

STATE OF KANSAS - STATE EMPLOYEES HEALTH CARE COMMISSION

Meeting Minutes

December 14, 2020 – 1:30 P.M.

The State of Kansas Employees Health Care Commission (HCC) meeting was called to order on December 14, 2020 at 1:34 pm. The meeting was conducted virtually using GoTo Webinar following publication to the State of Kansas's Public Square web portal.

The following members were present:

- Chair DeAngela Burns-Wallace
- Commissioner Steve Dechant
- Commissioner Ximena Garcia, M.D.
- Commissioner Jose Castillo
- Commissioner Vicki Schmidt

The following staff and presenters were present:

- Janet Stanek, SEHP Director
- Mike Michael, SEHP Deputy Director
- Paul Roberts, SEHP Sr. Manager
- John Yeary, DofA Chief Counsel
- Natalie Yoza, EAC Chair
- Ken Viera, Segal Consulting
- Patrick Klein, Segal Consulting
- Courtney Fitzgerald, SEHP
- Pete Nagurny, SEHP
- Alexandra Blasi, EAC Vice President

Welcome

Secretary Burns-Wallace welcomed the commissioners and those listening in. She took some time to be sure all of the commissioners were able to see and hear each other. Reminded all commissioners to please identify themselves when speaking for those listening on the phone.

The agenda is a bit of a different format. We will gather feedback afterwards to see if the new format is helpful.

She also introduced the new SEHP Director, Janet Stanek. The HCC has had a couple closed meetings already with her but this is the first public meeting. She has more than 30 years of health care experience, most recently as a senior executive with Stormont Vail in Topeka.

1. **[Action Item]** Approval of Minutes from September 9, 2020

Commissioner Garcia moved to approved

Commissioner Dechant 2nd

Any corrections? None

Vote: All in Favor, none against

Old Business:

2. **Follow-up Items from 9/9/20 HCC Meeting** *(Previously Reported to Commissioners 10/27/20 via email)*
 - **Janet Stanek, SEHP Director**
 - **See attached Slides**

Janet Stanek - discussed that the SEHP staff combined information related to follow-up requests and sent the information to the commissioners.

Discussion:

Commissioner Schmidt – The COVID Claims collaboration has been very helpful. She appreciates the meeting and looks forward to the next meeting in January.

Commissioner Schmidt – This may be covered in the financials. Should I wait to see how this is accounted for there?

Commissioner Schmidt – Did all commissioners receive the billing statements from Marathon?

Janet Stanek - Yes

Commissioner Schmidt – Do we have an agenda item for the regulation change?

Janet Stanek - Yes

Commissioner Schmidt – **Would like to see the excluded brands for eyeglasses specifically called out in our benefits materials.**

3. COVID-19 & SEHP

- **Paul Roberts, SEHP Sr. Manager of Operations**
- **See attached Slides**

Commissioner Schmidt – From looking at the data, the Rapid tests have had a significant number of false negatives. **Would we be able to understand from Marathon as to how they decide if someone receives a Rapid or PCR test?**

Janet Stanek - We will use this as a takeaway. Marathon conducts these tests in partnership with KDHE.

Commissioner Schmidt – the total unique claims... is this just testing data?

Paul Roberts - No, these also include treatments for anyone that tested positive as well.

Commissioner Schmidt - Did SEHP do any outreach to the members with corrected claims or just the providers?

Paul Roberts - Just the providers

Commissioner Schmidt - Do we have the total dollar amount of the 89 reprocessed claims?

Paul Roberts - We will get that specific amount. It is less than \$9,000. Most of them were incorrectly billed copays.

Commissioner Schmidt - would like the SEHP to track the total dollar amount members save through this review process.

4. Rule and Regulation change regarding the 30-day waiting period

- Janet Stanek, SEHP Director
- See attached Memo

Commissioner Schmidt – Understands that the budget estimate was an estimate. If/When this goes into effect, can we track the actual cost to the SEHP?

Janet Stanek - It will take some collaboration with the state personnel director to track this. We will work to track this.

Commissioner Schmidt – It has almost been a year to get this completed. Would we anticipate that the next time we have a change that we wouldn't have a 5-month delay to get to step 1.

Chair Burns-Wallace – During this time period, two significant things happened to impact the timeframe, including COVID response as well as the transfer of the SEHP from KDHE to DofA. This was an unprecedented time period. She mentioned that she has three other unrelated changes that are also working through this process.

Reports:

5. Employee Advisory Committee Report

- a. November 12, 2020 Meeting Update
- Natalie Yoza, EAC President

EAC Employee Survey – worked with The Docking Institute at FHSU to develop a survey to address feedback regarding the medical plans as well as the HealthQuest wellness program. We had a 17% response rate which is good for an online survey. We should have a final report in January. She thanked all of the employees that participated

- b. HCC Membership Statute Update
- Natalie Yoza, EAC President
 - See attached memo

Chair Burns-Wallace – this is not an official action item, but as we discussed earlier this fall, some things we may want to officially affirm or support in a more formal way.

Commissioner Schmidt – wants Ms. Yoza to know how much she appreciates her work with the EAC and their effort to revise a statute from

1992. The transformation in the classified vs unclassified service of state employees has been significant. She would feel very comfortable supporting this change.

Commissioner Dechant – Would make a second if that was a motion to support.

Commissioner Schmidt – motion for the HCC to support this effort to update the HCC composition statute as presented.

Commissioner Dechant – 2nd

Discussion:

Natalie Yoza – met with the leader of KOSE regarding this change. They were also in support of this effort expanding the opportunity to all state employees.

Commissioner Castillo – also in support as it will include more state employees since the composition has changed so significantly.

Vote: All in favor, none opposed.

c. [Action Item] Recommended appointments to the EAC for terms beginning in January 2021

- **Natalie Yoza, EAC President**
- **Alexandra Blasi, EAC Secretary**
- **See attached memo**

Natalie Yoza - reviewed the bylaw requirements to appoint new members to the EAC. The EAC received 70 applicants this year.

Alexandra Blasi - Discussed the process the subcommittee went through to reach their recommendation.

Chair Burns-Wallace – Commissioners, you also have an additional chart

Commissioner Schmidt – motion to affirm the EAC recommendations

Commissioner Garcia – 2nd

Discussion:

Commissioner Schmidt – Would like to commend the EAC on their work and their due diligence to come to their recommendations.

Commissioner Dechant – Would like to commend the EAC for their efforts to recruit so many interested members. Surprised at so many members terms are up this year.

Natalie Yoza – this is in part due to the term limit implementation to the bylaws. We also had a couple members that decided not to reapply due to the COVID circumstances.

Commissioner Dechant – would like to suggest some type of onboarding for the new members of the EAC.

Chair Burns-Wallace – Likes that idea as well. Would definitely recommend resources that are self-paced and online

Vote: All in favor, none against

6. Segal Actuarial Service Report

a. Finance Report

- See attached memo and charts
- Ken Vieira, Segal Consulting

Discussed the new written format of the financial report.

Commissioner Schmidt – Curious to the historical data regarding COBRA. Is this higher than normal? How long do people stay on COBRA?

Patrick Klein – These are in line with historical data. We saw a slight increase due to COVID but it is now more in line with normal.

Commissioner Schmidt – doesn't need to see these (COBRA data) every time but would like to see updates should something become noteworthy. Would like to know that someone is watching this metric.

Commissioner Schmidt – Understands that the Marathon Clinic was given about \$1m seed money from Legislature as a pilot program. Would like to request that the Marathon charges be split out of the SEHP admin line and be tracked separately. Has heard from employees that they are too far away to use this service. Would also like to know how many encounters do we have for that \$190k per month. Has heard that at times people have had to wait up to 2 days for a COVID test. Would like to be sure that we are getting our money's worth. We have also discussed physician dispensing at the center. Thought this was included in our monthly fees. We are being charged for these separately.

Commissioner Burns-Wallace – One of the ideas for future we may see is a future deep dive into not only the financials but also the operation of the center.

Commissioner Schmidt – Time is of the essence. Does not want an RFP going out if we decide that this program is not worth it.

Mike Michael – The SEHP never received legislative funding for this program. It was funded all from the SEHP.

Commissioner Schmidt – There was a line item in the budget... can we follow up on what happened to that line item?

Janet Stanek – COVID has tremendously impacted the launch of this facility. It greatly impacted the ability to do walk-in service.

Commissioner Dechant – Can you explain the Coverage Tier Factor?

Patrick Klein – The cost difference between coverage tiers like employee only to employee + spouse, employee + children, employee + family

b. [Action Item] Proposed Move from 10-year to 3+ year Reserve Projection Model

Chair Burns-Wallace – Would like to have the HCC affirm the move to a condensed financial report of current year + 3 future years.

Commissioner Schmidt – moves to move to the current + 3 years

Commissioner Garcia – 2nd

Discussion:

Commissioner Dechant – thought we would be moving to 5 years instead of three

Commissioner Dechant would like to amend the motion to current + 4 for a 5-year projection

There was no second to the amendment

Commissioner Schmidt – thinks that current + 3 is more than enough

Chair Burns-Wallace – we can always try this for a while and if we need to extend things as we go forward

Vote

4 in favor, 1 against (Commissioner Dechant)
Motion passes

Commissioner Schmidt – On the definitions sheet, Marathon isn't listed as "Other Contract Fees"

Patrick Klein – Marathon is included as the etc. in that line item. Moving forward, it will become it's own line item.

c. Plan Year 2020 Contract Expense Projections (New format)

- **Janet Stanek, SEHP Director**
- **See attached Slide**

Janet Stanek presented the newly formatted list of all contracts and associated deadlines and details previously requested

Commissioner Schmidt – Appreciates the opportunity to review and provide feedback on RFP documentation. If the HCC was consulted prior to the RFP, there may be things that we would like to be added to coverages. Was concerned that we leave new service recommendations up to the bidders as opposed to the HCC/SEHP adding new services.

Chair Burns-Wallace – It is good practice to start with the current components and then add from there. Having the opportunity to review these documents as commissioners, that is our opportunity to suggest modifications moving forward.

Commissioner Schmidt – Staff is very involved in writing these RFPs, so **moving forward, when sending RFPs for review, can staff call out any specific changes or enhancements that are incorporated?**

Paul Roberts – we do take feedback received over the years and mark those for inclusion in the RFPs. Often times, vendors do include any new developments since the previous RFP submission period. In order to do an accurate assessment, we do start on the RFP specifics and then expand or detract from that regarding their submissions.

Janet Stanek – **We will be sure to call out any new elements to future documents for review.**

Commissioner Dechant – Thinks Commissioner Schmidt's remarks are good ideas. Appreciates all of the work the staff is currently doing to improve our services.

7. SEHP Director Report – Janet Stanek, SEHP Director

- Janet Stanek, SEHP Director
- See attached slides

8. 2021 Open Enrollment Update

- Janet Stanek, SEHP Director
- See attached slides

Commissioner Dechant – Would like to know how total enrollment lines up with total employment with the state

Mike Michael – There is a correlation with the number of state employees

Commissioner Dechant – so, we have seen a decrease in the number of employees as well as the number of non-state enrollees and an increase in the number of waived coverage elections.

Commissioner Schmidt – Appreciates the executive summary as well as the backup data.

Commissioner Schmidt – (slide 90 of the pdf) Who did the calculation of the HSA/HRA Rewards Dollars Earned vs. Projected.

Janet Stanek – Segal Consulting did the calculation but we will send the extended explanation as a follow-up.

9. Contract Report for Contracts Ending December 31, 2021

- Janet Stanek, SEHP Director
- See attached Document

Chair Burns-Wallace – Would like to see the dependency deadline column on this chart as well

Commissioner Schmidt – Would like to see the length of time we are contemplating for the contracts. What is the current contract or what do we anticipate the period to be?

Chair Burns-Wallace – We will need to make sure we know the difference in the type of contract, multi-vendor awards vs single vendor awards

New Business:

10. [Action Item] 2021 HealthQuest Activities & Credit Allocation Proposal

- Paul Roberts, SEHP Sr. Manager of Operations
- See attached slides

Commissioner Dechant – Does the well man/woman include the cholesterol, breast exam etc.

Paul Roberts – It would depend on how the visit is coded when it is billed.

Commissioner Dechant – Are you including COVID vaccinations in the flu vaccine section?

Janet Stanek – We are not yet including this in the incentives. We spoke to Cerner to see if others are including this in their program and they would suggest further discussion and legal counsel.

Commissioner Dechant – Would suggest adding COVID immunization and provide a 5-credit award.

Commissioner Dechant – Was any consideration given to prostate screening?

Paul Roberts – that screening is already included in a well man exam today

Commissioner Schmidt – the mammogram and colonoscopy don't impact our younger workers. Do we include a virtual colonoscopy and/or Cologuard?

Paul Roberts – Will check the codes included in the credit submissions

Commissioner Schmidt – Providers cover the Cologuard now. Even moving forward, we don't get a mammogram or colonoscopy every year.

Janet Stanek – It is a balance between age of members eligible in comparison to incentivizing screenings related to prevention of the plan's top claims areas.

Commissioner Schmidt – Since we offer 6 points for tobacco cessation, do we offer points for being a non tobacco user?

Mike Michael – We did use the tobacco use test 3 years ago but haven't awarded anything recently.

Commissioner Schmidt – Appreciates the consideration taken from input provided by commissioners for future.

Commissioner Garcia – appreciates the comment about tobacco free. It is very important. It seems like a great way to give credit for making a healthy choice.

Janet Stanek – would suggest including this as a more in-depth discussion as we plan for 2022

Steve Dechant – Decreasing Naturally Slim by 1/3 concerns him since obesity is such a major issue leading to many other conditions.

Commissioner Garcia – Obesity is a huge comorbidity but just looking at the weighting of the credits, 10 credits are still generous.

Commissioner Garcia – Motion to adopt the 2021 credit allocations as presented

Commissioner Schmidt – 2nd

Discussion:

Commissioner Dechant – Would like to consider adding the COVID vaccine and be sure we are not politicizing this topic.

Chair Burns-Wallace – We are able to add this as an incentivized item over the next few months as we learn more.

Janet Stanek – We are also able to retroactively award credits should we adopt this incentive later in the year.

Commissioner Schmidt – we are also concerned regarding the supply available in our state since the initial doses will be prioritized accordingly and to place this on our radar. Maybe keep this on our standing agenda and see how things are moving.

Vote: All in Favor, none against

11. Inquiries/Correspondence from Commissioners to the SEHP Director:

- Chair Burns-Wallace

- See attached Slide

Consensus was received to follow the correspondence process presented. Commissioners also agreed that any agenda items they would like to see added to an HCC meeting agenda should be submitted to Chair Burns-Wallace at least two weeks in advance of the next scheduled HCC meeting.

12. Any new items commissioners would like to see for future meetings?

- a. None

13. Next Meeting

- a. February 22 @ 1:00 pm

Meeting Adjourned @ 5:14 pm