

As Amended by Senate Committee

Session of 2009

SENATE BILL No. 173

By Committee on Ways and Means

2-2

10 AN ACT relating to the state health care benefits program; concerning
11 certain retired officers and employees; amending K.S.A. 2008 Supp.
12 75-6501 and repealing the existing section.
13

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

15 Section 1. K.S.A. 2008 Supp. 75-6501 is hereby amended to read as
16 follows: 75-6501. (a) Within the limits of appropriations made or available
17 therefor and subject to the provisions of appropriation acts relating
18 thereto, the Kansas state employees health care commission shall develop
19 and provide for the implementation and administration of a state health
20 care benefits program.

21 (b) The state health care benefits program may provide benefits for
22 persons qualified to participate in the program for hospitalization, medical
23 services, surgical services, nonmedical remedial care and treatment ren-
24 dered in accordance with a religious method of healing and other health
25 services. The program may include such provisions as are established by
26 the Kansas state employees health care commission, including but not
27 limited to qualifications for benefits, services covered, schedules and
28 graduation of benefits, conversion privileges, deductible amounts, limi-
29 tations on eligibility for benefits by reason of termination of employment
30 or other change of status, leaves of absence, military service or other
31 interruptions in service and other reasonable provisions as may be estab-
32 lished by the commission.

33 (c) The Kansas state employees health care commission shall desig-
34 nate by rules and regulations those persons who are qualified to partici-
35 pate in the state health care benefits program, including active and retired
36 public officers and employees and their dependents as defined by rules
37 and regulations of the commission *and retired public officers and em-*
38 *ployees specified under subsection (g)*. Such rules and regulations shall
39 not apply to students attending a state educational institution as defined
40 in K.S.A. 76-711, and amendments thereto, who are covered by insurance
41 contracts entered into by the board of regents pursuant to K.S.A. 75-
42 4101, and amendments thereto. In designating persons qualified to par-
43 ticipate in the state health care benefits program, the commission may

1 establish such conditions, restrictions, limitations and exclusions as the
2 commission deems reasonable. Such conditions, restrictions, limitations
3 and exclusions shall include the conditions contained in subsection (d) of
4 K.S.A. 75-6506, and amendments thereto. Each person who was formerly
5 elected or appointed and qualified to an elective state office and who was
6 covered immediately preceding the date such person ceased to hold such
7 office by the provisions of group health insurance or a health maintenance
8 organization plan under the law in effect prior to August 1, 1984, or the
9 state health care benefits program in effect after that date, shall continue
10 to be qualified to participate in the state health care benefits program
11 and shall pay the cost of participation in the program as established and
12 in accordance with the procedures prescribed by the commission if such
13 person chooses to participate therein.

14 (d) (1) Commencing with the 2009 plan year that begins January 1,
15 2009, if a state employee elects the high deductible health plan and health
16 savings account, the state's employer contribution shall equal the state's
17 contribution to any other health benefit plan offered by the state. The
18 cost savings to the state for the high deductible health plan shall be de-
19 posited monthly into the employee's health savings account up to the
20 maximum annual amount allowed pursuant to subsection (d) of 26 U.S.C.
21 223, as amended, for as long as the employee participates in the high
22 deductible plan.

23 (2) If the employee had not previously participated in the state health
24 benefits plan, the employer shall calculate the average savings to the em-
25 ployer of the high deductible plan compared to the other available plans
26 and contribute that amount monthly to the employee's health savings
27 account up to the maximum annual amount allowed pursuant to subsec-
28 tion (d) of 26 U.S.C. 223, as amended.

29 (3) The employer shall allow additional voluntary contributions by the
30 employee to their health savings account by payroll deduction up to the
31 maximum annual amount allowed pursuant to subsection (d) of 26 U.S.C.
32 223, as amended.

33 (e) The commission shall have no authority to assess charges for em-
34 ployer contributions under the student health care benefits component
35 of the state health care benefits program for persons who are covered by
36 insurance contracts entered into by the board of regents pursuant to
37 K.S.A. 75-4101, and amendments thereto.

38 (f) Nothing in this act shall be construed to permit the Kansas state
39 employees health care commission to discontinue the student health care
40 benefits component of the state health care benefits program until the
41 state board of regents has contracts in effect that provide student coverage
42 pursuant to the authority granted therefor in K.S.A. 75-4101, and amend-
43 ments thereto.

- 1 (g) (1) *A retired public officer or employee, who was covered by the*
2 *state health **care** benefits program, but elected not to continue coverage*
3 *under the program and has a qualifying event, such officer or employee*
4 *shall be allowed to obtain coverage under the plan as though they had*
5 *elected to continue coverage at the time of retirement. A retired public*
6 *officer or employee may use the provisions of this section only once.*
7 (2) *As used in this subsection “qualifying event” means:*
8 (A) *The death of the spouse of the retired public officer or employee;*
9 *or*
10 (B) *the divorce or legal separation of the retired public officer or*
11 *employee from the spouse of such officer or employee.*
12 (3) ***The provisions of this subsection (g) shall apply to all retired***
13 ***public officers and employees who took retirement on or after Jan-***
14 ***uary 1, 2006.***
15 Sec. 2. K.S.A. 2008 Supp. 75-6501 is hereby repealed.
16 Sec. 3. This act shall take effect and be in force from and after its
17 publication in the ~~statute book~~ **Kansas register.**