

STATE EMPLOYEES HEALTH CARE COMMISSION

June 3, 2024, 9:30 am

MEETING AGENDA

The Public May Listen to the [Kansas State Employee Health Plan - YouTube](#)

Welcome and Introductions by Secretary Proffitt

Action Items:

1. **Approval of Minutes [Action Item]** - Secretary Proffitt
 - April 9, 2024
2. **Financial Report** - Segal
3. **Plan Design and Rates for Plan Year 2025 [Action Item]** - Secretary Proffitt

Discussion Items:

4. Next scheduled meeting is August 20, 2024

Appendix:

- A. Follow up items from April HCC Meeting
- B. Review of Past HCC Plan Design Changes 2020-2024
- C. 2024 SEHP Active Employee Plan Summary
- D. Contribution Projections vs. Actuals

9 April 2024 HCC Meeting Minutes

The State of Kansas State Employees Health Care Commission (HCC) meeting was called to order on Tuesday, April 9, 2024, at 1:30 pm. The meeting was conducted in person at the KPERS Board Room, in Topeka, KS with a virtual video broadcast available to the public using GoTo Webinar following publication to the State of Kansas' Public YouTube Channel: <https://www.youtube.com/@KansasSEHP/streams>

The following members were present:

- Commission Chair Adam Proffitt
- Commissioner Cristi Cain
- Commissioner Steve Dechant
- Commissioner Anthony Hensley
- Commissioner Brenda Landwehr
- Commissioner Vicki Schmidt

The following staff members were present:

- Jennifer Flory, SEHP Director
- Mike Michael, SEHP Deputy Director
- Cris Loomis, Administrative Director
- Pete Nagurny, SEHP Sr. Manager, Data & Finance
- Paul Roberts, SEHP Sr. Manager, Health Plan Operations
- Delos DeCelle, SEHP Program Finance Manager
- Anna Garner, SEHP Project Analyst
- Pat Doran, Department of Administration, Chief Counsel
- Tracy Diel, Department of Administration, Legal Counsel
- Ken Vieira, Segal Consulting
- Gina Sander, Segal Consulting

Topic	Discussion	Action	Follow-up
Welcome and Roll Call	Commission Chair Adam Proffitt called the meeting to order at 1:33.	Commission Chair Adam Proffitt did a roll call of the commissioners: <ul style="list-style-type: none"> • Commissioner Cain – present • Commissioner Dechant –present • Commissioner Hensley – present • Commissioner Landwehr – online • Commissioner McGinn – absent • Commissioner Schmidt – present 	
1. Approval of Minutes [Action Item] February 9, 2024	Commission Chair Adam Proffitt opened the floor for any comments or edits.	Commissioner Dechant made a motion to approve the minutes for February 9, 2024. 2nd – Commissioner Cain All in favor, none against, the motion passed to approve the minutes as presented.	
2. Dental Plan Administration Contract [Action Item]	Director Jennifer Flory presented the Dental Plan Administration contract bids for consideration.	Commissioner Cain made a motion to move forward with Delta Dental. 2nd – Commissioner Schmidt The motion passed with a roll call vote. <ul style="list-style-type: none"> • Commissioner Cain – yes • Commissioner Dechant – yes • Commissioner Hensley – yes • Commissioner Landwehr – yes • Commissioner McGinn – absent • Commissioner Schmidt – yes 	

		<p>Commissioner Schmidt's explanation of the vote: I'm voting aye on this, voting yes based on the information we currently have available. I do want to be recorded I still believe the process could be improved.</p> <p>We don't have a lot of input. We don't have any input once the bids are received and before making a decision other than what we are provided here and would continue to hope that we'll have more information as we continue to bid as we continue to award, thank you.</p> <p>Commission Chair Adam Proffitt stated Commissioner Schmidt's explanation of vote would be reflected in the minutes. The packets do go out about a week in advance to the Commissioners. If there are questions with any of the materials, the team is more than happy to follow up and provide more information. If the Commissioners have specific questions that need to be addressed, this is the process to be used to make it more transparent.</p>	
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Topic	Discussion	Action	Follow-up
3. Prescription Eyewear Insurance	Director Jennifer Flory presented the Prescription Eyewear Insurance contract bids for consideration.	Commissioner Schmidt made a motion to approve the Prescription Eyewear	

[Action Item]		<p>Insurance contract to Surrency and the Alternative Enhance Plan option.</p> <p>2nd – Commissioner Dechant</p> <p>All in favor, none against, the motion passed with a roll call vote.</p> <ul style="list-style-type: none"> • Commissioner Cain – yes • Commissioner Dechant – yes • Commissioner Hensley – yes • Commissioner Landwehr – yes • Commissioner McGinn – absent • Commissioner Schmidt – yes 	
<p>4. Employee Advisory Committee Membership (action item)</p> <p>Bylaws (action item)</p>	<p>EAC President, Adam Noble, presented the Employee Advisory Committee’s recommendations for 2024 Membership and potential changes to the 2024 Bylaws.</p> <p>1) Reduce Direct Bill member's board representation from three members to two members.</p> <p>2) Change the membership term from three years to four years.</p>	<p>The commission is asking EAC to change the number of retiree members from three to two but make one of the two members to be a Medicare eligible member.</p> <p>1) Commissioner Dechant made a motion to approve the EAC length of service from three years to four years.</p> <ul style="list-style-type: none"> a. 2nd – Commissioner Hensley b. All in favor, none against, the motion passed with a voice vote. <p>2) Commissioner Dechant made a motion to return the proposal to EAC with the language consideration when they decrease the Direct Bill member from three people to two people, to make sure one member is Medicare eligible.</p>	<p>The EAC will update the bylaws to replace the references to DHCF with SEHP and</p>

		<p>a. 2nd – Commissioner Hensley</p> <p>b. All in favor, none against, the motion passed with a voice vote.</p>	consider the HCC feedback.
	EAC President, Adam Noble, presented a list of new members and EAC leadership candidates.	<p>Commissioner Schmidt made a motion to approve new members and executive leadership positions.</p> <p>2nd – Commissioner Hensley</p> <p>All in favor, none against, the motion passed with a voice vote.</p>	
5. Financial Report - Segal	Ken Viera Segal Consulting, presented the actuarial report financial report to date for the year 2024 and reviewed past historical trends and future projections.		The Commission requested that Segal prepare a summary of recent (past 3-4 years) projected cost increases for the employer, employee combined, and the extent there was a variance of savings or gains -based on experience for the next meeting.
Discussion item 1	Plan year 2025	Commission Chair Adam Proffitt stated Plan Year 2025 will be discussed at the June 3, 2024, HCC meeting. He asked Commissioners to submit questions via	

		email to him and Director Flory about Plan Year 2025 by May 10, 2024.	
Discussion item 2	Pediatric Acute-onset Neuropsychiatric Syndrome (PANS), and Pediatric Autoimmune Neuropsychiatric Disorders Associated with Streptococcal infections (PANDAS) Report - Commission Chair Adam Proffitt asked Gina Sander, Segal Consulting to present an overview of the PANS and PANDAS report.	In response to concerns expressed by Commissioners about the wording in K.S.A 40-2209a requiring the SEHP test any new health insurance mandated benefits, Commission Chair Adam Proffitt stated the HCC could review this at the August HCC Meeting. This would give the Commission time to prepare a proposal prior to the legislative session.	Review the expenses with BCBS to determine what services were included under the surgical expense line in the PANS and PANDAS reports.
Discussion item 3	Residential Treatment - Commission Chair Adam Proffitt presented an overview of the actions taken to bring the SEHP into compliance with mental health parity during the CMS market survey.	Commission Chair Adam Proffitt stated residential treatment coverage is a discussion item only. The decision on whether to add coverage will be made at the June 3 rd HCC meeting along with the other plan design decisions. Commissioner Schmidt indicated that in her experience Aetna and BCBSKS are not covering certain benefits in the same manner and will provide specific examples to staff to review.	Rep. Landwehr requested information on the providers of residential treatment in the state. What is the difference between inpatient acute care and residential treatment facilities?
Adjournment		Commissioner Schmidt made a motion to adjourn. 2 nd – Commissioner Hensley	
The meeting was adjourned at 3:50 p.m.			

Next Meeting June 3, 2024

Segal Finance Report



June 3, 2024

Ms. Jennifer Flory
 Director – State Employee Health Benefit Plan
 Kansas Department of Health and Environment
 Topeka, Kansas 66612

Re: Projection Summary – April 2024

Dear Ms. Flory:

This letter provides a summary of the financial update with data through April of 2024 and the key assumptions included in the projections.

Experience: January 2024 to April 2024

Segal collected the actual experience and compared it to what was projected in our initial budget. Because the projection is developed monthly, we summarize the emerging experience and analyze the gain/(loss) for the period. The calendar year through April shows a loss of \$2.3M compared to the initial budget.

The loss through April was primarily due to higher medical and pharmacy claims relative to the trend assumption. The gain on the ASO/Premium is due to Vision Premium payments being deferred.

The reserve balance at the end of April is \$78.9M versus the \$81.2M from the initial projected budget. Below is a breakout of the various components through April.

January 2024 to April 2024 Financials (in Millions)				
	Budgeted	Actual	Gain/(Loss) \$	Gain/(Loss) %
Program Revenue	\$193.4	\$193.6	\$0.2	0.1%
Medical self-insured claims	\$106.0	\$108.2	\$ (2.2)	(2.1)%
Rx self-insured claims	\$30.3	\$31.4	\$ (1.1)	(3.6)%
Dental self-insured claims	\$9.1	\$9.1	\$0.0	0.0%
Health Savings Contributions*	\$15.5	\$15.5	\$0.0	0.0%
ASO/Premium	\$14.2	\$13.3	\$0.9	6.3%
Contract Fees/Other**	\$2.2	\$2.2	\$0.0	0.0%
Administrative Fund	\$1.7	\$1.7	\$0.0	0.0%
Program Expenses	\$179.0	\$181.5	\$ (2.5)	(1.4)%
Net Income/(Net Expense)	\$14.3	\$12.1	\$2.2	
Reserve Balance (All Funds)***	\$81.2	\$78.9	\$ (2.3)	
* Includes Health Savings and Health Reimbursement Contributions				
** Includes Contract Fees, Voluntary Benefit, Onsite Clinic, Wellness Program, EAP, MAP, Transparent Tools, Data Warehouse, HRA ASO, Non-State Administrative Expenses, Flex and PCORI. See full break out on Itemized Non Claims Expenses page of the projection.				
*** Total may not fully reconcile due to some intermediate values shown rounded to 1 decimal.				

Enrollment

The average 2024 enrollment through April decreased by 0.03% from what was projected in the initial budget forecast. The decreased headcount does have a direct correlation to revenue and expenses; however, the net impact to the overall financials is negligible.

Enrollment Monthly Avg.	Projected (Jan-April)	Actual (Jan-April)	Change in #	Change in %
Active & COBRA	38,076	38,067	(9)	0.0%
Non-Medicare Retiree	384	388	4	1.1%
Medicare Members	7,869	7,861	(8)	-0.1%
Total	46,329	46,316	(13)	0.03%

* Totals may not fully reconcile due to some intermediate values shown rounded to the digit.

The table on the following page shows a snapshot of the April 2024 enrollment. This serves as the basis for enrollment assumptions for 2024.

Contracts (April-2024)					
	Active	COBRA	Non-Medicare Retiree	Medicare Retiree	Total
Medical					
Plan A	18,817	46	155		19,018
Plan C	15,849	42	241		16,132
Plan J	638	0	3		641
Plan N	2,707	5	3		2,715
Medicare					
Aetna (MA)				820	820
Plan C/C Select (Supp)				6,045	6,045
Plan G/G Select (Supp)				703	703
Plan N (Supp)				252	252
Medical Total	38,011	93	402	7,820	46,326
Contracts (April-2024)					
	Active	COBRA	Non-Medicare Retiree	Medicare Retiree	Total
Dental Total	38,621	102	400	7,893	47,016
Vision Total	32,296	80	348	5,288	38,012

Multi-Year Projection Summary

The following table summarizes the projected revenue, expense, and employer/employee funding for the program. Each update will project the year we are in, now CY 2024, and four (4) additional calendar years.

Financial Projections (in Millions) – as of April 30, 2024						
	CY 2023	CY 2024	CY 2025	CY 2026	CY 2027	CY 2028
Program Revenue	\$526.1	\$559.0	\$580.2	\$615.6	\$659.1	\$705.7
<i>Medical self-insured claims</i>	\$323.0	\$348.5	\$365.1	\$384.8	\$414.5	\$426.8
<i>Rx self-Insured claims</i>	\$98.4	\$102.1	\$105.1	\$114.1	\$123.8	\$134.3
<i>Dental self-Insured claims</i>	\$27.4	\$28.4	\$29.4	\$30.3	\$31.8	\$32.2
Health Savings Contributions*	\$33.2	\$32.7	\$33.0	\$33.0	\$33.0	\$33.0
<i>ASO/Premium</i>	\$41.1	\$42.3	\$44.1	\$45.6	\$47.0	\$48.5
<i>Contract Fees/Other**</i>	\$8.8	\$6.9	\$6.9	\$7.0	\$7.1	\$7.1
<i>Administrative Fund</i>	\$4.3	\$5.1	\$5.1	\$5.2	\$5.2	\$5.3
Program Expenses	\$536.2	\$566.0	\$588.8	\$619.9	\$662.3	\$687.1
Net Income/(Net Expense)	\$(10.0)	\$(7.0)	\$(8.5)	\$(4.3)	\$(3.3)	\$18.6
Reserve Balance (All Funds)	\$66.9	\$59.9	\$51.4	\$47.1	\$43.8	\$62.4
* Includes Health Savings and Health Reimbursement Contributions						
** Includes Contract Fees, Voluntary Benefit, Onsite Clinic, Wellness Program, EAP, MAP, Transparent Tools, Data Warehouse, HRA ASO, Non-State Administrative Expenses, Flex and PCORI.						
*** Total may not fully reconcile due to some intermediate values shown rounded to 1 decimal.						

The projected medical costs for future periods have slightly increased since the prior update due to higher medical claims experience being incorporated into the baseline of our future projections.

Similarly, the projected pharmacy costs for 2024 and future periods have increased since the prior update. Since the last update, CVS shared their 2023 performance reports that disclose the interim settlement amounts associated with rebate and discount guarantees. The total settlement of \$5.6M due to the plan is projected to be received in June 2024 in our monthly variance report. The settlement is \$1.6M less than last year, which directly increases the projected costs of 2025+.

We incorporated the latest interest rates to apply to the fund balance. The rate assumptions are lower than before which yielded a \$1.5M loss over the projection period.

Note that the projected medical claims increase at a higher rate in 2027. This is because we are accounting for the 53 weekly claim's wires paid that year compared to the traditional 52 weeks found in the other years.

Funding and Reserves

The projected funding used in calculating the fund balances below considers the approved 2025 rates – 5.0% employer rate increase and no change on employee and retiree rates. The composite future rate increase is calculated to be 7.4%.

The 7.4% is calculated so that the ending Reserve Balance matches the Reserve Target at the end of the projection period (CY 2028) as highlighted in the table. This is the 0.5% higher than the calculated amount at the April HCC meeting.

The model is using the reserve target prescribed by the 2021 House Bill 2218, which is an average of the past three year’s total expenses. This target is marginally lower than the traditional reserve target used in the past. The tables below show the mechanics and calculations for both approaches.

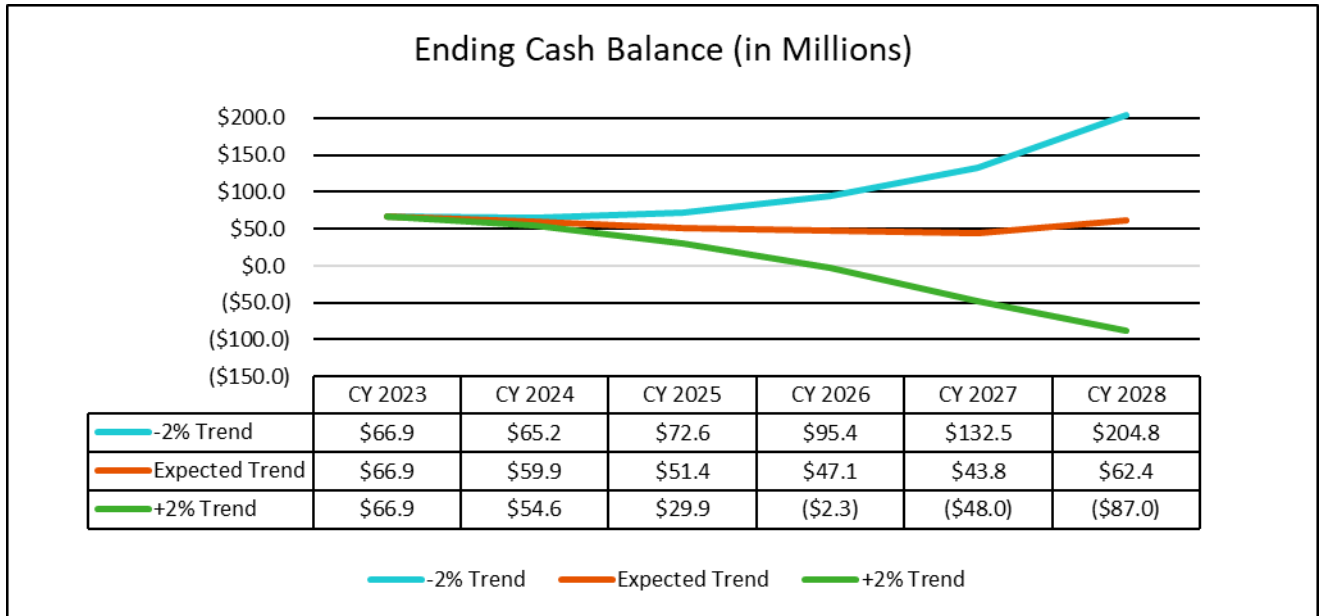
The future funding increases can be found at the bottom of the first table. The employee funding is effective January 1st each year and the employer funding is effective July 1st each year. Thus, the 7.4% increase shown in 2028 represents the employer contribution between 7/1/2028-6/30/2029, while the employee funding would be 1/1/2028-12/31/2028.

The funding elections that have been approved by the HCC have been bolded in the table below.

2021 House Bill No. 2218 Target (10% of Three Prior Years Total Plan Expenses) in CY 2023-2028 (in Millions)						
	2023	2024	2025	2026	2027	2028
10% of Prior Total Plan Expenses (3-Year Average)	\$48.3	\$50.9	\$53.2	\$56.4	\$59.2	\$62.4
Reserve Balance (All Funds)	\$66.9	\$59.9	\$51.4	\$47.1	\$43.8	\$62.4
Fund Balance vs. Target Surplus/(Shortfall)	\$18.6	\$9.0	\$(1.8)	\$(9.3)	\$(15.4)	\$0.0
Funding Rate Increase						
Employer	7.5%	5.0%	5.0%	7.4%	7.4%	7.4%
Employee*	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Traditional IBNR and Claims Fluctuation Funding and Reserving in CY 2023-2028 (in Millions)						
	2023	2024	2025	2026	2027	2028
Total Medical, Rx and Dental self-insured claims	\$448.8	\$479.0	\$499.6	\$529.2	\$570.1	\$593.3
IBNR Claim Reserve (7.5% of self-insured claims)	\$33.7	\$35.9	\$37.5	\$39.7	\$42.8	\$44.5
Claim Fluctuation Reserve (5.5% of self-insured claims)	\$24.7	\$26.3	\$27.5	\$29.1	\$31.4	\$32.6
Total Target Reserves	\$58.3	\$62.3	\$65.0	\$68.8	\$74.1	\$77.1
Reserve Balance (All Funds)	\$66.9	\$59.9	\$51.4	\$47.1	\$43.8	\$62.4
Fund Balance vs. Target Surplus/(Shortfall)	\$8.6	\$(2.4)	\$(13.6)	\$(21.7)	\$(30.3)	\$(14.7)

Sensitivity Analysis

Trend is one of the most important assumptions in the projection. The following table illustrates the impact on the funds Cash Balance if trend (Medical, Pharmacy, and Dental) is 2% higher or lower than assumed:



This analysis illustrates the importance of having a reserve. If trend is 2% higher than the assumptions from 2024-2028, the cash balance will decrease to -\$87.0 at the end of CY 2028, assuming the current proposed funding increases of 7.4% remain intact. If this occurred, a funding increase of approximately 24.0% in 2028 & 2029 would be necessary to make up this shortfall. This increase would allow the Reserve Balance to grow and meet the target reserve at the end of CY 2030. Alternatively, a lower trend of 2% would provide a significant surplus and would allow the plan to potentially lower future rate increases or provide benefit enhancements to balance to the target reserve.

2027 & 2028 Funding Rate Sensitivity		
-\$1M	Current	+\$1M
7.3%	7.4%	7.6%

Due to the funding rate for 2025 assumed to be locked at 5.0% for employers and 0.0% for employees, the 2026, 2027 and 2028 funding rate is sensitive to any changes in the claims data in the underlying projection. The table above displays the sensitivity of the 2027 and 2028 funding rates based on a \$1M gain or loss in the budget projections. Note that this gain or loss impacts the current 2024 costs as well as projected costs for the entire projection period.

Key Assumptions & Methodology

Claim Trends

Trend assumptions are utilized to project the annual increase in per member costs. We develop these by integrating the Program's historical performance with Segal's Annual Trend Survey. They are updated annually and reviewed with the Program. Current trend assumptions are as follows:

- Medical Self-Insured Claims: 5.5% for all years
- Pharmacy Self-Insured Claims: 8.5% for all years
- Dental Self-Insured Claims: 3.0% for all years
- Medicare Premium: 4.0% trend for all future years

HSA/HRA Funding

HSA/HRA amount are funded by employer contributions:

	CY 2024+		
	Plan C Base	Plan N Base	Potentially Earned
Full-time			
Employee	\$1,000	\$500	\$500
Employee + Spouse	\$2,000	\$1,125	\$500
Employee + Child(ren)	\$2,000	\$1,000	\$500
Employee + Family	\$2,000	\$1,125	\$500

Enrollment

From current levels, no overall population growth and no plan migration are assumed.

Baseline Self-Insured Claims Cost

Baseline claims rates for both medical and pharmacy follow a similar methodology, summarized below:

- Medical claims cost is developed based on expected cost per member per month (PMPM), and accounts for some months having 5 payment weeks rather than 4. The cost is developed based on medical claims paid in the experience period and 2-month lagged enrollment data. The PMPM is adjusted to reflect historical plan changes, enrollment migration, and any known experience since the end of the data period.
- Pharmacy claims cost is developed based on expected cost per member per month (PMPM). The cost is developed based on pharmacy claims paid in the experience period with 1-month lagged enrollment data. The PMPM is adjusted to reflect historical plan changes, enrollment migration, contract improvements, and any known experience since the end of the data period.

- Dental claims cost is developed based on expected cost per member per month (PMPM), and accounts for some months having 5 payment weeks rather than 4. The cost is developed based on medical claims paid during the experience period with 2-month lagged enrollment data. The PMPM is adjusted to reflect historical plan changes, and any known experience since the end of the data period.
- Both Medical and Rx costs are subdivided by each plan (Plan A, C, J, and N) and by group (Active and Non-Medicare Retiree).

Baseline claims costs are then trended and multiplied by expected enrollments and particulars for each month, populating the cash flow projection.

Prepayments

Certain university members prepay their June-Aug contributions in March-May. The employer and employee prepayment of \$2.3M per month were estimated based on specific membership data.

Adjustments from RFPs

The PBM RFP has completed, and a new contract is in place for 2023, assumed savings of \$20.5M/\$30.9M for year 2024/2025+. Note that savings in 2025 are inclusive of prior year savings.

Funding Rates

The funding rates and member contributions for 2024 and 2025 were approved by the HCC in June 2023. Future funding rates are set at the rate that Reserve Balance is equal to the Target Reserve at the end of 2028.

Program Actuarial Values

At the June 2023 HCC meeting, Plan C and J were amended to meet new HDHP limits for 2024. Non-Single tier deductible for employee was changed from \$3,000 to \$3,200 based on new IRS requirement in 2024. The 2024 Actuarial Value of the plans are updated with the latest Optum model update and is using a 2024 claims projection. They are shown in the following table.

Plan Values						
	Plan A	Plan C (w/o HSA/HRA funding)	Plan C (w/ Base HSA/HRA funding)	Plan J	Plan N (w/o HSA/HRA funding)	Plan N (w/ Base HSA/HRA funding)
2024 Plan Actuarial Value	85.6%	82.7%	92.6%	85.0%	78.8%	83.2%

Contract Fees

The Program provided fees for each contract fees that are consistent with their budgets. Segal received contract fees Calendar Year 2024 from the Program.

ASO Fees

The Program provided per contract BCBS, Aetna, and Delta ASO fees and per prescription Caremark ASO fees for year 2024. Caremark per prescription fees were converted to per contract fees. These contract fees are assumed to increase 2% annually.

PCORI

The ACA's PCORI program has a nominal annual fee included with the "Contract Fees"

Wellness Participation

- HSA/HRA Rewards: 60% for 2024-2028
- Premium Discount: 50% for 2024 (actual 2023 participation). 50% for 2025-2028.

Other Assumptions

There are a few other assumptions that have less impact on the plan financials that are detailed below for completeness:

Investment Earnings are estimated at 4.5%/3.75%/3.5% of the annual cash balance for FY 2024/2025/2026+.

- Coverage Tier Factor: A refreshed analysis was done using 2021 and 2022 claims and results are shown below. The purpose of these factors is to capture the cost impact of migration between contract tiers. The historical migration has been minimal, so the update to these factors had an immaterial impact on projections.
 - Medical Plan A: 1.00/2.94/1.57/2.53 for Employee Only/Employee + Spouse/Employee + Child(ren)/Employee + Family
 - Medical Plan C-N: 1.00/2.94/1.57/2.53 for Employee Only/Employee + Spouse/Employee + Child(ren)/Employee + Family
 - Dental: 1.00/2.03/2.53/3.89 for Employee Only/Employee + Spouse/Employee + Child(ren)/Employee + Family
- Traditional Reserve Percentage (No longer used):
 - IBNR Self-Insured Claims Reserve is 7.5% of Medical, Rx and Dental claims
 - Self-Insured Claims Fluctuation Reserve is 5.5% of Medical, Rx and Dental claims

Report Terms and Acronyms

- **Administrative Fund-Expenses for administration of SEHP are paid from this fund**
Fees SEHP pays for administrating the employee benefit plan in which only purchasing administrative services are required from the insurer.
- **APR – Annual Percentage Rate**
- **ASO- Administrative Services Only**
 - -Arrangement with insurer for a plan that funds its own employee benefit plan and only purchases administrative services from the insurer.
- **BCBS – Blue Cross Blue Shield**
- **COBRA- Consolidated Omnibus Budget Reconciliation Act**
 - -The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events. Qualified individuals may be required to pay the entire premium for coverage up to 102% of the cost to the plan.
- **CY- Calendar Year**
 - -January 1st to December 31st; same as Plan Year for Health Benefits
- **EAC-Employee Advisory Committee**
- **EAP – Employee Assistance Program**
- **EE- Employee**
- **EC – Employee Children**
- **EF – Employee Family**
- **ES – Employee Spouse**
- **ER- Employer**
- **FDIC – Federal Deposit Insurance Corporation**
- **FT – Full Time**
- **FY-Fiscal Year**
 - -Specific to the Kansas, July 1st to June 30th
- **FSA- Flexible Spending Account**
 - -Employer owned spending account for employees qualified Health care and Dependent care expenses funded by before tax payroll deductions
- **HCC- Health Care Commission.**
- **HKF – Healthy Kids Fulltime**
- **HKP – Healthy Kids Part Time**
- **HRA- Health Reimbursement Account**
 - -Employer funded plan where employees are reimbursed tax-free for qualified medical expenses up to a certain dollar amount per year
- **HSA- Health Savings Account**

-Employee-owned savings account which enables the employee to deposit money on a pre-tax basis into account to pay for qualified medical expenses. Employer contributions are also added to these accounts if employees qualify for them.

- **IBNR- *Incurred but not reported***

-Reserves to pay for claims that have transpired, but have not yet been reported for medical, pharmacy and dental claims

- **MA- *Medicare Advantage***

-Medicare health plan that offers Medicare benefits through a private-sector health insurer

- **MAP – *Membership Administration Portal***

- **MS- *Medicare Supplemental***

-Medicare Supplement (Medigap) plan

- **NDA – *Non-Disclosure Agreement***

- **OOP – *Out of Pocket***

- **PCORI- *Patient-Centered Outcomes Research Institute***

-Temporary Fee until 2029 paid to the Patient Centered Outcomes Research Institute created under Healthcare Reform.

- **PEPM- *Per Employee Per Month***

-Typical way of showing revenue and costs in rate form per employee

- **PT – *Part Time***

- **QTR - *Quarterly***

- **Rx - *Pharmacy***

- **YTD- *(Year to Date)***

-Refers to period of beginning of calendar year to the current date

Certification

The projections in this report are estimates of future costs and are based on unaudited information available to Segal consulting at the time the projections were made. Projections are not a guarantee of future results. Actual experience may differ due to, but not limited to, such variables as changes in the regulatory environment, local market pressure, changes in group demographics, overall inflation rates and claims volatility. The accuracy and reliability of health projections decrease as the projection period is extended.

By signing below, I certify that I am a qualified actuary by education and experience to evaluate health reserves and funding practices. I am a Fellow of the Society of Actuaries and a member of the American Academy of Actuaries and certify that all analysis was conducted in accordance with all applicable Actuarial Standards of Practice. All sections of this report are considered an integral part of the actuarial opinion.



Kenneth C. Vieira, FSA, FCA, MAAA
Senior Vice President



Patrick Klein, FSA, MAAA
Vice President

**Kansas State Employees Health Care Commission
2024 Variance Report - Through April
Budget vs. Actual**

	Jan-2024			Feb-2024			Mar-2024		
	Initial Budget	Actual	Gain/(Loss)	Initial Budget	Actual	Gain/(Loss)	Initial Budget	Actual	Gain/(Loss)
Revenue									
State ER	35,121,838	35,121,838	-	29,145,973	29,145,973	-	31,265,232	31,344,883	79,651
State EE	6,063,319	6,063,319	-	6,051,048	6,051,048	-	6,622,634	6,567,514	(55,120)
Non-State ER	4,364,382	4,364,382	-	4,325,908	4,325,908	-	4,295,680	4,246,655	(49,025)
Non-State EE	749,369	749,369	-	739,149	739,149	-	722,656	739,314	16,658
Direct Bill	2,663,157	2,663,157	-	2,611,375	2,611,375	-	2,621,281	2,620,835	(446)
COBRA	176,630	176,630	-	128,824	128,824	-	111,004	109,053	(1,951)
Voluntary Benefit	312,485	312,485	-	314,039	314,039	-	332,348	339,019	6,671
Interest/Other	249,049	249,049	-	270,227	270,227	-	278,548	268,500	(10,048)
Administrative Fund	308,509	308,509	-	308,042	308,042	-	270,688	306,095	35,406
Total	50,008,739	50,008,739	-	43,894,585	43,894,585	-	46,520,071	46,541,867	21,796
Expenses									
Medical Claims	28,041,354	28,041,354	-	23,362,081	23,362,081	-	27,523,968	30,487,640	(2,963,673)
Rx Claims	7,975,225	7,975,225	-	6,917,534	6,917,534	-	7,016,285	7,458,001	(441,717)
Dental Claims	2,009,685	2,009,685	-	2,145,289	2,145,289	-	2,742,165	2,585,376	156,789
Health Savings ER	6,414,299	6,414,299	-	1,378,068	1,378,068	-	685,603	704,655	(19,053)
ASO/Premium	3,512,695	3,222,995	289,700	3,574,505	3,284,435	290,069	3,574,810	3,564,905	9,905
Voluntary Benefit	312,485	312,485	-	314,039	314,039	-	332,348	339,019	(6,671)
Onsite Clinic (Marathon)	206,872	206,872	-	183,065	183,065	-	175,830	183,005	(7,175)
Other Contract Fees/Flex	40,762	40,762	-	42,379	42,378.86	-	53,936	42,100	11,836
PCORI	-	-	-	-	-	-	-	-	-
Administrative Fund	431,884	431,884	-	422,909	422,909	-	426,057	447,311	(21,254)
Total	48,945,260	48,655,560	289,700	38,339,867	38,049,798	290,069	42,531,000	45,812,013	(3,281,012)
Net Cash Flow									
	1,063,479	1,353,179	289,700	5,554,717	5,844,787	290,069	3,989,071	729,854	(3,259,216)
Beginning Balance (Reserve Fund)	58,052,785	58,052,785	-	59,239,640	59,529,339	289,700	64,909,224	65,488,993	579,769
Ending Balance (Reserve Fund)	59,239,640	59,529,339	289,700	64,909,224	65,488,993	579,769	69,053,663	66,360,064	(2,693,599)
Beginning Balance (Administrative Fund)	8,798,683	8,798,683	-	8,675,308	8,675,308	-	8,560,441	8,560,441	-
Ending Balance (Administrative Fund)	8,675,308	8,675,308	-	8,560,441	8,560,441	-	8,405,072	8,419,224	14,152
Beginning Balance (Both Funds)	66,851,469	66,851,469	-	67,914,948	68,204,647	289,700	73,469,665	74,049,434	579,769
Ending Balance (Both Funds)	67,914,948	68,204,647	289,700	73,469,665	74,049,434	579,769	77,458,735	74,779,288	(2,679,447)
Enrollment (Subscriber)									
	Initial	Updated	Difference	Initial	Updated	Difference	Initial	Updated	Difference
Active	37,848	37,848	-	37,924	37,924	-	38,037	38,037	-
COBRA	133	133	-	120	120	-	103	103	-
Non-Medicare Retiree	387	387	-	377	377	-	385	385	-
Medicare Retiree	7,895	7,895	-	7,876	7,876	-	7,852	7,852	-
Total	46,263	46,263	-	46,297	46,297	-	46,377	46,377	-
Revenue PEPM	1,081	1,081	-	948	948	-	1,003	1,004	0
Expenses PEPM	1,058	1,052	(6)	828	822	(6)	917	988	71

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	Apr-2024			May-2024			Jun-2024		
	Initial Budget	Actual	Gain/(Loss)	Initial Budget	Updated Budget	Gain/(Loss)	Initial Budget	Updated Budget	Gain/(Loss)
Revenue									
State ER	37,703,511	37,777,883	74,372	31,171,042	31,149,009	(22,033)	26,340,049	26,315,497	(24,553)
State EE	6,622,634	6,615,669	(6,965)	6,622,634	6,636,369	13,735	5,499,232	5,509,773	10,540
Non-State ER	4,295,680	4,331,251	35,571	4,295,680	4,309,985	14,305	4,295,680	4,309,985	14,305
Non-State EE	722,656	740,431	17,775	722,656	727,641	4,984	722,656	727,641	4,984
Direct Bill	2,621,281	2,598,383	(22,898)	2,621,281	2,623,415	2,133	2,621,281	2,623,415	2,133
COBRA	111,004	108,871	(2,133)	111,004	101,731	(9,272)	111,004	101,731	(9,272)
Voluntary Benefit	332,348	340,325	7,978	332,348	332,348	-	332,348	332,348	-
Interest/Other	278,548	301,244	22,696	488,548	460,693	(27,855)	488,548	460,693	(27,855)
Administrative Fund	270,688	308,165	37,476	270,688	270,634	(54)	270,688	270,634	(54)
Total	52,958,350	53,122,222	163,872	46,635,881	46,611,824	(24,003)	40,681,486	40,651,716	(29,771)
Expenses									
Medical Claims	27,039,926	26,308,025	731,901	32,264,069	32,312,236	(48,167)	26,322,400	26,371,290	(48,891)
Rx Claims	8,432,459	9,028,246	(595,787)	7,968,435	8,563,197	(594,762)	8,320,209	3,304,902	5,015,307
Dental Claims	2,201,828	2,340,822	(138,994)	2,763,454	2,737,977	25,477	2,216,216	2,196,369	19,847
Health Savings ER	6,983,405	7,029,621	(46,216)	604,507	603,874	633	674,439	673,726	713
ASO/Premium	3,574,810	3,267,930	306,880	3,574,810	4,374,565	(799,755)	3,574,810	3,507,114	67,696
Voluntary Benefit	332,348	340,325	(7,978)	332,348	332,348	-	332,348	332,348	-
Onsite Clinic (Marathon)	175,830	184,642	(8,812)	175,830	175,830	-	175,830	175,830	-
Other Contract Fees/Flex	53,936	42,203	11,733	53,936	53,936	-	53,936	53,936	-
PCORI	-	-	-	-	-	-	-	-	-
Administrative Fund	426,057	419,866	6,192	426,057	426,057	-	426,057	426,057	-
Total	49,220,599	48,961,681	258,918	48,163,445	49,580,019	(1,416,574)	42,096,244	37,041,572	5,054,672
Net Cash Flow	3,737,751	4,160,541	422,791	(1,527,564)	(2,968,195)	(1,440,577)	(1,414,758)	3,610,143	5,024,901
Beginning Balance (Reserve Fund)	69,053,663	66,360,064	(2,693,599)	72,946,783	70,632,307	(2,314,476)	71,574,588	67,819,535	(3,755,053)
Ending Balance (Reserve Fund)	72,946,783	70,632,307	(2,314,476)	71,574,588	67,819,535	(3,755,053)	70,315,199	71,585,101	1,269,903
Beginning Balance (Administrative Fund)	8,405,072	8,419,224	14,152	8,249,703	8,307,523	57,820	8,094,334	8,152,100	57,766
Ending Balance (Administrative Fund)	8,249,703	8,307,523	57,820	8,094,334	8,152,100	57,766	7,938,965	7,996,676	57,711
Beginning Balance (Both Funds)	77,458,735	74,779,288	(2,679,447)	81,196,486	78,939,830	(2,256,656)	79,668,922	75,971,634	(3,697,288)
Ending Balance (Both Funds)	81,196,486	78,939,830	(2,256,656)	79,668,922	75,971,634	(3,697,288)	78,254,164	79,581,778	1,327,614
Enrollment (Subscriber)	Initial	Updated	Difference	Initial	Updated	Difference	Initial	Updated	Difference
Active	38,037	38,011	(26)	38,037	38,011	(26)	38,037	38,011	(26)
COBRA	103	93	(10)	103	93	(10)	103	93	(10)
Non-Medicare Retiree	385	402	17	385	402	17	385	402	17
Medicare Retiree	7,852	7,820	(32)	7,852	7,820	(32)	7,852	7,820	(32)
Total	46,377	46,326	(51)	46,377	46,326	(51)	46,377	46,326	(51)
Revenue PEPM	1,142	1,147	5	1,006	1,006	1	877	878	0
Expenses PEPM	1,061	1,057	(4)	1,039	1,070	32	908	800	(108)

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	Jul-2024			Aug-2024			Sep-2024		
	Initial Budget	Updated Budget	Gain/(Loss)	Initial Budget	Updated Budget	Gain/(Loss)	Initial Budget	Updated Budget	Gain/(Loss)
Revenue									
State ER	34,060,385	34,027,273	(33,112)	27,737,916	27,709,554	(28,362)	30,211,317	30,185,474	(25,843)
State EE	5,499,232	5,506,578	7,346	5,499,232	5,506,578	7,346	6,060,933	6,071,473	10,540
Non-State ER	4,507,961	4,522,970	15,009	4,507,961	4,522,970	15,009	4,507,961	4,522,970	15,009
Non-State EE	722,656	727,641	4,984	722,656	727,641	4,984	722,656	727,641	4,984
Direct Bill	2,621,281	2,623,415	2,133	2,621,281	2,623,415	2,133	2,621,281	2,623,415	2,133
COBRA	111,004	101,731	(9,272)	111,004	101,731	(9,272)	111,004	101,731	(9,272)
Voluntary Benefit	332,348	332,348	-	332,348	332,348	-	332,348	332,348	-
Interest/Other	480,693	438,911	(41,782)	480,693	438,911	(41,782)	480,693	438,911	(41,782)
Administrative Fund	270,688	270,634	(54)	270,688	270,634	(54)	270,688	270,634	(54)
Total	48,606,248	48,551,500	(54,749)	42,283,779	42,233,781	(49,999)	45,318,881	45,274,596	(44,285)
Expenses									
Medical Claims	26,363,919	26,412,421	(48,501)	34,392,109	34,455,030	(62,921)	26,477,574	26,528,369	(50,796)
Rx Claims	7,980,608	8,576,279	(595,670)	8,163,646	8,772,978	(609,332)	9,265,016	9,956,554	(691,538)
Dental Claims	2,221,682	2,201,786	19,896	2,783,951	2,759,020	24,931	2,232,654	2,212,660	19,994
Health Savings ER	6,872,219	6,866,899	5,320	471,711	471,230	481	446,189	445,737	452
ASO/Premium	3,574,810	3,507,114	67,696	3,574,810	3,507,114	67,696	3,574,810	3,507,114	67,696
Voluntary Benefit	332,348	332,348	-	332,348	332,348	-	332,348	332,348	-
Onsite Clinic (Marathon)	175,830	175,830	-	175,830	175,830	-	175,830	175,830	-
Other Contract Fees/Flex	53,936	53,936	-	53,936	53,936	-	53,936	53,936	-
PCORI	205,000	205,000	-	-	-	-	-	-	-
Administrative Fund	426,057	426,057	-	426,057	426,057	-	426,057	426,057	-
Total	48,206,409	48,757,668	(551,259)	50,374,397	50,953,542	(579,145)	42,984,413	43,638,605	(654,192)
Net Cash Flow	399,839	(206,168)	(606,008)	(8,090,618)	(8,719,761)	(629,144)	2,334,469	1,635,991	(698,477)
Beginning Balance (Reserve Fund)	70,315,199	71,585,101	1,269,903	70,870,407	71,534,356	663,949	62,935,159	62,970,019	34,860
Ending Balance (Reserve Fund)	70,870,407	71,534,356	663,949	62,935,159	62,970,019	34,860	65,424,996	64,761,433	(663,563)
Beginning Balance (Administrative Fund)	7,938,965	7,996,676	57,711	7,783,596	7,841,253	57,657	7,628,227	7,685,830	57,602
Ending Balance (Administrative Fund)	7,783,596	7,841,253	57,657	7,628,227	7,685,830	57,602	7,472,858	7,530,406	57,548
Beginning Balance (Both Funds)	78,254,164	79,581,778	1,327,614	78,654,003	79,375,609	721,606	70,563,386	70,655,848	92,462
Ending Balance (Both Funds)	78,654,003	79,375,609	721,606	70,563,386	70,655,848	92,462	72,897,854	72,291,840	(606,015)
Enrollment (Subscriber)	Initial	Updated	Difference	Initial	Updated	Difference	Initial	Updated	Difference
Active	38,037	38,011	(26)	38,037	38,011	(26)	38,037	38,011	(26)
COBRA	103	93	(10)	103	93	(10)	103	93	(10)
Non-Medicare Retiree	385	402	17	385	402	17	385	402	17
Medicare Retiree	7,852	7,820	(32)	7,852	7,820	(32)	7,852	7,820	(32)
Total	46,377	46,326	(51)	46,377	46,326	(51)	46,377	46,326	(51)
Revenue PEPM	1,048	1,048	(0)	912	912	(0)	977	977	0
Expenses PEPM	1,039	1,052	13	1,086	1,100	14	927	942	15

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	Oct-2024			Nov-2024			Dec-2024		
	Initial Budget	Updated Budget	Gain/(Loss)	Initial Budget	Updated Budget	Gain/(Loss)	Initial Budget	Updated Budget	Gain/(Loss)
Revenue									
State ER	36,533,787	36,503,193	(30,593)	30,211,317	30,185,474	(25,843)	30,211,317	30,185,474	(25,843)
State EE	6,060,933	6,071,473	10,540	6,060,933	6,071,473	10,540	6,060,933	6,071,473	10,540
Non-State ER	4,507,961	4,522,970	15,009	4,507,961	4,522,970	15,009	4,507,961	4,522,970	15,009
Non-State EE	722,656	727,641	4,984	722,656	727,641	4,984	722,656	727,641	4,984
Direct Bill	2,621,281	2,623,415	2,133	2,621,281	2,623,415	2,133	2,621,281	2,623,415	2,133
COBRA	111,004	101,731	(9,272)	111,004	101,731	(9,272)	111,004	101,731	(9,272)
Voluntary Benefit	332,348	332,348	-	332,348	332,348	-	332,348	332,348	-
Interest/Other	480,693	438,911	(41,782)	480,693	438,911	(41,782)	480,693	438,911	(41,782)
Administrative Fund	270,688	270,634	(54)	270,688	270,634	(54)	270,688	270,634	(54)
Total	51,641,351	51,592,315	(49,035)	45,318,881	45,274,596	(44,285)	45,318,881	45,274,596	(44,285)
Expenses									
Medical Claims	28,441,796	28,493,563	(51,767)	37,886,091	37,954,863	(68,773)	27,678,716	27,727,848	(49,132)
Rx Claims	8,890,334	9,553,906	(663,572)	10,144,611	10,901,802	(757,191)	10,333,605	11,104,902	(771,297)
Dental Claims	2,238,160	2,218,117	20,043	2,804,600	2,779,484	25,116	2,249,213	2,229,071	20,142
Health Savings ER	6,938,147	6,932,751	5,396	674,895	674,182	713	476,371	475,885	486
ASO/Premium	3,574,810	3,507,114	67,696	3,574,810	3,507,114	67,696	3,574,810	3,507,114	67,696
Voluntary Benefit	332,348	332,348	-	332,348	332,348	-	332,348	332,348	-
Onsite Clinic (Marathon)	175,830	175,830	-	175,830	175,830	-	175,830	175,830	-
Other Contract Fees/Flex	53,936	53,936	-	53,936	53,936	-	53,936	53,936	-
PCORI	-	-	-	-	-	-	-	-	-
Administrative Fund	426,057	426,057	-	426,057	426,057	-	426,057	426,057	-
Total	51,071,417	51,693,621	(622,204)	56,073,177	56,805,615	(732,438)	45,300,886	46,032,991	(732,105)
Net Cash Flow	569,933	(101,305)	(671,239)	(10,754,296)	(11,531,019)	(776,723)	17,996	(758,395)	(776,390)
Beginning Balance (Reserve Fund)	65,424,996	64,761,433	(663,563)	66,150,298	64,815,551	(1,334,747)	55,551,371	53,439,956	(2,111,416)
Ending Balance (Reserve Fund)	66,150,298	64,815,551	(1,334,747)	55,551,371	53,439,956	(2,111,416)	55,724,736	52,836,984	(2,887,751)
Beginning Balance (Administrative Fund)	7,472,858	7,530,406	57,548	7,317,489	7,374,983	57,494	7,162,121	7,219,560	57,439
Ending Balance (Administrative Fund)	7,317,489	7,374,983	57,494	7,162,121	7,219,560	57,439	7,006,752	7,064,136	57,385
Beginning Balance (Both Funds)	72,897,854	72,291,840	(606,015)	73,467,788	72,190,534	(1,277,254)	62,713,492	60,659,515	(2,053,976)
Ending Balance (Both Funds)	73,467,788	72,190,534	(1,277,254)	62,713,492	60,659,515	(2,053,976)	62,731,487	59,901,121	(2,830,367)
Enrollment (Subscriber)	Initial	Updated	Difference	Initial	Updated	Difference	Initial	Updated	Difference
Active	38,037	38,011	(26)	38,037	38,011	(26)	38,037	38,011	(26)
COBRA	103	93	(10)	103	93	(10)	103	93	(10)
Non-Medicare Retiree	385	402	17	385	402	17	385	402	17
Medicare Retiree	7,852	7,820	(32)	7,852	7,820	(32)	7,852	7,820	(32)
Total	46,377	46,326	(51)	46,377	46,326	(51)	46,377	46,326	(51)
Revenue PEPM	1,114	1,114	0	977	977	0	977	977	0
Expenses PEPM	1,101	1,116	15	1,209	1,226	17	977	994	17

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	Jan-2024 - Apr-2024			Jan-Dec 2024			% Gain/(Loss)
	Initial Budget	Actual	Gain/(Loss)	Initial Budget	Actual/Budget	\$ Gain/(Loss)	
Revenue							
State ER	133,236,554	133,390,577	154,022	379,713,686	379,651,524	(62,161)	0.0%
State EE	25,359,635	25,297,551	(62,084)	72,723,696	72,742,741	19,045	0.0%
Non-State ER	17,281,650	17,268,196	(13,454)	52,920,777	53,025,986	105,209	0.2%
Non-State EE	2,933,830	2,968,263	34,433	8,715,080	8,789,387	74,307	0.9%
Direct Bill	10,517,095	10,493,751	(23,344)	31,487,345	31,481,069	(6,276)	0.0%
COBRA	527,461	523,378	(4,084)	1,415,490	1,337,228	(78,262)	-5.5%
Voluntary Benefit	1,291,219	1,305,868	14,649	3,950,000	3,964,649	14,649	0.4%
Interest/Other	1,076,372	1,089,021	12,649	4,937,626	4,643,872	(293,754)	-5.9%
Administrative Fund	1,157,927	1,230,810	72,883	3,323,434	3,395,881	72,447	2.2%
Total	193,381,744	193,567,413	185,668	559,187,134	559,032,337	(154,797)	0.0%
Expenses							
Medical Claims	105,967,329	108,199,100	(2,231,772)	345,794,001	348,454,720	(2,660,719)	-0.8%
Rx Claims	30,341,502	31,379,006	(1,037,503)	101,407,967	102,113,525	(705,558)	-0.7%
Dental Claims	9,098,967	9,081,172	17,795	28,608,896	28,415,655	193,241	0.7%
Health Savings ER	15,461,374	15,526,643	(65,269)	32,619,852	32,670,927	(51,075)	-0.2%
ASO/Premium	14,236,819	13,340,265	896,554	42,835,297	42,264,625	570,671	1.3%
Voluntary Benefit	1,291,219	1,305,868	(14,649)	3,950,000	3,964,649	(14,649)	-0.4%
Onsite Clinic (Marathon)	741,596	757,584	(15,987)	2,148,236	2,164,223	(15,987)	-0.7%
Other Contract Fees/Flex	191,013	167,444	23,569	622,500	598,931	23,569	3.8%
PCORI	-	-	-	205,000	205,000	-	0.0%
Administrative Fund	1,706,908	1,721,971	(15,063)	5,115,366	5,130,428	(15,063)	-0.3%
Total	179,036,727	181,479,052	(2,442,325)	563,307,115	565,982,685	(2,675,570)	-0.5%
Net Cash Flow	14,345,017	12,088,361	(2,256,656)	(4,119,981)	(6,950,348)	(2,830,367)	
Beginning Balance (Reserve Fund)	58,052,785	58,052,785	-	58,052,785	58,052,785	-	
Ending Balance (Reserve Fund)	72,946,783	70,632,307	(2,314,476)	55,724,736	52,836,984	(2,887,751)	
Beginning Balance (Administrative Fund)	8,798,683	8,798,683	-	8,798,683	8,798,683	-	
Ending Balance (Administrative Fund)	8,249,703	8,307,523	57,820	7,006,752	7,064,136	57,385	
Beginning Balance (Both Funds)	66,851,469	66,851,469	-	66,851,469	66,851,469	-	
Ending Balance (Both Funds)	81,196,486	78,939,830	(2,256,656)	62,731,487	59,901,121	(2,830,367)	
Enrollment (Subscriber)	Initial	Updated	Difference	Initial	Updated	Difference	% Difference
Active	37,962	37,955	(7)	38,012	37,992	(20)	-0.1%
COBRA	115	112	(3)	107	99	(8)	-7.0%
Non-Medicare Retiree	384	388	4	385	397	13	3.3%
Medicare Retiree	7,869	7,861	(8)	7,858	7,834	(24)	-0.3%
Total	46,329	46,316	(13)	46,361	46,323	(38)	-0.1%
Revenue PEPM	1,044	1,045	1	1,005	1,006	1	0.1%
Expenses PEPM	966	980	13	1,013	1,018	6	0.6%

Plan Design Summary

**Kansas State Employees Health Care Commission
Multi-Year Projection
Assumption Summary**

Trend Assumptions	2023	2024	2025	2026	2027	2028
Interest Rate on Fund Balance (Fiscal Year)	2.8%	4.5%	3.75%	3.5%	3.5%	3.5%
Admin/Contract Fee Trend/Vision Trend	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Medical claim trend rate	10.0%	5.5%	5.5%	5.5%	5.5%	5.5%
Prescription drug claim trend rate	0.0%	8.5%	8.5%	8.5%	8.5%	8.5%
Dental claim trend rate	2.7%	3.0%	3.0%	3.0%	3.0%	3.0%
Medicare Advantage trend rate	5.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Funding Rate Assumptions						
Medical	Target based on 10% of Total Expenses					
Employer % Change (eff. July 1)		Fixed	Fixed	Calculated	Calculated	Calculated
State Employer	7.5%	5.0%	5.0%	7.4%	7.4%	7.4%
		Fixed	Fixed	Calculated	Calculated	Calculated
Non-State Employer	7.5%	5.0%	5.0%	7.4%	7.4%	7.4%
State Employee % Change (eff. Jan 1)		Fixed	Fixed	Calculated	Calculated	Calculated
Employee	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Spouse	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Child(ren)	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Family	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Non-State Employee % Change (eff. Jan 1)		Fixed	Fixed	Calculated	Calculated	Calculated
Employee	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Spouse	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Child(ren)	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Family	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Non-Medicare Retiree Contrib % Change (eff. Jan 1)		Fixed	Fixed	Calculated	Calculated	Calculated
Employee	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Spouse	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Child(ren)	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Employee + Family	0.0%	0.0%	0.0%	7.4%	7.4%	7.4%
Dental						
Employer contribution % increase (eff. July 1)	41.7%	3.3%	3.3%	3.3%	3.3%	3.3%
Active ee contributionn % incr. (eff. Jan 1)	-53.0%	0.0%	0.0%	3.3%	3.3%	3.3%
Retirees contribution % increase (eff. Jan 1)	3.3%	0.0%	0.0%	3.3%	3.3%	3.3%
Additional HSA/HRA ER Funding						
Plan C EE Only (Now \$1,000)			\$ -	\$ -	\$ -	\$ -
Plan C EE+SP & Fam (Now \$2,000)			\$ -	\$ -	\$ -	\$ -
Plan C EE+CH (Now \$2,000)			\$ -	\$ -	\$ -	\$ -
Plan N EE Only (Now \$500)			\$ -	\$ -	\$ -	\$ -
Plan N EE+SP & Fam (Now \$1,125)			\$ -	\$ -	\$ -	\$ -
Plan N EE+CH (Now \$1,000)			\$ -	\$ -	\$ -	\$ -
Wellness Assumptions						
Earned HSA/HRA Contribution (\$500/\$1,000)	60%	60%	60%	60%	60%	60%
Wellness Contribution Credit \$40 per month	40%	50%	50%	50%	50%	50%
Reserve Targets						
10% of Total Expenses (average of prior 3 years)	10.0%	10.0%	10.0%	10.0%	10.0%	

Kansas State Employees Health Care Commission
Financial Data Through April 2024 and Enrollment Data Through April 2024
Cost Impact of Plan Changes

		2024	2025	2026	2027	2028
Baseline Total Costs		\$ 565,982,685	\$ 588,769,210	\$ 619,901,773	\$ 662,339,394	\$ 687,124,173
Legislative Pilot Programs		Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Continue PANS and PANDAS Coverage (Y means continue coverage - no financial impact)	Y	\$ (210,000)	\$ (222,000)	\$ (234,000)	\$ (247,000)	\$ (247,000)
Continue Amino Acids Formula Coverage (Y means continue coverage - no financial impact)	Y	\$ (100,000)	\$ (106,000)	\$ (111,000)	\$ (118,000)	\$ (118,000)
Dental Benefits	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Increase the Orthodontic Lifetime Maximum from \$1,000 to \$1,200	N	\$ 244,106	\$ 303,258	\$ 318,430	\$ 321,833	\$ 321,833
Increase the Orthodontic Lifetime Maximum from \$1,000 to \$1,500	N	\$ 610,265	\$ 758,144	\$ 796,075	\$ 804,582	\$ 804,582
Increase the Orthodontic Lifetime Maximum from \$1,000 to \$1,750	N	\$ 915,398	\$ 1,137,217	\$ 1,194,113	\$ 1,206,873	\$ 1,206,873
Increase the Orthodontic Lifetime Maximum from \$1,000 to \$2,000	N	\$ 1,220,530	\$ 1,516,289	\$ 1,592,151	\$ 1,609,165	\$ 1,609,165
Increase the Annual Maximum from \$1,700 to \$2,000	N	\$ 366,159	\$ 454,887	\$ 477,645	\$ 482,749	\$ 482,749
Residential Treatment - All Plans	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Adding coverage for all residential treatment facilities - (Effective 1/1/2024)	N	\$ 2,000,000	\$ 2,532,000	\$ 2,671,260	\$ 2,818,179	\$ 2,973,179
Adding coverage for all residential treatment facilities - (Effective 1/1/2025)	N	\$ 2,110,000	\$ 2,110,000	\$ 2,671,260	\$ 2,818,179	\$ 2,973,179
Breast Cancer Screenings	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
100% coverage for diagnostic MRIs and Ultrasounds for breast cancer screening (after ded. is met for C, J, and N)	N	\$ 125,796	\$ 157,874	\$ 166,557	\$ 175,717	\$ 175,717
Plan A - 19,018 Contracts	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Increase the Deductible from \$800/\$1,600 to \$900/\$1,800	N	\$ (581,056)	\$ (709,292)	\$ (764,150)	\$ (797,049)	\$ (797,049)
Increase the Coinsurance from 20% to 25%	N	\$ (1,515,633)	\$ (1,850,126)	\$ (1,993,219)	\$ (2,079,032)	\$ (2,079,032)
Increase the OOP Max from \$5,250 to \$5,500	N	\$ (486,039)	\$ (593,306)	\$ (639,193)	\$ (666,712)	\$ (666,712)
Reduce the OOP Max from \$5,250 to \$5,000	N	\$ 458,532	\$ 559,728	\$ 603,019	\$ 628,980	\$ 628,980
Change Preferred Brand from 35% Coinsurance to \$30 Copay after \$120 Deductible	N	\$ 508,079	\$ 620,210	\$ 668,178	\$ 696,945	\$ 696,945
Change Preferred Brand from 35% Coinsurance to \$40 Copay after \$120 Deductible	N	\$ 427,841	\$ 522,263	\$ 562,656	\$ 586,880	\$ 586,880
Change Preferred Brand from 35% Coinsurance to \$45 Copay after \$120 Deductible	N	\$ 388,621	\$ 474,388	\$ 511,078	\$ 533,081	\$ 533,081
Change Preferred Brand from 35% Coinsurance to \$60 Copay after \$120 Deductible	N	\$ 274,751	\$ 335,363	\$ 361,301	\$ 376,856	\$ 376,856
Change Generic from 20% Coinsurance to \$5 Copay	N	\$ 132,893	\$ 162,222	\$ 174,768	\$ 182,292	\$ 182,292
Change Generic from 20% Coinsurance to \$10 Copay after \$120 Deductible	N	\$ (1,319,201)	\$ (1,610,342)	\$ (1,734,890)	\$ (1,809,581)	\$ (1,809,581)
Change Generic from 20% Coinsurance to \$20 Copay	N	\$ (1,735,233)	\$ (2,118,190)	\$ (2,282,016)	\$ (2,380,263)	\$ (2,380,263)
Change Generic from 20% Coinsurance to 20% Coinsurance with \$5 Maximum	N	\$ 503,466	\$ 614,579	\$ 662,112	\$ 690,617	\$ 690,617
Plan C - 16,132 Contracts	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Increase All Tier Deductible to \$3,300/\$6,600	N	\$ (1,906,222)	\$ (2,312,046)	\$ (2,497,571)	\$ (2,602,396)	\$ (2,602,396)
Increase the Non-Single Tier Deductible from \$3,200/\$5,500 to \$3,300/\$5,500	N	\$ (106,078)	\$ (128,862)	\$ (138,986)	\$ (144,819)	\$ (144,819)
Increase the Coinsurance from 10% to 15%	N	\$ (966,683)	\$ (1,172,485)	\$ (1,266,568)	\$ (1,319,727)	\$ (1,319,727)
Increase the OOP Max from \$4,500 to \$5,000	N	\$ (1,034,125)	\$ (1,254,285)	\$ (1,354,932)	\$ (1,411,800)	\$ (1,411,800)
Reduce the OOP Max from \$4,500 to \$4,000	N	\$ 1,180,341	\$ 1,431,630	\$ 1,546,508	\$ 1,611,416	\$ 1,611,416
Change Preferred Brand from 35% Coinsurance to \$30 Copay after Deductible	N	\$ 283,227	\$ 343,525	\$ 371,091	\$ 386,665	\$ 386,665
Change Preferred Brand from 35% Coinsurance to \$45 Copay after Deductible	N	\$ 205,334	\$ 249,048	\$ 269,032	\$ 280,324	\$ 280,324
Change Preferred Brand from 35% Coinsurance to \$80 Copay after Deductible	N	\$ 63,227	\$ 76,687	\$ 82,841	\$ 86,318	\$ 86,318
Change Generic from 20% Coinsurance to \$5 Copay after Deductible	N	\$ 13,360	\$ 16,204	\$ 17,504	\$ 18,239	\$ 18,239
Change Generic from 20% Coinsurance to \$10 Copay after Deductible	N	\$ (36,320)	\$ (44,052)	\$ (47,587)	\$ (49,584)	\$ (49,584)
Change Generic from 20% Coinsurance to \$20 Copay after Deductible	N	\$ (107,859)	\$ (130,821)	\$ (141,319)	\$ (147,250)	\$ (147,250)
Change Generic from 20% Coinsurance to 10% Coinsurance with \$50 Maximum	N	\$ 178,625	\$ 216,654	\$ 234,039	\$ 243,861	\$ 243,861
Plan N - 2,715 Contracts	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Increase All Tier Deductible to \$3,300/\$6,600	N	\$ (257,791)	\$ (312,689)	\$ (337,779)	\$ (351,950)	\$ (351,950)
Increase the Non-Single Tier Deductible from \$3,200/\$5,500 to \$3,300/\$5,500	N	\$ (7,090)	\$ (8,600)	\$ (9,290)	\$ (9,680)	\$ (9,680)
Reduce the Coinsurance from 35% to 30%	N	\$ 110,977	\$ 134,610	\$ 145,411	\$ 151,511	\$ 151,511
Reduce the OOP Max from \$6,650 to \$6,400	N	\$ 36,565	\$ 44,352	\$ 47,910	\$ 49,920	\$ 49,920
Change Preferred Brand from 35% Coinsurance to \$30 Copay after Deductible	N	\$ 46,201	\$ 56,039	\$ 60,536	\$ 63,076	\$ 63,076
Change Preferred Brand from 35% Coinsurance to \$45 Copay after Deductible	N	\$ 33,495	\$ 40,627	\$ 43,887	\$ 45,729	\$ 45,729
Change Preferred Brand from 35% Coinsurance to \$80 Copay after Deductible	N	\$ 10,314	\$ 12,510	\$ 13,514	\$ 14,081	\$ 14,081
Change Generic from 20% Coinsurance to \$5 Copay after Deductible	N	\$ 2,179	\$ 2,643	\$ 2,855	\$ 2,975	\$ 2,975
Change Generic from 20% Coinsurance to \$10 Copay after Deductible	N	\$ (5,925)	\$ (7,186)	\$ (7,763)	\$ (8,089)	\$ (8,089)
Change Generic from 20% Coinsurance to \$20 Copay after Deductible	N	\$ (17,594)	\$ (21,341)	\$ (23,053)	\$ (24,020)	\$ (24,020)
Change Generic from 20% Coinsurance to 10% Coinsurance with \$50 Maximum	N	\$ 29,138	\$ 35,343	\$ 38,179	\$ 39,781	\$ 39,781
Plan J - 641 Contracts	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Reduce the Coinsurance from 25% to 20%	N	\$ 96,572	\$ 117,151	\$ 126,550	\$ 131,854	\$ 131,854
Reduce the OOP Max from \$7,350 to \$7,100	N	\$ 13,213	\$ 16,029	\$ 17,315	\$ 18,041	\$ 18,041
Change Preferred Brand from 35% Coinsurance to \$30 Copay after Deductible	N	\$ 11,737	\$ 14,238	\$ 15,381	\$ 16,025	\$ 16,025
Change Preferred Brand from 35% Coinsurance to \$45 Copay after Deductible	N	\$ 8,509	\$ 10,322	\$ 11,151	\$ 11,618	\$ 11,618
Change Preferred Brand from 35% Coinsurance to \$80 Copay after Deductible	N	\$ 2,620	\$ 3,178	\$ 3,434	\$ 3,577	\$ 3,577
Change Generic from 20% Coinsurance to \$5 Copay after Deductible	N	\$ 554	\$ 672	\$ 726	\$ 756	\$ 756
Change Generic from 20% Coinsurance to \$10 Copay after Deductible	N	\$ (1,505)	\$ (1,826)	\$ (1,972)	\$ (2,055)	\$ (2,055)
Change Generic from 20% Coinsurance to \$20 Copay after Deductible	N	\$ (4,470)	\$ (5,422)	\$ (5,857)	\$ (6,103)	\$ (6,103)
Change Generic from 20% Coinsurance to 10% Coinsurance with \$50 Maximum	N	\$ 7,402	\$ 8,980	\$ 9,700	\$ 10,107	\$ 10,107
Prescription Drug All Plans - 38,506 Contracts	Change	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)	Cost/(Savings)
Reduce Generic Drug Coinsurance from 20% to 15%	N	\$ 716,598	\$ 871,675	\$ 940,481	\$ 980,409	\$ 980,409
Reduce the Coinsurance on Preferred Brand Drugs from 35% to 30%	N	\$ 373,007	\$ 453,728	\$ 489,543	\$ 510,327	\$ 510,327
Reduce the Coinsurance on Non-Preferred Brand Drugs from 60% to 55%	N	\$ 251,996	\$ 306,530	\$ 330,726	\$ 344,767	\$ 344,767
Total Additional Cost/(Savings) for Plan Change		\$ -	\$ -	\$ -	\$ -	\$ -

Kansas State Employees Health Care Commission
Financial Data Through April 2024 and Enrollment Data Through April 2024
Multi-Year Projection

	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected
Revenue						
State ER	\$ 347,518,775	\$ 379,651,524	\$ 397,144,732	\$ 421,708,475	\$ 452,636,411	\$ 485,839,142
State EE	\$ 72,488,750	\$ 72,742,741	\$ 72,914,175	\$ 78,611,984	\$ 84,724,767	\$ 91,283,164
Non-State ER	\$ 51,065,094	\$ 53,025,986	\$ 55,616,374	\$ 59,020,111	\$ 63,297,022	\$ 67,886,896
Non-State EE	\$ 9,326,599	\$ 8,789,387	\$ 8,737,464	\$ 9,415,417	\$ 10,142,852	\$ 10,923,423
Direct Bill	\$ 31,628,847	\$ 31,481,069	\$ 32,405,654	\$ 33,775,854	\$ 35,207,997	\$ 36,705,138
COBRA	\$ 2,843,748	\$ 1,337,228	\$ 1,272,595	\$ 1,344,727	\$ 1,447,687	\$ 1,558,207
Voluntary Benefit	\$ 4,775,089	\$ 3,964,649	\$ 3,950,000	\$ 3,950,000	\$ 3,950,000	\$ 3,950,000
Interest/Other	\$ 2,927,405	\$ 4,643,872	\$ 4,931,416	\$ 4,557,317	\$ 4,407,858	\$ 4,293,156
Administrative Fund	\$ 3,558,280	\$ 3,395,881	\$ 3,247,607	\$ 3,247,607	\$ 3,247,607	\$ 3,247,607
Total	\$ 526,132,585	\$ 559,032,337	\$ 580,220,016	\$ 615,631,493	\$ 659,062,200	\$ 705,686,732
Expenses						
Medical Claims	\$ 323,022,328	\$ 348,454,720	\$ 365,068,574	\$ 384,826,904	\$ 414,511,444	\$ 426,844,590
Rx Claims	\$ 98,376,519	\$ 102,113,525	\$ 105,122,903	\$ 114,058,350	\$ 123,753,310	\$ 134,272,341
Dental Claims	\$ 27,375,501	\$ 28,415,655	\$ 29,443,898	\$ 30,325,775	\$ 31,843,017	\$ 32,183,292
Health Savings ER	\$ 33,183,079	\$ 32,670,927	\$ 32,958,069	\$ 32,958,069	\$ 32,958,069	\$ 32,958,069
ASO/Premium	\$ 41,104,526	\$ 42,264,625	\$ 44,118,430	\$ 45,587,257	\$ 47,011,400	\$ 48,484,522
Voluntary Benefit	\$ 4,774,098	\$ 3,964,649	\$ 3,950,000	\$ 3,950,000	\$ 3,950,000	\$ 3,950,000
Marathon (Onsite Clinic)	\$ 2,166,979	\$ 2,164,223	\$ 2,148,236	\$ 2,191,201	\$ 2,235,025	\$ 2,279,725
Other Contract Fees/Flex	\$ 1,681,072	\$ 598,931	\$ 624,830	\$ 633,207	\$ 645,871	\$ 658,788
PCORI	\$ 179,817	\$ 205,000	\$ 212,524	\$ 220,323	\$ 228,409	\$ 236,792
Administrative Fund	\$ 4,306,548	\$ 5,130,428	\$ 5,121,746	\$ 5,150,688	\$ 5,202,849	\$ 5,256,054
Total	\$ 536,170,468	\$ 565,982,685	\$ 588,769,210	\$ 619,901,773	\$ 662,339,394	\$ 687,124,173
Net Cash Flow	\$ (10,037,882)	\$ (6,950,348)	\$ (8,549,194)	\$ (4,270,280)	\$ (3,277,194)	\$ 18,562,559
Beginning Balance (Reserve Fund)	\$ 67,342,399	\$ 58,052,785	\$ 52,836,984	\$ 46,161,930	\$ 43,794,731	\$ 42,472,779
Ending Balance (Reserve Fund)	\$ 58,052,785	\$ 52,836,984	\$ 46,161,930	\$ 43,794,731	\$ 42,472,779	\$ 63,043,786
Beginning Balance (Administrative Fund)	\$ 9,546,952	\$ 8,798,683	\$ 7,064,136	\$ 5,189,997	\$ 3,286,916	\$ 1,331,674
Ending Balance (Administrative Fund)	\$ 8,798,683	\$ 7,064,136	\$ 5,189,997	\$ 3,286,916	\$ 1,331,674	\$ (676,773)
Beginning Balance (Both Funds)	\$ 76,889,351	\$ 66,851,469	\$ 59,901,121	\$ 51,351,927	\$ 47,081,647	\$ 43,804,453
Ending Balance (Both Funds)	\$ 66,851,469	\$ 59,901,121	\$ 51,351,927	\$ 47,081,647	\$ 43,804,453	\$ 62,367,013
Target based on HB.2218	\$ 48,266,358	\$ 50,898,848	\$ 53,236,831	\$ 56,364,079	\$ 59,155,122	\$ 62,367,013
Fund Balance vs. HB.2218 Target Surplus/(Shortfall)	\$ 18,585,111	\$ 9,002,272	\$ (1,884,904)	\$ (9,282,432)	\$ (15,350,669)	\$ (0)
Enrollment (Subscriber)						
Active	36,901	38,011	38,011	38,011	38,011	38,011
COBRA	258	93	93	93	93	93
Non-Medicare Retiree	281	402	402	402	402	402
Medicare Retiree	8,054	7,820	7,820	7,820	7,820	7,820
Total	45,494	46,326	46,326	46,326	46,326	46,326
Revenue PEPM	\$ 964	\$ 1,006	\$ 1,044	\$ 1,107	\$ 1,186	\$ 1,269
Expenses PEPM	\$ 982	\$ 1,018	\$ 1,059	\$ 1,115	\$ 1,191	\$ 1,236

Appendix

HCC Follow Questions

April 9, 2024, Meeting

PANS & PANDAS

PANS & PANDAS

January through April 2024

- General Surgery line item on the report for PANS & PANDAS:
 - The charges are related mostly to venipuncture and/or injections and are based on the way the provider files the claim.

PANS/PANDAS Cost Detail - 2024 YTD

Diagnosis Type Services	PANDAS				PANS				Total			
	Unique Members	Allowed Amount	Patient Responsibility	Plan Paid Amount	Unique Members	Allowed Amount	Patient Responsibility	Plan Paid Amount	Unique Members	Allowed Amount	Patient Responsibility	Plan Paid Amount
Anesthesia	1	\$398	\$100	\$299					1	\$398	\$100	\$299
Behavior Therapy					1	\$0	\$0	\$0	1	\$0	\$0	\$0
Cardiology	1	\$1,531	\$383	\$1,148					1	\$1,531	\$383	\$1,148
Evaluation & Management	9	\$4,029	\$900	\$3,129	9	\$1,988	\$1,111	\$878	17	\$6,017	\$2,011	\$4,007
General Surgery	3	\$55	\$22	\$33					3	\$55	\$22	\$33
Immunizations/Vaccinations/IV Therapy	3	\$2,073	\$243	\$1,830					3	\$2,073	\$243	\$1,830
Laboratory	4	\$1,980	\$671	\$1,309					4	\$1,980	\$671	\$1,309
Other	4	\$2,720	\$1,112	\$1,608					4	\$2,720	\$1,112	\$1,608
Professional Services	1	\$1,477	\$148	\$1,330					1	\$1,477	\$148	\$1,330
Pulmonary	1	\$1,043	\$245	\$798					1	\$1,043	\$245	\$798
Radiology	3	\$1,698	\$952	\$746					3	\$1,698	\$952	\$746
Total	11	\$17,004	\$4,776	\$12,229	9	\$1,989	\$1,111	\$878	19	\$18,993	\$5,886	\$13,107

Pharmacy Coinsurance & Copay

Pharmacy Copay Cost Compared to the Current Coinsurance

- **Plan A:**
 - The median cost for generic drugs for members is:
 - \$1.83 in 2023
 - \$2.31 thus far in 2024
 - With a copay of \$5 for generic, approximately 50% of the members on Plan A would see their costs increase
 - The median cost for brand name preferred for members is:
 - \$30.44 in 2023
 - \$40.00 thus far in 2024
 - A switch to a flat copay of \$40 for members on Plan A would result in approximately 47% of the members seeing their cost share increase
- **Plans C, J, and N:** The member first meets their deductible prior to the coinsurance cost share with these plans
 - The median cost for generic drugs for members is:
 - \$4.90 in 2023
 - \$8.74 thus far in 2024
 - The median cost for brand name preferred for members is:
 - \$15.65 in 2023
 - \$174.87 thus far in 2024

Pharmacy Receipt

Can the rebate be printed on the pharmacy receipt?

- Rebates are part of the confidential contract negotiation between drug manufacturers and PBMs. The information is considered proprietary by each PBM in the industry including Caremark.
- In general, pharmacies provide a receipt that shows the members final cost of the medication and adding in another line would require the pharmacies to update their point of sale (POS) systems. Apart from CVS pharmacies, Caremark does not have control over these POS systems, and Caremark would be unable to control what is printed on the receipt.

Residential Treatment

Residential Treatment

- **Residential treatment:** A facility that is licensed and accredited to provide residential / sub-acute services to patients with significant psychiatric or substance use difficulties (and typically have either stepped down from Acute Inpatient or have stepped up from a lower level of care due to worsening clinical symptoms) and which offers nursing services, patient is seen daily by a mental health practitioner – as well as has access to a physician.
- **Acute Inpatient:** A hospital or inpatient unit that is licensed and accredited to provide inpatient services to patients who require psychiatric stabilization and/or substance use withdrawal management in a 24/7 setting that is managed by both clinical and nursing staff 24/7 and patients are seen daily by a physician.
- **BCBSKS:**
 - 2023 there was 1 unique claimant for Non-Mental Health/Substance Abuse (MHSA) care.
 - There were 11 unique claimants for care for MHSA-related services.
 - 2024 for BCBSKS there have been 0 “zero” claims for care for non-MHSA services.
 - There have been 3 unique claimants for MHSA-related services.
- **Inquires:**
 - Aetna does not track inquiries specific to swing bed claims, so they are unable to determine if any calls were made to their staff about these benefits on behalf of the SEHP membership.
 - BCBSKS had five total calls regarding swing bed coverage during October 22, 2023 through April 19, 2023 for four distinct members. Their voice analytics system has the capability of reviewing data within the past 180 days

Number of Residential Treatment Facilities in Kansas & the Surrounding States

- **Kansas:**
 - Aetna: 21
 - BCBSKS: 14
- **Colorado:**
 - Aetna: 15
 - BCBSKS: After exploring many different options, unfortunately does not have a way to pull this information
- **Iowa:**
 - Aetna: 11
 - BCBSKS: After exploring many different options, unfortunately does not have a way to pull this information
- **Missouri:**
 - Aetna: 35
 - BCBSKS: After exploring many different options, unfortunately does not have a way to pull this information
- **Nebraska:**
 - Aetna: 3
 - BCBSKS: After exploring many different options, unfortunately does not have a way to pull this information
- **Oklahoma:**
 - Aetna: 9
 - BCBSKS: After exploring many different options, unfortunately does not have a way to pull this information

BCBSKS Network Residential Treatment Facilities

Residential Treatment Facilities in Kansas

VALLEY HOPE (RESIDENTIAL) ATCHISON	ATCHISON	RTC	Psych
KVC WHEATLAND PSYCH HOSPITAL	HAYS	RTC	Psych
DCCCA FIRST STEP AT LAKE VIEW	LAWRENCE	RTC	Psych
VALLEY HOPE MOUNDRIDGE	MOUNDRIDGE	RTC	Psych
PRAIRIE VIEW INC RESIDENTIAL	NEWTON	RTC	Psych
VALLEY HOPE NORTON	NORTON	RTC	Psych
SUNFLOWER WELLNESS RETREAT (RESIDENTIAL)	OSAWATOMIE	RTC	Psych
PATHWAYS FAMILY SERVICES	TOPEKA	RTC	Psych
DCCCA OPTIONS ADULT SERVICES	WICHITA	RTC	Psych
DCCCA WOMENS RECOVERY CENTER/CENTRAL KS	WICHITA	RTC	Psych
BEL AIRE RECOVERY CENTER (RESIDENT)	WICHITA	RTC	Rehab/Sub
HOLLAND PATHWAYS BHS	WICHITA	RTC	Rehab/Sub
PREFERRED FAMILY HEALTHCARE	WINFIELD	RTC	Psych
ARISTA RECOVERY	Paola	RTC	Rehab/Sub

Aetna Network Residential Treatment Facilities

Residential Treatment Facilities in Kansas

RTF	Preferred Family Healthcare	2720 East 12th Avenue		Winfield	Cowley	KS
RTF	United Methodist Youthville	560 North Exposition Street		Wichita	Sedgwick	KS
RTF	United Methodist Youthville	1704 Olive Street		Concordia	Cloud	KS
RTF	United Methodist Youthville	4505 East 47th Street		Wichita	Sedgwick	KS
RTF	United Methodist Youthville	900 West Broadway		Newton	Harvey	KS
RTF	Johnson County Mental Health Center-The Recovery Place-ACT	11120 West 65th Street	Room 145	Shawnee	Johnson	KS
RTF	Atchison Valley Hope	1816 North 2nd Street		Atchison	Atchison	KS
RTF	Moundridge Valley Hope	200 South B Avenue		Moundridge	Mcperson	KS
RTF	Moundridge Valley Hope	200 South B Avenue		Moundridge	Mcperson	KS
RTF	Norton Valley Hope	709 West Holme Street		Norton	Norton	KS
RTF	Norton Valley Hope	709 West Holme Street		Norton	Norton	KS
RTF	CKF Addiction Treatment	617 East Elm Street		Salina	Saline	KS
RTF	McCallum Place	12140 Nail Avenue	Suite 315	Leawood	Johnson	KS
RTF	Sunflower Wellness Retreat	29875 West 339th Street		Osawatomie	Miami	KS
RTF	Bel Aire Recovery Center	4969 North Tierra Lakes Pkwy.		Bel Aire	Sedgwick	KS
RTF	Holland Pathways Behavioral Health	551 South Holland Street		Wichita	Sedgwick	KS
RTF	Holland Pathways Behavioral Health	571 South Holland Street		Wichita	Sedgwick	KS
RTF	Holland Pathways Behavioral Health	573 South Holland Street		Wichita	Sedgwick	KS
RTF	Center for Discovery/Discovery Mood & Anxiety Prog RAM	7170 Silverheel Street		Shawnee	Johnson	KS
RTF ₄₅	Center for Discovery/Discovery Mood & Anxiety Prog ram	7150 Silverheel Street		Shawnee	Johnson	KS

Residential Treatment Facilities in Colorado

RTF	Eating Recovery Center	98 Spruce Street		Denver	Denver	CO
RTF	NorthStar Transitions, LLC	1236 Ridge Road		Ward	Boulder	CO
RTF	Red Rock Recovery Center	9189 South Turkey Creek Road		Morrison	Jefferson	CO
RTF	Parker Valley Hope	22422 East Main Street		Parker	Douglas	CO
RTF	Pathfinders Recovery Center Colorado	6262 South Quemoy Court		Aurora	Arapahoe	CO
RTF	Pathfinders Recovery Center Colorado	7213 South Ukraine Street		Aurora	Arapahoe	CO
RTF	Mile High Recovery Center	1201 East Colfax	Suite 301	Denver	Denver	CO
RTF	AllHealth Network	6509 South Santa Fe Drive		Littleton	Arapahoe	CO
RTF	Mental Health Partners	2833 North Broadway		Boulder	Boulder	CO
RTF	Harmony Foundation, Inc.	1600 Fish Hatchery Road		Estes Park	Larimer	CO
RTF	Counseling Center at Fort Lupton	145 1st Street		Fort Lupton	Weld	CO
RTF	Hazel Chick Center	1309 10th Avenue		Greeley	Weld	CO
RTF	SSF Serenity Program	7201 East 49th Avenue		Commerce City	Adams	CO
RTF	UCHealth CeDAR- Anschutz Medical Campus	1693 North Quentin Street		Aurora	Adams	CO
RTF	Colorado Addiction Recovery Services, LLC	17602 East Kepner Drive		Aurora	Arapahoe	CO

Residential Treatment Facilities in Missouri

RTF	Piney Ridge Center, Inc.	1000 Hospital Road		Waynesville	Pulaski	MO
RTF	ReDiscover	1579 Northeast Rice Road		Lees Summit	Jackson	MO
RTF	Great Circle	28143 Ladybug Drive		Marshall	Saline	MO
RTF	Great Circle	1022 East Highway		Marshall	Saline	MO
RTF	Great Circle	1304 East Hwy W W		Marshall	Saline	MO
RTF	Great Circle	1126 East Hwy W W		Marshall	Saline	MO
RTF	Great Circle	28251 Ladybug Drive		Marshall	Saline	MO
RTF	Great Circle	18610 East 37th Terrace South		Independence	Jackson	MO
RTF	Great Circle	508 East Slater Road		Marshall	Saline	MO
RTF	Great Circle	1212 West Lombard Street		Springfield	Greene	MO
RTF	Great Circle	13160 County Road 3610		St. James	Phelps	MO
RTF	Great Circle	330 North Gore Avenue		St. Louis	Saint Louis	MO
RTF	Great Circle	4304 Bearfield Road		Columbia	Boone	MO
RTF	Ozark Center	1105 East 32nd Street	Suite 2	Joplin	Jasper	MO
RTF	Ozark Center	2808 Pitcher Street		Joplin	Jasper	MO
RTF	Compass Health, Inc.	1800 Community Drive		Clinton	Henry	MO
RTF	Compass Health, Inc.	703 North DeVasher Road		Warrensburg	Johnson	MO
RTF	Compass Health, Inc.	1450 East 10th Street		Rolla	Phelps	MO
RTF	Compass Health, Inc.	403 Dysart Street		Columbia	Boone	MO
RTF	Harris House Foundation	2706 South River Road		St. Charles	Saint Charles	MO
RTF	Preferred Family Healthcare	210 Hoover Street		Jefferson City	Cole	MO
RTF	Preferred Family Healthcare	2 Westbury Drive		St. Charles	Saint Charles	MO
RTF	Preferred Family Healthcare	1101 Jamison Street		Kirksville	Adair	MO
RTF	Preferred Family Healthcare	4066 Dunnica Avenue		St. Louis	Saint Louis City	MO
RTF	Preferred Family Healthcare	5025 Northrup Avenue		St. Louis	Saint Louis City	MO
RTF	Preferred Family Healthcare	101 Adams Street		Jefferson City	Cole	MO
RTF	Heartland Behavioral Health	15642 South 1400 Road		Nevada	Vernon	MO
RTF	Alsana	2510 Spring Valley Road		Pacific	Franklin	MO
RTF	Alsana	1268 St. Paul Road		Ballwin	Saint Louis	MO
RTF	Alsana	800 Holland Road		Ballwin	Saint Louis	MO
RTF	Alsana	1260 St. Paul Road		Ballwin	Saint Louis	MO
RTF	Boonville Valley Hope	1415 Ashley Road		Boonville	Cooper	MO
RTF	47 McCallum Place	231 West Lockwood Avenue	Suite 201	St. Louis	Saint Louis	MO
RTF	Clementine St. Louis	7190 Christopher Drive		St. Louis	Saint Louis	MO
RTF	The Recovery Village Kansas City	11901 Jessica Lane		Raytown	Jackson	MO

Residential Treatment Facilities in Nebraska

RTF	Inroads to Recovery, Inc.	2808 North 75th Street		Omaha	Douglas	NE
RTF	O'Neill Valley Hope	1421 North 10th Street		O'Neill	Holt	NE
RTF	Northpoint Nebraska, LLC	7215 Ontario Street		Omaha	Douglas	NE

Residential Treatment Facilities in Iowa

RTF	Alcohol & Drug Dependency Services of Southeast Iowa	1340 Mount Pleasant Street		Burlington	Des Moines	IA
RTF	Jackson Recovery Centers	3500 West 4th Street		Sioux City	Woodbury	IA
RTF	Area Substance Abuse Council	3601 16th Avenue Southwest		Cedar Rapids	Linn	IA
RTF	Orchard Place	925 Southwest Porter Avenue		Des Moines	Polk	IA
RTF	Prairie Ridge Addiction Treatment Services	320 North Eisenhower Avenue		Mason City	Cerro Gordo	IA
RTF	Youth and Shelter Services, Inc	50 North Eisenhower Avenue		Mason City	Cerro Gordo	IA
RTF	Jackson Recovery Centers - Women and Children	3200 West 4th Street		Sioux City	Woodbury	IA
RTF	Youth and Shelter Services, Inc	1002 Douglas Avenue		Ames	Story	IA
RTF	The Abbey Center	1401 Central Avenue		Bettendorf	Scott	IA
RTF	Youth And Shelter Services, Inc	804 Kellogg Avenue		Ames	Story	IA
RTF	Community & Family Resources	211 Avenue M West		Fort Dodge	Webster	IA

Residential Treatment Facilities in Oklahoma

RTF	Rob's Path to Miracles Ranch	501 East Grand Avenue		Sayre	Beckham	OK
RTF	Living Hope Eating Disorder Treatment Center	3900 East Robinson Street		Norman	Cleveland	OK
RTF	Tiger Mountain Recovery, Inc.	402875 East 1100 Road		Henryetta	Okmulgee	OK
RTF	Cushing Valley Hope	100 South Jones Avenue		Cushing	Payne	OK
RTF	12 & 12, Inc.	6333 East Skelly Drive		Tulsa	Tulsa	OK
RTF	Parkside Psychiatric Hospital & Clinic	1220 South Trenton Avenue		Tulsa	Tulsa	OK
RTF	Red Rock Behavioral Health Services - Jordans Crossing	301 West I-240 Service Road		Oklahoma City	Oklahoma	OK
RTF	Landmark Recovery of Oklahoma City Ops LLC	4825 Northwest 23rd Street		Oklahoma City	Oklahoma	OK
RTF	Country Road	24962 Okay Road		Tecumseh	Pottawatomie	OK

Value-Added Vendor Services

Summary of Value-Added Services 2024

- These value-adds are based on what is currently being offered to members of the SEHP. These value-adds do not include any discounts or special promotions offered through other State of Kansas programs (i.e., STAR, etc.). The value-adds outlined here are subject to change based on the vendors. Additional services and benefits may be offered, or some may be removed.
- These value-adds are NOT part of the insurance benefits but are discount programs designed to offer additional opportunities for members to realize savings and benefits. The vendors are listed in alphabetical order.
- **IMPORTANT:** The retailers/manufacturers who offer these discounts are not endorsed, recommended or warranted by the identified vendor.
- **NOTE:** All vendors outlined here include Mobile App services for members to access all available value-adds using their mobile devices as well as through their home/desktop computers.

Summary of Value-Added Services 2024

- **Aetna** offers discount program on a wide array of services and goods. They include a variety of things for health, wellness and life. Discounts include but are not limited to:
 - Gym memberships
 - Acupuncture
 - Chiropractic
 - Weight loss programs
 - Eye care
 - Hearing Aids
 - Limited Dental
 - Travel Discounts
 - Home, Auto Insurance
 - Dining Venues discounts
 - At-Home products (i.e., BP monitors, pedometers, TENS units, etc.)
 - Life-Mart Shopping website access (a variety of discounts including fitness gear, tennis shoes, etc.)
 - CVS Shopping discount (20% discounts on many CVS brands)
 - Home Electronics
 - Magazine Subscriptions
 - Online Meal Plans
 - Vision Services (lens discounts, frame discounts, contact lens materials, solutions, Lasik services)
- There are no extra costs for members with Aetna to access these programs. There are no claim forms required by the member to access the discounts. There are no limits to the number of discounts a member may use in this program.
- The availability of these discount programs could change, based on Aetna's agreements with vendors.

Summary of Value-Added Services 2024

- **Blue Cross Blue Shield of Kansas (BCBSKS)** offers discounts on a wide array of services and goods. Resources include health, wellness, and life. Discounts include but are not limited to:
 - Garmin devices (up to 20% discount from Garmin)
 - TruVision (save an average of \$1,000 for LASIK surgery)
 - Samsonite (15% discounts on luggage and travel accessories)
 - Gym Membership discounts
 - Fitbit and Google Steps (save up to 20% off devices)
 - Skechers Direct (save 30% off men's and women's styles + free shipping)
 - EyeMed (Eye exams for \$50 and 35% off of frames when paired with prescription lenses)
 - Tivity Health (discounts to 13,000+ gyms across the country)
 - Nutrisystem (save 50% off your 1st week when you sign up for auto-delivery)
 - Dental Sonicare products (20% off Sonicare Oral Care products)
 - Home Electronics
 - Dining Venues
 - Travel Discounts
 - Hearing Aids
 - Strive, powered by WebMD One offers resources for daily living, wellness activities, a personal Health Risk Assessment for members, and activities toward behavior changes in lifestyles.
 - Just Five is a mental health resource site offering support and short learning tools for members to deal with stress, anxiety, and other mental health issues in today's environment. It also includes links to community mental health resources, teen mental health assistance, and Substance Abuse resources
- There are no extra costs for members with BCBSKS. There are no claim forms or limits on the availability and/or use of these discounts/programs.
- Availability of these programs/services is subject to change, based on BCBSKS agreements with vendors.

Summary of Value-Added Services 2024

- **Delta Dental Plan of Kansas (Delta Dental)** offers a wide array of services and goods as part of their value-adds. Most of their discounts and value-add benefits can be found in their link on their website sponsored by LIFE Mart. Discounts include but are not limited to:
 - Childcare and Senior care services
 - Travel and Lodging services
 - Grocery discounts/coupons to download
 - Fitness Clubs and Gym discounts
 - Entertainment discounts (movie, museum, theme park, sporting events, zoos/aquariums, etc.)
 - Restaurant discounts
 - Home electronics and home appliances
 - Nutrition discounts
 - Dental care services (beyond covered benefits)
- There are no extra costs to members of Delta Dental. There are no claim forms or limits on the availability and/or use of these discounts/programs.
- Availability of these programs/services is subject to change, based on Delta Dental agreements with vendors.



HCC Plan Design Decisions

Plan Years 2020 - 2024

Rate Decisions

➤ **FY 2021**

- The HCC voted a 4.5% State of Kansas Employer (**ER**) contribution increase
- PY 2020 Employee (EE) rates: EE and EE + children: No rate increase
EE + Spouse & Family: Rates reduced 6%

➤ **FY 2022**

- The HCC voted a 3% State of Kansas **ER** contribution increase
- PY 2021 **EE** rates: EE and EE + children: No rate increases
EE + Spouse & Family: Rates reduced 2%

➤ **FY 2023**

- The HCC voted a 5% State of Kansas **ER** contribution increase
- PY 2022 **EE** rates: EE and EE + children: No rate increase
EE + Spouse & Family: Rates reduced 2%

FY = Fiscal Year – Employer Rates (ER) are on the Fiscal Year.

PY = Plan Year – Employee Rates (EE) are on the Plan Year which is the calendar year.

Rate Decisions

- **FY 2024**
 - The HCC voted a 7.5% State of Kansas **ER** contribution increase & increased **ER** rate by \$13.38 for dental
 - PY 2023 All **EE** medical plan coverage tiers: No rate increase
 - Reduced PY 2023 **EE** Dental rates all coverage tiers by \$13.38
- **FY 2025**
 - The HCC voted a 5% State of Kansas **ER** contribution increase
 - PY 2024 All **EE** medical & dental plan coverage tiers: No rate increase
- **FY 2026 – voted on in July 2023**
 - The HCC voted a 5% State of Kansas **ER** contribution increase
 - PY 2025 All **EE** medical & dental plan coverage tiers: No rate increase

FY = Fiscal Year – Employer Rates (ER) are on the Fiscal Year.

PY = Plan Year – Employee Rates (EE) are on the Plan Year which is the calendar year.

Plan Design Changes

Single/Family

Plan A

PY 2021

- Changed to a 2 tier Deductible \$1,000/\$2,000 eliminating 3rd tier of \$3,000

PY 2022

- Reduced the Deductible from \$1000/\$2000 to \$900/\$1,800
- Reduced PCP office visit Copay from \$40 to \$30 per visit
- Reduced the Out of Pocket (OOP) Max from \$6,250/\$10,500 to \$5,250/\$10,500

Plan C

PY 2020

- Reduced Coinsurance from 20% to 10%

PY 2022

- Reduced the Out of Pocket (OOP) Max from \$5,500/\$11,000 to \$4,500/\$9,000

Plan Design Changes

Plan A

PY 2023

- Reduced the Deductible from \$900/\$1,800 to \$800/\$1,600
- Reduced the PCP office visit Copay from \$30 to \$20 per visit
- Reduced the Specialist office visit Copay from \$60 to \$40 per visit

Plan C & Plan N

PY 2023

- Increased the first Deductible on non EE only plans from \$2,800 to \$3,000. Family remains \$5,500.
- EE only plans remain \$2,750. Required change for QHDHPs

PY 2024

- Increased the first Deductible on non EE only plans from \$3,000 to \$3,200. Family remains \$5,500. EE only plans remain \$2,750. Required change for QHDHPs

Plan Design Changes

Medical - All Plans

PY 2024

- Added hearing aid coverage
 - Subject to Deductible & Coinsurance
 - Maximum of \$5,000 per 3 year period

Pharmacy – All Plans

PY 2022

- Reduced the 40% Preferred Brand Coinsurance to 35%
- Reduced the 65% Non Preferred Brand Coinsurance to 60%

PY 2024
Active Employee
Plan Summary



Enrollment Summary

Active Employee Contracts

- State Employees: 34,261 (87%)
- Non State Employees: 3,524 (91%)

Total 37,785

Total Covered Members

- State Members: 65,644
- Non State Members: 6,783

Total 72,427

Includes covered employees, spouses & dependents

Contracts by Health Plan

Plan A 18,558

Plan C 15,788

Plan J 640

Plan N 2,799

Total 37,785

Dental contracts: 38,402

Contracts by Coverage Tier



Employee Only: 20,818



Employee + Spouse: 4,207



Employee + Child/ren: 7,738



Employee + Family: 5,022

Dependent Enrollment by Type

State Dependents	
Total Enrolled	31,383
Spouses	8,355
Children	23,028

Non State Dependents	
Total Enrolled	3,259
Spouses	874
Children	2,385

Total Dependent Enrollment: 34,642	
Spouses	9,229
Children	25,413

2024 Member Cost Share

Single Plan Network Benefits		
Plan	Deductible	Out of Pocket Maximum
A	\$800	\$5,250
C	\$2,750	\$4,500
J	\$500	\$7,350
N	\$2,750	\$6,650

Member Plus Dependents Network Benefits			
Plan	Individual Deductible	Family Deductible	Out of Pocket Maximum
A	\$800	\$1,600	\$10,500
C *	\$3,200	\$5,500	\$9,000
J	\$500	\$1,000	\$14,700
N *	\$3,200	\$5,500	\$13,300

- * The PY 2024 deductible for all non single Plan C & N contracts is \$3,200 for an individual within the family. This meets the IRS requirement for QHDHPs. The remaining family member meets the balance of the deductible (\$2,300) to meet the overall deductible for all family members of \$5,500. This is an embedded deductible.
- * For PY 2025 the Plan C & N individual on member plus dependent coverage deductible will need to change to \$3,300.

Embedded vs. Non Embedded Deductibles

- ***Embedded deductible*** - an individual family member has their own deductible and there is a maximum annual family deductible.
 - Ex: Plan's C and N – one individual must meet the deductible of \$3,200. The \$2,300 balance to meet the current \$5,500 family deductible can be met by the rest of the covered individuals.
- ***Non Embedded Deductible*** - The entire family deductible amount must be met before any claims are paid. All family members' out-of-pocket expenses count toward meeting the family deductible until it is met.
 - Ex: Plan C & N Member plus dependents contracts would have to meet the entire \$5,500 annual deductible.

2024 Semi Monthly SOK Employee Rates*

Employee Category	Plan A	Plan C	Plan J	Plan N	Dental
	Aetna/BCBS	Aetna/BCBS	Aetna/BCBS	Aetna/BCBS	Delta
Full Time					
Employee Only	\$39.90	\$35.20	\$52.56	\$23.25	\$0.00
Employee + Spouse	\$237.27	\$123.69	\$153.38	\$84.30	\$9.97
Employee + Children	\$126.56	\$65.02	\$91.27	\$43.92	\$7.98
Employee + Family	\$415.40	\$208.33	\$262.79	\$150.17	\$17.98

* These rates do not include the HealthQuest Premium Incentive Discount of \$20 for semi monthly rates. Plan A may earn a partial discount of \$10 for semi monthly.

2024 Employer HSA Contributions

EMPLOYER CONTRIBUTIONS Health Savings Account						
	Full Time Employee			Part Time Employee		
	Employee Only	Employee / Spouse & Family	Employee / Child(ren)	Employee Only	Employee / Spouse & Family	Employee / Child(ren)
IRS Maximum Total	\$4,150	\$8,300	\$8,300	\$4,150	\$8,300	\$8,300
Plan C Employer Contribution	\$250 per quarter \$1,000 year	\$500 per quarter \$2,000 year	\$500 per quarter \$2,000 year	\$156.30 per quarter \$625.20 year	\$296.88 per quarter \$1,187.52 year	\$296.88 per quarter \$1,187.52 year
Plan N Employer Contribution	\$125 per quarter \$500 year	\$281.25 per quarter \$1,125 year	\$250 per quarter \$1,000 year	\$78.15 per quarter \$312.60 year	\$210.94 per quarter \$843.76 year	\$148.44 per quarter \$593.76 year

Source: https://sehp.healthbenefitsprogram.ks.gov/media/cms/PY_2024_Active_EE_Guide_e4e17420cbf46.pdf

2024 Employer HRA Contributions

EMPLOYER CONTRIBUTIONS Health Reimbursement Account							
		Full Time Employee			Part Time Employee		
Plan		Employee Only	Employee / Spouse & Family	Employee Child(ren)	Employee Only	Employee / Spouse & Family	Employee Child(ren)
PLAN C	Employer Contribution	\$250 per quarter Total \$1,000 year	\$500 per quarter Total \$2,000 year	\$500 per quarter Total \$2,000 year	\$156.30 per quarter Total \$625.20 year	\$296.88 per quarter Total \$1,187.52 year	\$296.88 per quarter Total \$1,187.52 year
PLAN N	Employer Contribution	\$125 per quarter Total \$500 year	\$281.25 per quarter Total \$1,125.00 year	\$250 per quarter Total \$1,000 year	\$78.15 per quarter Total \$312.60 year	\$210.94 per quarter Total \$843.76 year	\$148.44 per quarter Total \$593.76 year
PLAN J	Employer Contribution	HealthQuest Rewards Earned	HealthQuest Rewards Earned	HealthQuest Rewards Earned	HealthQuest Rewards Earned	HealthQuest Rewards Earned	HealthQuest Rewards Earned

Source: https://sehp.healthbenefitsprogram.ks.gov/media/cms/PY_2024_Active_EE_Guide_e4e17420cbf46.pdf

2024 Employee HSA Contributions

EMPLOYEE CONTRIBUTIONS Health Savings Account							
Plan		Full Time Employee			Part Time Employee		
		Employee Only	Employee / Spouse & Family	Employee / Child(ren)	Employee Only	Employee / Spouse & Family	Employee / Child(ren)
	IRS Maximum Total	\$4,150	\$8,300	\$8,300	\$4,150	\$8,300	\$8,300
PLAN C	Employee Bi-Weekly Payroll Deductions	\$25 to \$110.41	\$25 to \$241.66	\$25 to \$241.66	\$25 to \$126.03	\$25 to \$275.52	\$25 to \$275.52
PLAN C	Regent Academic Year Employee Payroll Deductions	\$25 to \$147.22	\$25 to \$322.22	\$25 to \$322.22	\$25 to \$168.04	\$25 to \$367.36	\$25 to \$367.36
PLAN N	Employee Bi-Weekly Payroll Deductions	\$0 to \$131.25	\$0 to \$278.12	\$0 to \$283.33	\$0 to \$139.05	\$0 to \$289.84	\$0 to \$300.26
PLAN N	Regent Academic Year Employee Payroll Deductions	\$0 to \$175.00	\$0 to \$370.83	\$0 to \$377.77	\$0 to \$185.41	\$0 to \$386.45	\$0 to \$400.34

Source: https://sehp.healthbenefitsprogram.ks.gov/media/cms/PY_2024_Active_EE_Guide_e4e17420cbf46.pdf

HealthQuest Rewards

- Employees on Plans C, J, & N can earn \$12.50 for each HealthQuest credit earned, up to 40 credits, or a maximum of \$500 annually. Funds will be deposited into their qualified HRA or HSA account.

Appendix

Contracts by Plan

Total Enrolled: 37,785

Plan A: 18,558

- BCBSKS 2024: 16,817
- Aetna 2024: 1,741

Plan J: 640

- BCBSKS 2024: 493
- Aetna 2024: 147

Plan C: 15,788

- BCBSKS 2024: 14,544
- Aetna 2024: 1,244

Plan N: 2,799

- BCBSKS 2024: 2,377
- Aetna 2024: 422

Contracts by Employee Age

Includes only covered State & Non State Employees

Age	Plan A	Plan C	Plan N	Plan J	Total
18 – 26	1,213	628	212	29	2,082
27 – 34	3,342	2,722	717	196	6,977
35 – 40	2,270	2,537	473	121	5,401
41 – 45	1,960	2,299	384	75	4,718
46 – 50	1,925	1,964	306	58	4,253
51 – 55	2,087	1,861	229	59	4,236
56 – 60	2,224	1,828	184	43	4,279
61 – 65	2,477	1,742	150	42	4,411
66 – 70	1,027	442	46	13	1,528
71 – 75	348	86	11	3	448
> 76	141	19	3	2	165
Total	19,104	16,128	2,715	641	38,498

All Enrollments by Age

includes all covered employees, spouses & dependents

Age	Plan A	Plan C	Plan N	Plan J	Total
< 18	5,060	9,928	1,559	314	16,861
18 – 26	4,539	5,587	812	187	11,125
27 – 34	3,591	3,452	910	255	8,208
35 – 40	2,530	3,341	679	165	6,715
41 – 45	2,200	2,996	580	103	5,879
46 – 50	2,190	2,661	455	83	5,389
51 – 55	2,408	2,491	358	85	5,342
56 – 60	2,638	2,438	275	64	5,415
61 – 65	3,012	2,438	233	58	5,741
66 – 70	1,281	700	74	26	2,081
71 – 75	469	161	18	6	654
> 76	210	39	3	3	255
Total	29,918	36,193	5,953	1,346	73,410

Highest enrollment by age group highlighted in blue.

Covered member data as of 3/1/24



Contributions Projections vs. Actuals

HCC Meeting June 3, 2024

History of the Model Contribution Percentage

- The contribution percentage is set to allow for the model to achieve an ending reserve balance to match the target reserve of 10% set by legislation at the end of the five-year projection.
- This percentage is only a starting point for the HCC to see what percentage increase would be needed to match the ending reserve balance if the HCC only wanted to adjust the employer and employee rates.
- Historically the HCC has not used the projected percentage displayed in the model. The HCC has made other adjustments to the employer & employee rate along with plan design changes to achieve the desired fund balance.

Actuarial Projections & the HCC Decision

EE = Employee
ER = Employer

Plan Year	Initial Projection ER/EE Percentage	HCC Decision ER Rate	ER SEHP Revenue Impact	HCC Decision EE Rate [EE Only & Children Tiers]	EE SEHP Revenue Impact	HCC Decision EE Rate [Spouse & Family Tiers]	EE SEHP Revenue Impact	One-time GBA	Total Revenue Impact
2019	3.30%/16.70%*	3.30%	\$0	3.30%	\$0	16.70%	\$0	N/A	\$0
2020	3.50%/10.50%*	4.50%	\$3,314,764	0.00%	-\$1,200,636	-6.00%	-\$9,894,073	N/A	-\$7,779,945
2021	4.70%	3.00%	-\$6,035,529	0.00%	-\$2,001,059	-2.00%	-\$3,298,320	N/A	-\$11,334,908
2022	4.60%	5.00%	\$1,235,582	0.00%	-\$1,569,364	-2.00%	-\$3,707,852	\$10,000,000	\$5,958,366
2023	7.30%	7.50%	\$898,774	0.00%	-\$2,764,727	0.00%	-\$3,388,979	N/A	-\$5,254,932
2024	4.4%/0%	5.00%	\$2,241,563	0.00%	\$0	0.00%	\$0	N/A	\$2,241,563
2025	6.90%	5.00%	-\$8,542,008	0.00%	-\$2,646,156	0.00%	-\$3,278,202	N/A	-\$14,466,366
Total Revenue Gain or Loss:			-\$6,886,854		-\$10,181,942		\$23,567,426	\$10,000,000	-\$30,636,222

* In PY 2019 and 2020 the ER and EE only an EE +Children were the same proposed increase. The second number is the increase proposed for for EE + Spouse & Family tiers.

- The total revenue impact is **-\$30,636,222** including the current plan year 2025 projection



Plan Design Changes

Plan Years 2020 -2024

Plan Design Changes for Plan Year(PY) 2020

Plan Year 2020	Plan Cost Impact for 2020
Plan C - Reduced Coinsurance from 20% to 10%	-\$4,879,094
Total Plan Cost impact for PY 2020	-\$4,879,094

Plan Design Changes for Plan Year 2021

Plan Year 2021	Plan Cost Impact for 2021
Plan A - Changed to 2 tier Deductible \$1,000/\$2,000 <ul style="list-style-type: none">• Eliminating 3rd Deductible of \$3,000	-\$528,613
Total Plan Cost Impact for PY 2021	-\$528,613

Plan Design Changes for Plan Year 2022

Plan Year 2022	Plan Cost Impact for 2022
Plan A - Reduced Deductible from \$1000/\$2000 to \$900/\$1,800	-\$1,121,737
Plan A - Reduced PCP office visit Copay from \$40 to \$30 per visit	-\$457,400
Plan A - Reduced Out of Pocket (OOP) Max from \$6,250/\$10,500 to \$5,250/\$10,500	-\$2,050,000
Plan C - Reduced Out of Pocket (OOP) Max from \$5,500/\$11,000 to \$4,500/\$9,000	-\$2,385,000
Pharmacy All Plans - Reduced the 40% Preferred Brand Coinsurance to 35%	-\$2,923,049
Pharmacy All Plans - Reduced the 65% Non Preferred Brand Coinsurance to 60%	-\$1,116,844
Total Plan Cost Impact for PY2022	-\$10,054,030

Plan Design Changes for Plan Year 2023

Plan Year 2023	Plan Cost Impact for 2023
Plan A - Reduced Deductible from \$900/\$1,800 to \$800/\$1,600	-\$1,239,114
Plan A - Reduced PCP office visit Copay from \$30 to \$20 per visit	-\$567,580
Plan A - Reduced Specialist office visit Copay from \$60 to \$40 per visit	-\$655,340
<p>Plan C & N - Increased first Deductible on Employee + dependent plans to from \$2,800 to \$3,000</p> <ul style="list-style-type: none"> • Family Deductible remains \$5,500. • EE only Deductible remains \$2,750 • Required change for QHDHPs 	\$499,000
Total Plan Cost Impact for PY 2023	-\$1,963,034

Plan Design Changes for Plan Year 2024

Plan Year 2024	Cost Impact for 2024 (Through March 2024)
<p>Plan C & N - Increased first Deductible on Employee + dependent plans to \$3,200</p> <ul style="list-style-type: none"> • Family Deductible remains \$5,500. • EE only Deductible remain \$2,750. • Required change for QHDHPs 	<p>\$204,800</p>
<p>All Plans - Added hearing aid coverage</p> <ul style="list-style-type: none"> • Subject to Deductible & Coinsurance • Maximum of \$5,000 per 3-year period 	<p>-\$33,840</p>
<p>Total Plan Cost Impact for PY 2024</p>	<p>\$170,960</p>

Total Plan Cost Impact for the Years 2020-2024

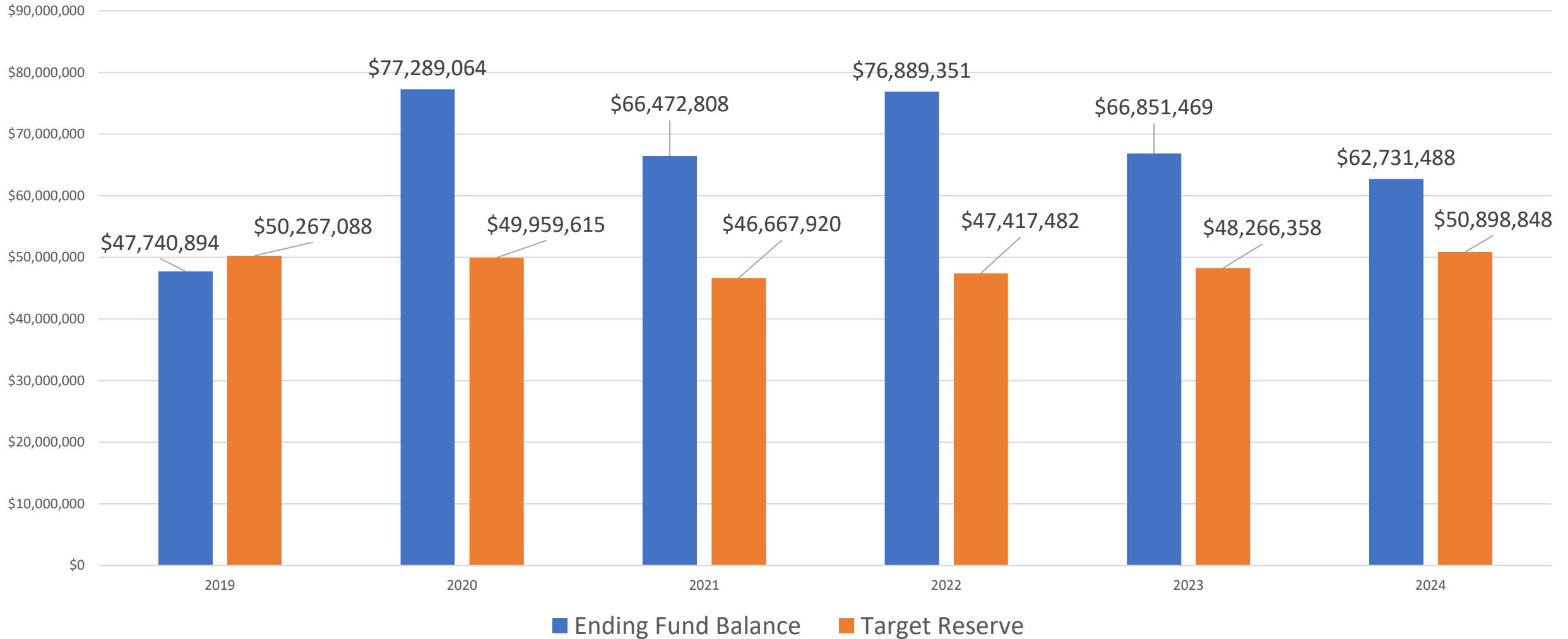
Plan Design Changes PY 2020-2024	Cost Impact PY 2020 – 2024
Total First Year of the Change Cost Impact for 2020-2024	-\$17,253,811



Fund Balance

Plan Years 2019 - 2024

Fund Balance 2019-2024



- Plan Years 2020 and 2021 represent the two primary years for the COVID impact
- Plan Year 2022 the health plan received a \$10 mil GBA and lingering COVID impact