods. This approach enables individuals to improve their health and reduce their chance of developing a serious, chronic disease, like diabetes or heart disease, and it is free to the member. The Health Care Commission voted to approve a three (3) year contract extension with Naturally Slim for providing a weight loss program

II. SUMMARY OF CHANGES FOR PLAN YEAR 2020

This section includes a summary of health plan offerings approved by the HCC in 2019 for implementation in Plan Year (PY) 2020, which began January 1, 2020.

HEALTH PLAN ADMINISTRATION

This was the third year of the HCC's three-year contract with each vendor for administrative services. The following vendors will provide administrative and network services for all five (5) of the active SEHP programs in 2020:

- Aetna
- Blue Cross and Blue Shield of Kansas (BCBS)

HEALTH PLAN CHANGES

The HCC voted to decrease the member share of the Plan C coinsurance from twenty (20) percent to ten (10) percent. The overall deductible on Plan C and N for member plus dependent coverage remained \$5,500 however due to a change in IRS regulations which govern Qualified High Deductible Health Plans (QHDHP) like Plans C and N, how the deductible is applied on enrollees with spousal or dependent coverage required a slight change. The initial family member would need to meet a deductible of \$2,800. The balance of the covered family members would need to meet the remaining deductible amount of \$2,700. The HCC voted to revisit the prior commission decision to end employee's coverage on the last day of employment. The HCC voted to return to the prior policy of ending employee coverage on the last day of the month following termination.

The HCC voted to increase the employer contribution by four point five (4.5) percent. For employee contributions, the commission made no change in the employee only and employee plus children tier rates for 2020. The employee contributions for employee plus spouse and the family coverage tiers were decreased by six (6) percent. These coverage tiers that included spouses have experienced substantial increases over the prior five (5) years and the HCC wanted to provide some relief to these memberships. Dental rates were increased about three (3) percent for all coverage tiers.

Medicare Eligible Direct Bill Plan Changes

The Health Care Commission added additional standardized Medicare Supplement plan options from Blue Cross Blue Shield of Kansas (BCBS) for PY 2019. These plan options continue for PY 2020. In addition to the Medicare Supplement plans, Medicare eligible Direct Bill members have the option of enrolling in a Medicare Part C plan also known as Medicare Advantage plans. Medicare Eligible members for 2019 have the choice of three (3) options from Aetna.

Members enrolled in the Medicare Supplement plan options through BCBS also have the option of electing to enroll in a Medicare Part D prescription drug plan through Envision Insurance Company. Envision is offering members the choice of three plan design options:

- Premier
- Value
- Classic.

Complete details on all the Medicare plan offerings for Direct Bill members is found at: <http://www.kdheks.gov/hcf/sehp/DB-2020Book.htm>

OPEN ENROLLMENT FOR PLAN YEAR 2020

The Open Enrollment (OE) period was October 1 through October 31. Staff presented onsite at ten (10) personnel officer meetings across the state to State agencies and Non State Public Employer Groups prior to the start of OE. There were 366 individuals attending these meetings. During OE, staff presented at nineteen (19) onsite meetings for employees in eleven (11) cities. An estimated 1,755 employees attended these onsite meetings. Plan information was available to members through on-demand enrollment videos available 24/7 for State and Non State Public Employer Group employees. The on-demand enrollment videos were also available to members in a PowerPoint format with a full text script. SEHP assisted members and human resource staff with questions from 487 emails received at the benefits email address during OE. Members had access to an interactive decision tool to assist them in determining enrollment selections for their medical, dental, vision, voluntary benefit and flexible spending account participation. This was the second year for the interactive decision tool called "ASK ALEX", and was accessed by the members 10,632 separate times during OE. The visits to the "ASK ALEX" interactive tool represents an increase from last year of over 3,000 visits, or 42%. Members were also provided online access to vendor videos with closed captioning, and the OE presentation with closed captioning.

During the OE period, 38,887 State and Non State Public Employer Group employees utilized the online membership system to review their health plan coverage and save their elections for Plan Year 2020. A total of 708 employees (652 employees from the State agencies and 56 from the Non State Public Employer Groups) did not actively engage in the enrollment process and were enrolled in Plan N with an HRA for 2020. There were 204 employees in this group that were already enrolled in Plan N during 2019

Final health plan enrollment numbers as of November xx, 2019, for State and Non State active employees were as follows:

Vendor	Plan A	Plan C	Plan J	Plan N	Plan Q	Waived
Aetna	1,199	922	77	342	65	
BCBS	16,460	15,393	534	2,623	329	
Total	17,659	16,315	611	2,965	394	5,110

Dental enrollment numbers for the State and Non State Public Employer Group employees:

Vendor	Enrolled	Waived
Delta Dental	37,526	5,528

The Flexible Spending Accounts (FSA) for State employees only enrollment numbers:

Vendor	FSA Plan	Enrolled
NueSynergy	Health Care	5,336
	Limited Purpose	1,654
	Dependent Care	1,489
	Total	8,479

Vision enrollment numbers for the State and Non State Public Employer Group employees:

Vendor	Plan	Enrolled	Waived
Surrency Life & Health	Basic Plan	9,286	
	Enhanced Plan	31,354	
	Total	40,640	11,701

Voluntary Benefit Plan enrollment numbers:

Vendor	Plan	Enrolled
MetLife	Accident Insurance	8,773
	Critical Illness	6,327
	Hospital Indemnity	5,665

Direct Bill

The Direct Bill Open Enrollment for retirees was held from October 16 through November 15, 2019. The Direct Bill call center staff conducted twenty-one (21) Direct Bill Open Enrollment meetings at ten (10) locations throughout the state. There were approximately 1,560 individuals who attended an onsite meeting. A video of the Open Enrollment presentation was posted on the SEHP website for those members who could not attend a meeting in person.

2019 was the tenth year for retirees to have the option to use the online Membership system for Open Enrollment. Direct Bill members who needed assistance had the option to contact the dedicated call center for assistance in completing any enrollment changes. Those members who elected to make no health plan enrollment changes did not need to take any action, as their current election will roll forward for Plan Year 2020.

Plan Year 2020 enrollment numbers for all Direct Bill members as of November 27, 2019:

Direct Bill Pre-Medicare Enrollment:

Vendor	Plan A	Plan C	Plan J	Plan N	Plan Q
Aetna	2	4	1	0	1
BCBS	156	243	6	30	30
Total	158	247	7	30	31

Direct Bill Medicare-Eligible Enrollment:

Vendor	Senior Plan C	Senior Plan C Select	Senior Plan G	Senior Plan G Select	Senior Plan N
BCBS	7,555	295	123	14	128

Direct Bill Medicare Part D Prescription Drug Plan Enrollment:

Vendor	Premier	Value	Classic
Envision	2,040	194	38

Direct Bill Medicare Advantage Plan Enrollment:

Vendor	Advantra Freedom PPO	Advantra Liberty PPO	Advantra Elite PPO
Aetna	634	60	95

Direct Bill Members Enrollment:

Vendor	Dental	Basic Vision	Enhanced Vision
Delta Dental	8,948		
Surency Vision		1,168	4,242

NON STATE PUBLIC EMPLOYERS

K.S.A. 75-6506(c) authorizes the Kansas State Employees Health Care Commission to designate by rules and regulations the inclusion of public schools and certain local governmental entities into the SEHP. The following chart shows the enrollment by type of eligible group as of January 1, 2020:

Summary	Number of Groups	Covered Employees
Educational Entities	20	1,448
Cities	40	227
Counties	16	1,580
Townships	2	3
Public Hospitals & Community Mental Health Centers	16	1,031
Misc. Local Governmental Entities	41	201
Total	135	4,490

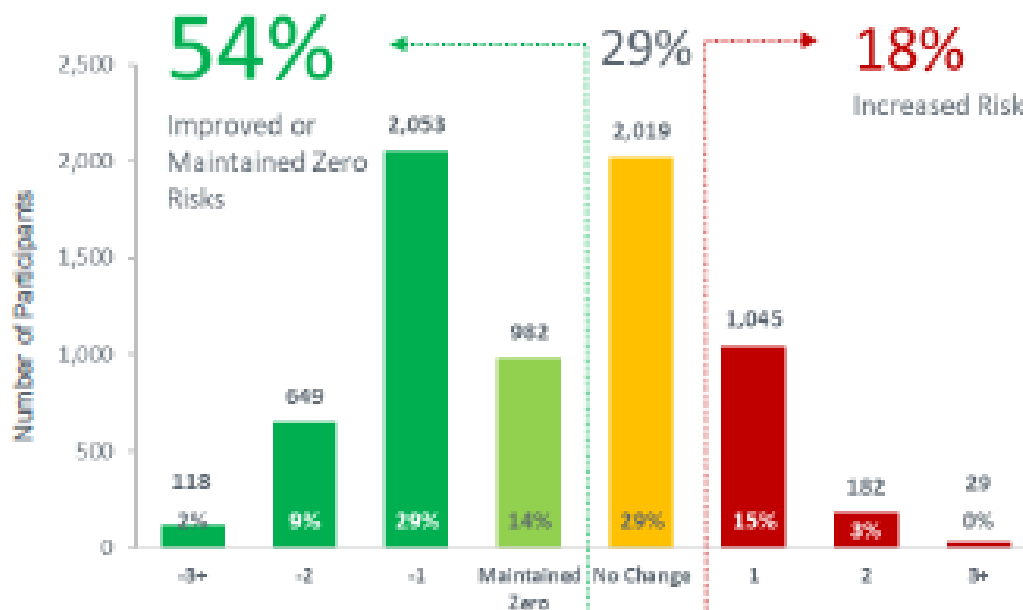
III. HEATHQUEST PROGRAM HIGHLIGHTS

HEALTHQUEST WELLNESS PROGRAM

The SEHP's HealthQuest (HQ) program mission continues to be assisting members with their health improvement goals, creating a healthier workforce, improving the quality of life and decreasing overall health costs.

For a core group of SEHP members (7,077) who have participated in the health assessment and biometric screening as well as wellness activities for the last three years, the majority have seen improvement in their overall health risk or maintained their overall health.

State of Kansas Cohort Population (2017-2019): 7,077 **Cohort Change in High Risks from 2017 to 2019**



Beginning with PY 2013, the HQ program has offered the HQ Rewards premium incentive discount program. The rewards program encompasses a wide variety of physical activity challenges, health awareness, educational resources, and improvement programs. Participation in the HQ Rewards program and health assessment is optional. During calendar year 2019, 22,612 employees and covered spouses participated in HQ activities and achieved 40 credits to earn a premium incentive discount for PY 2020. Employees electing not to participate in the HQ Rewards program are still eligible for coverage under the SEHP. Complete details of all the HQ programs and activities are available at: <http://www.kdheks.gov/hcf/healthquest/rewards.html>.

IV. FINANCING

During 2019, the HCC continued to receive periodic financial reports summarizing plan revenues, expenditures, and both current and projected balances in SEHP funds. This section summarizes the financial status of the SEHP, including a discussion of funding balances, revenue, and expenses.

BEGINNING BALANCE

The beginning balances shown in **Table 1** and **Table 2** indicate the total amounts of cash in the various funds available to the SEHP. Table 1 is the SEHP ten (10) year projection sheet that is reviewed and approved on an annual basis by the HCC. Funds available to the SEHP are referred to as the “**Reserve**.” The beginning balance of the Plan Reserve denotes the funds available at the beginning of each year which includes monies remaining from payroll collections (employees and state agencies), Direct Bill contributions from retirees, COBRA contributions and Non State public employer contributions, once all expenses have been paid from the previous plan year. An audit finding of the US Department of Health and Human Services resulted in an order that the State of Kansas pay the federal government for interest income on these SEHP funds that were allocated to the State's general fund. Based upon past experience, it is estimated that the interest earned on the Reserve fund will be eight tenths (8/10) of a percent over the long term even though the FY 2019 rate was under two tenths (2/10) of a percent.

PLAN REVENUES

Plan revenues are the sums received from contributions by State agencies, Non State public employers, employees, and retirees, plus interest earned by the plan. A historical chart (**Figure 2**) based upon fiscal years running from July 1 to June 30 shows past experience with fund balances, revenues, and expenses. Projected balances, revenues, and expenses are based upon plan years running from January 1 to December 31.

The “**Total Contributions**” amount on **Table 1** for PY 2019 is based upon the contributions made by State agencies, Non State public employers, and employees. The State agency and Non State public employer contributions are adjusted on the first of July each year. The employee contributions are adjusted January 1 of each year. The projections shown in **Table 1** incorporate the estimated impacts of contribution rates in effect for PY 2019, as described above.

PLAN EXPENSES

Plan expenses are payments for medical, dental, and drug claims, plus related contract administration fees that are paid by the plan. The historical plan expenses (**Table 2**) represent actual experience, whereas projected plan expenses (**Table 1**) are estimates reflecting a long-term managed health care cost trend. The total annualized cost of the SEHP for PY 2019 is estimated to be approximately \$474,230,545 per Table 1. Past experience and future projections for the plan contributions, expenses, ending reserve balances and target reserve are represented in the Projected Reserve Balance (**Figure 3**) that is calculated on the health plan year, which is January 1 through December 31.

ADMINISTRATION

Administration is the cost to maintain the program, including employee salaries, consulting fees, and other expenses. It is assumed in the projections costs will grow two (2) percent annually. SEHP administrative costs represent less than one (1) percent of health plan expenditures.

PLAN RESERVES

The HCC's funding objective in managing the SEHP over the long term is to have a target reserve equal to the actuarially-calculated claims Incurred But Not Reported (IBNR), plus a reasonable contingency to account for unforeseen and unexpected growth in health costs that could arrive before plan revenue can be adjusted. The target reserve is adjusted for health cost trends over time. **Table 1** shows the projected target reserve for each year based upon a function of Plan Contributions, Plan Expenses, and health care cost trend. The estimated target reserve for health claims in PY 2019 was \$50.5 million (**Table 1**). Target reserves are projected to rise over time based upon health cost trend.

Table 2 and **Figure 2** show SEHP balances, revenues, and expenditures from state Fiscal Year (FY) 2010 through FY 2019. These reserves reflect actual historical experience as reported in the Statewide Cost Allocation Plan documents for each state fiscal year and the single state financial audit reports for those years. In PY 2009, legislative action resulted in state agencies not contributing the employer contribution for seven pay periods in FY 2009, resulting in a \$64 million decrease in the fund balance. In FY 2010, legislative

action reduced the fund by \$9.675 million per S.B. 572. In FY 2015, the HCC voted to reduce the State of Kansas employer contribution by eight point five (8.5) percent based on an actuarial analysis to begin the reduction of the current fund balance to meet the target reserve balance. In FY 2016, the HCC voted to hold the State of Kansas employer contribution flat to continue the fund balance reduction towards the target reserve. With these two decisions, the fund balance was reduced. For FY 2020, the HCC voted for a four point five (4.5) percent State of Kansas employer contribution increase to maintain the financial stability of the health plan.

SUMMARY

- In Plan Year 2019, health care costs were approximately the amount originally projected. Based upon the plan changes implemented by the Health Care Commission (HCC) for PY 2020, including the additional employer and employee contributions, the opinion of the State Employee Health Plan (SEHP) actuaries is that the SEHP should have sufficient funds to pay the health care expenses for a self-funded plan covering approximately 85,000 lives for Plan Year 2020.

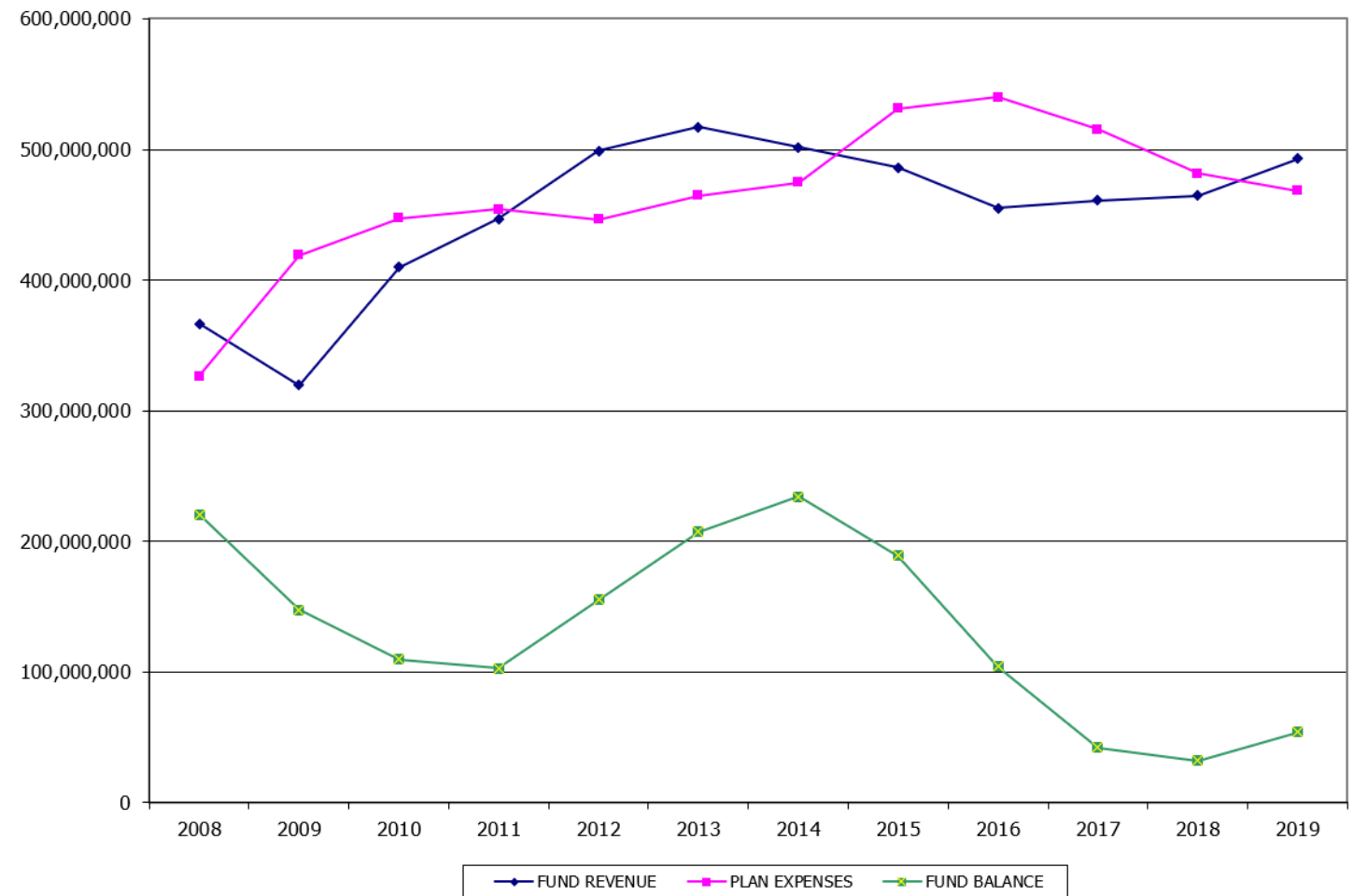
Table 1

Division of Health Care Finance															
Projected Reserve Calculation															
Medical, Pharmacy, Dental and Vision															
Projection using data thru October 2019															
Statement of Ops as of October 2019															
Plan Year	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
Factors and Assumptions															
Interest Rate on Reserves	0.1%	0.2%	0.3%	0.5%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
Admin/Contract Fee Trend	0.8%	0.8%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Medical cost trend rate	5.9%	2.3%	7.1%	-5.1%	0.4%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Rx cost trend rate	6.2%	1.3%	6.0%	3.2%	3.4%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
Policy Choices															
Employer Contr. % Incr. (eff. July 1) (State/State)															
Employee	-2.0%	-8.5%/0%	0%/6.0%	7.0%	7.7%	3.3%	4.5%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Employee + Spouse	-2.0%	-8.5%/0%	0%/6.0%	7.0%	7.7%	3.3%	4.5%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Employee + Child(ren)	-2.0%	-8.5%/0%	0%/6.0%	7.0%	7.7%	3.3%	4.5%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Employee + Family	-2.0%	-8.5%/0%	0%/6.0%	7.0%	7.7%	3.3%	4.5%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Active Employee Contribution % Incr. (eff. Jan 1)															
Active Employee Only															
Employee	-2.0%	0.0%	6.4%	9.0%	7.7%	3.3%	0.0%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Employee + Spouse	-2.0%	0.0%	36.7%	30.4%	31.7%	16.7%	-6.0%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Employee + Child(ren)	-2.0%	0.0%	6.4%	9.0%	7.7%	3.3%	0.0%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Employee + Family	-2.0%	0.0%	36.7%	30.4%	31.7%	16.7%	-6.0%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Retiree Rate Increase	-2.0%	0.0%	21.3%	46.1%	0.0%	6.7%	-6.0%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%	4.8%
Beginning Total Reserve Balance	210,048,485	194,666,302	124,938,539	32,625,824	24,343,301	31,425,318	40,530,720	47,025,028	57,188,688	68,881,985	78,572,001	85,766,056	88,938,390	90,456,932	87,316,245
Projected Cash Flow															
Total Employer Contributions	363,183,109	344,369,078	326,956,665	331,832,868	334,959,191	336,777,859	352,329,329	368,899,072	386,517,771	404,881,547	424,358,424	444,692,713	466,023,866	488,589,220	512,482,082
Total Participant Contributions	118,469,577	107,742,610	117,580,138	143,883,489	142,900,549	137,452,686	129,026,986	136,057,767	142,565,741	150,080,254	157,729,815	165,853,859	174,331,506	183,686,248	193,521,032
Total Contributions	481,652,685	452,111,688	444,536,802	475,716,358	477,859,740	474,230,545	481,356,315	504,956,840	529,083,512	554,961,801	582,088,239	610,546,572	640,355,402	672,275,468	706,003,125
Total Plan Expenses (Claims, ASO fees & contracted expenses)	497,077,244	522,197,866	537,241,182	484,123,938	471,123,547	465,626,774	475,165,988	485,145,887	517,819,109	545,788,400	575,483,475	607,017,483	640,511,389	676,094,592	713,905,388
Interest on Reserves	12,375	358,445	391,684	115,058	345,824	501,631	303,980	352,888	428,915	516,615	589,290	643,245	674,538	678,427	654,872
Net Cash Flow	(15,382,194)	(69,727,763)	(92,312,716)	(8,282,523)	7,082,017	9,105,402	6,494,308	10,163,640	11,693,317	9,090,016	7,194,054	4,172,334	518,342	(3,140,667)	(7,247,401)
Projected Reserve Balance															
Reserve Ending Balance	194,666,301	124,938,539	32,625,824	24,343,301	31,425,318	40,530,720	47,025,028	57,188,688	68,881,985	78,572,001	85,766,056	88,938,390	90,456,932	87,316,245	80,068,844
Target Reserve	54,724,865	57,993,088	59,439,802	52,467,868	50,752,632	50,504,226	51,483,949	53,845,561	56,520,972	59,871,404	63,431,969	67,216,563	71,240,129	75,518,534	80,068,844
IBNR Claims Reserve	31,672,037	33,477,922	34,292,193	30,281,462	29,280,365	29,137,063	29,702,478	31,064,747	32,688,263	34,541,195	36,595,367	38,778,799	41,100,074	43,568,365	46,193,694
Claim Fluctuation Reserve	23,162,827	24,515,167	25,147,609	22,206,406	21,472,267	21,367,172	21,781,671	22,730,614	23,912,719	25,330,209	26,836,602	28,437,765	30,140,054	31,901,149	33,875,280

Table 2
State Employees' Health Benefit Program
Statement of Operations History
Fiscal Years 2010- 2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
BEGIN FUND BALANCES:										
Reserve Fund	135,356,122.78	101,479,924.84	93,902,496.45	143,936,304.14	194,050,142.01	221,414,299.15	177,004,722.94	95,095,498.03	40,824,647.89	30,658,118.13
Non-State	1,083,740.12	943,959.71	798,404.79	662,532.53	1,626,614.66	1,506,026.82	1,395,728.08	1,284,671.90	1,184,440.10	1,087,317.33
Direct Bill	1,199,601.67	1,183,591.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Flex Spending	1,858,226.10	2,522,075.16	3,201,504.75	3,802,352.61	4,279,051.64	4,662,857.54	4,553,605.98	4,298,097.99	877,551.89	458,729.07
Cafeteria	2,086,949.31	3,018,954.53	4,107,863.47	5,643,695.90	6,201,863.80	5,519,715.80	4,925,153.50	2,560,899.81	2,610,923.67	3,696,804.41
Wellness	1,099,876.28	681,857.71	915,191.10	1,141,168.12	1,335,336.74	1,114,201.25	918,751.04	983,264.46	793,473.59	1,050,092.18
Other/HSA/Act	4,763,223.45	967.45	967.45	53.13	31,269.97	140,445.79	148,212.32	2,973.07	0.00	122,174.42
	147,447,739.71	109,831,330.82	102,926,428.01	155,206,106.43	207,524,278.82	234,357,546.35	188,946,183.86	104,225,405.26	46,291,037.14	37,073,235.54
REVENUES:										
State ER/HSA/Act	218,025,097.15	247,109,335.65	279,018,233.20	300,747,872.76	292,977,587.87	292,188,919.88	264,252,535.92	260,141,041.28	264,220,950.74	282,599,775.00
State EE	58,494,338.72	63,469,299.25	65,937,871.81	63,655,929.05	59,483,669.04	53,425,865.98	54,829,593.84	70,348,594.54	81,560,835.28	85,773,355.11
Non-State/HSA/Act	65,440,727.53	73,089,821.12	86,089,715.19	87,369,910.02	85,644,215.15	81,960,661.80	78,052,467.41	83,769,675.57	89,534,881.05	75,229,221.36
Direct Bill	46,745,348.89	50,510,944.12	46,207,263.11	46,587,130.00	47,547,541.72	43,357,447.56	42,279,059.82	39,880,647.36	39,806,547.34	37,346,341.62
Flex	16,947,256.81	17,573,602.24	17,457,336.19	15,718,094.81	13,452,131.00	11,895,994.83	11,208,753.63	11,210,064.21	11,882,104.91	12,199,935.80
Cafeteria	3,171,868.12	3,167,405.11	3,150,560.10	1,997,627.75	1,099,706.93	1,134,845.01	1,165,873.71	1,990,509.27	3,162,329.07	2,892,133.27
Wellness	798,133.34	788,134.57	743,461.40	725,040.58	501,354.35	720,304.40	708,003.19	712,664.58	611,648.30	679,776.13
Other/Clinic	220,679.57	-8,646,647.27	206,718.30	303,586.94	816,763.72	1,293,043.27	2,602,538.10	7,051,192.58	1,493,174.99	10,658,897.35
	409,833,450.13	447,061,894.79	498,911,159.30	517,105,181.91	501,522,969.78	485,977,082.73	455,088,835.62	475,104,389.39	492,272,471.68	507,379,435.64
EXPENSES:										
Claims	377,934,967.75	382,820,392.86	381,580,142.08	401,653,681.49	412,354,762.33	466,579,706.24	475,069,536.81	466,279,386.67	434,543,880.16	419,316,654.14
Other	5,112,843.00	5,327,669.53	5,424,145.21	5,182,884.47	5,063,766.12	7,444,944.49	6,465,301.50	6,692,310.89	10,350,173.53	7,640,095.46
ASO/Premiums	44,660,104.56	46,295,027.21	40,638,493.21	40,738,725.97	41,698,503.93	42,713,386.18	42,646,887.12	42,593,508.78	41,863,813.82	41,408,132.98
Flex	16,029,601.12	16,618,731.19	16,509,479.45	14,864,870.98	12,718,411.89	11,754,565.20	11,193,402.85	11,199,055.15	11,877,934.41	12,194,820.47
Admin/Clinic	3,712,342.59	2,904,976.81	2,479,220.93	2,346,846.61	2,854,257.98	2,895,843.11	4,444,485.94	6,274,496.02	2,854,471.36	3,344,398.81
	447,449,859.02	453,966,797.60	446,631,480.88	464,787,009.52	474,689,702.25	531,388,445.22	539,819,614.22	533,038,757.51	501,490,273.28	483,904,101.86
END FUND BALANCES:										
Reserve Fund	101,479,924.84	93,902,496.45	143,956,304.14	194,050,142.01	221,414,299.15	177,004,732.94	95,095,498.03	40,824,647.89	30,658,118.13	50,274,861.90
Non-State	943,959.71	798,404.79	662,532.53	1,626,614.66	1,506,026.82	1,395,728.08	1,284,671.90	1,184,440.10	1,087,317.33	985,171.26
Direct Bill	1,183,591.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Flex Spending	2,522,075.16	3,201,504.75	3,802,352.61	4,279,051.64	4,662,857.54	4,553,605.98	4,298,097.99	877,551.89	458,729.07	152,403.15
Cafeteria	3,018,954.53	4,107,863.47	5,643,695.90	6,201,863.80	5,519,715.80	4,925,153.50	2,560,899.81	2,610,923.67	3,696,804.41	4,671,078.06
Wellness	681,857.71	915,191.10	1,141,168.12	1,335,336.74	1,114,201.25	918,751.04	983,264.46	793,473.59	1,050,092.18	1,553,956.86
Other/HSA/Act/Clinic	967.45	967.45	53.13	31,269.97	140,445.79	148,212.32	2,973.07	0.00	122,174.42	2,911,098.09
	109,831,330.82	102,926,428.01	155,206,106.43	207,524,278.82	234,357,546.35	188,946,183.86	104,225,405.26	46,291,037.14	37,073,235.54	60,548,569.32

Figure 2 History of State Employee Health Plan



Notes:

1. Legislative action resulted in state agencies not contributing the employer contribution for seven pay periods in FY 2009, resulting in a \$64 million decrease in the fund balance.
2. In FY 2010, legislative action reduced the fund by \$9.675 million per S.B. 572.

Figure 3
Projected Reserve Balance
Annual Contributions, Expenses and Fund Balances

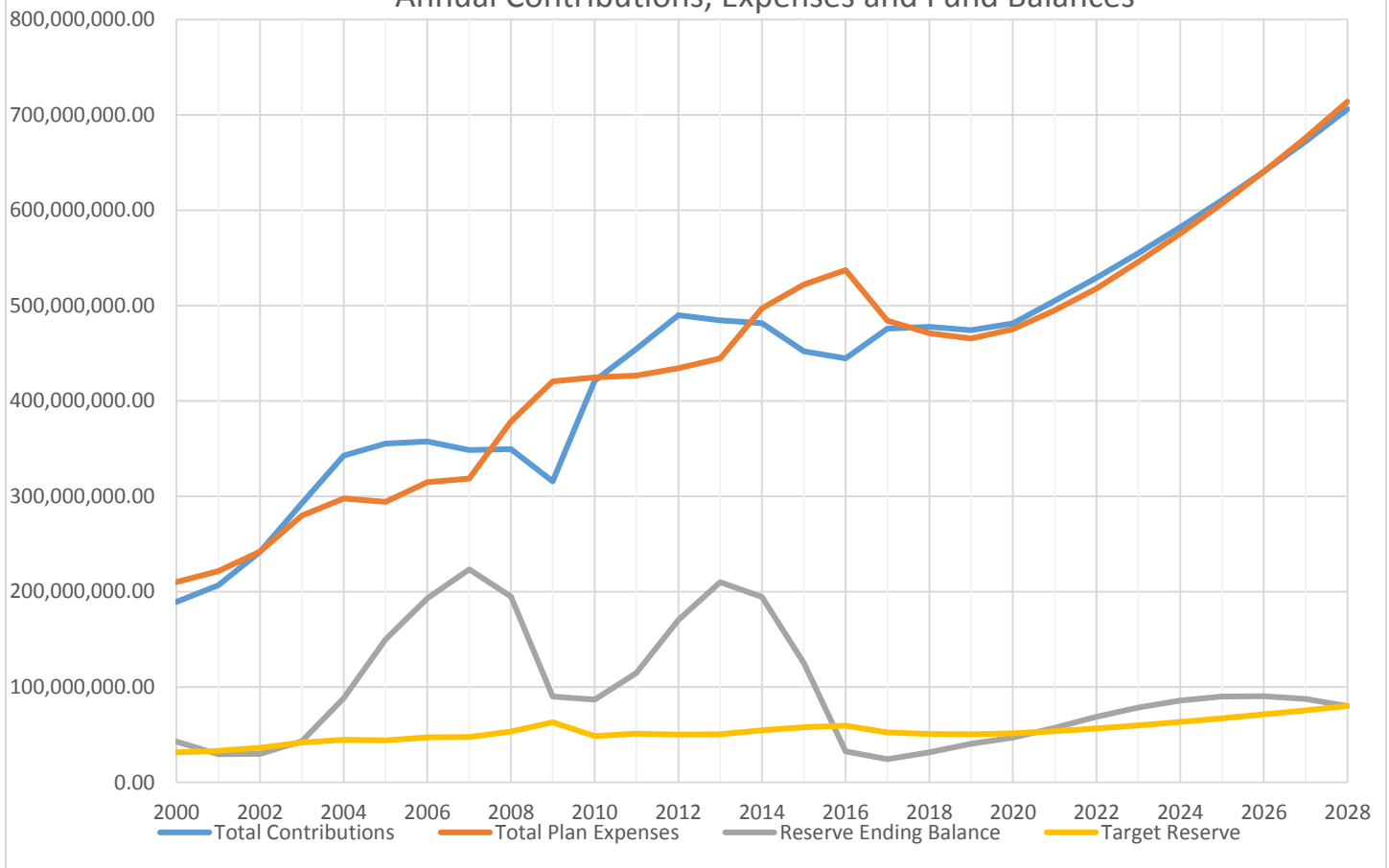


Exhibit A
2019 Employee Advisory Committee

Brant Barber

Court Services Officer
Johnson County Court Services
588 E. Santa Fe, Suite 4000
Olathe, KS 66061
Term expires: 12/31/21

Hannah Bates

HR Representative
WSU
1845 Fairmont St
Wichita, KS 67260
Term expires: 12/31/21

Barbara Barto

Scheduling Coordinator
Pittsburg State University
1701 South Broadway
Pittsburg, KS 66762
Term expires: 12/31/19

Maria Beebe

Associate Director, Intl Students & Scholar Svcs.
Kansas State University
1414 Mid Campus Dr. N
Manhattan, KS 66506
Term expires: 12/31/20

Alexandra Blasi

Executive Secretary
Kansas Board of Pharmacy
800 SW Jackson, Suite 1414
Topeka, KS 66612-1244
Term expires: 12/31/21

David Bollig

Assistant Director, Business Operations
Fort Hays State University
410 Agnew Lane
McMindes Hall, Rm. 126
Hays, KS 67601
Term expires: 12/31/20

Sharon Bolyard

Retiree Representative
4425 SE Maryland
Topeka, KS 66609
Term expires: 12/31/20

Cheryl Buxton

Deputy Director- Printing, Mail & Surplus Property
Ofc. of Facilities and Procurement Mgmt.
Department of Administration
201 N.W. MacVicar Ave.
Topeka, KS 66606
Term expires: 12/31/19

Jennifer Dalton

Accountant
Department of Commerce
1000 SW Jackson, Suite 100
Topeka, KS 66612
Term expires: 12/31/20

Elizabeth Fultz

Assistant Director
Department of Education
900 SW Jackson St., Suite 653
Topeka, KS 66612
Term expires: 12/31/20

Kris Grinter

Admissions Operations Coordinator
Kansas State University Polytechnic Campus
2310 Centennial Drive
Salina, KS 67401
Term expires: 12/31/21

Karen Gutzwiller

Manager- Benefits, Transactions, & Payroll
DCF Office of Personnel Services
555 S Kansas Avenue, Suite 202
Topeka, KS 66603
Term expires: 12/31/20

Kris Holm

Chief Financial Officer
Kansas Department of Revenue
109 SW 9th Street
Topeka, KS 66612
Term expires: 12/31/21

Linda Kelly

Director of Finance
Kansas Department of Corrections
714 SW Jackson, Suite 300
Topeka, KS 66603
Term expires: 12/31/19

Marjorie Knoll

Retiree Representative
1518 Marjorie Drive
Hays, KS 67601
Term expires: 12/31/20

Kristy Rizek

Pavement Management Information Engineer
KDOT, MRC
2300 SW Van Buren St.
Topeka, KS 66611
Term expires: 12/31/21

Steve Stankiewicz

HR Director
Kansas Dept. of Agriculture
1320 Research Park Drive
Manhattan, KS 66502
Term expires: 12/31/20

Vernon "Charlie" Walker

Department Manager
KU Med Center Wichita
1010 N. Kansas
Wichita, KS 66214
Term expires: 12/31/20

Natalie Yoza

Associate General Counsel
Kansas Board of Regents
1000 SW Jackson, Suite 520
Topeka, KS 66612-1368
Term expires: 12/31/20

STATE OF KANSAS

**2019 GROUP HEALTH INSURANCE ENROLLMENT
BY TYPE OF PARTICIPANT**

Grand Total Covered Lives (State & Non-State Active, Direct Bill, & COBRA)				
<u>Type of Participant</u>	<u>Jan-19</u>	<u>Apr-19</u>	<u>Jul-19</u>	<u>Oct-19</u>
Active State Employees	33,064	32,949	32,433	32,985
Active State Dependents	32,377	31,963	31,662	31,965
Total Covered Lives	65,441	64,912	64,095	64,950
Direct Bill State Retirees	9,245	9,157	9,177	9,129
Direct Bill State Ret Dependents	83	76	70	70
Total Covered Lives	9,328	9,233	9,247	9,199
COBRA State Participants	371	355	375	376
COBRA State Dependents	188	158	169	172
Total Covered Lives	559	513	544	548
Active Educational Employees	1,382	1,369	1,352	1,274
Active Educational Dependents	1,445	1,436	1,434	1,368
Total Covered Lives	2,827	2,805	2,786	2,642
Direct Bill Educational Retirees	186	178	174	161
Direct Bill Educational Ret Dependents	6	5	5	4
Total Covered Lives	192	183	179	165
COBRA Educational Participants	13	5	5	13
COBRA Educational Dependents	8	3	2	6
Total Covered Lives	21	8	7	19
Active City/County/Township Employees	1,847	1,865	1,849	1,841
Active City/County/Township Dependents	2,036	2,023	2,024	2,026
Total Covered Lives	3,883	3,888	3,873	3,867
Direct Bill City/County/Township Retirees	80	82	80	81
Direct Bill City/County/Township Ret Deps				
Total Covered Lives	80	82	80	81
COBRA City/County/Township Participants	12	9	9	10

COBRA City/County/Township Dependents	8	5	1	
Total Covered Lives	20	14	10	10
Active Hospital or Mental Hlth Center Employees	986	985	1,017	1,026
Active Hospital or Mental Hlth Center Dependents	861	858	892	890
Total Covered Lives	1,847	1,843	1,909	1,916
Direct Bill Hospital or Mental Hlth Center Retirees	17	14	14	15
Direct Bill Hospital or Mental Hlth Center Ret Deps	1			
Total Covered Lives	18	14	14	15
COBRA Hospital or Mental Hlth Center Participants	2	1	1	2
COBRA Hospital or Mental Hlth Center Dependents				
Total Covered Lives	2	1	1	2
Active All Other Non State Employees	224	228	225	226
Active All Other Non State Dependents	171	174	168	166
Total Covered Lives	395	402	393	392
Direct Bill All Other Non State Retirees	16	19	19	19
Direct Bill All Other Non State Ret Deps		1	1	1
Total Covered Lives	16	20	20	20
COBRA All Other Non State Participants	1		1	2
COBRA All Other Non State Dependents	2			
Total Covered Lives	3	0	1	2
Total Contracts	47,446	47,216	46,731	47,160
Total Covered Lives	84,632	83,918	83,159	83,828

Reflects dependents on medical coverage

Exhibit C 2019 New Non State Entities		
Effective Date	Group Name	Type
1/1/2019	City of Leon	City
7/1/2019	Great Bend Township	Township
7/1/2019	Flint Hills Community Health Center	Federally Qualified Health Center

Exhibit D
Kansas State Employees Health Care Commission
Plan Year 2019 Estimated Annualized Costs (Unaudited)

	<u>Annualized</u>
1. 2019 Projected Total Cost¹	\$ 466,292,099
	2. 2019 Estimated Total Cost²
a. Blue Cross and Blue Shield of Kansas (BCBS)	\$ 268,500,000
b. Aetna	\$ 14,995,000
c. Aetna Medicare Part D	\$ 790,000
d. BCBS Kansas Senior Plan C	\$ 20,917,000
e. Coventry Advantra PPO	\$ 1,500,000
f. Delta Dental of Kansas	\$ 27,372,500
g. Caremark Rx Claims	\$ 82,700,000
h. Surency Vision Premiums	\$ 4,009,000
i. /Health Clinic	\$ 2,000,000
j. Affordable Care Act Fees	\$ 162,364
k. Contract Fees	\$ 11,900,000
l. Health Savings/Health Reimbursement	\$ 29,300,000
TOTAL	\$ 4,64145,864
3. 2019 State and Non State Employee, COBRA, Direct Bill Contributions²	\$ 137,452,685
4. 2019 State of Kansas and Non State Employer Contributions^{1, 2}	
a. Projected	\$ 344,387,020
b. Actual	\$ 337,279,491
c. Percent Difference	2.1%

¹ 2019 Projected Totals come from the 10-year projection sheet presented and approved at the December 13, 2019, Health Care Commission Meeting.

² These values were developed by annualizing data received through November 2019. Intra-year trend, deductible leveraging, and migration were not considered. Data has not been audited further.