AN ACT concerning the state health care benefits program; relating to the powers of the Kansas state employees health care commission; requiring legislative approval before changing coverage options; establishing qualified participants; amending K.S.A. 2015 Supp. 75-6501 and repealing the existing section.

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

Section 1. K.S.A. 2015 Supp. 75-6501 is hereby amended to read as follows: 75-6501. (a) Within the limits of appropriations made or available therefor and subject to the provisions of appropriation acts relating thereto, the Kansas state employees health care commission shall develop and provide for the implementation and administration of a state health care benefits program.

(b) (1) Subject to the provisions of paragraph (2), the state health care benefits program may provide benefits for persons qualified to participate in the program for hospitalization, medical services, surgical services, nonmedical remedial care and treatment rendered in accordance with a religious method of healing and other health services. The program may include such provisions as are established by the Kansas state employees health care commission, including, but not limited to, qualifications for benefits, services covered, schedules and graduation of benefits, conversion privileges, deductible amounts, limitations on eligibility for benefits by reason of termination of employment or other change of status, leaves of absence, military service or other interruptions in service and other reasonable provisions as may be established by the commission.

Beginning July 1, 2016, the Kansas state employees health care commission shall maintain available coverage options of at least one preferred provider organization plan and at least one high deductible plan. Coverage options under each plan type shall remain consistent with 2016 plan year levels. No coverage option existing in the 2016 plan year may be altered or substantially changed without prior specific authorization by an act of the legislature. Additional coverage options may be made available at the commission's discretion.

(2) The state health care benefits program shall provide the benefits and services required by K.S.A. 2015 Supp. 75-6524, and amendments thereto.
(c) All active and retired public officers and employees and their dependents who were qualified to participate in the state health care benefits program for the 2016 plan year shall be qualified to participate in the state health care benefits program in subsequent plan years. The Kansas state employees health care commission shall designate by rules and regulations those other persons who are qualified to participate in the state health care benefits program, including active and retired public officers and employees and their dependents as defined by rules and regulations of the commission. Such rules and regulations shall not apply to students attending a state educational institution as defined in K.S.A. 76-711, and amendments thereto, who are covered by insurance contracts entered into by the board of regents pursuant to K.S.A. 75-4101, and amendments thereto. In designating persons qualified to participate in the state health care benefits program, the commission may establish such conditions, restrictions, limitations and exclusions as the commission deems reasonable. Such conditions, restrictions, limitations and exclusions shall include the conditions contained in subsection (d) of K.S.A. 75-6506(d), and amendments thereto. Each person who was formerly elected or appointed and qualified to an elective state office and who was covered immediately preceding the date such person ceased to hold such office by the provisions of group health insurance or a health maintenance organization plan under the law in effect prior to August 1, 1984, or the state health care benefits program in effect after that date, shall continue to be qualified to participate in the state health care benefits program and shall pay the cost of participation in the program as established and in accordance with the procedures prescribed by the commission if such person chooses to participate therein.

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

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

(3) The employer shall allow additional voluntary contributions by
the employee to their health savings account by payroll deduction up to the
maximum annual amount allowed pursuant to subsection (d) of 26 U.S.C.
§ 223(d), as amended.
(e) The commission shall have no authority to assess charges for
employer contributions under the student health care benefits component
of the state health care benefits program for persons who are covered by
insurance contracts entered into by the board of regents pursuant to K.S.A.
75-4101, and amendments thereto.
(f) Nothing in this act shall be construed to permit the Kansas state
employees health care commission to discontinue the student health care
benefits component of the state health care benefits program until the state
board of regents has contracts in effect that provide student coverage
pursuant to the authority granted therefor in K.S.A. 75-4101, and
amendments thereto.
Sec. 2. K.S.A. 2015 Supp. 75-6501 is hereby repealed.
Sec. 3. This act shall take effect and be in force from and after its
publication in the statute book.