

>> GOOD MORNING, THIS IS SECRETARY DEANGELA BURNS-WALLACE, CALL TO ORDER THE OCTOBER 18TH STATE EMPLOYEE HEALTHCARE COMMISSION MEETING AND WE ARE TAKING THIS MEETING AS IN-PERSON AT THE KPERS BOARD ROOM AND ALSO BROADCASTING OUR STREAMING AS WELL AS WE HAVE SOME OF OUR MEMBERS WHO ARE VIRTUAL. THANK YOU TO EVERYONE FOR JOINING US THIS MORNING. WE HAVE A VERY FULL AND ACTIVE AGENDA. EXCITED TO MOVE THROUGH SOME OF THESE THINGS WE HAVE BEEN WORKING ON OVER THIS PAST YEAR OR SO SO I'M GOING TO HOP US IN AND GET US STARTED. WE'LL START WITH ONE ANNOUNCEMENT/INTRODUCTION. I WAS -- WE WERE CONTACTED LAST WEEK AND INFORMED BY THE GOVERNOR'S APPOINTMENT OFFICE THAT COMMISSIONER SANDY PRAEGER HAD TO STEP DOWN FOR PERSONAL REASONS OUT OF THE ROLE SHE WAS APPOINTED AND THE GOVERNOR HAS APPOINTED COMMISSIONER HENSLEY. ARE YOU ON THE PHONE?

>> I AM.

>> GOOD.

>> CAN YOU HEAR ME?

>> WE CAN. WELCOME. WOULD YOU JUST LIKE TO SAY HELLO AND GIVE A LITTLE BIT, I KNOW THERE ARE MANY IN THIS ROOM AND THAT MAY BE LISTENING WHO KNOW OF YOU BUT IF YOU WOULD LIKE TO GIVE A COUPLE SENTENCES OF YOUR BACKGROUND, THAT WOULD BE GREAT.

>> SURE. MY PROFESSION WAS A

PUBLIC SCHOOL TEACHER. I SPENT 43 YEARS IN THE CLASSROOM AND THAT CAREER PRETTY MUCH RAN CONCURRENTLY WITH MY LEGISLATIVE TENURE. I SERVED 44 YEARS IN THE KANSAS LEGISLATURE LEGISLATURE FIRST, 16 YEARS IN KANSAS HOUSE OF REPRESENTATIVES AND 28 YEARS IN THE SENATE, AND I WAS THE SENATE MINORITY LEADER FOR 24 OF THE 28 YEARS. PLEASED TO BE ON THE COMMISSION. I'VE ALWAYS FELT IT WAS IMPORTANT TO, YOU KNOW, SUPPORT OUR STATE EMPLOYEES, PARTICULARLY

IN AS MUCH AS WHEN I WAS IN THE HOUSE AND THE SENATE I REPRESENTED A GREAT NUMBER OF STATE EMPLOYEES LIVING, YOU KNOW, IN THE CAPITAL CITY, AND SO I LOOK FORWARD TO WORKING WITH EVERYBODY. I JUST WANTED TO THANK THE INSURANCE COMMISSIONER, MY FORMER COLLEAGUE IN THE SENATE, MICKEY SCHMIDT FOR HAVING CALL ME LAST WEEK TO WELCOME ME TO THE COMMISSION. I HAD NOT HAD A CHANCE TO RETURN HER PHONE CALL. IF SHE IS ON LINE, THANK HER FOR THE PHONE CALL AND I'M LOOKING FORWARD TO EVERYBODY ON THE COMMISSION.

>> THANK YOU. SHE IS, AND SHE NODDED AND SMILED, I DON'T KNOW IF YOU WANT TO RESPOND DIRECTLY, COMMISSIONER.

>> THANK YOU, MADAM CHAIR. COMMISSIONER HENSLEY IS A NEW TITLE FOR YOU, AND I'M LOOKING FORWARD TO WORKING WITH YOU AND I KNOW YOU'LL BE A GREAT ADDITION TO THIS. SO I WAS PRETTY EXCITED TO HAVE YOU APPOINTED. SO, THANK YOU.

>> ALL RIGHT, THANK YOU.

>> WONDERFUL. I'M JUST GOING TO DO A QUICK ROLL CALL SO THAT EVERYONE KNOW WHO IS IN THE ROOM AND WHO IS ON THE PHONE, AND I WILL START WITH COMMISSIONER DECHANT.

>> HERE.

>> COMMISSIONER GASTON.

>> HERE.

>> COMMISSIONER HENSLEY JUST SPOKE, YOU ARE HERE.

>> HERE.

>> COMMISSIONER MCGINN.

>> HERE.

>> COMMISSIONER LANDWEHR.

>> PRESENT.

>> COMMISSIONER SCHMIDT.

>> HERE.

>> ALL RIGHT. SO WE HAVE A FULL COMMISSION TODAY. THANK YOU ALL. ALL RIGHT. WE ARE GOING TO START TO MOVE THROUGH OUR AGENDA. FIRST ORDER IS APPROVAL OF THE MINUTES, SEPTEMBER 27TH MINUTES IN THE PACKET UNDER AGENDA ITEM 1. I WILL ENTERTAIN A MOTION.

>> I MOVE THE MINUTES BE APPROVED.

>> IS THERE A SECOND?

>> SECOND.

>> COMMISSIONER DECHANT AND SECONDED BY COMMISSIONER GASTON. CHANGES, ADDITIONS.

>> ON PAGE 6 OF THE DOCUMENTS ON THE MARATHON CONTRACT, THE ACTION THAT WAS TAKEN IS NOT EXACTLY THE WAY THAT MOTION HAPPENED, AT LEAST IN MY RECOLLECTION. I BELIEVE THAT COMMISSIONER GASTON MADE THE MOTION TO DO THE MARATHON CONTRACT, COMMISSIONER DECHANT SECONDED IT AND I OFFERED A FRIENDLY AMENDMENT ON THE LEASE WHICH SOMEHOW GOT INCLUDED IN THE ORIGINAL MOTION. SO I THINK IT NEEDS TO BE CLEANED UP WITH HOW THAT ACTUALLY PLAYED OUT.

>> SO NOTED. AND THEN JUST A VERY -- WELL, LET ME ASK THIS. WHEN WE MAKE THESE CHANGES, DO WE GET ANOTHER COPY, OR HOW DO WE GET TO SEE THE CHANGES THAT WERE MADE? JUST FROM MY --

>> I THINK THE FINAL MINUTES ARE POSTED, I DON'T KNOW THAT WE RECIRCULATE THEM.

>> I THINK I WOULD, JUST FOR MY CONFIDENCE. AND PAGE 7, THE LAST SENTENCE UNDER FOLLOW-UP, AND THANK YOU FOR PUTTING THE COLUMNS UP THERE, BY THE WAY, WHERE JANET STANEK WILL BE RECORDED AS THE SENDER, S PROBABLY SHOULDN'T BE CAPITALIZED. MINOR, I KNOW. PICKY.

>> ALL RIGHT. WITH THE NOTED CORRECTIONS, ANY OF MY COMMISSIONERS THAT ARE ON THE LINE, ARE THERE ANY -- BECAUSE I CAN'T SEE HANDS OR ANYTHING. EDITS, QUESTIONS?

>> I'M FINE, LANDWEHR.

>> ALL RIGHT. SEEING -- HEARING -- GO AHEAD, COMMISSIONER MCGINN, WAS THAT YOU?

>> I JUST SAID I'M GOOD.

>> ALL RIGHT. HEARING NO -- NOTHING FURTHER FROM THE PHONE, LOOKING AROUND THE ROOM, NO ADDITIONAL EDITS, THE MOTION IS TO APPROVE THE MINUTES WITH THE NOTED EDITS. ALL THOSE IN FAVOR SAY AYE? OPPOSED? ABSTENTION? ALL RIGHT, THE MINUTES OF PASSED. ON TO OUR NEW BUSINESS. IT'S NEW BUSINESS IN SOME WAYS BUT WE HAVE BEEN TALKING ABOUT IT FOR A WHILE. WE ARE FINALLY ABLE TO MOVE INTO THE RULE AND REC CHANGE, ELIMINATING THE WAITING PERIOD FOR THE RATIFICATION OF THIS. SO, THIS HAS BEEN A LENGTHY PROCESS AS WE WALK THROUGH THE NECESSARY PROCEDURES FOR THE REGULAR CHANGE, INCLUDING HOLDING THE MEETING FOR OPEN PUBLIC COMMENT A FEW WEEKS BACK. SO, COMMISSIONERS WE ARE NOW AT THE FORMAL STEP WHERE WE MUST VOTE ON -- MUST TAKE THE FINAL APPROVAL FOR THE REGULATION CHANGE. THERE ARE TECHNICALLY THREE REGULATIONS THAT ARE BEING CHANGED THROUGH THIS PROCESS. THE MATERIALS WERE IN YOUR PACKET. THIS IS THE SAME MATERIALS THAT WERE DISTRIBUTED AS WE WALKED INTO THE PUBLIC COMMENT AND PREVIOUSLY WE JUST INCLUDED THEM IN THE PACKET FOR, AS A REFRESHER. THE THREE REGS INVOLVED ARE KAR108-1-1, KAR108-1-3, AND 108-1-4. THE REGS WITH THE NOTED CHANGES WILL ELIMINATE THE 30-DAY WAITING PERIOD ELIGIBILITY FOR NEW MEMBERS, NEW EMPLOYEES TO THE HEALTHCARE BENEFITS PLAN. OK. WE WILL NEED A MOTION AND A SECOND FOR EACH ONE IN ORDER TO ADOPT THE REGULATIONS, AND THERE WILL BE THE DISCUSSION PERIOD WE'LL DO THE NECESSARY DISCUSSION PERIOD. AS A REMINDER,

PUBLIC COMMENT PERIOD IS OVER. WE WILL DO A ROLL CALL VOTE WHEN THE TIME COMES AS THAT IS REQUIRED, AND IT WILL BE RECORDED ON A NECESSARY DOCUMENT PROVIDED BY LEGAL COUNSEL PER THE REGULATIONS. ANY QUESTIONS ON THE PROCESS?

>> MADAM CHAIR.

>> YES, COMMISSIONER LANDWEHR.

>> YEAH, JUST, I JUST WANTED TO CLARIFY. SO, ARE YOU GOING TO DO ALL THREE MOTIONS SEPARATE AND THEN ARE YOU HAVING DISCUSSION ON EACH INDIVIDUAL MOTION OR WILL IT BE ONE MOTION AND THEN WE HAVE DISCUSSION BEFORE YOU DO THE ROLL CALL?

>> MY UNDERSTANDING, LEGAL COUNSEL -- GO AHEAD.  
[INAUDIBLE]

>> WE CAN'T HEAR HIM ONLINE.

>> I UNDERSTAND. BECAUSE THEY ARE TIED TOGETHER WE CAN DO THEM AS ONE MOTION. IF -- WHEN WE DO THE VOTE, IF THERE ARE ANY DISSENTING VOTES THEY WOULD NEED TO NOTE WHICH, IF ANY, PARTICULAR, OR IF ALL THEY ARE DISSENTING ON IN RELATIONSHIP TO THE PARTICULAR K.A.R.

>> SO ONE MORE QUESTION, MADAM CHAIR.

>> I LIKE THE IDEA OF ONE VOTE FOR ALL THREE OF THEM IF AS WE MOVE FORWARD ON THAT VOTE IF WE CAN GIVE JUST LIKE A BRIEF STATEMENT AS TO WHAT EACH ONE OF THOSE DO, THAT WOULD BE VERY HELPFUL, PLEASE.

>> YES, WE WILL DO THAT. NODDING FROM MY LEGAL COUNSEL TO BE PREPARED TO EXPLAIN EACH OF THE REGS. WITH THAT, AS WE PREPARE FOR THE PROCESS, I WILL ENTERTAIN A MOTION.  
COMMISSIONER SCHMIDT.

>> THANK YOU, MADAM CHAIR. I WOULD MOVE TO APPROVE K.A.R.108-1-1, ELIGIBILITY FOR THE HEALTH PLAN, 108-1-3, THE SAME REGULATION THAT APPLIES TO SCHOOL DISTRICT

HEALTHCARE BENEFITS PLAN AND 108-1-4, THE LOCAL UNIT OF GOVERNMENT BENEFITS PLAN AND ALSO WANT TO INCLUDE THAT WE WILL RESPOND TO THE REQUEST FROM KLRD THAT I DON'T BELIEVE HAS BEEN RESPONDED TO AT THE CURRENT TIME AND I CAN TALK ABOUT THAT IN THE DISCUSSION PERIOD IF, WHERE IT'S PROBABLY MORE APPROPRIATE. BUT THAT IS MY MOTION.

>> SO THE MOTION IS TO APPROVE THE THREE PREVIOUSLY- STATED K.A.R.s, RATIFICATION, AND ADDITIONAL TO RESPOND TO A KLRD REQUEST IN RELATIONSHIP TO THE -- TO THESE, I'M SORRY, TO THE REGULATIONS.

>> THAT IS CORRECT.

>> THAT IS THE MOTION. IS THERE A SECOND?

>> SECOND, COMMISSIONER MCGINN.

>> WE ARE IN DISCUSSION. CAN I ASK MY LEGAL COUNSEL JUST TO GIVE A BRIEF OVERVIEW OF, AS WE MOVE INTO DISCUSSION, AS COMMISSIONER LANDWEHR REQUESTED? JUST REAL KIND OF HIGH LEVEL OF THE REGS.

>> OK. GOOD AFTERNOON, MADAM CHAIR, MEMBERS OF THE COMMISSION. TRACY DEAL, I'M WITH THE DEPARTMENT OF ADMINISTRATION OFFICE OF CHIEF LEGAL COUNSEL. BASICALLY THE THREE REGS INDICATED BY COMMISSIONER SCHMIDT DEAL WITH ELIGIBILITY TO PARTICIPATE IN THE STATE HEALTH PLAN AND CURRENT TIME A 30-DAY WAITING PERIOD THAT EMPLOYEES FOR PEOPLE SEEKING TO BE PART OF THE PLAN HAVE TO WAIT BEFORE THEY ARE ELIGIBLE TO EXERCISE BENEFITS IN THE PLAN, AND TO BE ELIGIBLE. 108-1-1 SIMPLY REMOVES THE 30-DAY PERIOD FROM ANY STATE EMPLOYEE SEEKING TO BECOME A MEMBER AND TO EXERCISE BENEFITS UNDER THE STATE EMPLOYEE HEALTH PLAN. 108-1-3 DEALS WITH SCHOOL DISTRICTS WHO WOULD SEEK TO BE PART OF THE STATE EMPLOYEE HEALTH PLAN AND THEIR EMPLOYEES WOULD HAVE THE 30-DAY WAITING PERIOD WAIVED, AND NO LONGER REQUIRED. AND THE LAST ONE IS 108-1-4, DEALS WITH LOCAL UNITS OF

GOVERNMENT WHICH MAY PARTICIPATE IN THE STATE EMPLOYEE HEALTH PLAN AND REMOVE THE 30-DAY HEALTH PERIOD FROM INDIVIDUALS PARTICIPATING IN THE PLAN. THAT IS THE HIGH LEVEL VIEW.

>> THANK YOU. DISCUSSION, COMMISSIONERS?

>> FURTHER QUESTIONS, SINCE THE MOTION INCLUDED THE ISSUE OF KLRD, CAN YOU SPEAK TO THAT?

>> I CAN SPEAK TO WHAT THE KLRDC SAID, JOINT COMMITTEE WITH THE LEGISLATURE WHEN PRESENTED I BELIEVE BACK IN MAY, MAY 3RD OF THIS YEAR, WENT BEFORE -- BASICALLY THE COMMITTEE IN A LETTER SAID THE COMMITTEE NOTES IT IS UNUSUAL FOR AN EMPLOYEE HEALTHCARE BENEFITS PLAN TO MAKE EMPLOYEES ELIGIBLE FOR COVERAGE AT THE START OF EMPLOYMENT AND EXPRESSES CONCERN OVER THE CHANGE. AGENCY PROVIDED NO SURROUNDING STATE GOVERNMENT OFFERS A SINGLE DAY OF HEALTH PLAN BENEFIT AND PRIVATE INDUSTRIES ARE FACING CHALLENGES IN FINDING EMPLOYEES. COST FIGURES FOR EACH OF THE GROUPS COVERED BY THE HEALTH INSURANCE PLAN WITH SPECIFIC INFORMATION ON THE NUMBERS USED AND THE CALCULATIONS MADE. AND THEN SAID THAT WAS IT, THAT WAS THE EXTENT OF THE COMMENT.

>> COMMISSIONER SCHMIDT.

>> THANK YOU. I GUESS MY CONCERN IS THAT NUMBER ONE, I THINK WE SHOULD HAVE BEEN PROVIDED THAT DOCUMENT IN OUR MATERIALS BECAUSE THAT IS A COMMUNICATION FROM THE RULES AND REGULATION COMMITTEE, IT IS A JOINT COMMITTEE OF BOTH THE HOUSE AND THE SENATE, AND IT'S NOT UNUSUAL FOR THE COMMITTEE TO REQUEST ADDITIONAL INFORMATION BUT IT IS IMPORTANT, I BELIEVE, FOR US AS A COMMISSION OR ANY BOARD OR ANY -- WHENEVER THE RULES AND REGS COMMITTEE MAKES A REQUEST, I THINK WE NEED TO RESPOND TO IT. SO, I DO BELIEVE THAT IT SHOULDN'T STOP OUR GOING FORWARD WITH IT BECAUSE I DO BELIEVE THAT, I'M HOPEFUL WE ARE SURE OF OUR NUMBERS THAT WE SUBMITTED AND I BELIEVE IT IS --

THE COMMITTEE REQUESTING COST FIGURES FOR THE GROUPS COVERED, I'M PRETTY SURE THAT WAS INCLUDED IN OUR COMMUNICATION TO THE DEPARTMENT OF BUDGET PRIOR TO US GOING FORWARD WITH THIS. BUT I DO THINK IT'S IMPORTANT TO REFLECT IN THE MINUTES THAT WE WILL BE RESPONDING TO THAT REQUEST. BECAUSE THE MEETING WAS ON MAY 5TH AND I'M NOT SURE WHEN WE RECEIVED THE COMMUNICATION BUT OBVIOUSLY WE HAVE NOT RESPONDED YET. I MEAN, I DID CHECK WITH RESEARCH AND WE HAVE NOT RESPONDED YET.

>> I THINK THAT'S, WITH ALL DUE RESPECT TO RESEARCH, I BELIEVE THAT'S INCORRECT. MY UNDERSTANDING IS THE STAFF DID RESPOND WITH THE INFORMATION BACK IN MAY OR JUNE OF THIS YEAR. THAT'S MY UNDERSTANDING.

>> I'M GOING TO -- I CAN'T DOUBLE CHECK, I DON'T HAVE MY COMPUTER BUT I'M SURE WE RESPONDED.

>> KLRD DOES NOT HAVE THAT RESPONSE AS OF FRIDAY.

>> I WILL LOOK, I BELIEVE I ALSO HAVE AN EMAIL SENT FROM STATE EMPLOYEE, FROM THE STAFF TO

>> JO?

>> I'M TRYING TO REMEMBER WHO IT WAS, MY RECOLLECTION IS THAT INFORMATION WAS PROVIDED.

>> AND I GUESS IF THAT'S THE CASE, AGAIN, THAT SHOULD HAVE BEEN INCLUDED IN THIS PART OF THE MEETING WHEN, BECAUSE I MEAN, YOU KNOW, WE TOOK THE TIME TO GIVE US COPIES OF ALL OF THEM. THIS IS PART OF THE PROCESS, WITH ALL DUE RESPECT, I WOULD REQUEST FROM NOW ON WE GET THE REPORT BACK FROM THE RULES AND REGS COMMITTEE AND WE SEE OUR RESPONSE, THE RESPONSE BACK BECAUSE THAT IS PART OF THE COMMISSIONS ON JOB.

>> SO NOTED.

>> THAT'S MY POINT. THANK YOU.



>> I DO HAVE COPIES OF THE LETTER IF MEMBERS WHO ARE HERE WANT A COPY OF IT. I DO HAVE A COPY OF IT IF YOU WANT IT AT THIS POINT.

>> THANK YOU.

>> COMMISSIONERS IN THE ROOM AND THEN COMMISSIONER ONLINE, OTHER DISCUSSION ITEMS?

>> DISCUSSION OR COMMENT. COMMISSIONER SCHMIDT, I WOULD BE MORE COMFORTABLE WITH OUR HAVING TWO SEPARATE MOTIONS IF YOU WOULD BE AGREEABLE TO THAT, ONE MOTION TO DEAL WITH THE REGULATIONS AND THEIR APPROVAL OR NOT. AND THEN ANOTHER MOTION THAT DEALS WITH THE RESPONSE TO KLRD. JUST SEEMS TO MUDDY IT UP IN MY OPINION. I WOULD PREFER TO VOTE THAT WAY IN TERMS OF TWO SEPARATE ISSUES. I GUESS IF YOU ARE -- WELL, GO AHEAD. I'LL OFFER A SUBSTITUTE MOTION BUT IF I DON'T SEE IT AS A FRIENDLY OR UNFRIENDLY, JUST A COMMENT AND WHERE I'M AT WITH PUTTING THE TWO THINGS TOGETHER, RELATED, YES, BUT REG IS ONE THING AND THE RESPONSE ISSUE AS A SEPARATE THING RELATED TO THE REGS.

>> COMMISSIONER SCHMIDT.

>> I DON'T MIND THAT IF BOTH PASS. WITH BUT IF THE REGS PASS AND THE MOTION TO RESPOND DOESN'T PASS, I THINK THAT PUTS, THAT PUTS ME IN A PICKLE. I WON'T VOTE FOR THEM. I WILL VOTE FOR BOTH OF THEM TOGETHER BUT IF ONE DOESN'T - - IF ONE DOESN'T PASS AND THE OTHER -- TELL ME, I DON'T KNOW.

>> I WILL TAKE THE FRIENDLY AMENDMENT WAS NOT ACCEPTED SO IF A SUBSTITUTE AMEND IS IN ORDER, PLEASE FEEL FREE TO DO SO.

>> I WOULD SO MOVE, MAKE A MOTION TO SIMPLY DEAL WITH THE REGULATIONS BY VOTE AS IS GOING TO BE REQUIRED AND YOU EXPLAIN AND UPON, DOESN'T EVEN HAVE TO BE UPON

COMPLETION BUT SEPARATELY DEAL WITH THE ISSUE TO THE RESPONSE TO THE KLRD AS A SEPARATE VOTE.

>> SUBSTITUTE MOTION ON THE FLOOR. IS THERE A SECOND?  
THERE IS A SECOND. DISCUSSION OF THE SUBSTITUTE MOTION?

>> WHO IS THE SECOND BY?

>> SECOND WAS BY COMMISSIONER GASTON. GO AHEAD.  
COMMISSIONER GASTON, GO AHEAD.

>> I JUST WANTED TO SUGGEST THAT WE VOTE ON THE SECOND PART OF THE SUBSTITUTE AMENDMENT FIRST SO THAT THAT PART IS SETTLED. I DON'T OBJECT TO SHARING THAT INFORMATION ABOUT KRLD.

>> SO NOTED. COMMISSIONERS ONLINE. COMMISSIONER LANDWEHR, MCGINN, HENSLEY, ANY COMMENTS ON THE SUBSTITUTE MOTION THAT IS ON THE FLOOR? ALL RIGHT. HEARING NONE, ALL THOSE IN FAVOR OF THE SUBSTITUTE MOTION SAY AYE.

>> AYE.

>> AYE.

>> THOSE OPPOSED? OK. COMMISSIONERS, I'M GOING TO DO A ROLL CALL BECAUSE I'M NOT SURE I'M HEARING EVERYONE. THIS IS FOR THE SUBSTITUTE MOTION TO SEPARATE THE VOTE FOR THE REGULATIONS FROM THE VOTE FOR THE RESPONSE TO KLRD. ALL RIGHT. [ROLL CALL VOTE TAKEN] SUBSTITUTE MOTION PASSES. SO -- WE HAVE TWO SEPARATE MOTIONS -- SO NOW WE HAVE -- SO THE MOTION, SORRY, ROBERT RULES OF ORDER. TECHNICALLY WE HAVE THE MOTION WAS TO SEPARATE THE TWO MOTIONS, SO NOW WE ARE BACK INTO DISCUSSION INTO THE ORIGINAL MOTIONS WE WILL JUST VOTE ON THEM AS SEPARATE ISSUES. ALL RIGHT. YOU GUYS ARE CHALLENGING ME. ALL RIGHTY. SO, IF THE COMMISSIONERS ARE COMFORTABLE, I WILL TAKE COMMISSIONER GASTON'S RECOMMENDATION OR SUGGESTION TO SAY LET'S JUST GO INTO DISCUSSION ON THE SECOND MOTION OF THE RESPONSE TO KLRD, OPEN THAT UP FOR

DISCUSSION, LET'S VOTE ON THAT, AND THEN WE CAN MOVE INTO OTHER DISCUSSION ON THE REGS UNLESS ANYONE HAS OBJECTION TO THAT. SO WE ARE IN DISCUSSION FOR THE -- TO ENSURE THAT THE RESPONSE TO KLRD REQUEST FROM THE JOINT COMMITTEE ON ADMINISTRATIVE RULES AND REGULATIONS IS RESPONDED TO ACCORDINGLY. IS THERE ANY DISCUSSION? HEARING NONE, I'LL TAKE THE VOTE. ALL OF THOSE IN FAVOR SAY AYE. ANY OPPOSED? ANY ABSTENTION? THAT HAS BEEN APPROVED. SO NOW WE ARE BACK TO THE FIRST MOTION OF THAT SET, WHICH IS TO APPROVE OR TO RATIFY THE CHANGES IN THE REGULATIONS AS FORMALLY STATED, TO CHANGE OR TO ELIMINATE THE 30-DAY WAITING PERIOD OF ELIGIBILITY FOR NEW EMPLOYEES. WE ARE IN DISCUSSION, COMMISSIONERS. START WITH THE COMMISSIONERS ONLINE. DISCUSSION?

>> COMMISSIONER LANDWEHR?

>> YES, COMMISSIONER LANDWEHR. AND I BEHIND OF HATE THE TIME ALL OF US HAVE COME IN ON THIS AND OBVIOUSLY THIS HAS BEEN IN THE WORKS FOR A WHILE AND THOSE OF YOU THAT HAVE BEEN THERE UNDERSTAND IT. I THINK THE K.R.D. REQUEST THAT WE JUST APPROVED KIND OF SAID WHERE I'M COMING FROM. SO IS IT POSSIBLE FOR US TO, NOW IF THERE IS LIKE 50 NUMBERS WE HAVE TO LOOK AT, THAT'S ONE THING, BUT WHAT IS THE COST ASSOCIATED WITH THIS AND WHO PAYS THIS? THIS IS ON PAGE 41 OF YOUR PACKET TODAY, COMMISSIONER.

>> I'M TRYING TO GET THERE. YOU CAN TELL I DID NOT HAVE TIME TO GET TO ALL OF IT, I DO APOLOGIZE.

>> NO WORRIES, COMMISSIONER. WE HAVE LOTS OF INFORMATION. SO, OK. WE SAY THE COST TO THE STATE OF KANSAS, IS THAT JUST THE ELIGIBILITY FOR THE PIECE AND THEN A DIFFERENT AMOUNT FOR SCHOOLS AND LOCAL UNITS OF GOVERNMENT?

>> YES.

>> SO WE ARE LOOKING AT ALMOST 5 MILLION COST, IS THAT CORRECT? TO THE STATE? OR YOU ARE SHOWING 300,000, I GUESS -

>> YES, THAT COST TO THE STATE IS LISTED THE EMPLOYERS 293630.

>> WHAT IS THE 4.7 NUMBER, TOTAL CREDIT FOR TURNOVER SECTION 3?

>> JUST A MOMENT, SORRY, I DID NOT REFRESH MYSELF ON THIS.

>> THAT'S ALL RIGHT, THANK YOU, JANET.

>> CREDIT FOR TURNOVER IS THE VACANCY FACTOR, BASICALLY. BECAUSE NOT ALL POSITIONS ARE FILLED ALL THE TIME. DOES THAT HELP?

>> HMM, THAT JUST SEEMS LIKE A HIGH NUMBER.

>> WELL, THAT'S BASED ON THE BEST INFORMATION WE HAVE ON THE AVERAGE AMOUNT OF TIME POSITIONS GET FILLED, WHAT THE AVERAGE COST IS, AND THAT'S THE BEST ESTIMATE WE CAN GET BECAUSE THAT'S THE INFORMATION THAT WE BASED IT ON.

>> AND I GUESS, MADAM CHAIR, I'M STRUGGLING WITH WHY WE WOULD AT THIS TIME PUT IN A NEW BENEFIT WITH A \$95,000 COST TO THE EMPLOYEES, \$300,000 COST TO THE STATE, IF THE FIGURES ARE WITHIN THE ACCURACY RANGE, BECAUSE IT SOUNDS LIKE WE ARE DEALING WITH A GUESSTIMATE, WHICH IS A LITTLE CONFUSING FOR ME, IT WOULD MAKE MORE SENSE IF WE HAD ACTUAL NUMBERS, HOW MANY NUMBERED EMPLOYEES DO WE HAVE ONLINE RIGHT NOW. NOT ALLSTATE EMPLOYEES TAKE THE STATE HEALTH INSURANCE, AND IT SOUNDS LIKE WE ARE USING ALL STATE EMPLOYEE NUMBERS, IS THAT CORRECT, JANET?

>> ONE OF THESE WAS DONE FOR EVERY SECTION.

>> WE ARE LOOKING AT PAGE 41.

>> FOR NOW, YES.

>> SO RE-ASK –

>> STATE EMPLOYEES, UH-HUH.

>> SO LOOKING AT ALL STATE EMPLOYEES, BUT NOT ALL STATE EMPLOYEES TAKE THE STATE HEALTH INSURANCE PLAN, CORRECT?

>> CORRECT.

>> WHAT IS THE ACTUAL NUMBER OF ENROLLEES?

>> IT SAYS ON THE FIRST LINE, HIRED AND ENROLLED IN THE HEALTH PLAN. 19, 7,441 EMPLOYEES THAT ENROLLED IN THE PLAN. DOES THAT HELP?

>> OK. YEAH, GIVE ME JUST A MINUTE, I HAVE TO RUN SOME MATH, CAN'T DO THE BIG NUMBERS IN MY HEAD ANYMORE.

>> I'M NOT SURE WHAT YOU ARE GETTING AT, I'M TRYING TO SEE IF I CAN HELP YOU. OK, SO -- SO WE ARE DEALING WITH AN ACTUAL NUMBER, 7441 FOR NUMBER OF EMPLOYEES, CORRECT? AS OF 19, I GET THAT. THAT'S ACTUAL NUMBER OF EMPLOYEES.

>> YES.

>> OKAY. I GUESS I'M JUST NOT UNDERSTANDING THE EMPLOYEE TURNOVER NUMBER. HOW THAT IS CALCULATED. I MEAN, I SEE YOUR NUMBERS THERE, BUT I GUESS I DON'T UNDERSTAND WHY WE WOULD HAVE THAT NUMBER.

>> VACANCY FACTOR, THEY ARE NOT EMPLOYED. IT -- IT IS THE TIME, IF THERE IS AN AVERAGE OF FOUR WEEKS, IF I QUIT TODAY, TAKE AN AVERAGE OF FOUR WEEKS BASICALLY TO FILL MY POSITION SO I WOULD NOT BE COSTING THE STATE ANYTHING. DOES THAT HELP?

>> OK. WELL, YEAH, AND I UNDERSTAND THAT, BUT I'M NOT SURE IF THAT IS -- SOMETHING IS TELLING ME THE NUMBER IS NOT RIGHT BUT I CAN'T TELL YOU WHY, JANET. TO ME IT SEEMS TOO HIGH.

>> I DON'T HAVE A GOOD ANSWER FOR THAT RIGHT THIS MINUTE.

>> MADAM CHAIR, WHERE I'M UNCOMFORTABLE WITH IS TO SAY THAT 300,000 TO THE EMPLOYER, 95,000 TO THE EMPLOYEE, I JUST DON'T THINK THAT THOSE NUMBERS ARE ACCURATE. AND I WISH I COULD SAY THIS IS HOW I DISSECTED IT OUT BUT I DID NOT HAVE THE TIME TO DEAL WITH THIS AT THIS TIME. BUT I'M CONCERNED WITH US PUTTING MORE BURDEN, YOU KNOW, AUTOMATIC BURDEN ON ALL THE BUDGETS THAT WE DEAL WITH AS A STATE AND THE SCHOOLS ARE GOING TO HAVE A NEW BUDGET ITEM, LOCAL UNITS OF GOVERNMENT WILL HAVE A NEW ITEM, ARE THEY AWARE THIS IS COMMISSIONER?

>> COMMISSIONER LANDWEHR, I GUESS, AND MAYBE OTHERS CAN CHIME IN, I DON'T KNOW THAT IT'S SEEN AS A NEW BUDGET ITEM AS MUCH AS ALLOWING AN INDIVIDUAL TO START THEIR INSURANCE EARLIER AND PAID INTO THE SAME WAY THAT IT WOULD BE PAID INTO AT ANY OTHER TIME. SO THE CALCULATION IS JUST SHOWING THAT WHAT THAT LOOKS LIKE. AND SO IT'S NOT THAT THERE'S ADDITIONAL BENEFIT, THERE'S NOT THAT THERE IS TECHNICALLY ADDITIONAL EXPENSE, IT'S EARLIER THAN RIGHT NOW BUT IT'S NOT ADDITIONAL AND -- I WILL BE VERY HONEST AS WE STARTED THESE DISCUSSIONS, PART OF THIS CAME SPECIFICALLY FROM LOOKING AT HOW OUR STAFF WAS ENROLLING, THE DELAYS THAT WERE HAPPENING IN PARTICULAR BECAUSE OF THE 30-DAY, AND WE DID SOME EARLY CORRECTIVE ACTION TO MAKE IT A 30-DAY, BEFORE IT WAS 30-DAY BASED ON THE FIRST OF THE NEXT MONTH, SO PERIODS OF TIME WHERE PEOPLE WERE NOT INSURED FOR UP TO, IT COULD BE LITERALLY UP TO ALMOST LIKE 58 DAYS IF THEY CAME IN AT THE KIND OF WRONG MOMENT, AND SO IN LOOKING AT THAT FIRST WE SHORED IT UP TO A REAL 30-DAYS AND THEN WE CONTINUE TO LOOK AT IT AND TO SEE WHAT THE VARIOUS OPTIONS WERE TO BE ABLE TO EXTEND THIS BENEFIT, WHICH AGAIN BEING, YOU KNOW, THE EMPLOYER THAT WE ARE, AND WANTING TO, YOU KNOW, CONTINUE TO BE COMPETITIVE IN PLACES WE DON'T

ALWAYS HAVE THE SALARIES TO COMPETE, BEING ABLE TO SAY PARTICULARLY TO OUR EMPLOYEES WHO, YOU KNOW, MAKE LOWER WAGES THAT DAY, ONE, ACCESS TO THE BENEFITS, THAT THEY ARE PAYING FOR, THEY PAY THEIR PORTION, WE PAY OUR PORTION AS A STATE, SO THERE IS NOT A NEW COST, IT IS SIMPLY INSTEAD OF THE BENEFITS THAT THAT EMPLOYEE AND US AS THE EMPLOYER ARE GIVING -- ARE ACTIVATING, WE ARE ALLOWING THEM TO START THEM 30 DAYS EARLIER. SO I GUESS I DON'T SEE IT THE SAME WAY YOU DO AS, OR DON'T INTERPRET IT THE SAME WAY YOU DO AS ADDITIONAL COST TO THE STATE OR ADDITIONAL COST TO THE EMPLOYEE. I SEE IT MORE AS A BENEFIT ALLOWING THEM TO ACCESS THE PLAN AVAILABLE TO THEM AT THE BEGINNING OF THEIR EMPLOYMENT PERIOD AND THAT'S HOW WE GOT THIS. WE LOOKED AT THIS OVER A PERIOD OF TIME, AND THERE WERE BIGGER GAPS AND SOMETHING RAISED AS A CONCERN FOR EMPLOYEES, EVEN FROM DIFFERENT AGENCIES AS THEY WERE, YOU KNOW, LOOKING AT THIS.

>> MADAM CHAIR, COMMISSIONER LANDWEHR AGAIN. I GUESS WHERE I GO BACK AND SOMETHING TELLS ME IT'S NOT GOING TO MAKE MUCH DIFFERENCE WHAT I DISCUSS ON THIS HERE TODAY, BECAUSE I PERCEIVE THE VOTES ARE PROBABLY THERE. I JUST THINK THAT THE NOTICE FROM KLRD RAISED IS -- SOME OF THE SAME QUESTIONS, LINE BY LINE BY LINE BY LINE, IN THE LETTER FROM KLRD, THAT WITH ALL THESE NEW COMMISSIONERS, YOU'VE GOT THREE OF US THAT ARE BRAND-NEW WITH THIS, TRYING TO MAKE A DECISION ON -- THIS IS AN ENHANCED BENEFIT, YOU HEARD IN LETTER, NO STATE AROUND US THAT DOES THAT, WE DON'T KNOW OF OTHER EMPLOYERS THAT DO THAT. AND IT IS A COST TO THE PLAN. IT'S A COST TO THE EMPLOYER. AND IT DOESN'T TAKE INTO ACCOUNT BECAUSE I DON'T BELIEVE THAT AN EMPLOYEE OR THEIR FAMILY HAVE TO HEALTH QUALIFY, IS THAT CORRECT?

>> HELP QUALIFY WHAT, MA'AM?

>> HEALTH QUALIFY WHEN THEY SIGN UP FOR THE PLAN, RIGHT?

>> YES, I'M SORRY, I DID NOT UNDERSTAND.

>> OK.

>> WE DID DO SOME RESEARCH ON WHAT OTHERS DO, I WOULD HAVE TO CALL UP THE DOCUMENT, 30 TO 40% OF EMPLOYERS NATIONWIDE OFFER DAY ONE COVERAGE. I CAN'T SPEAK TO THE SURROUNDING STATES. I'M NOT REALLY SURE OTHER THAN IT'S AN ENHANCED BENEFIT THAT I HAVE MUCH OF AN ANSWER FOR YOU ON THAT.

>> OK. I UNDERSTAND THAT IT'S AN ENHANCED BENEFIT, AND I DON'T REALLY CARE WHAT THEY ARE DOING ACROSS THE COUNTRY NECESSARILY. I CARE WHAT'S HAPPENING IN KANSAS. SO, WHAT ARE OUR EMPLOYERS HERE IN KANSAS DOING? 30% OF THEM SUPPLYING THIS? I DON'T BELIEVE IT'S A FACTUAL NUMBER FOR KANSAS. AND THEN WE JUST HEARD THE SURROUNDING STATES ARE NOT EVEN DOING THIS FOR THEIR EMPLOYEES.

>> COMMISSIONER GASTON IN THE ROOM.

>> THANK YOU. I WANTED TO ASK JANET AGAIN, WHAT WAS THE PERCENTAGE YOU SAID NATIONALLY?

>> I'M LOOKING AT MY NOTE, I'M GOING TO READ OFF MY PHONE, SORRY. SO LARGE FIRMS, 36% ACROSS THE NATION HAVE NO WAITING PERIOD. 32% HAVE ONE MONTH. AND 19% HAVE TWO MONTHS AND 14% HAVE THREE OR MORE MONTHS. OUT OF ALL FIRMS, WHETHER BIG OR SMALL, 32% NO WAITING, 21% HAVE TWO MONTHS AND 17% HAVE THREE OR MORE MONTHS, AND THIS IS A KAISER FOUNDATION STUDY FROM 2020.

>> THANK YOU, THAT'S HELPFUL. TO ME, IT SEEMS LIKE A COMMON SENSE EMPLOYEE BENEFIT. WHEN PEOPLE SWITCH JOBS, A LOT OF TIMES THEY LOSE THEIR PREVIOUS HEALTH COVERAGE. I DON'T THINK WE WANT OUR NEW EMPLOYEES TO GO OFF HEALTH COVERAGE, AND PUT OFF PREVENTATIVE COVERAGE, AND STAY ON THE JOB, AND LIKE COMMISSIONER BURNS-WALLACE POINTED OUT, WAGES ARE RISING RAPIDLY AND THE STATE OF KANSAS IS NOT KEEPING UP WITH THAT. SO IF WE CAN OFFER A



DECENT HEALTH BENEFIT I HOPE THAT WILL BE HELPFUL. I KNOW MY AGENCY IS REALLY STRUGGLING WITH TURNOVER AND I'M SURE OTHERS ARE AS WELL. SO, I DON'T THINK THIS IS -- I THINK THIS IS A REASONABLE COMMON SENSE BENEFIT TO OFFER EMPLOYEES AND ONE OTHER POINT IS THAT NEW EMPLOYEES DON'T HAVE THE ACCESS TO THAT DISCOUNT THAT YOU KNOW, LIKE THE HEALTHQUEST DISCOUNT SO THEY ARE PROBABLY PAYING HIGHER PREMIUM THAN THE OTHER EMPLOYEES, SO I FEEL -- AND THAT MAY BE ACCOUNTED FOR IN HERE, PROBABLY LESS OF AN EXPENSE AS WELL. ONE MORE THING I'M NOT WORRIED ABOUT.

>> OTHER COMMISSIONER COMMENTS?

>> MADAM CHAIR.

>> YES, COMMISSIONER LANDWEHR.

>> I GUESS WHAT I WOULD LIKE FOR US TO SEE IS ONCE THIS IS IMPLEMENTED, THAT WE SEE WHAT THE ACTUAL MONTHLY COSTS ARE ON THIS, ALONG WITH THE MEDICAL CLAIMS BECAUSE I THINK IF THERE'S A REASON THAT FIRST DAY COVERAGE IS NOT DONE AND IT'S AN EXPENSIVE REASON. SO THAT WE CAN ACTUALLY TRACK WHAT'S HAPPENING WITH THIS ENHANCED BENEFIT TO THIS PLAN. BECAUSE SOMETHING TELLS ME THAT WE DON'T NECESSARILY DO A DETAILED DIVE ON WHAT ANY ENHANCED BENEFIT THAT GOES ON TO THIS PLAN IS ACTUALLY COSTING US. SO I WOULD MAKE IT A REQUEST THAT OUR STAFF TRACKS ALL OF THAT ON HERE.

>> I WOULD SUGGEST THAT IF WE DO THAT, WE USE THE TABLE THAT'S ON 41 AND ALSO INCLUDE AN AVERAGE TURNOVER COST, ESTIMATED, WHAT IT COSTS TO TURN OVER AN EMPLOYEE IS VERY, A VERY SIGNIFICANT FIGURE TO TAKE INTO CONSIDERATION WHEN LOOKING AT THIS AS WELL, SO IT'S GOING TO HAVE TO BE AN ACCUMULATION TO GET A TRUE PICTURE BETWEEN HUMAN RESOURCES OR PERSONNEL SERVICES AND THE PLAN, AND WE WILL WORK TO DO THAT, THANKS.

>> MADAM CHAIR.

>> YES, COMMISSIONER LANDWEHR.

>> IF WE START TRACKING THIS FROM THE GET-GO, WE SHOULD HAVE ACTUAL NUMBERS OF TURNOVERS, SHOULDN'T HAVE TO GUESS ANY MORE, IS THAT CORRECT?

>> I'LL CONFIRM THAT WITH HUMAN RESOURCES BUT I WOULD SUSPECT, YES, THEY WOULD KNOW THE TURNOVER.

>> DEALING WITH THE ACTUAL VERSUS GUESSING THE NUMBER. BECAUSE I THINK YOU ARE GOING TO BE SURPRISED IN 12 MONTHS WHAT THAT NUMBER IS, AND IT'S PROBABLY SOMETHING WE SHOULD LOOK AT ON A QUARTERLY BASIS. SO THAT WOULD BE MY REQUEST AND I DON'T KNOW, MADAM CHAIR, AND I WOULD NOT DO IT IN THIS HERE, BUT WHETHER YOU WANT THAT TO BE IN THE FORM OF A MOTION OR WHATEVER, BUT I THINK THIS IS GOING TO BE IMPORTANT FOR THESE AGENCIES OUT HERE. I DO DEAL WITH APPROPRIATION, I DO DEAL WITH THOSE BUDGETS. AND THERE ARE SOME OF THEM THAT ARE NOT GOING TO BE ABLE TO AFFORD THIS, NECESSARILY.

>> SO NOTED. I DON'T THINK WE NEED A MOTION. WE WILL ENSURE THAT IT IS PART OF THE RECORD AS NOTED. ARE THERE OTHER COMMENTS, COMMISSIONERS?

>> THANK YOU.

>> UH-HUH.

>> COMMISSIONER MCGINN.

>> YES, COMMISSIONER MCGINN.

>> SORRY I'M NOT THERE IN PERSON, TRYING TO GET THERE AND PAY ATTENTION AND HEAR EVERYTHING ON THE HIGHWAY. I JUST KIND OF HAVE PONDERED THIS FOR SOME TIME AND APOLOGIZE IF I MISSED ANY OF WHAT COMMISSIONER LANDWEHR SAID, BUT I OFTEN WONDERED WHY IT WASN'T SUBMITTED AS A TWO-WEEK AND THE REASON SEEMS TO ME LIKE GENERALLY, SUCH IS MY GUT, TEACHERS GENERALLY ARE NOT GOING TO START AND THEN

THEY QUIT, BECAUSE THEY KNOW THEY WANT TO BE A TEACHER, AND THAT'S JUST WHAT THEY DO. I WAS THINKING MOVE OF GENERAL STATE EMPLOYEE THAT'S GETTING INTO A JOB THAT THEY ARE NOT QUITE SURE WHAT IT'S GOING TO BE LIKE, AND TWO WEEKS I WOULD THINK PLENTY OF TIME FOR THAT INDIVIDUAL TO DECIDE IT'S JUST NOT FOR THEM. IT'S KIND OF A COMPROMISE FOR TRYING TO LET PEOPLE GET IN THE SYSTEM AS SOON AS POSSIBLE BUT IT ALSO PEELS OFF THOSE INDIVIDUALS THAT ARE JUST TRYING A JOB OUT AND THEY QUIT AND THEY -- SO I WAS JUST KIND OF CURIOUS WHY THAT WASN'T POSSIBLY LOOKED AT AND I THINK IT WOULD BE A COST SAVINGS IF IT WAS TWO WEEKS RATHER THAN 100%.

>> CAN SOMEONE REFRESH MY MEMORY, IS IT WHEN AN EMPLOYEE DEPARTS EMPLOYMENT FROM THE STATE OF KANSAS, DOES THEIR INSURANCE CONTINUE THROUGH THE END OF THE MONTH? USED TO BE THAT, A COUPLE YEARS AGO THE DAY THEY WERE NO LONGER WITH THE STATE THEIR INSURANCE COVERAGE ENDED.

>> THIS COMMISSION ACTUALLY, THAT WAS A CHANGE MADE. WHEN AN EMPLOYEE DEPARTS DURING THE MONTH, THEIR INSURANCE COVERS THEM TO THE END OF THAT MONTH, THAT IS CORRECT.

>> THANK YOU FOR THE CLARIFICATION. I THOUGHT I REMEMBERED THAT, BUT -

>> MADAM CHAIR.

>> YES, COMMISSIONER LANDWEHR?

>> YES.

>> CAN YOU HOLD FOR ONE SECOND. I WANT TO MAKE SURE COMMISSIONER MCGINN HAD A PARTIAL QUESTION IN THERE, I THOUGHT. WAS THAT A QUESTION OR JUST A COMMENT, COMMISSIONER MCGINN, I DID NOT WANT TO -

>> IT'S A QUESTION AS TO WHY, YOU KNOW, I ASSUME IT'S TO TAKE CARE OF PEOPLE RIGHT AWAY, BUT TO ME AS AN EMPLOYER

MYSELF YOU GENERALLY WANT TO MAKE SURE SOMEBODY LIKES THE JOB BEFORE YOU SIGN ALL THE PAPERWORK. SO IT'S KIND OF A QUESTION, WHY SOME COMPROMISE WAS NOT MET, ESPECIALLY WHEN I HEARD THAT IT'S ONLY 30% OF THE STATES THAT DO THIS SO -- JUST DIDN'T KNOW WHY WE WERE JUMPING ALL IN.

>> THIS IS JANET. I WANT TO CLARIFY THE STATISTIC I READ WAS NOT STATE, THAT WAS ALL LARGE EMPLOYERS ACROSS THE NATION PER THE KAISER FOUNDATION. I COULD NOT HAVE SPECIFIC STATE INFORMATION.

>> OKAY. SO ALL EMPLOYERS, PRIVATE OR PUBLIC, IS THAT CORRECT?

>> LARGE, UH-HUH.

>> OK. THANK YOU.

>> COMMISSIONER DECHANT. TO RESPOND TO YOU, COMMISSIONER MCGINN, WHEN THINKING ABOUT THIS, I GUESS A YEAR OR MORE AGO NOW, AS HAS BEEN ADDRESSED BY COMMISSIONER GASTON, IT WAS AN ISSUE OF COMPETITION WITH THE PRIVATE SECTOR AS WELL AS ATTRACTION AND IN OTHER WORDS TO ATTRACT EMPLOYEES AS WELL, AND FOR MYSELF I'LL SAY I DON'T, I MEAN, I UNDERSTAND THE POINT YOU ARE MAKING BUT IF WE ARE GOING TO SHORTEN THE 30-DAY PERIOD, MIGHT AS WELL GO TO 0 RATHER THAN STOP MIDWAY, BUT TO ATTRACT AND HOPEFULLY REMAIN COMPETITIVE AND ONCE WE GET PEOPLE IN TO STATE SERVICE.

>> RIGHT, COMMISSIONERS. COMMISSIONER GASTON.

>> ONE FOLLOW-UP, I WAS ABLE TO SPEAK TO THE -- TO NATALIE YOZA AND HANNAH RICH, PRESIDENT AND VICE PRESIDENT OF THE EMPLOYEE ADVISORY COUNCIL AND THEY WERE BOTH REALLY EXCITED ABOUT THIS CHANGE BUT LIKE MOST OF THE E.A.C. MEMBERS WERE EXCITED ABOUT IT, I THINK IT MAKES A LOT OF SENSE AND AS THE EMPLOYER REPRESENTATIVE I WANTED TO SHARE THAT. THIS IS SOMETHING THAT HELPS EMPLOYEES A LOT. THAT'S ALL, THANK YOU.

>> COMMISSIONER LANDWEHR, YOU HAD A QUESTION OR A COMMENT.

>> A LITTLE OF BOTH. THANK YOU, MADAM CHAIR. COMMISSIONER LANDWEHR. I GUESS IN ANSWER TO, WE NEED SOME CLARIFICATION, JANET JUST TOLD COMMISSIONER MCGINN, THOSE ARE LARGE EMPLOYERS. DOES NOT NECESSARILY INCLUDE GOVERNMENT EMPLOYERS, IS THAT CORRECT?

>> THAT IS NOT WHAT I SAID. I CAN'T ANSWER IF IT INCLUDES THEM, I DON'T HAVE IT BROKEN OUT SPECIFICALLY.

>> OK. ALL RIGHT. I MISUNDERSTOOD.

>> I JUST WANT TO BE CLEAR, SORRY.

>> NO, NO, THAT'S FINE, THAT'S FINE. AND I THINK THE OTHER END, WHAT WE JUST HEARD, BECAUSE COMMISSIONER MCGINN PUT IN A VERY CLEAR FORMAT THAN WHAT I DO, IT'S ABOUT KNOWING WHETHER OR NOT THIS EMPLOYEE IS GOING TO STAY, AND THERE IS A COST ASSOCIATED TO THAT, AND IF THE EMPLOYEE QUILTS ON THE FIFTH DAY OF THE MONTH THEY HAVE INSURANCE THROUGH THE END OF THAT MONTH. THAT IS A BENEFIT. SO I STILL STRUGGLE WITH THIS AND I'M WONDERING IF WE CAN'T GET FROM THESE AGENCIES A MORE ACCURATE NUMBER THAN THIS GUESSTIMATE ON TURNOVERS. THAT NUMBER IS REALLY, I THINK IT'S, I THINK IT'S A BIGGER PROBLEM THAN SOME FOLKS ARE REALIZING.

>> COMMISSIONERS, I WANT TO MAKE SURE THAT WE ARE CLEAR AS TO WHERE WE ARE. SO, WE HAVE GONE THROUGH THE REGULATION PROCESS OVER THE LAST YEAR FOR THIS REG CHANGE. WHERE WE ARE TODAY, IT HAS GONE THROUGH EVERY STEP OF THE PROCESS, GONE THROUGH PUBLIC COMMENT, AND WE HAVE BEFORE US THE RATIFICATION OF THE CHANGES TO THIS REG. IF WE DO NOT APPROVE THESE TODAY THE CURRENT REG STAYS IN PLACE AND IF WE WERE TO MAKE ANY OTHER OR DIFFERENT TYPE OF CHANGE WE WOULD NEED TO START THAT REGULATION PROCESS OVER. AND THAT IS NOT TO SAY THAT'S

NOT WHAT WE DO, BUT I WANT TO MAKE SURE THAT WE ARE ALL ON THE SAME PAGE AND UNDERSTANDING WHERE WE ARE WITH THIS PROCESS, BECAUSE THIS IS ACTUALLY THE FINAL STEP IN THE REGULATION PROCESS FOR THIS PARTICULAR SET OF CHANGES.

>> MADAM CHAIR.

>> COMMISSIONER LANDWEHR HERE. AND I DO UNDERSTAND THAT PROCESS AND DO APPRECIATE YOUR EXPLANATION ON THAT. I DON'T THINK THERE'S ANYTHING THAT STOPS US FROM TODAY OF SAYING LET'S PUT THIS ON HOLD FOR 30 DAYS OR 'TIL OUR NEXT MEETING, WHICHEVER THAT IS, TO GET SOME ACTUAL NUMBERS FROM THESE AGENCIES SO THAT WE KNOW WHAT THAT COST IS, AND GET A CLEAR SNAPSHOT VERSUS A GUESSTIMATE.

>> SO THERE IS A MOTION ON THE FLOOR, COMMISSIONER LANDWEHR, IF YOU WOULD LIKE TO MAKE A SUBSTITUTE MOTION I WILL ENTERTAIN THAT, BUT THE MOTION IN FRONT OF US TO CONSIDER THE REGULATION RATIFICATION.

>> AND I DON'T BELIEVE A SUBSTITUTE CAN BE MADE ON A SUBSTITUTE, BECAUSE I BELIEVE WE ARE ON A SUBSTITUTE MOTION.

>> SUBSTITUTE CANNOT BE MADE ON A SUBSTITUTE -

>> VOTE IT DOWN AND GO BACK.

>> PLEASE REPEAT THAT, COMMISSIONER MCGINN.

>> I THINK YOU HAVE TO VOTE ON THE SUBSTITUTE AND IF IT FAILS THEN YOU CAN GO BACK. OTHERWISE THE SUBSTITUTE MOTION PERSON HAS TO WITHDRAW.

>> COMMISSIONER SCHMIDT.

>> THANK YOU, MADAM CHAIR. THAT HAS GOTTEN VERY CONFUSING. WE HAD A MOTION, MADE A SUBSTITUTE MOTION, WE TOOK THE SUBSTITUTE MOTION AND THEN WE MADE TWO NEW MOTIONS. SO I DON'T KNOW THAT THIS IS A SUBSTITUTE MOTION BUT I WOULD LOOK TO THE LEGAL COUNSEL TO HELP US

STRAIGHTEN OUT THE PARLIMENTARY PROCEDURE HERE. WE HAVE A COUPLE OF LAWYERS IN THE ROOM, SO PERHAPS THEY CAN ADDRESS THIS. THEY ARE LOOKING AT EACH OTHER.

>> SO WHERE WE ARE, THERE IS A MOTION THAT WE ARE IN DISCUSSION FOR THAT CAME FROM A SUBSTITUTE MOTION. SUBSTITUTE MOTION WAS APPROVED AND THEN SPLIT THE ORIGINAL MOTION INTO TWO, WE HAVE ACTED UPON ONE OF THOSE TWO AND WE ARE IN DISCUSSION ON THE SECOND. SO THE QUESTION IS, CAN WE ENTERTAIN A SUBSTITUTE ON THE MOTION WE ARE DISCUSSING NOW OR DO WE NEED TO VOTE IT UP OR DOWN BEFORE ANYTHING NEW COULD BE INTRODUCED?

>> GOING BACKWARDS FROM WHAT YOU JUST SAID, SO THE ACTUAL SUBSTITUTE MOTION HAS BEEN VOTED ON AND THAT MOTION WAS APPROVED. AND SO AS A RESULT OF THAT WE NOW HAVE TWO SEPARATE MOTIONS, NEITHER ONE OF THOSE WERE THE SUBSTITUTE MOTION BECAUSE THAT'S ALREADY APPROVED. AND YOU VOTED ON ONE, AND YOU APPROVED THAT, IT'S THE ONE, NUMBER RIGHT, AND SO NOW YOU ARE LEFT WITH THE SECOND MOTION, NO LONGER A SUBSTITUTE MOTION, IT IS AN ACTUAL MOTION BEFORE THE COMMITTEE.

>> SO WE CAN ENTERTAIN A SUBSTITUTE TO IT.

>> I THINK YOU COULD. THE ACTUAL SUBSTITUTE THAT WAS THE BASIS OF EVERYTHING HAS BEEN VOTED ON AND WAS APPROVED. SO YOU REALLY ARE NOT IN A SUBSTITUTE SITUATION ANYMORE. BECAUSE THAT SUBSTITUTE, AS I UNDERSTAND IT, TRYING TO THINK THROUGH IT AGAIN, THE OLD JOKE, WE HAVE RULES, ROBERT. BUT THAT MOTION -- THE SUBSTITUTE IS DONE. AS A RESULT, YOU HAVE TWO SEPARATE MOTIONS LEFT.

>> COMMISSIONER SCHMIDT.

>> JUST A SLIGHT CORRECTION. SUBSTITUTE MOTION WAS VOTED ON 6-1. THE FIRST ORIGINAL -- THE FIRST MOTION WAS UNANIMOUS.

>> OK.

>> NOW WE ARE ON THE SECOND MOTION, JUST SO WE ARE CLEAR.

>> YES, A LOT OF VOTES -- YES, THAT'S CORRECT. I APOLOGIZE FOR MISSTATING THAT. SO YES, YOU'VE ALREADY VOTED THEN ON THE FIRST MOTION, IT WAS UNANIMOUS. NOW YOU ARE ON THE SECOND MOTION, SO YOU -- I WOULD ADVISE YOU COULD TREAT IT AS ITS OWN MOTION.

>> MEANING THAT A SUBSTITUTE COULD BE ACCEPTED.

>> YES.

>> COMMISSIONER LANDWEHR, IF YOU ARE INTERESTED IN PROPOSING A SUBSTITUTE, IT COULD BE ACCEPTED.

>> ALL RIGHT. THANK YOU FOR THAT CLARIFICATION. I KNOW HOW IMPORTANT THESE PARLIMENTARY RULES ARE, DON'T WANT TO SEE US GET INTO A VIOLATION SOMEWHERE. BEFORE I MAKE THE MOTION I WANT TO CLARIFY A BIT. IF YOU READ THE LETTER FROM KLRD, IF I UNDERSTOOD THE ATTORNEY CORRECTLY, CAME FROM THE RULES AND REGS LEGISLATIVE JOINT COMMITTEE, IS THAT CORRECT?

>> CORRECT.

>> WHAT DATE DID YOU RECEIVE IT?

>> THE REPORT OF THE MEETING IS FROM MAY 5TH. >> OK. I KNOW WHEN THE MEETING IS. WHEN DID OUR STAFF RECEIVE THIS LETTER?

>> WHAT I HAVE IN FRONT OF ME, REPORT FROM KLRD, KANSAS LEGISLATURE, JO SHELLEY, REPORT OUT OF THE MAY 5TH MEETING.

>> I BELIEVE WE RECEIVED IT THAT DAY, BECAUSE I'M LOOKING AT MY DRAFT RESPONSE TO THEM AND MY DRAFT RESPONSE WAS CREATED MAY 6TH.

>> MADAM CHAIR.



>> VICKIE SCHMIDT. IT WOULD BE MORE THAN LIKELY THAT IT WOULD BE SENT OUT THE SAME DAY TO THE AGENCIES.

>> MADAM CHAIR, HERE IS WHERE I'M AT, AND I HEARD SOMETHING, I JUST HEARD SOMETHING VERY DISTURBING TO ME. I JUST HEARD THAT WE RECEIVED THE LETTER IN MAY, FIRST WEEK OF MAY, AND THAT THERE IS A DRAFT RESPONSE BUT YET ON OCTOBER 18TH WE DON'T KNOW WHAT THAT RESPONSE TO THAT COMMITTEE WAS. THEY HAVEN'T RECEIVED IT AND THOSE RESPONSES TO THAT LETTER IS BASICALLY WHAT I BELIEVE, AND I CAN'T PUT WORDS INTO COMMISSIONER MCGINN'S MOUTH, BUT BASICALLY WHERE COMMISSIONER MCGINN AND I AM ACTUALLY COMING FROM IS WANTING THE ANSWERS TO THOSE QUESTIONS. SO APRIL, JUNE, JULY, AUGUST, SEPTEMBER, FIVE MONTHS?

>> THIS IS JANET. I USE THE TERM DRAFT BECAUSE I HAVE SOMEBODY RESEARCHING IN THE D. OF A. TO FOLLOW UP WITH KLRD, WHERE THIS MIGHT HAVE, PAPER TRAIL IS. AND IF IT TRULY DID NOT GET SENT THERE, SO, MY VERSION IS A DRAFT RIGHT NOW THAT I'M LOOKING AT. I'M SORRY I DON'T HAVE THIS WITH ME, BECAUSE I WAS UNPREPARED FOR THIS DISCUSSION. THANK YOU.

>> MADAM CHAIR, THIS IS -- AND I DON'T KNOW, I MEAN, I KNOW, NUMBER ONE, I'M A VERY DETAIL-ORIENTED INDIVIDUAL, A VERY NUMBERS-DRIVEN INDIVIDUAL, AND TO NOT THINK WE WOULD NOT KNOW THE ANSWERS TO KLRD JUST SHOCKS ME. I DON'T BELIEVE THAT, YOU KNOW, AN AGENCY OR THE LEGISLATURE WOULD BE VERY HAPPY TO FIND ONE OR THE OTHER OF US IGNORING THEM WHEN THEY REQUESTED INFORMATION.

>> COMMISSIONER LANDWEHR, APOLOGIZE, SO TWO THINGS HERE. ONE, I THINK THAT AS THE STAFF HAS STATED IN -- LET ME SAY IT THIS WAY. I DON'T THINK THERE IS ANY INTENT TO NOT OR BE UNRESPONSIVE AND I WILL SAY THAT DIRECTLY AS THIS TEAM HAS WORKED VERY HARD TO BE RESPONSIVE AND TO PUSH INFORMATION OUT. THEY ARE CONFIRMING THAT THEY BELIEVE THAT THEY SENT THE RESPONSE. IF THEY DID NOT, IT WAS IN

ERROR. WHAT I WILL ASK AND I WILL ASK WITH ALL DUE RESPECT, IF YOU WOULD LIKE TO MAKE A SUBSTITUTE MOTION THAT I WOULD ENTERTAIN THAT SUBSTITUTE MOTION AT THIS STAGE UNDERSTANDING YOUR CONCERN AS TO WHY YOU WOULD WANT TO PROPOSE THAT SUBSTITUTE MOTION AND WILL ENTERTAIN IT.

>> OK. THEN MY SUBSTITUTE MOTION WOULD BE THAT WE DELAY THIS DECISION UNTIL THE NEXT H.C.C. MEETING KNOWING THAT WE WILL RECEIVE THE ANSWERS TO THE LETTER FROM THE LEGISLATIVE JOINT COMMITTEE ON RULES AND REGS. SO THAT WE CAN HAVE ACTUAL NUMBERS. SO IT'S JUST A DELAY FOR 30 DAYS IN ORDER FOR US TO GET INFORMATION BEFORE WE CAST A VOTE ON NUMBERS WE CAN'T GUARANTEE TO BE 100% ACCURATE.

>> SO THERE IS A MOTION TO DELAY THIS UNTIL THE NEXT H.C.C. MEETING. I WILL JUST -- JUST TO CLARIFY THE H.C.C. -- NEXT H.C.C. MEETING MAY BE IN 30 DAYS OR MIGHT BE SHORTER THAN 30 DAYS, ACTUALLY. SO JUST FOR THE NEXT H.C.C. MEETING, IF YOU ARE OK WITH THAT, COMMISSIONER LANDWEHR.

>> YES, AS LONG AS THEY CAN HAVE THE INFORMATION. SO IF OUR NEXT MEETING IS IN TWO WEEKS AND THEY CAN'T DO IT IN TWO WEEKS, THEN IT HAS TO BE 30 DAYS. WHICHEVER DATE STAFF BELIEVES THEY CAN HAVE THE INFORMATION AVAILABLE, I'M FINE WITH THAT, MADAM CHAIR.

>> GOT IT. THERE IS A MOTION ON THE FLOOR. IS THERE A SECOND?

>> COMMISSIONER MCGINN WILL SECOND. AND WOULD LIKE TO HAVE DISCUSSION.

>> IT HAS BEEN SECONDED. WE ARE IN DISCUSSION FOR THE SUBSTITUTE MOTION. I SEE COMMISSIONER SCHMIDT'S HAND AND ASSUME COMMISSIONER MCGINN MAY HAVE A COMMENT.

>> I'M JUST A LITTLE CONFUSED BY THE MOTION. COMMISSIONER LANDWEHR, I THINK IN MY EXPLANATION OF WANTING TO MAKE SURE WE DID RESPOND TO THE LETTER I, TOO, WANT TO SEE THE RESPONSE TO THE LETTER AND I KNOW HOW IMPORTANT THAT IS. MENT AND -- AND I THINK WE SHOULD HAVE HAD A COPY OF THE LETTER TO KLRD IN OUR MATERIALS. HAVING SAID THAT, WHAT I DID SAY IN MY MOTION, I THOUGHT IT WOULD BE JUST, PARDON THE TERMINOLOGY, BUT A REGURGITATION OF WHAT WE SENT FROM, TO THE BUDGET OFFICE ON THESE NUMBERS. I'M NOT SURE -- I NEED SOME HELP IN WHAT -- ARE YOU LOOKING FOR 2020 NUMBERS THEN, BECAUSE I -- I DON'T KNOW WHAT OTHER NUMBERS THEY ARE GOING TO BE ABLE TO PULL IN THE NEXT -- BY THE TIME WE WOULD VOTE THEN. I'M JUST LOOKING FOR WHAT NUMBERS YOU WANT THEM TO PULL, AND JUST -- IS IT 2020 NUMBERS, WE SHOULD HAVE LIKE THE FIRST SIX MONTHS I GUESS OF 2020. I CAN TELL YOU IN MY AGENCY I WOULD BE THRILLED TO DEATH IF I COULD FILL AN OPEN POSITION IN FOUR AND A HALF WEEKS, I THINK IT MIGHT GO THE OTHER WAY A LITTLE BIT MORE, AND A LONGER PERIOD OF TIME THAT IT TAKES ME TO FILL A POSITION, BUT THAT IS ONE VERY SMALL AGENCY IN THE HUGE COG OF THE SYSTEM. SO, JUST ASKING FOR CLARIFICATION, COMMISSIONER LANDWEHR.

>> THANK YOU, COMMISSIONER SCHMIDT. AND I THINK THE THING I'M STRUGGLING WITH, I'M JUST LOOKING AT THE ONE, NOT THE SCHOOLS OR THE LOCAL UNITS OF GOVERNMENT, JUST ONE CHART, GOING WITH ASSUMPTION WE KNOW NO ONE SHOULD EVER DO THE OTHER TWO ARE PRETTY SIMILAR IS THE TURNOVER NUMBER OF \$4.7 MILLION. I AM REALLY STRUGGLING WITH THAT NUMBER. AND I KNOW JUST ENOUGH ON HAVING WORKED WITH, AS AN H.R. PERSON AND MAKING DECISIONS ON HEALTH BENEFITS AND STUFF FOR YOUR EMPLOYEES TO BE KIND OF DANGEROUS WITH THIS, AND IT JUST -- THAT NUMBER JUST LOOKS WAY TOO HIGH, IN MY OPINION. AND I THINK THAT THE QUESTIONS ASKED BY THE JOINT ECONOMIES ON RULES AND REGS IN THE LEGISLATURE ARE THE ANSWERS I'M LOOKING FOR.

AND I DON'T HAVE THAT IN FRONT OF ME, I CAN'T READ TO YOU WHAT THOSE QUESTIONS ARE, COMMISSIONER SCHMIDT.

>> OTHER COMMENTS, COMMISSIONERS? COMMISSIONER MCGINN. DID YOU HAVE A COMMENT?

>> YEAH, I KIND OF HAVE A QUESTION, BUT -- I MEAN, JUST GOING BACK TO I GUESS MY WORLD AND MY THINKING IS AGAIN, I REALLY THINK PEOPLE KNOW, THE MAJORITY WILL KNOW WHETHER THEY LIKE THEIR JOB IN TWO WEEKS. DON'T KNOW WHY WE DID A MONTH. MY APOLOGIES FOR NOT RAISING THAT QUESTION EARLIER. BUT MY QUESTION FOR YOU, COMMISSIONER BURNS-WALLACE, IS IF WE -- IF, WELL, SOUNDS LIKE WE ARE GOING TO VOTE TO EXTEND THE TIME, BUT IF THIS WAS TO BE VOTED DOWN AND YOU WENT BACK AT A TWO-WEEK RATE, WHAT IS ABOUT THE TIMELINE? YOU SAID YOU WOULD HAVE TO HAVE PUBLIC COMMENT AND THEN GO BACK BEFORE RULES AND REGS. I'M GUESSING THREE -

>> ABOUT A YEAR. IT'S -- WE HAVE TO START -- WE CAN'T SIMPLY GO BACK TO THE OPEN, WE START THE ENTIRE REGULATION PROCESS OVER AND WE START FROM THE BEGINNING, AND SO IT -- I WILL SAY IT TOOK US A YEAR TO GET TO THIS POINT. GRANTED THERE WAS COVID BUT THAT DID NOT SLOW US DOWN, PER SE, BECAUSE ALL THE NECESSARY MEETINGS HAPPENED FOR THE MOST PART.

>> THIS PARTICULAR REG GOT CAUGHT.

>> INTRODUCE YOURSELF, PLEASE.

>> TRACY DEAL, OFFICE OF CHIEF COUNSEL. THIS PARTICULAR REG GOT CAUGHT IN THE TRANSFER FROM KDHE OVER, SO THE MEETING APPROVED TO GO FORWARD WAS APRIL OF 2020, AND THEN KDHE DID SOME WORK ON IT BUT DID NOT COMPLETE IT, TRANSITION JULY 1ST, AND I BELIEVE LEGAL WAS AWARE OF IT SOMEWHERE THE END OF JULY OR MID AUGUST, SOMEWHERE IN THAT, 2, 3-WEEK PERIOD AS THINGS WERE BEING SHUFFLED AND HANDED OVER, AND THAT'S WHEN WE STARTED IT, OUR

INVOLVEMENT AND REALLY NOT MUCH HAD BEEN DONE. SO, SINCE ROUGHLY EARLY AUGUST UNTIL NOW, REALIZING THAT WE DID EXTEND THE TIME BECAUSE OF THE END OF THE EXECUTIVE ORDER AND OUR CONCERN AT THAT POINT FROM THE ATTORNEY GENERAL'S OPINION THAT WE WOULDN'T NECESSARILY BE ABLE TO DO IT IN A ZOOM CAPACITY AT THAT TIME. SO, YOU ARE TALKING PROBABLY A YEAR IS A GOOD GUESS BECAUSE WE'LL BE MOVING ALSO INTO HAVING TO GET CERTAIN ENTITIES TO HELP US DO THEIR PROCESSING FROM THE A.G.'S OFFICE AND THE DIVISION OF BUDGET AND WE ARE SUBJECT TO WHATEVER THEY ARE WORKING ON AT THAT PARTICULAR TIME.

>> OK. THANK YOU.

>> COMMISSIONER SCHMIDT.

>> THANK YOU, MADAM CHAIR. MY ASSUMPTION WAS DIFFERENT, THAT IF WE VOTED ON THIS TODAY IT WOULD BE PUBLISHED IN THE KANSAS REGISTER AND EFFECTIVE 14 DAYS AFTER PUBLICATION IN THE KANSAS REGISTER. WHAT YOU ARE SAYING IS THERE IS MORE WORK TO BE DONE ON THE SOFTWARE AND THINGS, SO IT WOULDN'T TAKE EFFECT? [INAUDIBLE]

>> CAN'T HEAR HIM.

>> SORRY, I HIT THE BUTTON, SHOULDN'T HIT THE BUTTON, I HAVE LEARN TO -- CAN'T MULTI-TASK. I WAS TALKING ABOUT THE TIME PERIOD FOR REDRAFTING THE REGULATION AND GOING THROUGH THE REGULATORY PROCESS. YOU HAVE TO GO TO THE DIVISION OF BUDGET, GO TO THE A.G. OFFICE, G. OF A. FOR REVIEW AND GET IT AT THE WRONG TIME IT CAN SIT THERE FOR MULTIPLE WEEKS IF THEY ARE WORKING THROUGH THE BUDGET CYCLE. THERE ARE OTHER THINGS OUT THAN WHAT WE DO OR DON'T DO. >> THANK YOU, I MISUNDERSTOOD, YOU WERE TALKING ABOUT THE A.G. OFFICE -- I MISUNDERSTOOD. YEAH, MISUNDERSTOOD WHAT YOU WERE --

>> I'M SORRY ABOUT THAT.

>> THAT'S ALL RIGHT. APPRECIATE THAT.

>> COMMISSIONERS, CAN I HAVE, I JUST WANT TO CLARIFY. AGAIN, OUR TEAM HAS BEEN WORKING WHILE WE HAVE BEEN TALKING. WHAT I HAVE IN FRONT OF ME AND I WILL ASK THAT SOMEONE FROM THE TEAM FORWARD THIS OUT AND IF WE CAN GET IT PRINTED FOR THOSE IN THE ROOM WE WILL DO SO. ON MAY 12, A LETTER TO MISS JILL SHELLEY, AND STARTS DEAR MISS SHELLEY, THIS LETTER IS RESPONSE TO YOUR LETTER OF MAY 5TH REGARDING THE QUESTIONS RAISED AND REMARK MADE DURING THE MAY 5TH JOINT COMMITTEE ON ADMINISTRATIVE RULES AND REGULATIONS. IT IS A LETTER THAT IS THREE PAGES AND IT WAS SENT ON MAY 12TH. IT WAS DATED MAY 12TH. MY LEGAL COUNSEL SAID IT MAY HAVE BEEN PUSHED OUT ON MAY 14. IF I CAN ASK THAT THIS IS FORWARDED TO ALL COMMISSIONERS. SO THEY WILL SEE THAT RESPONSE. I RECOGNIZE WE ARE IN LIVE AND WE ARE IN VIRTUAL, I HAVE PEOPLE WHO ARE DRIVING, I HAVE PEOPLE IN THE ROOM, SO EVERYONE WILL NOT BE ABLE TO SEE IT BEFORE POINT OF CLARIFICATION, ONES, THE RESPONSE WAS MADE, THE BODY DID NOT GET A COPY OF THAT RESPONSE, WE RECOGNIZE THAT, THAT WAS AN ERROR AND WILL BE FIXED AND CORRECTED GOING FORWARD. ON THE POINT OF NO RESPONSE, THE RESPONSE WAS SENT WITHIN LESS THAN TEN DAYS, ACTUALLY, FROM THE INITIAL REQUEST, SO FOR THAT CLARIFICATION. NOW, BASED ON THAT RESPONSE, THAT STILL MAY NOT BE ALL THE INFORMATION THAT COMMISSIONERS WANT. UNFORTUNATELY PART OF THE CHALLENGE, COMMISSIONER LANDWEHR, I KNOW YOU HAVE SPECIFIC QUESTIONS, I KNOW ALL OF MY COMMISSIONERS CANNOT PUT THEIR EYES ON THAT THIS MOMENT. SO, COMMISSIONERS, THERE IS A SUBSTITUTE MOTION WE ARE SITTING IN THE MIDDLE OF, AND THAT SUBSTITUTE MOTION IS TO DELAY THIS VOTE FOR 30 DAYS FOR THE NECESSARY INFORMATION, WHICH ALREADY HAS BEEN PUT TOGETHER AND RESPONDED TO BUT THE COMMISSIONER HAS NOT HAD THE OPPORTUNITY TO REVIEW IT AS OTHER COMMISSIONERS HAVE NOT, I'M RECOGNIZING THAT. SO, WITH THAT, IS THERE ADDITIONAL DISCUSSION ON THE MOTION THAT IS IN FRONT OF US?

>> MADAM CHAIR, COMMISSIONER LANDWEHR HERE.

>> YES, COMMISSIONER.

>> IF, AND I'M NOT QUITE SURE WHAT THE PROCEDURE WOULD BE ON THIS, FOR US TO PERHAPS HAVE AN OPPORTUNITY TO GET THIS TO US AND THEN TAKE THIS TOPIC BACK UP, PUT EVERYTHING IN A PAUSE, WHICH MEANS WE PROBABLY HAVE TO WITHDRAW ALL MOTIONS, I'M NOT SURE SURE ON THAT, BUT LEGAL COUNSEL CAN TELL US, TO PAUSE SO WE CAN REVIEW THE RESPONSES TO THAT, AND MAYBE THAT ANSWERS OUR QUESTIONS AND MY CONCERNS ARE MOOT.

>> FROM MY LEGAL COUNSEL, WOULD BE WE ABLE TO, AS THIS HAS STARTED IN THIS MEETING AND I THINK THE IDEA IS TO PUSH IT OUT, PAUSE IT, WE WILL COME BACK TO IT IN THIS MEETING ALLOWING COMMISSIONERS TO RECEIVE THE DOCUMENT IN QUESTION. DO WE HAVE TO WITHDRAW ALL MOTIONS OR HOLD IT IN, I DON'T KNOW WHAT THAT WOULD BE CALLED, HOLD IT IN STATUS, OR TABLE IT WITH ALL -

>> I THINK WITH THE SUBSTITUTE MOTION ON THE FLOOR YOU HAVE TO WITHDRAW THE MOTION SO THAT THEN THE NEXT MOTION WOULD BE TO TABLE IT, THE ISSUE UNTIL LATER IN THE MEETING. OTHERWISE YOU ARE STILL VOTING ON THE SUBSTITUTE MOTION. YOU HAVE TO VOTE UP OR DOWN THE MOTION.

>> OR THE SUBSTITUTE MOTION BE WITHDRAWN?

>> SURE. I MEAN, IF BOTH THE FIRST AND SECOND ARE WILLING TO ALLOW THE MOTION TO BE WITHDRAWN, I THINK YOU COULD DO THAT. AND THEN PUT A MOTION ON THE FLOOR, NOT SUBSTITUTE, BUT A MOTION TO TABLE FURTHER DISCUSSION UNTIL LATER IN THE MEETING.

>> COMMISSIONER SCHMIDT.

>> I HAVE A QUESTION THAT. SO, MR. DEAL, DOES THAT MEAN THE ORIGINAL MOTION IS STILL ALIVE AND WELL IF YOU TABLE IT? NOW YOU ARE TABLING AN ACTIVE MOTION.

>> WELL, YOU WOULD -- NO, YOU WOULD WITHDRAW -- SO YOU WOULD -- YOU WOULD HAVE TO GO ALL THE WAY BACK.

>> RIGHT, WITHDRAW THE ORIGINAL MOTION.

>> SO YOU HAVE TO WITHDRAW THE SUBSTITUTE MOTION AND WITHDRAW THE ORIGINAL MOTION WHICH WAS TO APPROVE, TWO MOTIONS TO WITHDRAW, THEN A NEW MOTION TO TABLE ALL MATTERS REGARDING THIS UNTIL EITHER LATER IN THE MEETING OR HOWEVER IT'S STRUCTURED. I'M NOT PRESUMING WHAT THAT WOULD BE.

>> SO WITH THAT, WE ARE HAVING A ROBERT RULES OF ORDERS MOMENT THIS MORNING AND I HOPE EVERYONE IS TAKING NOTES.

>> EXHAUSTED MY KNOWLEDGE, PLEASE NO MORE QUESTIONS.

>> SO WITH THAT, IF WE WOULD LIKE TO TABLE IT AND ALLOW FOR THE DOCUMENT TO BE PUSHED OUT ELECTRONICALLY FOR THOSE NOT IN THE ROOM I'LL ASK SOMEONE ON MY STAFF LISTENING NEAR A PRINTER AND COMPUTER TO GET IT PRINTED OUT AND RUN OVER HARD COPIES FOR THOSE THAT ARE IN THE ROOM. I WOULD ASK IF COMMISSIONER LANDWEHR AND HER SECOND WOULD BE WILLING TO WITHDRAW YOUR MOTION THAT IS AT YOUR DISCRETION, HOWEVER.

>> MADAM CHAIR.

>> YES.

>> COMMISSIONER LANDWEHR. I'LL WITHDRAW MY MOTION AND ASK FOR MY SECOND TO AGREE.

>> COMMISSIONER MCGINN WITH DRAWS HER SECOND.

>> WITH THAT, WE ARE NOW BACK TO THE ORIGINAL MOTION, WHICH WAS MADE BY COMMISSIONER DECHANT, SECONDED BY COMMISSIONER GASTON. COMMISSIONER DECHANT, WOULD YOU BE WILLING TO WITHDRAW YOUR MOTION AND ASK YOUR SECOND AS WELL.



>> YES.

>> AND THE SECOND?

>> I'LL WITHDRAW.

>> ALL RIGHT. I WILL ENTERTAIN A MOTION.

>> I MOVE THAT WE TABLE THE DISCUSSION AND DECISION RELATED TO AGENDA ITEM 2 UNTIL LATER IN MEETING AND I'LL LEAVE THAT DETERMINATION AS TO WHEN IN THE MEETING UP TO THE CHAIR.

>> THERE'S A MOTION ON THE FLOOR S. THERE A SECOND?

>> SECOND. IS THERE DISCUSSION?

>> WE WILL COMMIT TO GETTING THE DOCUMENT CIRCULATED ELECTRONICALLY IN THE ROOM TO PULL THIS BACK UP, DURING THIS MEETING, MY PART OF THE DISCUSSION. OTHER DISCUSSION? HEARING NONE, ALL THOSE IN FAVOR? AYE. OPPOSED? ALL RIGHT. ITEM 4, 30-DAY REGULATION IS TABLED AT THIS TIME TO COME BACK DURING THE MEETING, IF I COULD ASK THAT TO HANDLE ACCORDINGLY THE DISTRIBUTION AS DISCUSSED, WE WOULD APPRECIATE IT. WE ARE GOING TO START TO MOVE THROUGH OUR REPORTS AS QUICKLY AS WE CAN, AS WE HAVE A NUMBER OF OTHER DISCUSSION ITEMS AND I COMMIT TO COMMISSIONERS THAT WE WILL HAVE OUR DISCUSSIONS AND I'M SURE THAT WE -- EVERYONE GETS THE OPPORTUNITY TO DISCUSS THE ITEMS ON THE AGENDA TODAY. DO I HAVE MY COLLEAGUES FROM SEGAL ON THE LINE?

>> YEAH, WE ARE HERE.

>> YES, MA'AM.

>> GOOD MORNING. CAN YOU ALL INTRODUCE YOURSELVES, AND THEN WE ARE READY FOR YOUR FINANCIAL REPORT.

>> SURE. BOB, WITH SEGAL.

>> PATRICK KLEIN WITH SEGAL. I'M GOING TO WALK YOU THROUGH THE REPORT AND TRY AND DO IT EFFICIENTLY. I KNOW

YOU HAVE A LOT TO GET TO. SO, PAGE 52 OF THE PACKET WHERE THE REPORT STARTS, OCTOBER REPORTS AND WE HAVE DATA THROUGH SEPTEMBER OF 2021, SO FROM LAST TIME TWO MORE ADDITIONAL MONTHS WE HAVE INCORPORATED SINCE THE AUGUST REPORT. LOOKING AT THE TWO ADDITIONAL MONTHS, OPPOSING IMPACTS ON THE FUND, SO SPECIFICALLY SEPTEMBER WE SAW A GAIN THAT WAS YIELDED. AUGUST CAME IN AT A LOSS COMPARED TO THE INITIAL BUDGET. THE LOSS FOR AUGUST HAD GREATER MAGNITUDE SO THE YEAR TO DAY LOSS AT THE BOTTOM OF THE TABLE IS NOW 4.4 MILLION. IF YOU WANT SOME DETAILS ON HOW THAT GETS MADE UP, THE LINES ABOVE SHOW THE PIECES, PARTS, I WILL HIGHLIGHT THE BIGGEST DRIVER HERE, AND WE HAVE HIGHLIGHTED IN PRIOR UPDATES IS THE PHARMACY COMING IN HIGHER THAN EXPECTED TRENDS, 3.4 MILLION OF THE LOSS. WE DID TAKE A SNEAK PEEK AT OCTOBER, WE HAVE SOME EMERGING CLAIMS WE ARE ABLE TO LOOK AT. SO FAR IT'S BEEN FAVORABLE. SHOWING A SLIGHT GAIN. SO WE'LL HAVE TO SEE WHAT HAPPENS THROUGHOUT THE END OF THE MONTH IN NOVEMBER AND DECEMBER, BUT ALL THINGS ARE POINTING TO A PERCENT OF THE INITIAL BUDGET AND HOPEFULLY WE CAN GET BACK CLOSER TO 0. THE NEXT PAGE GETTING INTO THE ENROLLMENT, NOT GOING TO SPEND A TON OF TIME HERE. SO THIS TABLE JUST SHOWS THE INITIAL ENROLLMENT PROJECTIONS, SO THAT WAS ENROLLMENT IN JANUARY VERSUS OUR ACTUAL THROUGH OCTOBER. SO TYPO IN THE FIRST PARAGRAPH SAYS Y, IT SHOULD HAVE BEEN UPDATED, IT'S ACTUALLY THROUGH OCTOBER SO WE ARE A PERCENT LOWER THAN INITIAL PROJECTIONS. COMPARED TO THE LAST REPORT, 0.7%, NOW THAT HAS GROWN TO NEGATIVE 1%. WE MOVE DOWN TO THE NEXT TABLE ON THE SAME PAGE. THIS SHOWS THE ACTUAL OCTOBER 2021 ENROLLMENT, BROKEN OUT BY PLAN AND GROUP, THIS IS THE BASIS OF THE FUTURE PROBLEMVENTIONS OF THE DETAILS THERE.

>> FOR ANY COMMISSIONERS, PAGE 53 FOR THOSE THAT MIGHT BE FOLLOWING EIGHT LONG ONLINE. -- FOLLOWING ALONG ONLINE.

>> PROTECTIONS, WE USE THE LATEST ELIGIBILITY DATA WE HAVE AND ROLL IT FORWARD.

>> WE MENTIONED THIS BEFORE, BUT REVENUE AND EXPENSES ARE BOTH IMPACTED BY ANY FLUCTUATION IN ENROLLMENT, SO THE NET IMPACT IS, YOU KNOW, NEUTRALIZED. SO MOVING TO THE NEXT PAGE, GETTING TO THE MULTI-YEAR PROJECTION, AND THAT'S PAGE 54. SO THIS TABLE SHOWS THE PROJECTED REVENUE AND EXPENSES FOR EACH YEAR, AND HOW THOSE IMPACT THE RESERVE BALANCE. THE LAST LINE OF THE TABLE SHOWN AT THE BOTTOM. PROJECTIONS ARE RELATIVELY STABLE VERSUS THE LAST REPORT. TWO MORE MONTHS OF DATA WE INCORPORATED. SO THE PER CAPITA PROJECTION ON PHARMACY IS A LITTLE BIT HIGHER, THE OTHER WAY IT'S A LITTLE BIT LOWER. FROM THE LAST MEETING WE LEARNED SOME MORE DETAILS ON THE MARATHON CONTRACT AND ITS FEES, SO THAT'S REFLECTED HERE, SO THAT FLOWS INTO THAT CONTRACT LINE AND IF YOU COMPARE THE LAST TIME, IT'S ABOUT \$4 MILLION LESS FOR 2022 THROUGH 2025. AND YOU KNOW, 2021, PROJECTING IT ENDS WITH THE RESERVE BALANCE OF CLOSE TO \$60 MILLION, THAT'S COMFORTABLY ABOVE THE RESERVE TARGET FOR THAT YEAR. LOOKING AT THE FUTURE YEARS IN THE SUBSEQUENT COLUMNS, WE PREDICT IN 2022-2023, THE FUNDING CHANGES, THE FUNDS WILL DROP, AND 2024-2025, THE FUND GROWS AGAIN TO REACH THE 64.5 IN THE TARGET. OK. SO, ON PAGE 55 HERE ARE SOME MORE DETAILS ON THE RESERVE TARGET I JUST MENTIONED. WE GOT THE CALCULATION HERE AND HOW IT AFFECTS FUTURE FUNDING INCREASES FOR 2023-2025. WE DISCUSSED THIS QUITE A BIT, BUT TO REHASH, THE TARGET RESERVE IS MADE UP OF A CLAIMS RESERVE, THAT'S SOON TO BE 7.5% OF THE SELF-INSURED CLAIMS AND ALSO HAVE A CLAIMS FLUCTUATION RESERVE. SO THE GOAL HERE IS FOR THE FUND TO REACH THE TARGET AT THE END OF THE PROJECTION PERIOD. IN THIS CASE, 2025, SO THAT HIGHLIGHTED \$64.5 MILLION NUMBER IS THE KEY TO OUR EXERCISE. IN ORDER FOR THAT FUND TO REACH THE TARGET, WE MAKE A CALCULATION FOR WHAT THE UNIFORM RATE NEEDS TO BE, AND 7.6% AND THAT PERCENTAGE,

YOU DON'T -- AND COMPARED TO LAST VERSION, WE WERE AT 7.5, SO JUST A SMALL UPTICK.

>> ALL RIGHT. YOU ARE NOW ON PAGE 54 AND 55, CORRECT?

>> YEAH, 56 IS THE FOLLOWING PAGE WITH THE SENSITIVITY.

>> OK.

>> SO WE ARE THROUGH PAGE 55 MOVING TO THE SENSITIVITY SLIDE THAT'S PAGE 56. AND THEN –

>>>> I just want to give commissioners a chance to ask questions especially those who are online. Are any of the commissioners online? I just want to make sure. Go ahead.

>> Thank you, Madam chair. I was wondering, I have a couple of questions on page 55, the statement about the annual increase needed to maintain the target reserve and I understand what you said about the claims fluctuation reserve. What I am wondering is, I know we will have an additional discussion today, if we get to it on house Bill 2218 I believe. I'm wondering, if we could have a column added in the analysis, the 10% figure in the legislation bill, so we can see the reserve that that you are suggesting, that we keep compares to the reserve that the legislature may have suggested. My second question, I may be jumping a little bit ahead but on page 54, where you have nonmedical and on page 56 to talk about the claim trends, the medical pharmacy and dental, is it that the pharmacy increased above the a .5% you were projecting, I'm trying to square what is on page 54 and what is on page 56.

>> That is a good question. Basically we are looking at our experience. And we are coming up with an average and then we are normalizing several factors when we project that for the future. What I'm saying in the increase, that is our baseline information. When you look at the experience coming and that is the baseline and how that is changing and from there we use trend assumptions to project. Were not changing, it's really the baseline that gets applied to.

>> Okay thank you for that my last question on these beaches that you have gone over on page 54 when you talk about the medical and dental claims, the last sentences another adjustment to the future projector he is reducing calendar year 21 and 22 to reflect the latest savings shown in the assumptions, is that the part of the contract that says we will review that, I think it is yearly, and my words but not contractual they offer a better deal to someone else we get the advantage of having the better deal. And that is what you are telling me is incorporated in the assumption section?

>> Yes we are trying to make any improvements rather it is RFP or market check that the savings are projected out.

>> Would you be able to put a percentage or a number with that adjustment that you made possible -- possibly we could do it in the appendix or the next section we could put that as a take away to give you more detail. We can look at it.

>> Thank you Patrick.

>> Okay. You can feel free to continue I just wanted to make sure before we got to part through the report.

>> I was just going to say, that is basically the end of the report, unless there are further questions. We always show an exhibit on sensitivity it's a hypothetical what would happen if the plans were 2% higher or lower, and then, we have what we have.

>> I know you have all of the assumptions here and the projection. You can have as much details as you want in the projection sheet and they rolled into the letter. We will be happy to go through the details if you want.

>> Any other questioners?

>> Thank you, Madam chair. What I am wondering about is on page 58. There may be something that may have been in your other reports. It did not occur to me to ask questions. Under the contract fees, Segal is paid from a separate fund not using our projection. I've always assumed these are the financials for the health fund. I'm wondering in the legislature, in my previous and

current legislators state, we used to call bills off budget items. They were not part of a. What other funds do we have that are off budget and why is a. The contract fees, our fees used to support this program. Why are they not included in the contract fees. Why are they a separate fee. They're going up to \$41,000 per month in January and that is a big hunk of change. Why are bills not included. What direction are we not including those?

>> May be if Janet or Mike could take that. I know they allocate work goes through each one and there are components that go through it and things like that.

>> This is Janet, I don't have a great answer on that other than that's probably the way they operate done the payment. So, if you don't mind me asking Commissioner, do you have other clients who include the fee in their overall? In their overall report?

>> Usually it would be part of the administrative costs.

>> Is just in this fund that is why it has ever been presented to the agency. We talked about this years ago. Two separate funds, the cost go through that fund as well.

>> To the staff when do we get accounting of the other fun. If were talking about the state plan, it seems like we are missing a piece of the expenditures. Obviously, from the answers today Segal isn't the only thing in the other fun. When do we get accounting of that and why haven't we?

>> I think we can certainly provide that accounting. On page 70, the other contract fees there are some things outlined there. I would rather present you with the budget or the expenses it is clearly not laid out in this packet today.

>> This is Vicki Schmidt, I would appreciate receiving that and knowing where all of the money from the state employee health plan goals. My assumption was, we were receiving all of that in our financial report from Siegel if were not I would like to make a request that we start receiving all of it. Not just a piece of it. Thank you.

>> I will take care of that.

>> Any other questioners for the financial report? I don't hear any. Single consultants thank you so much. De commissioners we will move through the directors report then take a quick break to make sure people can grab lunch then we will move up to the follow-up items because there's a discussion item there. Janet, your report.

>> I will go fast. I want to go to lunch. My report starts on page 72. I have outlined some of the key activities going on since we last met. Open enrollment started on October 1. Retire enrollment started October 15. We are working with the vendors who are new from the current contracts including the vision and cobra contracts. We are starting to talk about with your input, the development of an RFP for wellness. We are continuing our collaboration. The audit is underway. They are listed on page 74. On page 75, I will talk a little bit about the findings some have been completed. Delta agenda -- Delta dental eligibility. I won't read the details but on 76 it starts the Aetna audit and when the check was received. Delta dental is on 77. Seventy-eight talks about the number of employees and members audited with documentation and so forth to prove their eligibility for being on the plan. The details of those audits, the executive summary is in the appendix. I will stop there and see if anyone has any questions before I continue. Vicki Schmidt in the room and then I will switch online. .

>> You can go online first.

>> Commissioners online, are there any questions to Janet's report so far? Go ahead Commissioner Vicki Schmidt.

>> Thank you, Madam chair. I am curious, I did not go back and look for the number but what percentage -- I guess what I'm wondering is, I believe the majority of our employees are enrolled in Blue Cross, Blue Shield and not Aetna. I'm wondering why do we choose -- will we be auditing Blue Cross, Blue Shield too or did we just pick one.

>> On page 74 Blue Cross, Blue Shield is identified, sorry about that. Sage brush is finishing their audit on that. So yes you will be getting that as well.

>> Thank you for that. On the executive summary on page 134, first of all I would like to receive the full report not just the executive summary of the. I am curious, how did we, according to this, the audit was a statistical sample of 250 medical claims out of 60,000 medical claims. That is like .4% not even half of the claims audited. In that amount, according to the report, there was 100 30,000 dollars of overpayment in that small statistically small amount of claims audited. Does our contract with Sage brush designate a certain percentage? A certain amount? How is that happening?

>> It does, and these are very typical sample sizes that are done on all audits. They are considered statistically significant in the eyes of the auditor firm. Peak I understand what you are saying, but we trust what our auditors use as statistically significant.

>> Understand that 250 statistically significant -- I'm having trouble saying the word, but 100 30,000 dollars off of 250 claims seems, to me like a not insignificant amount. I am curious, when the overpayments of 100 30,000, how do we flush that out with copayments, with coinsurance. If someone was paid too much, how is all of that shifted and do we have anything in the RFP or in our contract with Sagebrush that says if the amount is over \$100,000.250 claims, we will go back, and do a more intense audit? To me, this was not a good report to read. It is a good report it is written well, but the result was not very good.

>> It does not say that. And the other thing that happens throughout the year is that, the vendors find their own errors on overpayments and correct them as we go. A lot of times the auditor firm is confirming some of that. I good -- I could go back to the auditor firm and talk about your questions but historically, this is a pretty typical process.



>> It may be typical but I think we need to look at our RFP process and have more primers putting them. Again, I think that is 100 30,000 on 250 claims, does not seemed like something we ought to in -- ignore.

>> Yes. (Speaking away from microphone)

>> Thank you. This is Steve. Did I hear you say, through the years the company providing the service catches some of their own errors?

>> Yes and then they reconciled continuously.

>> If there is overpayment, they refund that money, which ever way you need to go?

>> Many times the auditor will find it. Jennifer, you have anything she coordinates so I will ask her to come in.

>> Jennifer Floyd, when Sagebrush or any of our audit firms find inerrant even if the vendor identified the error and corrected it the audit form will still show it as an error and count it as an error, if it is within that sample. During the course of the year the vendors to find errors that they have made. They do make corrections, but if when the auditors are in the house and they find one of the errors they still counted as an error even if it has been corrected and the monies have been recovered.

>> This is elite and I know it is inaccurate but it did not strike my mind as I reviewed these things, Commissioner Smith asked the questions, given that 350 claims so if there were 1000 claims tested, would it be reasonable to think it would be four times 100 30,000 dollars that was found and to really take it up to, was there 60,000 claims? I forget the number the number would become astronomical. I tend to agree, one of 30,000 seems like quite a bit. -- 100 30,000 they may have been self-reported and that is good. But that would really add up to a tremendous amount of money if you just -- I'm sure this could be a huge number in the millions.

>> It would depend. I think it depends, if Jennifer saying what I'm thinking, it depends on the type of error or reason. I should say the

reason versus the Arab. If an audit firm saw a pattern, I think they would step up and say you have a big problem and we will dig deeper. In this case I cannot tell you that specifically. I can tell you it was not brought to our attention. You can't just structurally assume. Is not logical to do the math –

>> If you have a significant increase in some fashion, I must admit I did not read the appendix Word for Word and absorb it all but I went through it and I did not see anything jump out that we consider this a problem. Anyway, I just want to say that.

>> Commissioner Vicki Schmidt was in the middle of a comment.

>> I appreciate that extrapolation can be dangerous but 250 claims does not seem like a bunch to help 100 30,000 dollars in errors. If we have that in our contract, if we are just -- I hope we have it in the contract that if there is a significant issue that they are to report that to us rather than do the report and move on. I hope that, and I had one other question before my last question I think on this particular audit. Will have two questions. First one is on page 136, when a surgery includes multiple operated procedures at one 100%, and there are lesson amounts for the secondary once, I understand that, so the net amount to be corrected is \$6000, and of the 250 claims is that recoup from the physicians or the surgeons, how does that work?

>> I am assuming the insured goes back to the physician and recoups that.

>> They attempt to.

>> They have their ways. I'm pretty sure they can do it if that is what they are doing. I think the deductibles of the coinsurance, those are things that I worry about on how that is handled in the accumulation of your maximum amount out of pocket. Anyway, there are concerning things. My last thing is that on page 134 when it says that, the audit revealed eligibility updates and prostheses and times with Aetna that we have resolved. I would like more

information on how those are and how they have been resolved.  
Thank you.

>> Thank you. Commissioner.

>> Thank you. Excuse me, I was looking at page 35 in the appendix and I wondered if that was, if that table was demonstrating, I think Jennifer said, where they -- at not recovered payment on their own before the audit. So there was 100 30,000 found an what they found on their own before this happened. So maybe it was 29,000 that had not been discovered. I just want to make sure.

>> Was the response and affirmative to the question?

>> Yes, I am sorry.

>> Any questions commissioners? Carolyn McGinn did you have a comment?

>> With her overall report, I don't think so. I think it was just the audit question. (Speaking away from microphone)

>> You can see on page 39, what -- how many providers have been added and the active discussions with the additional providers. That is typical for a transition. They did not hit their goal of 85% resulting in a performance guarantee of 35,000 that they will all the plan. They are at 55% right now. Just to keep you up-to-date because that was something you all took great care of in making sure we were tracking. No surprise, that was brought up. It was at a meeting a couple of months ago. There have been component surprises that have been delayed and others that will go into effect 1-122. Were making sure the plane is doing what they need to do at this point to be in compliance, and I don't have a lot of detail right now because this is a very fluid bill. You will see the covid-19 vaccine update on page 80. You all approved additional credits, you can see there how many members and spouses have received the credit since issuing the taxing credit through the health quest program. The last page just talks about the work the plan does that you don't always get to see. Right now Mike and Jennifer are

participating with the Kansas business group on health on a cancer care strategy project where they are reviewing and sitting through webinars and seeing some modules that will be eventually something we can consider in our development of maybe a cancer care benefit and give feedback on the voting modules, and I just want you to know we do take advantage of participating with the business group on health when we can. We learn from each other and keep current on what is going on with other employers in the state of Kansas. That is the end of my report I will entertain any questions.

>> Commissioner Carolyn McGinn.

>> Thank you, this may be conversation for another time and premature as well. But the article in the paper about Delta Sensa is that something which is falling right now?

>> We know about Delta dental and some concerns related to the dental community. We learned that a few months ago, it really did not mean a lot to the plan as far as impacting members but it's curious because they have been our vendor for so long. We did reach out to Delta last week and we got a response this morning, their take on the article. Some of the prices that they have lowered. They dispute a lot that is in the article. If the commissions are interested in seeing the response I will share that but I'm literally just got it this morning.

>> I was just curious, they're the only game in town and I guess it will be played out in the courts first. Thank you.

>> Thank you.

>> I know the Commissioner Gaston asked me about that on Friday as well.

>> Thank you metal chair. I was just wondering on page 79, the visas. I have had a lot of questions about that, though lofty goal of 85%. 35% less than the goal. I do feel like part of the, I would have to look at my notes but, they guaranteed, I understand there's a penalty of \$35,000 but they guaranteed in their bid that was one of

the issues that the commission has had concerns about our vision vendor in general, we have heard that employees don't have good access to providers in the network. I do feel like, when a visa is guaranteed, that 85%, but 10-1-21, when the contract doesn't take place until January 1, there were some questions in the commission about how they were going to do that, I think that did go and that was a part of them being awarded the contract. I did not vote for it, but it was part of the staff saying they will go out and get these vendors and these participants and if they don't they will give us 35,000. But 35,000 compared to what they are getting over the contracted period of time really isn't that much. I think, I would just like to continue receiving an update on that, I don't think there's another performance guarantee on their recruitment.

>> There is a monthly as well. It keeps taking. This is not one and done, it continues

>> Until they reach 85%?

>> Through January.

>> If they don't reach 85% in January is it over?

>> Is it is not over I guess we have the option to not use them.

>> Is the performance guarantee overarch asthma? Clearly, I am sorry.

>> I'm sorry about that. It is a good question. I would rather to get that out and make sure we have the information. Thank you, Paul. I don't remember. I put the note there that they are obviously concerned and felt bad that they did not hit it but they also feel what they are going through is typical they have a lot in the queue. You will see who they are talking to we get detailed reports. Everything is broken out by region. All I can tell you is we are continuing and we are not nervous at this point. We will obviously bring them forward and we are following up for your request.

>> I would be curious for the 54%. Is that in rural or urban areas. I think the rural areas is where we received concerns previously. At some point, I would just continue to follow, thank you.

>> I will give you more breakout, thank you.

>> Commissioners, do you have any other questions for Janet Rex any commissioners online or in the room?

>> Okay we are none we will take a break. Let's come back at -- have multiple clocks. Ten after the hour. Commissioners there are snacks and lunch necessary for those in the room. We will see you back at 10 minutes after. Q .

>> Alright commissioners we will go back to our agenda. I double checked that my commissioners are online. I think we may have lost Commissioner Hensley for a moment but I think he will rejoin shortly. All right commissioners. Our next item, it is our follow-up item. It is further questions between follow-ups from the last few meetings and then any questions that come into the staff that we usually push out answers to. I don't know -- there is one item in here that is more of a discussion item but it came through an outside question so it was not previously discussed with the commission but we wanted to make sure we took time for discussion, once the question came in and the Commissioner asked us to allow time for discussion on this item. That is the article. I just wanted to know if there were any other questions around the follow up or any other clarification points on any of the other items? All right. One of the items in the packet was a series of articles, two articles that were done for the pharmacy benefit manager program. Sort of like the audits we were talking about. This was done earlier. It in section five, both of the articles are there. The summary, just like we had today, the executive summary of the audit was previously printed and discussed in May and June, but on Friday we released additional material in conjunction with this conversation. I will open it up to discussion as requested by the commission. Commissioner Vicki Schmidt.

>> I get a discussion about this, but I hope everyone had the opportunity to read the article. It was done by Kansas public radio. They did the article, I guess, I don't really know where to start, I'll just start with some of the concerns I have. He points out that the

title that Kansas had drug spending that the state went too far. There were parts, as I understand it and I only have one I have been in the news article. I haven't asked anyone else about it. But it would seem to me that when an open records request came to the commission, I don't know where it came, but when an open request came about the audit, the state redacted several portions of the audit that were already available online. That seems crazy to me and inconsistent and it does not seem right. I know she -- interviewed others about what could be not disclosed under open records and there were lots of opinions about that the state had made an error in not reporting some things. I think page 103, the image below shows a redacted portion. You can see where they found beneath the black, I guess I'm a little unclear, I thought we would have more discussion on the legal counsel. I'm not totally clear if we will have that discussion today, or if that is just information about options and we won't talk about them. This report itself, gives me pause and makes me believe indeed we should have independent counsel whether that is outside. I do think that, I mean, I just think it puts a big! On it. I would like to hear what other commissioners think about that. If you have had the opportunity to review that information.

>> Commissioner Gaston.

>> I think your microphone is off.

>> Exceeds me.

>> I feel like the discussion about having an attorney may be separate from -- partially because, I don't know that having an attorney would fix the issue. It seems to me like this report was over redacted but I have not heard, the response to the issue. That may be helpful to hear from Janet or someone from your team

>> Can we walk through the sanded procedure for quorum Muscovite legal counsel to do so, yes please. And then if you have any information on who the retraction of the document in question --

>> Thank you, chief counsel for the Department of administration. The department does have an open records act request portal on our website. I believe in this particular case, I think the reporter reach out to a public affairs person, and requested information. I think there was also follow-up. She was working on her articles, she had a number of requests that came in, when this particular one came in. We had an attorney assigned to has [. She was asking for document that a vendor marks every page as proprietary. We've reached out to the vendor and said we have this request. It's weird we have Mark your information confidential but I believe both they and us, are under and obligation to comply so we asked them to take a look at what they had marked in light of the request, and discussed the fact that you can't redirect things that need an exception. Peak we got their initial response back with what we disagreed with, we thought it was too much retraction so we pushed back, it came back with what was provided, and because they would have some claim obviously, to litigate something if they had something they viewed as protected by trade secrets or otherwise, we wanted to address that concern as well.

>> Commissioner did you ever follow-up otherwise Commissioner Steve Dechant was next.

>> This is Steve Dechant as a citizen I am worried about issues that involve our state. I'm not sure I really want to spend a lot of time on what should have been redacted. I see this is falling in the purview of whoever, the Department of administration of legal counsel who deal with those things. You asked for some feedback so those are my thoughts. My concerns in regards to the articles, I think art heard about them a day or two before I saw anything written. Where within, what this report and other reports have said, should we be concentrating on terms of having a better, there are loads of comments from other people that the report had contact with a you should do this or that. I don't know if we should or shouldn't. What I would be interested in is hearing some discussion and I don't know if today is the day or the preparation is there, but to hear not a tit-for-tat or point for point but staff's response to the



questions to the experts at the private sector has commented on as the article was put together. Aren't these things we should consider doing either getting into our contract or into the audit of the contract, the contracts that we have. That is what I have walked away with, wanting to learn more about, and know that all of these and maybe other things have come to the mind of staff or the commissioners that we ought to get into. With the we do to date, not literally today, but now with the existing contract or we look to the next time to renew the contract for PBM or the auditors. Those are my general thoughts.

>> One thing as a reminder for the commission. Correct me if my timing is wrong. The PBM contract, the RFP will be one of the next things coming up. It will give us an opportunity, as it is flowing through conversations we find that to get input to tweak, if there are things, I think your comments are timely, are there things here that we can understand that will be helpful as we strengthen the RFP and subsequently, the selection of the next vendor. Take Commissioner, did you have a comment or your hand up? : one section. Did you helpful follow-up for legal? Go ahead, and I will shift.

>> I appreciate the Commissioner for the philosophical summary but I am wondering, more specifically, I get that they have this information they claim as proprietary or going forward this is taxpayer money paying for this. Going forward are there ways we can't make this more transparent so we don't have all black pages?

>> I think there are ways we can end the contract with the auditors, I think we can address that going forward.

>> Are any commissioners online that have questions I see a few more in the room

>> Commissioner, go ahead.

>> As an attorney, I thought, and it could be mistaken but I thought when you had an open records request if you redacted

something you had to cite why. You had to cite but that shoots of why you were redacted it. So that was not done in this case?

>> It was.

>> So you stand by what was redacted and the reasons?

>> I don't think I completely agree on what they view as a trade secret. I do feel like, our approach in responding as an agency where there are interests on both sides was appropriate and going to them and seeing what they thought, could be released and when we didn't agree with that we will back to the and had them redact further information. That is ultimately what was provided.

>> Where did the reporter get the unredacted version, was that online.

>> My understanding when they did their reactions they did not get rid of the metadata so when the reporter got it they were going to go in electronically ending redact.

>> That doesn't sound like it was to proprietary. I think, I think this is a real problem and I agree this is taxpayers money. There were some concerning things, this is probably not a good thing either. I mean,, I have, I think at every meeting I have talked about PBM and how there are issues with PBM's in the state employee plan but my role here is with the health plan. I guess, you know on things like page 98, and industry consult said they will substantiate the performance levels to determine are required to avoid paying a penalty to the state. That is a crazy thing. If our contractor is doing that. Asking for questions like that we don't have a good auditor. I won't say they are not good. I take that back. I rescind that. Whatever you lawyers say. Rescind.

>> I am saying, that is not my expectation as a commission member for an auditor to ask. Do you have two problems? To have a problem with the auditor and the PBM board -- is this something that Segal will assist us with they assisted with the last contract. Will Siegel be involved in this? I think it does relate back to the attorney. The attorneys are not really help commission attorney. I

guess you are by default, but I do know. It is a confusing place for me too be.

>> I just want to mention something. This audit firm we have no is not the one who did this. CTI was the previous. This was prospect when the healthcare was under there that is how long ago the contract was signed I just want to clarified that. To your point, yes, Segal will assist us again. They assist with the reviews. They have pharmacists on staff. That is because of their bench. I actually shared the articles and they provided a response. As a director, I don't I know you don't like the answer, but Siegel was surprised about some of the things in the article. I after reading two articles, I thought they had more of a problem but I'm not sure. I would just say, we will take into consideration things for the next. I know it has been talked about by the commission. We are expecting the RFP to be approved by February, to give us time to work through everything but we will not do it alone. It is very complicated.

>> Thank you. Just as a follow up, as I read through, it was mentioned that this was a subcontractor of the firm that we contracted with to do that audit. Is that the way the auditor -- when we pick an auditor to we asked the question about who will be your subcontractor, do we have a comment. I don't remember it coming before us.

>> We would have to have that in that could be to reputation or lack of documentation. Not just for auditor but any conflict. A lot of vendors do it with the vendors underneath him and we get all of that information with their liability coverages. Sure, we would bring something like that to someone's attention if you were a problem, I wasn't here but, they do bid it that way. They make it transparent and we would have known that they were not going to do the audit. That is how it works.

>> In this particular case, they did not do the audit on a timely basis. They did the claims in one fell through. They did not live up to the expectation.

>> Can you respond to the timing?

>> Actually, that was not pillars fog. The current firm that we had, it is on.

>> Lean into it. The prior -- prior audit firm we had, the head auditor left the firm. As a result they were unable to finish in a timely fashion which resulted in them not being able to start which got us a year behind. That had to do with the firm we had prior to them coming into play being late and giving their finish so we could begin the next six.

>> Is this the one we are currently under did we build in penalties for things like that. That is a multimillion dollar expenditure. Have penalties for not completing audits on a timely basis?

>> I don't know if we had one in that regard but it ended up saving us money by doing two years at once. It was less expensive so they save some funds.

>> We save that money but CVS old us money, the interest on that money -- anyway, I appreciate that explanation, thank you, I have forgotten the auditor had quit or whatever. Anyway, there's a lot of concerns about this. Just for the process, I requested this be sent out, it was my understanding I was supposed to communicate with Janet because the potential for open meetings violations I was supposed to password to be dispersed but it didn't for a couple weeks and then I was told it will come out in the packet. It is my understanding when I asked for something to be dispersed to the commission that, Janet checks with U.S. chair, and you decide the timeline or is Janet to disperse information as requested.

>> We have been moving information collectively. We have not been sending it the other way. That was the whole idea of doing the follow-up packet. So multiple pieces when come out at multiple times. That is why it was added up and as well as any questions that come in from commissioners in between the meetings, then we push that out, before the next meeting packet to manage the inquiries and make sure the information is going back and forth. Is that an issue or a concern? I thought that was how we were making sure. At one. There were ideas that people would do the follow-up

piece. It was a combination of anything that came in between as well as the follow-up for the last meeting but you got it in one piece so you knew this was in the background. We added it as a standing item to make sure if there were any questions from the follow-up, there was an opportunity to raise those. If you Unser spirit or process it differently, I looked at it this way, but my only two commissioners here, we were trying to help not confuse with multiple pieces of information going out, at different times. So, if you understand something differently, please let me know.

>> Thank you for that explanation. I didn't understand it differently. I guess for me, I was concerned that, when a story breaks like this, it is public information who the commissioners are. I think it is on your website. That, I guess I don't want anyone to be caught flat footed, someone approaching them and saying, what did you think and someone say I don't know anything about that. I guess I understood it separately. If that is, the way we will do it, so be it. I will understand that better. I was agitated, that I had requested it be sent out to the commissioners and it doesn't go out. I did not understand I should look for that in the next packet. Sometimes our meetings are two months down the line. It has not happened recently. But it has in the past. I understand the process better now, so thank you.

>> Just a comment. Okay go ahead.

>> I just need to go back a little bit and be educated on the proprietary and confidential. I am trying to understand what is proprietary and confidential. I'm thinking, I'm not out pharmacists but I'm thinking like a hospital. Everything they do to get paid as to be coded. I think, it is pretty simple. They get paid because they coded. I don't understand why I go in and I get scripts, it should go back to my insurance plan of how much I spent and how much I got. IM trying to understand why they can't share that. They don't have to say it is Carolyn McGinn but if we are on the same health plan X amount of people got this script and XML got this script. And that is how they build their pattern. Can someone help me too understand? And someone help me too understand quicksand but

document was redacted and the document is from the audit firm.  
Not from CVS.

>> It was the audit firms full audit. Because of the way it was received by the state because it said proprietary on it for we release it we go back to them. This is standard procedure not specific here in a case where we would go back and say, we have the quorum we have to release here are the terms, if there are things that the redaction can happen. This is about document this is the audit from release and there redaction's work not CBS taken a.

>> The audit firm had things that were proprietary and confidential?

>> This is John. They claim that parts of their audit report were proprietary and confidential. To who?

>> We hired them to do an audit. In an answer to your question going forward. I'm envisioning that we can address that up front with ever be hired to say provide a report that does not have any information that will identify all of these things and we can just say, -- I think we can address some of those things. Ten so we paid them correct

>> As.

>> Could we have withheld payment? quicksand she was not redacted to us. They received the full report, not redacted with the information because we do have a contract with them and they delivered it. It is when the quorum played -- came into play marked this as confidential and we need to follow Cora and therefore that is when they raise their hands to say we feel these should not be released publicly.

>> It is not founded by them?

>> I think in a standard contract there's a section with open records. Take (Speaking away from microphone)

>> Speak into the microphone.

>> I think they might be under these circumstances.

>> Ultimately we cannot take their word. We do have some due diligence as a state to make sure they have met the requirement. We have a duty to read view it and make that determination.

>> It is a point of clarification and you can correct me if I'm wrong. The team did go back to them, the very first version that the company provided the legal team went back and said, no, we the to take an additional look. What was finally released is a different version than the initial. They did not do the due diligence going back-and-forth with the company. We can agree to disagree if they could have done more or if you felt like something else should have been done. But my understanding is, that is exactly what happened. When the company came in legal counsel took a look and said, we are trying to meet the spirit of the request this is too much and asked them to go back and they went back to produce a new version.

>> My question, let's just hypothetically left take them out for discussion. Hypothetically, we get a Quora request Anna company says I believe this is all proprietary and should not be released. Take the state -- the state goes back and says we think you can't release more and they come back and they say, they have redone the release. Do we just accept that or do we go back and look at again and say -- ultimately, especially with the subcontractor, I wonder how the subcontractor comes under quote. I'm just saying ultimately, the Department of administration, released this document that was easily, a non- redacted version was easily available to the report appear it was my understanding that some of the information was online anyway. I don't know why I think that.

>> I remember reading that as well. I think there was a subsequent request for a different piece of information and that was online.

>> I mean I guess, this discussion there are a lot of topics in this discussion. I think one is counsel for the ACC, the other is the PBM contractor, taking about going forward for the next contract. The third one is just, redaction in general. I don't think this put a good light on the state of Kansas. I think, like one of you commissioners

said, these are public powers and that is why it puts an exclamation point on it for me. Thank you.

>> Commissioner.

>> With Cora I think there is a 72 hour turnaround for an extension. What do you have to respond?

>> Under Quora there's an initial response that goes out within three business days. Our standard practices there is a letter that gets adjusted for the nature of the request and with the response will be. Sometimes we can provide things read wait sometimes it will take longer. In this case, yes, we got the initial one out that said some things, I believe in this case, something may need to be excepted from that. And the work was done behind the scenes to get the information, talk to the vendor, talk to the vendor again, and ultimately provide it and note the specifics that were cited.

>> Was that a couple of weeks before it was sent to the reporter?

>> I cannot say for sure. There were a number -- the report had a number of requests over a period of time. But yes, normally we don't take very long.

>> anymore comments as Commissioner said there are few beings and some of them we will touch on as we continue with our discussions we will shape that, but I want to make sure we have the time and space for this discussion here. I don't see any others, we will move into our old discussion back went will come back to the other information where we are working from the pieces that we have. the first one is a piece of legislation introduced last session. It is in your packets. The Commissioner requested this. There are multiple things

>> My page flipped over that impacted the plan but I believe, Commissioner correct me if I am wrong, the piece that you were asking about for additional discussion was the language impacted around the reserve. I will turn it over to you to kick off the discussion.



>> I think we had last discussion when we were developing the plan and talking about reserve balance and that timeframe. I know Commissioner Vicki Schmidt spoke to that. The reference to 10% of reserve balance and taking the language out of the statute over the average for the preceding plan years, I think the first requirement for a recommendation is the word used in the house bill is to for the upcoming legislation session. We maintain for our planned here 2022, the total of 13%. 7.5 for the IBR, and the other forget the term but anyway total of 13. I am not promoting one way or the other but I want to, if we do not decide today, where we will go with this, if anywhere other than simply an acknowledgment that we could make some comments as to how things could be changed, or if, we will take a stance as a commission if the 7.5, or 5.5 are good, solid industry standards to maintain in terms of a strong, viable plan and a reserve necessary to be there as a cushion and we have needed it in the past years to keep the plan viable in case of extreme circumstances. I indicated we had discussions four months ago and basically, made a decision on what to do with plan year 22, and what we are doing for projections. It seems to me timely with the first legislation doing a few months, to make a decision as a commission, where we will go with it. and certainly the house participation, and more on this commission.

>> Commissioner Carolyn McGinn.

>> I'm sorry what is the 7.5 and the 5.5.

>> We looked at it when we were –

>> If you go to page 55, I'm going to look at it. It talks about the current model, what is the word come of the assumptions and our current model and we use a reserve that is built on a calculation of 7-foot five in a claims fluctuation of 5.5. Those Are looked at annually. Someone on staff can talk more about it. I know they are looked at annually and –

>> You probably did not catch this but it went up 7.6% instead of 7.5. >> Because of fire claims.

>> Correct.

>> It is an average, the way we get to the 7.5 is looking at, is it a three year, in those two areas?

>> >> Claims that have been incurred but not reported. This is what they say we would have to increase our rates to. The IBNR remains at 7.5 percent and this is Vicki Schmidt by the way. It is calculated 5%. That is hedging your bets if you will on what you think your claims may be.

>> And it sounds like you may have a comment as well, so, Carolyn McGinn the idea of the way that the model works is we are think that is the target reserve that we want to balance out to. It is at 13% calculated off of those two numbers based on the plan. We have the ability to change if we are trending in different ways how they can cut into the reserve or the impacts across the various plan years. The comparison is in the very last paragraph. It says for recommendations on any balance that is over 10%. The discussion was we wanted to come back to understand, if we should be forcing that 10%, if right now we are at 13%, I think that what is -- that is what Steve was equating to. We need to have a discussion in discussion to what the legislation is ask us to do around recommendations.

>> If you've always tried to be a 13% there will always be at discussion quicksand potentially if the commission sticks with the recommendations which sits outside 13%. It is not, it is not hard and fast. There are some years, because the model right now pushes us back there but we can change the model. We can adjust and change. The numbers we use now are recommendations around industry standards. We do have one report where they showed where we sat comparatively. There are some states that hold a higher percentage than we do in there are some with less, we are in the middle or upper middle if I remember comparatively and we can make sure that gets situated. Does that answer your question?  
Commissioner Vicki Schmidt then Gaston.

>> We are not apples to apples on the 3%. The IBR is different than our claims about. The total plants expenses is like our Segal contract. The auditing contract. It is not a 3% difference. The other thing, the legislation says it is the years where Segal is projecting higher medical claims and dental costs. I don't know whether is 10% of the total costs and a different timeframe. But 13% is self claims and applied to the projected year to the prior year.

>> I think at one point and time we talked about modeling to see what it would look like comparatively.

>> We have done that in the background. It's not hard to calculate.

>> Commissioner Gaston.

>> Looking at the statute, looking at any reserve balance over 10% is this for the immediate planned years? And then the commission shall reduce reserves by minimizing cost-sharing requirements. I know this year we did not have any employee increases for premiums. I would suggest that we make a recommendation that it continues in calendar year 233. The other discussion, as close as we are to 10% I think the request to have a flat premiums makes sense. Also wanted to ask about the data. I think what we shows its calendar year 233. Obviously, we don't have all of 2021 yet, but if we need to look at that, I don't needed -- I was say they don't raise it.

>> One of the things we did last fall, and I hope we can do it this fall is talking about planning design and talking about, how the various levers impacts the overall plan as well as, and the decisions we make in typically June for the plan. The reason we say that is we need to be careful saying we will do X, Y, and Z because it is not one lever or factor there are various things that impact the overall plan. We have committed to, I am keeping the contributions of all, one of the things you have to look at when we look at the model, when you do that it pushes a bubble out or at some point you jump off of the cliff where you either start to run down where the plant has no reserve WE HAVE TO DO A VERY SIGNIFICANT INCREASE PASS HEARD FROM THE EMPLOYEE CONTRIBUTIONS. BUT IF THERE

ARE GOING TO BE INCREASES FALL OFF. AGAIN WE WERE ABLE TO KEEP THEM FLAT. BUT THAT IS SOMETHING THAT DID COME FROM THEM, RECOGNIZING THERE MAY BE FUTURE INCREASES TO TRY TO DO THOSE IN A WAY THEY ARE A BIT SMOOTHER AND YOU ARE PUSHING IT OUT AND HAS TO BE 8% OR 9% TO LEVEL THE PLAN. AGAIN THERE, ARE A LOT OF FACTORS. THIS IS ONLY ONE OF THEM. COMMISSIONERS, THEN I WANT TO CHECK IN ONLINE AS WELL. COMMISSIONER DECKEN.

>> YES, COMMISSIONER SMITH, I UNDERSTOOD A COMMENT YOU MADE EARLIER WHEN WE WERE LOOKING AT THE FUNDING OR EXPENSE PROFIT -- INCOME. YOU WANTED TO CALL THEM AT IT. I THINK IF I UNDERSTAND, AT LEAST AS I TOOK IT, YOU WANTED THAT 10% TO BE REPORTED SO WE'D BE SEEING HOW THAT WOULD COMPARE. SO IT STRIKES ME AS TIMELY THAT WE WILL SEE FLAT OR DECREASING THAT AT SOME TIME. WE HAVE TO PAY THE PIEPER AT SOME TIME. FALL OFF A CLIFF OR PAY FOR IT. COMMISSIONER, THERE HASN'T BEEN A YEAR WE HAVEN'T LOOKED AT BOTH THE IMPACTED INCREASES, DECREASES ARE STAYING FLAT AND OR PLAN ENHANCEMENTS OR COST SHARING, SO TO SPEAK. OR ALL OF THE REASONS WHETHER IT HAS TO DO WITH UNFORSEEN OR UNCONTROLLABLE CIRCUMSTANCES THAT REQUIRE DRAMATIC THINGS OR SEEKING TO ACHIEVE A CERTAIN GOAL IN REGARDS TO THE RESERVE BALANCES THAT WE MAINTAIN. I THINK THAT IS IT AT THIS TIME, THANK YOU.

>> COMMISSIONER MCGIN.

>> I WAS CURES BACK TO COMMISSIONER -- SO WE HAD A PRINCIPAL. HIS NAME WAS DESCON SO IT IS DECAMP FOR YOU.

>> WE HAVE A THREE-MINUTE DISCUSSION ABOUT THE ORIGIN OF MY LAST NAME.

>> MY HUSBAND SAYS THEY PROBABLY HAD A FAMILY FEUD AND THAT IS -

>> THINK OF EUROPE AND FRANCE AND GERMANY, HOW YOUR NATIONALITY CHANGES FROM EVERY DECADE TO THE NEXT AND HUNDREDS OF YEARS AGO. SEVEN YEARS IT WAS DECHANC.

>> IT IS LIKE MC GIN AND MCGINNIS.

>> WHAT I WAS WONDERING, THE ACTION YOU TOOK IN I BELIEVE JUNE OF LOWERING PREMIUMS AND DIFFERENT THINGS, DOES THAT NOT COUNT AS PART OF THE REPORT GOING BACK THIS YEAR, WOULDN'T THAT?

>> WE HAVEN'T BEFORE AND I THINK THIS IS THE FIRST -- ONE OF THE REASONS THIS IS A DISCUSSION ITEM IS BECAUSE WE WANTED TO TALKING ABOUT IT SO WE UNDERSTOOD WHAT WAS BEING ASKED AND THINKING ABOUT WHERE WE ARE TO TALK ABOUT WHERE WE ARE AND WHAT THIS MEANS AND WHAT WE'VE DONE IN BETWEEN. I THINK THAT WAS PART IT LANDED ON DISCUSSION. WE HADN'T REALLY TALKED ABOUT IT IN TRYING TO MAKE SURE WE UNDERSTOOD IT. WHICH IS ONE OF THE REASONS WHY I REMEMBER ASKING FOR THE MODELLING BECAUSE WE NEED TO SEE WHAT DOES THAT LOOK LIKE. WE KNOW THE NUMBERS WITH RESERVE AND 13% BUT NEED TO LOOK WHERE WE ARE AND CHANGES WE HAVE MADE OVER THE LAST THREE YEARS. WE HAVE KEPT IT FLAT OR REDUCED IN A NUMBER OF DIFFERENT CATEGORIES. FOR ME I WANT TO LOOK IN BOTH DIRECTIONS BUT I WANT TO LOOK BACK TO UNDERSTAND WHAT THE IMPLICATIONS ARE. I WILL BE HONEST WHEN WE WERE HAVING THIS CONVERSATION ONE OF THE THINGS THAT FOR ME, UNTIL WE REALLY SEE IT OR UNDERSTAND, THERE MAY BE TIMES OUR RECOMMENDATIONS ARE WE MAY NOT BE ABLE TO HIT IT BUT THERE IS A REASON. WE NEED TO DO X, Y AND Z OR CORRECT FOR X, Y AND Z AND BE ABLE TO SAY LIKE WHILE THIS HIT THE RECOMMENDATION AND WHAT THAT LOOKS LIKE. THAT WAS PART OF THIS CONVERSATION. MAKE SURE WE UNDERSTOOD THE INTENT. IF WE ALSO THERE WAS STILL ROOM THERE, THAT IF WE DIDN'T HIT IT, THAT IT IS ALSO ABOUT BEING ABLE TO GIVE A HOLISTIC VIEW AND WHY. HOW THAT STILL MIGHT IMPACT WHERE THOSE AREAS OF CONCERN LIKE THE EMPLOYEE

CONTRIBUTION OF CALL SHARING, WE MIGHT STILL BE DOING THAT. IN A YEAR HERE AND THERE WE MIGHT BE ABOVE, THIS IS WHAT WE ARE LOOKING AT LONG-TERM. WE HADN'T DONE THIS. WE HADN'T WRITTEN THIS REPORT BEFORE. I THINK WE WERE ALL TRYING TO GET OUR MINDS AROUND WHITE MEANT. PART OF I REMEMBER THE CONVERSATION DISTINCTLY, I DON'T KNOW IF IT WAS COMMISSIONER DECKEN OR SCHMIDT WHO SAID WE WILL HAVE LEGISLATORS HERE SO WE WILL ASK THEM EXACTLY WHAT THEY WANTED. SO THAT WAS PART OF THIS AS WELL. SO

>> COMMISSIONER LAND OR HENCELY, COMMENT S?

>> I GUESS AS I WAS LOOKING AT THIS AND A QUESTION THAT CAME TO MY MIND IS WHERE IN ALL THESE NUMBERS ARE REBATES TAKEN INTO ACCOUNT?

>> YOU NANNY THE BUDGET PROJECTIONS?

>> YEAH. WHO IS RECEIVING THE PHARMACEUTICAL REBATE S?

>> IT COMES BACK TO THE WHOLE OF THE PLAN.

>> THEY ARE TAKING INTO THE CLAIMS BECAUSE THEY ARE NOT POINT OF SALE.

>> SO THEY ARE -- SAY THAT ONE MORE TIME.

>> CLAIMS DATA BECAUSE THEY ARE TAKEN AT POINT OF SALE.

>> DOES THAT ANSWER YOUR -

>> NO, I -- >> EXPLAIN -- NO. IT IS -- OKAY. SO DOES THE STATE PLAN RECEIVE THE REBATE. DOES THE CONTRACTOR RECEIVE THE REBATE. WHO IS RECEIVING THE REBATE? THIS IS VICKY. I KNOW FROM DISCUSSIONS WHEN THIS WAS MOVING FORWARD, WE ARE NOT GETTING ALL THE REBATES. CVS CAPTURES SOME AND KEEPS SOME OF THOSE. I DISTINCTLY REMEMBER THAT CONVERSATION WITH A PHARMACIST FROM SEGAL ABOUT THAT. I ASKED ABOUT SPECIALTY DRUGS SO WE DON'T GET REBATES ON THEM, I DON'T BELIEVE. WHEN I ASKED ABOUT WHY WE WEREN'T GOING TO, HE SAID THAT WAS A GOOD

QUESTION. HE THOUGHT THE SAME THING BUT NOBODY ASKED.  
JUST TO BE CLEAR WE ARE NOT GETTING ALL YOUR REBATES.

>> I THINK THE REBATES COME BACK TO THE STATE. I THINK THE  
-- CVS COLLECTS THE REBATES AND PASS THROUGH TO YOU.  
THEY ARE 100% THAT. IS WHAT THE AUDIT THAT WAS JUST ON  
THE RX VERIFIED THAT THE 100% WENT ON SITE WITH REBATES  
AND REVIEWED THEM FOR MANUFACTURERS AND VERIFIED THEY  
ARE IN PASS THROUGH.

>> WHERE DID WE SEE THIS IN THE INFORMATION THAT IS  
GIVEN TO US? HOW MUCH?

>> UH-HUH.

>> THEY ARE THE PHARMACY LINE AND REBATES THAT ARE POINT  
OF SALE. LIKE JANET SAID. PLUS IF THERE IS ANY SETTLEMENT AT  
THE END OF THE YEAR THAT, IS NETTED OUT IN THE PHARMACY  
LINE.

>> SO THAT COULD BE BROKE OUT IN THE FUTURE. IS THAT  
CORRECT?

>> DEFINITELY BREAK OUT THAT REBATE AMOUNT TO YOU.

>> THIS IS VICKY SCHMIDT. FOR CLARIFICATION, KEN, I BELIEVE  
THAT WE ARE -- THAT YOU'RE AUDITING THE REBATES WE GET.  
THERE ARE SOME REBATES THAT THE STATE IS NOT GETTING ON  
SPECIALTY DRUGS. IS THAT NOT CORRECT? I'M SURE THAT IS  
WHAT THAT SAID. THE STATE IS NOT ENTITLED TO BY CONTRACT  
WITH CVS.

>> I THINK THAT CLARIFIED FROM THE SPECIALTY PIECE. BUT IT  
WAS MY IMPRESSION THERE IS 100 PASS THROUGH.

>> I AGREE. THERE IS 100% PASS THROUGH OF REBATES DUE TO  
US DUE TO CONTRACT. CONTRACT DOES NOT INCLUDE ALL  
REBATES THAT CVS IS GETTING ON SPECIALTY DRUGS.

>> WE CAN HAVE THAT AS A FOLLOWUP.

>> THANK YOU.

>> AND RESPOND TO THAT.

>> THANK YOU. COMMISSIONERS, COMMANDER LAND, DID WE GET ALL YOUR QUESTIONS?

>> BEGINNING, THANK YOU.

>> COMMISSIONER SCHMIDT.

>> THANK YOU. BACK TO A DISCUSSION SEVERAL HOURS AGO BY NOW BUT WHEN TALKS ABOUT TOTAL PLAN EXPENSES, THAT WOULD BE THE TOTAL PLAN EXPENSES INCLUDING THE SEGAL CONTRACT AND OTHER THINGS THAT AREN'T REFLECTED ON WHAT WE HAVE. WE ARE GOING TO BE GETTING THAT SO THAT SHOULD BE EASY TO ASCERTAIN, THANK YOU.

>> COMMISSIONERS, ONE OF THE THINGS IN THIS CONVERSATION. AGAIN, THIS IS MORE DISCUSSION BUT ALSO UNDERSTANDING AND PREPARING. NOT JUST THIS REPORT BUT HOW WE USE THIS INFORMATION IS A FOLLOWUP ITEM IS DO THAT ACTUALLY MODELLING SO WE CAN SEE AND UNDERSTAND WHAT THIS LOOKS LIKE THERE OUR CURRENT STATE AND WHAT IS IMPACTED ACROSS THE LAST THREE YEARS. SO THAT IS ONE ACTION ITEM I THINK THAT WILL HELP INFORM THIS CONVERSATION MORE. IS THERE ANYTHING ELSE THAT WILL HELP US. IT IS A STARTING POINT. AGAIN, THE DESIGN OF THIS WHEN COMMISSIONER DECHANT BROUGHT IT UP TO MAKE SURE WE WERE UNDERSTANDING WHAT WAS BEING ASKED AND HOW WE WENT ABOUT WENT /\* -- WENT ABOUT APPROACHING THAT.

>> COMMISSIONER SCHMIDT.

>> THANK YOU. I GUESS WE HAVE A QUESTION FOR LEGISLATORS ON THE HCC. WE HAVE HAD DISCUSSIONS IN THIS GROUP IN THE HEALTH CARE COMMISSION, ALBEIT WITH DIFFERENT COMMISSIONERS SITTING HERE TODAY, BUT WE HAVE HAD SOME DISCUSSION THAT THERE'S ONE SCHOOL OF THOUGHT THIS IS A RECOMMENDATION. THE RECOMMENDATION SAYS WE WILL ISSUE A REPORT. IT DOESN'T GIVE US -- DOESN'T MANDATE US TO DO THE 10% OVERALL THINGS. I JUST WANT TO MAKE



SURE THAT IS YOUR -- THAT THAT IS WHAT THE WORDS SAY, BUT I ALSO KNOW SOMETIMES LEGISLATIVE INTENT IS SOMETIMES DIFFERENT FROM THE PEOPLE THAT WERE THERE IN THE ROOM, SO TO SPEAK. NOT TO USE HAMILTON, BUT ANY WAY, SO I'M CURIOUS AS TO IF IN DEED IT IS JUST A RECOMMENDATION AND INCLUDED IN REPORT BUT DOESN'T TIE US TO THE 10%. MAYBE YOU NEED TO LOOK AT NUMBERS FORTHCOMING BEFORE YOU DECIDE THAT. BUT I HOPE YOU'LL BE -- I KNOW YOU WILL BE AN ACTIVE PARTICIPANT IN WHAT THAT REPORT THAT WE SENT OVER TO THE LEGISLATURE SAYS, BECAUSE I ALSO KNOW HOW THAT MIGHT WORK. YOU'LL BE THE ONES THAT ARE ANSWERING THE QUESTIONS BEFORE LEGISLATIVE COMMITTEES, MORE THAN LIKELY.

>> COMMISSIONER MC GINN, GO AHEAD.

>> I'M TRYING TO GO BACK OVER THE LANGUAGE.

>> UNLESS I'M MISSING IT I DON'T SEE WHO GETS THE REPORT. SO YOU GIVE TO ALL 165.

>> I THINK TYPICALLY WE PROVIDE THROUGH KLRD. THERE'S VARIOUS REPORTS THAT ARE ALREADY REQUESTED, THAT WE SUBMIT.

>> WE SIGNED AN ANNUAL REPORT TO THE CHAIR, SENATE, CHAIR OF THE HOUSE. AND IT INCLUDES ALL KINDS OF INFORMATION ABOUT PLAN, THE RESERVES, TURNOVER, RATES, WHATEVER, ENROLLMENT. WE ASSUME WITH THIS A LIKELY PLACE TO END THE REQUIREMENT HERE. THE RECOMMENDATIONS AS WE READ THEM. IF WE FALL WITHIN THE PERCENTAGE WOULD BE TO TACK IT ONTO THAT REPORT.

>> WHEN YOU SAY CHAIR, YOU ARE TALKING ABOUT LEADERSHIP.

>> YES, SORRY. PRESIDENT. MY LACK OF LINGO, UNDERSTANDING, YES.

>> THEY RECEIVE A NUMBER OF THESE TYPES OF REPORTS THAT COME OUT OF YOUR OFFICE?

>> THIS ONE ONE TIME ANNUALLY. JUST ANNUALLY.

>> CORRECT. I GUESS THAT. SOMETIMES WHEN WE REALLY WANT TO MAKE A POINT ON SOMETHING WE DIRECT IT TO A CERTAIN COMMITTEE. I JUST WANT TO KNOW WHERE IT IS GOING. IT IS GOING TO LEADERSHIP. IF I WANTED TO ASK, I WOULD GO TO LEADERSHIP OR KLRD TO GET THE REPORT.

>> YES. IT IS ALSO POSTED ONLINE.

>> COMMISSIONER, THE SECTION THREE, THE LAST PARAGRAPH OF THE BILL TALKS ABOUT SHALL SUBMIT TO PRESIDENT OF SENATE, SPEAKER OF HOUSE ON THE DAY THE BUDGET IS PRESENTED THE LEGISLATURE.

>> SO COME IN WITH THE BUDGET.

>> AT LEAST THAT IS WHAT IT SAYS IN THE BILL.

>> OKAY.

>> ANY OTHER COMMENTS OR QUESTION S? COMMISSIONER MCGINN, GO AHEAD.

>> WHEN ARE WE GOING TO START DRAFTING THIS? I'M JUST BASING IT ON MY FIRST FEW MONTHS HERE EVERY TIME WE HAVE SOMETHING WE PUT IT OFF ANOTHER MONTH. SO I THOUGHT MAYBE AT SOME POINT IN TIME WE SHOULD START THE DRAFTING SO WE WILL HAVE PLENTY OF TIME TO GET IT DONE.

>> WE ARE ALREADY TOO LATE.

>> SO THE -- SO YES.

>> DRAFTING OF THE REPORT.

>> THEY ARE DRAFTING THE RESPONSE ON THIS. THE STAFF WORKS ON THE ANNUAL REPORT. I KNOW THEY ARE PULLING AND WORKING ON THE LARGER REPORT THEY SEND ALREADY. SO IF THEY ARE -- AGAIN, ACTION ITEM WOULD BE TO START DRAFTING SO COMMISSION THE BEGIN TO REACT AND ADD TO IT ACCORDGLY.

>> I WILL NEED TO SEE THEIR WHOLE REPORT. THIS PART IS THE PART THAT -- SINCE IT IS NEW AND DIFFERENT, OUGHT TO --

>> WE NEED TO START WITH GETTING THE MODELLING SO WE CAN SEE THE NUMBERS. THAT MAY HELP US IN TERMS OF THE -- WHAT THE -- WHAT NEEDS TO BE DRAFTED AROUND.

>> TO SEND TO A CLIENT.

>> RIGHT.

>> IN THIS CASE IN THE FIRST YEAR THERE MIGHT NEED TO BE A LITTLE BACKGROUND SO THERE IS AN UNDERSTANDING. BUT SOME OF THAT IS REFERENCED IN DIFFERENT -- OTHER PARTS OF THE REPORT.

>> THIS IS -- I JUST WANTED TO JUMP IN. HOPEFULLY THIS HELPS. WE DID PROVIDE A LETTER BACK IN MAY WHERE WE DID A CALCULATION OF WHAT THE TARGET WOULD BE UNDER THE CURRENT VERSUS THE HOUSE BILL 2218. JUST SO YOU CAN GET SOME IDEAS AROUND NUMBERS, IT WAS 54.2 MILLION FOR 2022 UNDER THE CURRENT AND HOUSE BILL 2218 WOULD BE 47 MILLION. SO ABOUT A \$7 MILLION DIFFERENCE. NOT SURE IF THAT HELPS OR NOT. BUT I WANTED TO --

>> THIS IS HANNAH. YOU ARE CLARIFYING 7 MILLION WOULD BE THE NUMBER TO BASICALLY USE OR PLAY WITH?

>> THAT IS THE DIFFERENCE IN THE TARGET.

>> RIGHT. SO WHAT THEY ARE LOOKING IS, WHAT IS THE NUMBER. DID WE COME UP WITH THAT NUMBER IN THAT LETTER RELATED TO --

>> IF I'M LOOKING AT --

>> -- ON THE TABLE.

>> IF I'M LOOKING AT OUR CURRENT PROJECTIONS, FOR 22 WE ARE PROJECTING IT BE AT 50.4 MILLION, SO IF YOU ARE LOOKING AT 2022 ALONE, THE FUND WOULD BE 3 MILLION ABOVE-FOR JUST THAT YEAR. IF YOU LOOK AT THE OUT YEAR, YOU DROP BELOW IT.

>> >> COMMISSIONER SCHMIDT.

>> QUESTION. VICKY SCHMIDT. QUESTION ON THAT 47 MILLION THAT WAS IN THE HOUSE BILL, DOES THAT INCLUDE THE ITEMS THAT WE DON'T SEE THAT WE HAVEN'T BEEN SEEING THE OTHER CONTRACTUAL ITEMS THAT WE DON'T SEE?

>> NO. THAT WAS -- DOESN'T INCLUDE THAT. I MEAN, I GUESS -- I THINK THAT IS A SMALL AMOUNT SO MAYBE THAT WOULD BUMP IT UP. YOU KNOW. A COUPLE HUNDRED -

>> RIGHT. SO AS I HAVE ASKED, SO I WILL KIND OF WRAP US UP HERE, WE'D LIKE TO SEE THAT FORMAL MODELLING DONE, BUT THE NUMBERS THAT WE ARE FAMILIAR WITH IN TERMS OF HOW WE ARE SET UP WITH THE 13%. THEN WITH EVERYTHING NECESSARY FOR THE CALCULATION COMPARATIVELY TO MATCH ON WITH THE LEGISLATION HAD SAID. SO IF WE CAN DO THAT. AGAIN THE WAY THE LEGISLATION REEDS IS ASKING FOR THE LAST THREE YEARS, SO ENSURING WE ARE GRABBING THAT. I THINK THAT WILL BE A PLACE FOR US TO START THEN BE ABLE TO INFORM HOW AND WHAT NEEDS TO BE ADDRESS ED IN THE DRAFT OF THE RECOMMENDATION. AS COMMISSIONER MCGINN HAS SAID, BEGIN TO WORK ON THAT SOONER RATHER THAN LATER SO WE HAVE FEEDBACK ACROSS THE NEXT COUPLE OF MEETINGS. ANY ADDITIONAL DISCUSSION HERE SO WE HAVE KIND OF A LITTLE PLAN FORWARD SOME INFORMATION TO COME BACK AND WORK TO BE DONE. ALL RIGHT. THANK YOU, COMMISSIONERS. WE ARE GOING TO MOVE TO OUR NEXT DISCUSSION ITEM. THIS IS ON LEGAL COUNSEL OPTIONS. THIS IS GOING TO -- I'M GOING TO ASK COMMISSIONERS TO FLIP BACK TO SECTION UNDER SECTION 5. AND 222. STARTING ON PAGE 85 -- STARTING ON PAGE 85. SO THIS IS A FOLLOW-UP TO THE CONVERSATION STARTED AND READY TWO MEETINGSING A WHERE COMMISSIONER SCHMIDT BROUGHT UP US HAVING A DISCUSSION AND LOOKING AT OUR LEGAL COUNSEL. SO PART WAS A REQUEST TO GET INFORMATION TO UNDERSTAND WHAT WE WERE DOING AND KIND OF WHAT SOME OF THE OPTIONS WERE. THIS IS LAID OUT HERE, JANET. I DON'T KNOW IF YOU OR

ANYONE ON THE TEAM WANT TO WALK THROUGH IT. IT TALKS THROUGH KIND OF WHAT IT LOOKS LIKE. WHAT WE HAVE USED THEM FOR.

>> RIGHT. IT IS PRETTY SELF-EXPLANATORY . HISTORICALLY YOU ALL KNOW HAVE BEEN HERE THAT THIS AGENCY'S DIVISION HAS MOVED BACK AND FORTH UNDER DIFFERENT AGENCIES, DEPARTMENT, ADMINISTRATION, KDT; KHPA AND SO FORTH. EVERY TIME THEY LANDED THE LEAL LEVEL COUNSEL IS PART OF WHO THE AGENCY USED THERE IS AN OUTLINE IN THAT TABLE OF ALL THE DIFFERENT THINGS WE USE OR HAVE USED D OF A LEGAL FOR OR PREVIOUS LEGAL. TRACY DID SOME RESEARCH ON THE AG'S OFFICE, WHICH WOULD BE ANOTHER OPTION THAT HAD BEEN RAISED. IT OUTLINES THE LOGIC DIVISION WHICH SHOWS AND OUTLINES THE TYPES OF AGENCIES THEY SERVE AND WHAT THEIR WORK WOULD INCLUDE, INVOLVE, WHAT THEIR CONTRACTED RATE WOULD BE ET CETERA. IT SHOWS ON PAGE 87 WHAT THE LOGIC DIVISION WOULD DO, ATTEND MEETINGS, PREPARE MOTIONS, ET CETERA, ET CETERA. IF NOT USING A FWV OR CURRENT STATE, WHICH WOULD BE D OF A OPTION THREE COULD BE JUST HIRE OUTSIDE AGENCY. THAT WOULD MOVE YOU INTO PROCUREMENT BECAUSE YOU'D HAVE TO GO OUT FOR BID. YOU ARE NOT EXEMPT IN THAT MANNER DUE TO SUNSHINE ACT. BASICALLY THE D OF A HAS CONTACTED FIVE DIFFERENT BOARDS AND COMMISSIONS THAT HAVE OUTSIDE LEGAL. THEY PAY ABOUT \$150 AN HOUR FOR THE LEGAL SERVICES THEY PROVIDE. THAT IS KIND OF A SUMMARY WE HAVE DONE FOR YOU ALL TO PONDER AND DISCUSS, THANK YOU.

>> COMMISSIONERS, WE ARE OPEN FOR DISCUSSION.  
COMMISSIONER DECHANT.

>> NOT SURE IF IT GOES TO, BUT THE AVERAGE HOWEVER YOU MIGHT HAVE IT, STAFF ATTORNEY TIME IS DEVOTED TO HEALTH CARE COMMISSION BUSINESS INCLUDING FOUR HOURS OR PLUS TODAY AND ET CETERA.

>> I WILL TELL YOU WE DON'T HAVE A TRACKING SYSTEM FOR THAT SPECIFICALLY. FOR BUDGETING PURPOSE, I ESTIMATED IT WOULD BE ONE HALF O ONE FTE, ONE FULL-TIME EQUIVALENT POSITION WOULD BE SUFFICIENT TO PROVIDE SERVICES FOR THE HEALTH PLAN AND THE COMMISSION OVER THE COURSE OF A BUDGET YEAR.

>> 20 HOURS A WEEK.

>> YEAH.

>> CURRENTLY THAT IS NOT CHARGED TO THE PLAN. ANY PART USES THE DEPARTMENT OF ADMINISTRATION'S LEGAL COUNSEL. WE DON'T HAVE A CHARGEBACK PROCESS OUR SYSTEM WITHIN D OF A. I'M UNDER ADHE. I THEY MAY HAVE BEEN A LITTLE DIFFERENT BUT I'M NOT 100% SURE. WAS THERE A QUESTION? THANK YOU.

>> THANK YOU. VICKY SCHMIDT. I'M NOT TRYING TO DOUBT YOUR WORD, WHAT WOULD YOU DO HOURS FOR HCC. TELL ME WHAT YOU ARE DOING ON -- LIKE NEXT WEEK WHEN WE ARE NOT GETTING READY FOR A MEETING, WHAT WOULD LEGAL BE DOING FOR HCC?

>> GOOD AFTERNOON AGAIN, TRACY DEAL, OFFICE OF CHIEF COUNSEL. I DON'T KNOW WHAT NEXT WEEK'S SCHEDULE HAS. I KNOW THERE ARE SEVERAL NEGOTIATION SESSIONS COMING UP WITH DIFFERENT VENDORS INVOLVING DIFFERENT THINGS. I TAKE WHATEVER QUESTIONS COME FROM THE SC -- STATE EMPLOYEE HEALTH PLAN, WHOEVER IT COMES FROM SO I THINK RECENTLY WE HAD ONE -- IT VARIES, BUT I GET THAT SAME FROM THE OFFICE OF PROCUREMENT. CONTRACTS WHEN THEY SEND QUESTIONS TO ME ABOUT CONTRACTING AND DOING DIFFERENT CONTRACTS. ONCE YOU GOT -- ONCE THIS COMMISSION APPROVES A CONTRACT OR AWARD, I USUALLY THEN AM THE ONE THAT PUTS TOGETHER THE CONTRACT AND MAKES SURE IT GETS SHEPHERDED THROUGH REGULATION. SHEPARD, THAT IS PART OF WHAT I'VE BEEN DOING. SOMETIMES DON'T HEAR ANYTHING ABOUT IT. OTHER DAYS I HAVE TO SPEND TIME GOING TO THE

AG'S OFFICE DISCUSSING THE AMENDMENT WITH THE BUDGET DIVISION OR WHATEVER IT MAY BE. JUST VARIES.

>> SO -- VICKY SMIDTH, FOLLOWUP. I WANT TO MAKE SURE I UNDERSTAND. THE ATTORNEY IS ON NEGOTIATION TEAM FOR HCC?

>> I DO SIT IN, YES.

>> SO I KNOW THERE HAD BEEN A SUGGESTION. I THINK COMMISSIONER DECHANT SERGEANT SUGGESTED -- I DON'T WANT TO SAY SUGGESTED. MENTIONED LAST TIME THAT MAYBE WE SHOULDN'T HAVE A SEPARATE PROCESS FOR THE HCC; MAYBE WE SHOULD JUST GO IN WITH THE STATE PROCUREMENT PROCESS. IF WE WENT IN WITH STATE PROCUREMENT AND DIDN'T UTILIZE EXCEPTION CURRENTLY GRANTED TO HCC, THE ATTORNEY WOULD NOT BE INVOLVED. WOULD THAT BE CORRECT?

>> THAT WOULDN'T BE CORRECT, NOT NECESSARILY, NO.

>> WHAT ROLE WOULD YOU FULFILL ON A PROCUREMENT NEGOTIATING -

>> UNDER 37, THAT IS YOUR PROCUREMENT NEGOTIATING STATUTE. UNDER THAT IT IS E CHOIRD SECRETARY OF ADMINISTRATION APPROVE AFTER DIRECTOR OF PURCHASING, OFFICE OF PROCUREMENT AND CONTRACTS, A PROCUREMENT TEAM BE ESTABLISHED. THE TEAM COMMITTEE, EXCUSE ME, NOT TEAM. COMMITTEE. TMC CONSISTS OF A REPRESENTATIVE, DEPENDING ON TYPE OF PROCUREMENT, A REPRESENTATIVE THAT REPRESENTS SECRETARY OF ADMINISTRATION, REPRESENTATIVE THAT REPRESENTS OFFICE OF PROCUREMENTS AND CONTRACTING, PURCHASING AND A REPRESENTATIVE THAT REPRESENTS THE AGENCY THAT IS REQUESTING THE PNC. SO IT IS A THREE-MEMBER -- THEY MAKE THE AWARD. SO I EMPHASIZE UNDER THE STATUTE THEY MAKE THE AWARD. SO IT IS THEIR DECISION TO MAKE THE AWARD. WITHIN THAT, THOUGH, YOU CAN HAVE AS MANY PEOPLE AS YOU WANT SIT AS REVIEW OR SIT IN ON THE NEGOTIATIONS, BUT IT IS THOSE THREE PEOPLE THAT

VOTE AND MAKE THE AWARD. AS A TYPICAL -- HOW SHALL I PUT IT, CUSTOM, WOULDN'T NECESSARILY APPLY MAYBE WITH THIS. BUT SAY WE ARE KDHE, THE SECRETARY WOULD DEFER TO THE SECRETARY OF KDHE TO ALLOW HER MEMBER BE A MEMBER OF THE REQUESTING AGENCY SO THAT TWO OF THE THREE WOULD REST WITH THE AGENCY. ONE REST WITH OFFICE OF PROCUREMENTS AND CONTRACTS.

>> SO ARE YOU SUGGESTING THE ATTORNEY WOULD BE ONE OF THOSE, EITHER -

>> NO, NOT NECESSARILY. THEY COULD BE A MEMBER OF THE REVIEW TEAM THAT WOULD BE THERE LISTENING TO THE PRESENTATIONS AND DISCUSSIONS WITH PROCUREMENT NEGOTIATING COMMITTEE AND VENDORS WHEN THEY BRING THEM IN FOR THEIR DISCUSSIONS AND THEIR PRESENTATIONS AND THINGS LIKE THAT. AND ONE OF THE THINGS THAT I DO OUTSIDE OF THE STATE EMPLOYEE HEALTH PLAN SITUATION IS THAT I HAVE E-MAILS FROM MEMBERS OF THE PROCUREMENT STAFF OR TRY TO ASSIST THAT AGENCY AND PROCUREMENT STAFF IN GOING THROUGH CERTAIN PROVISIONS THAT MAY BE OF ISSUE IN DRAFTING AND PUTTING -- NEGOTIATING A CONTRACT.

>> IS THAT BECAUSE YOU USED TO BE THE HEAD OF THAT?

>> I'M GUESSING SO. I JUST HAPPEN TO HAVE THAT SEVEN YEARS OF DOING THAT SO YEAH. I HAVE -- I'M RUNNING THREE STATE AGENCIES, SO I HAVE A PRETTY GOOD IDEA, I THINK, ABOUT SOME OF THE ISSUES. BUT ULTIMATELY, IT IS THE OFFICE OF CHIEF COUNSEL THAT MAKES SOME OF THE DECISIONS ON SOME OF THOSE ISSUES BECAUSE THEY HAVE ISSUES OF LIABILITY AND DO WE WANT -- YOU KNOW, WHAT TYPE OF POLICIES DO WE WANT TO ESTABLISH. WE DON'T WANT TO NECESSARILY DO ONE THING FOR ONE VENDOR, THEN HAVE -- CREATE A SITUATION WHERE WE ARE HAVING TO DO SOMETHING DIFFERENT VENDOR. WE WANT TO BE DOING SOMETHING CONSISTENT.

>> COMMISSIONER GASTON.



>> YEAH. I %BACK

>> I HAVE A QUESTION. NOT SURE WHO IT IS FOR. ARE WE DISCUSSING AN ATTORNEY FOR STATE EMPLOYEE HEALTH PLAN OR FOR THE HEALTH CARE COMMISSION? .

>> THIS VICKY SCHMIDT. I WILL ANSWER FRIT MY PERSPECTIVE. MY PERSPECTIVE IS HEALTH CARE COMMISSION. THAT IS MY INTENT IN BRINGING FORWARD. ATTORNEY NOT ASSOCIATED WITH ANY MEMBER OF THE COMMISSION.

>> SO I WOULD SAY PROBABLY MY INTERPRETATION IS A LITTLE DIFFERENT IN THAT STATE EMPLOYEE HEALTH PLAN STAFFS THE COMMISSION. LEGAL COUNSEL WORKS TO SUPPORT THE WORK OF THE STATE EMPLOYEE HEALTH PLAN AND HEALTH CARE COMMISSION FOR WHICH THEY STAFF.

>> UNDER THE CURRENT SETUP.

>> YES, AS IT HAS TRADITIONALLY BEEN.

>> THE HISTORY. THAT IS WHY I -- IRRESPECTIVE, THE HISTORY HAS BEEN THAT THE LEGAL COUNSEL FOR STATE OFFICE HAS SAID HAS TRADITIONALLY PICKED UP THOSE -- THAT LEGAL ACTIVITY, BUT THAT IS WHERE WE ARE TRYING TO FIGURE OUT I THINK A PIECE OF WHAT THIS LOOKS LIKE GOING FORWARD.

>> OKAY. I THINK THAT WAS SORT OF MY UNDERSTANDING. THIS DISCUSSION WAS ATTORNEY FOR THE HEALTH CARE ADMINISTRATION SPECIFICALLY, BUT THERE IS NOT CURRENTLY AN ATTORNEY FOR THE STATE EMPLOYEE HEALTH PLAN. THERE'S JUST ATTORNEYS FOR DEPARTMENT OF ADMINISTRATION.

>> THE STATE EMPLOYEE HEALTH PLAN IS PART OF THE DIVISION OF ADMINISTRATION. LEGAL COUNSEL FOR DIVISION OF ADMINISTRATION SERVED AS THE LEGAL COUNSEL FOR ALL PARTS OF DEPARTMENT OF ADMINISTRATION.

>> SO I GET QUESTIONS SOMETIMES FROM FACILITIES, FACILITIES MANAGEMENT ABOUT THINGS. FROM DIVISION OF PRINTING ABOUT CONTRACTS. MY MY PORTFOLIO, THINGS I DEAL

WITH ON A CONSTANT BASIS ALONG WITH GENERAL OFFICE CONTACTS ME.

>> I WOULD SAY IT IS NOT A DEDICATED PERSON. THAT IS PART OF THE WAY ADMINISTRATIVELY YOU LEVERAGE ACROSS. ALSO NOT HAVING TO CREATE NECESSARILY AN ADDITIONAL EXPENSE BECAUSE YOU CAN LEVERAGE THAT ROLE. JUST EXISTING STRETCHERS, DEPENDING ON WHERE WE –

>> MAY ASK A FOLLOWUP?

>> YES.

>> SO KNOWING THAT, I GUESS MY QUESTION FOR COMMISSIONER SCHMIDT IS LIKE WHAT SPECIFIC DUTIES DO YOU SEE. LIKE HCC ATTORNEY, IF THERE WAS ONE, HANDLING APART FROM WHAT -- LIKE WOULD THEY BE DOING DIFFERENT THINGS THAN CURRENTLY D OF A IS DOING OR TAKING OVER SOME THINGS D OF A IS DOING?

>> I WOULDN'T SEE FOR EXAMPLE A CONTRACTED LEGAL COUNSEL BEING ON A PROCUREMENT NEGOTIATING COMMITTEE. I WOULD NOT SEE THAT AS A DUTY -- I THINK IT IS MORE OFFERING US AS A COMMISSION LEGAL ADVICE.

>> MAY I FOLLOW UP? ARE THERE SPECIFIC QUESTIONS THAT LIKE COMMITTEE HAD POPPED UP IN THE LAST -- WELL, YOUR TIME ON THE COMMISSION THAT YOU WOULD THINK AN ATTORNEY WOULD -- HCC ATTORNEY WOULD FIELD?

>> I THINK IT -- I MEAN -- I'M A SHOOT FROM THE HIP GIRL SO THIS IS WHAT YOU ARE GOING TO GET. IT IS NO DISRESPECT TO ANYONE IN THIS ROOM OR NO DISRESPECT TO OUR CHAIR. I WANT TO MAKE THAT VERY CLEAR. BUT WE WILL -- WE OFTEN HAVE SHIFTS IN WHO THE CHAIR IS OF THIS COMMISSION BECAUSE IT IS ALWAYS SECRETARY OF DEALT OF ADMINISTRATION. I HAVE SEEN THREE IN MY SHORT TIME ON THIS, IN THIS -- MY TIME ON THE COMMISSION. I THINK IT IS AWKWARD, IF NOT UNCOMFORTABLE FOR ME, TO HAVE -- AGAIN, MR. DEAL AND MR. YUR, PLEASE DO NOT TAKE THIS PERSONALLY.

BUT TO HAVE THEM, THEIR BOSS IS MY COMMISSION CHAIR. I'M -  
- THIS IS DIFFERENT FROM A LEGISLATIVE COMMITTEE, WHERE A  
CHAIR AND MY -- SENATOR MCGINN, SENATOR HENSLEY,  
SENATOR -- SORRY, BRENDA DEMOTED YOU, REPRESENTATIVE  
LAND CAN SPEAK TO THIS BUT CHAIRING A LEGISLATIVE  
COMMITTEE, THEY DECIDE WHAT DECIDES COMES BEFORE THE  
LEGISLATIVE COMMITTEE. THE MEMBERS ARE MEMBERS. THERE IS  
A DISTINCT DIFFERENCE BETWEEN THE CHAIR OF THE  
LEGISLATIVE COMMITTEE AND MEMBER. THE CHAIR CAN STOP  
DISCUSSIONS, THEY CAN STOP -- PICK AND CHOOSE THE BILLS  
THAT COME BEFORE THEIR COMMITTEE, THEY -- DOESN'T MATTER  
IF A MEMBER HAS INTRODUCED A BILL, THEY CAN DECIDE THEY  
ARE NOT GOING TO HEAR THE BILL AND AWAY THEY GO. THIS ONE  
I REALLY FEEL LIKE ALL THE COMMISSIONERS ARE EQUAL  
FOOTING, SO TO SPEAK. WE HAVE A CHAIR THAT DESIGNS THE  
AGENDA. I APPRECIATE THAT. THE SCHP REPORTS IS  
UNDERNEATH HER PURVIEW IN DEPARTMENT OF  
ADMINISTRATION. EVEN WHEN -- EVEN WHEN THE -- EVEN WHEN  
SCHP WAS UNDER THE DEPARTMENT OF KDHE, THE CHAIR WAS  
STILL THE DEPARTMENT OF ADMINISTRATION SECRETARY. WHICH  
DID CREATE SOME INTERESTING SITUATIONS AT TIMES. I THINK  
THAT IS WHY THE GOVERNOR DID THE EXECUTIVE ORDER TO  
BRING THE SCHP UNDER THE DEPARTMENT OF ADMINISTRATION.  
BUT ON LEGAL THINGS, LIKE I'M SORRY I KEEP REFERRING TO  
THIS OR THAT I'M GOING TO REFER BACK TO THIS AGAIN, THE  
PILLAR RX AUDIT, I THINK WE WOULD HAVE -- IF WE WOULD  
HAVE GOTTEN AN INQUIRY ABOUT AN AUDIT THE SCHP HAD DONE  
AND WE HAD BEEN USING THE AND G'S OFFICE FOR LEGAL  
COUNSEL, THAT REQUEST SHOULD HAVE GONE TO -- THAT  
REDUCTION CONVERSATION SHOULD HAVE GONE TO THE  
ATTORNEY GENERAL'S OFFICE AND NOT WITHIN THIS. I THINK IT  
IS AN AWKWARD SITUATION THAT THESE GENTLEMEN WORK FOR  
THEM. BUT I MEAN, I -- THEY DON'T WORK FOR ME.

>> I GUESS LIKE FOR THAT PARTICULAR EXAMPLE, LIKE I FEEL  
YOU'D HAVE TO DO A WHOLE LOT OF REORGANIZATION. IT  
WOULD BE WHERE THE KORA REQUEST WENT. IF WE HAD AN

ATTORNEY, I DON'T KNOW THAT WOULD GO THROUGH AN HCC ATTORNEY, IF THIS WAS A KORA REQUEST FOR AN AUDIT.

>> SORRY. KORA. I DON'T HANDLE BUT IT IS SET UP THROUGH OFFICE OF CHIEF COUNSEL. IT IS ON THE WEB SITE. THERE IS A SPECIFIC PLACE YOU GO TO THAT YOU CAN ENTER IN AND MAKE IT ONLINE. IT SUBMITS ITSELF AUTOMATICALLY TO THE ATTORNEY WITHIN THE COUNSEL AND HE HANDLES ALL THE KORA REQUESTS. MY UNDERSTANDING HE HANDLES THEM AS THEY COME IN, NO MATTER WHERE THEY ARE COMING FROM, PRISONERS OR PRESS OR WHATEVER. I'M JUST NOT IN THAT. I CAN TELL YOU FROM MY PAST EXPERIENCE WHEN I WAS RUNNING OPC, REQUESTS WOULD COME IN. I WOULD GET A CALL. WE WOULD TRY TO WORK THROUGH FIGURING OUT WHAT IS OR WHAT ISN'T PERMITTED TO BE TURNED OVER. SO IT JUST WORKS THAT WAY. I DON'T KNOW IF YOU HAD A SPECIFIC THING FOR THE HCC. I MEAN, I DON'T KNOW -- YOU'VE GOT THE HCC AND STATE EMPLOYEE HEALTH PLAN, WHICH HOLDS RECORDS, WHICH IS PART OF D OF A -

>> THAT IS WHAT MY QUESTION IS. I KNOW IT MAKES SENSE TO GET LIKE THE QUORA WOULD GO TO DA AND HEALTH PLAN BUT AT WHAT POINT WOULD HCC GET INVOLVED BECAUSE IT MIGHT BE SOMETHING THAT -

>> OKAY. WE CAN AGREE TO DISAGREE, BUT LET'S GO TO A DIFFERENT ONE. WE HAD A LAWSUIT AGAINST APC ON A PAIR PARITY ISSUE. QUITE FRANKLY, HCC DIDN'T KNOW A THING UNTIL WE HAD AN EMERGENCY MEETING. THE D OF A ATTORNEYS KNEW.

>> WE CAME IN LATE. WITH ALL DUE RESPECT, WE DID COME IN LATE WITH THAT.

>> BLACK CAME IN A LOT LATER. IF YOU CAME IN LATE, I CAME IN ON THE KA ABUSE.

>> KDHE WAS HANDLING THAT. THEY FARMED IT OUT. I'M NOT DISAGREEING. OUR KNOWLEDGE AND YOUR KNOWLEDGE IS -- BY THE TIME WE CAME IN, IT WAS LATER.

>> YOU HAD ALREADY CONTRACTED WITH OUTSIDE.

>> KD H E DID THAT.

>> OKAY.

>> WHAT I'M TRYING TO SAY IS THERE WERE THINGS IN PLACE AT THAT TIME. I'M NOT TRYING TO BE -- BUT THERE WERE THINGS IN PLACE AT THAT TIME -- BEFORE, WHEN UNDER KDHE, THAT I'M NOT SURE THAT WOULD BE THE CASE TODAY.

>> ALL I KNOW IS WE WERE WELL INTO IT BEFORE THE HEALTH CARE COMMISSION WAS BROUGHT INTO IT. ALL OF THE SUDDEN WE HAD AN EMERGENCY MEETING WE WERE SCHEDULED FOR. HAD WE HAD INDEPENDENT COUNSEL I BELIEVE WE WOULD HAVE KNOWN ABOUT THAT PARITY -- WE CAME IN AT THE VERY LAST MINUTE.

>> SO ONE THING I NEED TO UNDERSTAND ABOUT THAT, WAS THE HCC NAMED AS A DEFENDANT, COMMISSIONER'S NAMES INDIVIDUALLY?

>> YES -- NO, THE AGENCY WAS NAMED, AS I UNDERSTAND IT, AS THE HCC. AND IT CAME -- AS I UNDERSTAND IT, IT CAME IN TO SOME POINT WHEN IT WAS PART OF KDHE. KDHE OFFICE OF LEGAL COUNSEL MADE A DECISION TO HIRE OUTSIDE COUNSEL. I DON'T KNOW WHAT THEIR PROCESS WAS. IT WAS BEFORE I WAS INVOLVED. BEFORE MR. YUR WAS INVOLVED. THEY MADE THOSE DECISIONS. ME WHEN WE FOUND OUT THAT IT WAS AT A POINT WHERE AN OFFER WAS MADE, WE ASKED THAT IT MOVE ONTO THE AGENDA SO IT COULD BE DISCUSSED. I'M NOT SURE IN THE PAST THOSE ISSUES HAD EVER BEEN BROUGHT TO THE HCC. I DON'T KNOW IF IT SHOULD OR SHOULDN'T, JUST A DECISION WAS MADE IT SHOULD BE BROUGHT. COMMISSIONER SCHMIDT WAS CORRECT. LATE IN THE PROCESS.

>> BUT STILL YOU SAID EARLIER -- TRYING TO REMEMBER THE CONTEXT NOW. SORRY, I'M A LITTLE FUZZY. YOU SAID EARLIER THAT WHEN THINGS GOT -- I KNOW. THE RULE AND REG PROCESS.

>> YES.

>> I THINK -- IT WAS THE RULE AND REG PROCESS. MAYBE IT WASN'T. WHERE YOU WERE UNDER KDHE AND CAME TO D OF A BECAUSE OF THE SWITCH. YOU WERE -- MR. DEALS SAID THAT TRANSFER OF CIRCUMSTANCES, TRANSFER OF ISSUES HAPPENED. WHY DIDN'T THE TRANSFER OF A PARITY LAWSUIT HAPPEN BETWEEN KDHE AND DEPARTMENT OF ADMINISTRATION? BECAUSE THIS WAS JUST LIKE -- LET'S SAY A YEAR AGO SO --

>> I WILL -- I'M GOING TO HOLD. WHAT I WILL SAY WITH THAT TRANSITION WAS EVERYTHING DONE AS SMOOTH AS POSSIBLE, NO. WERE THERE THINGS THAT WERE MISSED? CLEARLY, THIS IS ONE. WE WILL BETTAL THE REALITY IN THIS TRANSITION. IN RECOGNIZING THAT THAT WAS PART OF WHY COMMISSIONER SCHMIDT BROUGHT CONCERNS FORWARD AND WHY WE ARE HAVING THIS DISCUSSION. SO I DO WANT TO MAKE SURE THAT -- PLEASE UNDERSTAND I'M NOT THE ONE TO STOPCONVERSATION. I JUST DON'T WANT US TO GO BACK AND FORTH ON THAT TRANSITION BUT I WANT TO RECOGNIZE THAT IS PART OF THE CONCERN THAT COMMISSIONER SCHMIDT BRINGS FORWARD IN RELATIONSHIP TO.

>> I APPRECIATE THAT. I DON'T WANT TO GO BACK DOWN THAT PATHWAY EITHER. I'M JUST GIVING YOU AN EXAMPLE. THE OTHER THING IS JUST ON CONTRACTING. YOU KNOW, GETTING INDEPENDENT ADVICE ON CONTRACTING AND PROCUREMENT. WE HAVE THE DEPARTMENT OF ADMINISTRATION'S ADVICE THROUGH LEGAL COUNSEL BUT THE CHAIR IS THEIR BOSS. I'M NOT SAYING THAT -- PLEASE -- I'M NOT SAYING THERE ARE THINGS THAT ARE NEFARIOUS IN THAT SITUATION. I'M SAYING THAT IS THE REALITY OF IT. JUST LEGISLATIVE INTERPRETATION. WE'VE HAD, YOU KNOW, I HAVE ASKED FOR LEGISLATIVE INTERPRETATION AND WHAT I GOT WAS A READTHROUGH ON 2218. THAT IS NOT FROM AN ATTORNEY. I WANTED AN INDEPENDENT ATTORNEY TO INTERPRET THAT FOR ME. WE ARE SEVERAL MONTHS LATER AND STILL KIND OF CONFUSED ON WHAT WE THINK WE WANT TO DO WITH THAT, SO THOSE ARE SOME EXAMPLES OF WHY I THINK IT

IS IMPORTANT WE HAVE INDEPENDENT COUNSEL FOR THE HCC THAT WORKS FOR ALL OF THE COMMISSIONERS EQUALLY.

>> ANY OTHER COMMENTS, COMMISSIONERS? QUESTIONS? ONE SECOND. COMMANDER LANDWEHR, COMMISSIONER HENSLEY. COMMENTS, QUESTIONS? COMMISSIONER DECHANT?

>> THIS STEVE DECHANT. I HEAR AND I THINK UNDERSTAND SOME OF YOUR THINKING, THOUGHTS BEHIND IT. I'LL SAY AT THIS POINT IN TIME THAT I'M NOT MOVED TO -- MY SENSE IS WE'VE GOT A PRETTY GOOD SITUATION RIGHT NOW. FOR ME, I'M NOT IN THE SAME PLACE THAT YOU ARE, I WILL ADMIT TO YOU THERE HAVE BEEN TIMES IN PAST YEARS THAT I'D PROBABLY AGREED WITH YOU. GIVEN THIS SETTING. THAT WAS WHEN SCHP WAS IN A DIFFERENT DEPARTMENT THAN THE CHAIR BEING -- THE SECRETARY OF ADMINISTRATION. BUT -- AND THEN I GUESS ON -- IT IS INTERESTING. I SEE THIS AS A -- NOT A CONUNDRUM BUT A CONTRADICTION. YOU TEND TO CERTAINLY POINT TO THINGS WHERE THERE IS SMAB IS DUPLICATION OR SPENDING MONEY AND IN THIS CASE, AT LEAST IN YOUR THINKING, I'M NOT THERE. I'M COMFORTABLE WITH THE LEGAL CONCEPT WE'VE GOT. I'M THINKING IT WOULD BE AN EXPENDITURE OF FUNDS THAT DON'T NEED TO BE EXPENDED. I WOULD POINT TO YOU, YOU HAVE CERTAINLY HAD THE OPPORTUNITY TO BRING IN THE INSURANCE DEPARTMENT'S LEGAL COUNSEL AND BE A GOOD SUPPORT FOR YOU THERE. IN SOME WAYS YOU CAN ALMOST CONSIDER THAT INDEPENDENT, SO TO SPEAK. OR AT LEAST OFF WAITING TYPE OF THING. >> HE WOULD BE DELIGHTED TO THINK HE HAS THAT KIND OF INFLUENCE OVER THE ENTIRE COMMISSION SO I WILL BE SURE TO PASS THAT ONTO HIM.

>> I WASN'T THINK OF THE ENTIRE COMMISSION. THAT IS CERTAINLY ANOTHER OPINION, ANOTHER THOUGHT. ANYHOW, I JUST WANTED TO KIND OF INDICATE WHERE I'M AT IN MY THINKING IN REGARD TO THIS PARTICULAR ISSUE.

>> COMMENTS, COMMISSIONERS? COMMISSIONER GASTON? GO AHEAD.

>> I THINK I'M KIND OF WHERE COMMISSIONER DECHANT IS. I'M NEAR TO THE COMMISSION, OBVIOUSLY. I THINK SOME OF THE ISSUES THAT COMMISSIONER SCHMIDT RAISED MAYBE COULD BE DEALT WITH BY JUST GETTING INFORMATION SOONER, WHICH SOUNDS LIKE CHAIR IS AWARE THAT HAS BEEN AN ISSUE AND I THINK WE HAVE SEEN STATE EMPLOYEE HEALTH PLAN HAS BEEN COMMITTED TO GETTING US INFORMATION WE ASKED FOR. I THINK THERE WILL BE QUESTIONS WE HAVE THAT ARE LEGAL THAT POP UP. EVEN IF -- I DON'T KNOW. I'M THINKING LOGISTICALLY, AT WHAT POINT WOULD WE ASK AN ATTORNEY SOME OF THESE QUESTIONS. WHERE DO WE GET IF THERE ARE DIFFERING OPINIONS? ARE WE GOING TO TAKE EACH OTHER TO COURT? I'M GOING OFF TRACK THERE. YOU KNOW, I JUST DON'T KNOW THAT IT IS GOING TO BE A MEANINGFUL AND VALUABLE INVESTMENT.

>> COMMISSIONER SCHMIDT, IF I CAN JUST RESPOND TO THAT. I APPRECIATE I BELIEVE WE ARE GETTING INFORMATION QUICKER AND MORE INFORMATION THAN WE USED TO GET WHEN I FIRST STARTED ON THIS COMMISSION, WHICH WAS IN A PRIOR ADMINISTRATION, SO I WANT TO MAKE THAT CLEAR. BUT YOU KNOW, IT IS A LITTLE FRUSTRATING FOR ME THAT EVERY MEET THERE YOU GO IS SOMETHING NEW THAT COMES UP THAT I DON'T KNOW ABOUT. LIKE SEGAL'S CONSULTING CONTRACT NOT BEING PART OF THE EXPENSES. WHAT KIND OF SENSE DOES THAT MAKE TO ANYBODY? DO ANY OF THE COMMISSIONERS AGREE THAT SHOULD BE OFF-BOOK AT \$41,000 A MONTH STARTING IN JANUARY? I CANNOT BELIEVE THAT. I JUST CAN'T BELIEVE ANY OF YOU WOULD THINK THAT WAY. I'M JUST SAYING EVERY MEET THERE YOU GO IS SOMETHING NEW THAT COMES UP THAT WE DON'T KNOW ABOUT. WE DON'T KNOW THE QUESTIONS TO ASK WHEN WE DON'T KNOW WHAT WE DON'T KNOW. IT IS VERY FRUSTRATING FOR ME. THOSE OF YOU NEWER ON THE COMMISSION, MAYBE YOU WON'T SHARE THAT FRUSTRATION. I HOPE YOU DON'T. BUT I THINK -- I JUST HAVE BEEN ON OTHER BOARDS, OTHER STATE BOARD WHERE S / \* -- BOARD WHERE THEY WENT OUTSIDE FOR COUNSEL. THEY DIDN'T SPEND



ANYWHERE NEAR 20 HOURS A WEEK ON THAT -- WITH US. IT WAS A GOOD BANG FOR OUR BUCK, INDEPENDENT AND I THOUGHT IT WAS WORTHWHILE. I CAN SEE -- TELL BY THE TONE OF THE DISCUSSION HERE THAT OPINIONS BEING EXPRESSED, GOD BLESS YOU AGAIN, I JUST HAVE A DIFFERENCE OF OPINION. I WON'T MAKE A MOTION. I KNOW IT WOULD FAIL. I'M KIND OF TIRED OF BEING ON THE FAILED SIDE OF MOTIONS AFTER A WHILE -- GOD BLESS YOU, STEVE. ARE YOU ALL RIGHT? OKAY. DON'T MAKE ME DO CPR. JUST KIDDING. EVEN THOUGH YOU DIDN'T AGREE WITH ME ON THIS, I WOULD STILL HELP YOU OUT BUT ANYWAY -- LAUGHTER]ENTER -

>> LIKewise.

>> ANY WAY, I LOVE THAT IT WE CAN AGREE TO DISAGREE AND MOVE ON. AND WE CAN JUST MOVE ON BECAUSE I CAN TELL THAT I DON'T HAVE THE VOTES TO EVEN BE -- I DON'T HAVE A SECOND PROBABLY. I DO THINK THE DISCUSSION THAT'S BEEN HELD, I JUST HOPE WE WILL KEEP IT IN MIND IF SOMEDAY WE DECIDE TO DO SOMETHING DIFFERENT. THANK YOU TO THE COMMITTEE CHAIR FOR ALLOWING THE DISCUSSION.

>> ONE OF THE THINGS, YOU KNOW, AT EVERY STEP. I MEAN, I THINK COMMISSIONER SCHMIDT DRAWING THE COMMISSION SIX MONTHS -- JOINED THE COMMISSION SIX MONTHS BEFORE I DID. YOU STARTED FIRST OF THE YEAR AND I WAS HERE BY JULY 1ST. MUCH OF OUR TERM HAS BEEN VERY MUCH THE SAME. I WILL SAY THAT I HAVE BEEN COMMITTED TO MAKE SURE WE ARE GETTING THIS BETTER. IN THIS PHASE I THINK WE HAVE WORK TO DO. AND MAKE THAT COMMIT FIRE DEPARTMENT THERE ARE WAYS TO LEARN TO BE LEVERAGE OUR LEGAL COUNSEL FOR THE WORK THAT IS HAPPENING IS WE WILL TAKE THAT INTO CONSIDERATION AND THIS IS HELPING. I DON'T KNOW IF YOU REMEMBER WHEN JOHN WAS HERE, WE HAVE JOHN AND TRACY NOW. PART IS BECAUSE IT IS A -- THEN A FEW TIMES WHEN THEY BOTH WERE AWAY. EVEN JUST TRYING TO MAKE SURE WE WERE CONSISTENT AND FOLLOWING THROUGH AND SOMEONE WAS ALWAYS THERE PULLING THINGS THROUGH AND FOLLOWING UP

WITH STAFF, SOME OF THAT HAS CHANGED. I KNOW IT IS BEHIND THE SCENES AND WE MAY NOT SEE IT ALL BUT PLEASE KNOW AND I ASK ALL COMMISSIONERS PROVIDE THAT FEEDBACK. THERE ARE THOSE MOMENTS WE PREFER IT BE HANDLED THIS WAY AND THOSE MOMENTS COME FORWARD TO DO THAT AND DOUBLE DOWN IN TRYING TO MAKE THIS BETTER AND STRONGER. IT IS NOT FOR A NOT WANTING. IT IS JUST A LOT. IT IS A LOT OF MOVING PIECES. SOMETIMES WE ARE TRYING MORE STUFF AND MORE STUFF TO PASS IT TO YOU IN THE RIGHT WAY, TIMELINESS BUT TRYING TO BALANCE THAT WITH BOMBARDING. SOMEONE SAID AT ONE POINT, I HAVE TEN OF THESE REALLY BIG NOTEBOOKS WITH STUFF IN IT. I CAN'T REMEMBER WHERE THINGS ARE. SO WITH THAT, I MEAN THERE ARE ANY MORE COMMENTS, PLEASE TAKE THEM BEFORE WE MOVE TO THE NEXT. BUT THAT COMMITMENT IS THERE LIKE WE HAVE TRIED TO DO MORE AND MORE WITH THE PLAN ITSELF AND OFFICE AND ENSURING WE ARE BEING RESPONSIVE OF CONTINUING TO REFINE AND LOOK AT THAT SUPPORT FOR THE COMMISSION. COMMISSIONER MCGINN.

>> THANK YOU. I WANTED TO SHARE AS MEDIUM SENIOR COMMISSIONER, BECAUSE A LOT HAS CHANGED IN THE LAST YEAR ON OUR COMMISSION THAT I WOULD JUST LIKE FOR THIS ITEM TO BE AVAILABLE TO US IN THE FIRST QUARTER OF NEXT YEAR. IF THERE IS NO INTEREST FROM THE COMMISSIONERS TO HAVE ANOTHER CONVERSATION, THAT IS FINE. BUT IF THERE IS, I'D LIKE FOR IT TO BE DONE IN THE FIRST QUARTER OF NEXT YEAR.

>> SO NOTED. COMMISSIONER SCHMIDT.

>> THANK YOU, MADAM CHAIR. BEFORE WE GO ON COULD WE TAKE A QUICK BREAK?

>> YES. A TEN-MINUTE BREAK. COME BACK AT TEN AFTER THE HOUR. BY THAT ONE.

>>> Welcome back. Thank you, commissioners, for taking a quick break. We are on our agenda item number 8. We are talking about

the procurement process and survey results. This material is under your tab 8. In your books. A couple things to get started, this is a continuation of the conversation we have been having. I think with - - I think our main goal is to be in A place where we are comfortable with A process and this is probably -- well, I think it is the second formal time we have discussed this but we have been discussing this the last year, year and A half through ongoing conversations. What the commissioners have are two things in the section. The first is the responses to the survey. Questions and comments that were in response to the document we circulated at the August 23rd meeting that outlined or existing process. Again, we started there more so of stating kind of where we are and what we have been following, recognizing this discussion is about where we might want to focus or want to go. Again, commissioners, you have both the direct survey results as well as an outline of some notes from commissioner Schmidt and her staff in relationship to the process as well. With that I want to just open this up for A conversation -- I don't know Janet if there is anything you want to add but I want to open this to conversation and discussion. Commissioners, my understanding is where we are hoping to get to is in A place where we eventually can affirm, where everyone is comfortable where our process is, how we walk through our procurement process. With that I will -- seeing nothing from Janet to add, I will open to commissioners. Go ahead commissioner Schmidt.

>> Thank you, madam chair. Vicky Schmidt. My hope is we would two through -- I know it is burdensome and 3:15. My hope is we would have discussion. There was not indication on how we were going to do this discussion, so my hope is we would go through each one and talk about what everyone's opinion was of that and, you know, I understand that I had A lot more comments than most, but I think they are important to go over and to talk about and, you know, I think this is A -- the procurement process to me is very, very important. I guess the first thing that I like to hear about is that I know commissioner decant said what stops us from using that procurement process, department of administration. Is that A possibility. I think that ought to be the number one question. If we

decide to go that way, we don't even have this discussion. We will go with the department of administration's procurement process. If there is no interest in that, then I think we should go on and talk about some of the other thing there.

>> My commissioners only are okay? There is A little background noise. Can we make sure everyone is muted. Until you are speaking. All right. Okay. To commissioner Schmidt's comments, are there any particular reaction s? We can -- I think -- I don't have A problem with us walking through. Like if we want to walk through section-by-section. It is broken up into sections. Is that what you were thinking, commissioner Schmidt?

>> Yes, it was. So we could have an open discussion about that. Again we are not going to have our own procurement process, I mean, I would be happy to vote for going to the d of a process and to not have what we have now and just put through regular state process. If that motion would be made, I would be supportive of that. But aerosol I think we will -- I think we have to struggle through the process.

>> Commissioner Gaston.

>> Kind of related to that, I was the one who had the comment about being able to see side by side where there is A difference between state employee health plan procurement and d of a like standard procurement.

>> Can you -- Enter[ Indiscernible ]Enter

>> Okay. I can pull it up. I'm sure I still have it. I can pull it up. I was thinking if we were going to go through everything it would be helpful to have that for reference.

>> Can we resurface that document? Uh-huh. Enter[ Indiscernible ]Enter

>> If someone from the team can pull it up and walk us through it, that would be helpful as we continue the discussion.

>> As A comment of process, I think commissioner Schmidt, if I understood her suggestion just to walk through the document and utilizing if nothing else the noted points as a basis for discussion and working through it. I think that is what you have said, right? If there are other items that I think any concerns I had are hit one way or another by the comment made from commissioner Schmidt. It would give us a process. May be A little more laborious but I think put order to it. We either accept or reject them, yeah.

>> All right, commissioners. If everyone has in your packet. So the original document that outline our current process starts on page 125. The first section is the bid development, as staff is looking to pull the document to give us some comparison points. I know that while not all aspects, A large portion of what the state employee health plan follows right now and follows very closely to the standard statutes that d of a follows and implements for statewide procurement, but there are some small variations that. Is what they are pulling. So this is the full document, is on the screen. Thank you. So let's just walk through this. Start with the bid development section so –

>> May I starting on page 117, is the document that came out of commissioner Schmidt office. I think it has the same wording. The difference being the noted points that are referenced.

>> Correct.

>> We can follow that. That way we would flood control those and if there are others we want to interject as we move along.

>> Got it.

>> Suggestion.

>> All right. Can you pull up page 117 for me -- pulling it up. There you go. There we go. All right. As we walk through this again this very first section the only thing that slightly different it is doesn't have the sections. So the first four numbers one through four is around the bid development. That is the first section, so that is the only difference is we have broke them into sections to walk through.

So with that, you want to walk through some of the comments and also commissioners if you have other questions or comments, please feel free to jump in. The first one being with the bullet points around -- sorry. So there is A question around the evaluation criteria. All the bid responses are evaluated to determine best value for state and employee health plan. Members based on performance, cost and disruption factors. So go ahead commissioner.

>> Thank you, madam chair. So my question to that is, why is that exclusive criteria. I think the hcc should have A say. The evaluation of that criteria in the bid responses. I don't know if –

>> Go ahead, Steve.

>> I don't know -- maybe it is more explicit. Don't know fit precludes from -- as we draft -- I'm looking at staff for are you saying in terms of what we are looking at in relationship to evaluation? Just factors of evaluation.

>> No. I think all the bid responses are evaluated to determine the best value. As hcc member, I don't see any of those bid responses. I think the hcc should have input into that -- to the criteria we are evaluating it on. I can think of several samples of questions after the fact.

>> I just want to make sure I'm understanding, not putting words in your mouth.

>> Sure.

>> So this being the bid development, are you saying feedback into the aspects for evaluation, or are you talking about the actually evaluation process?

>> Talking about the bid responses. The evaluation offered by responses. This says all the bid responses. That is after the rfp goes out, right? And the bid responses are evaluated to determine the best value for the state and sehp member, but hcc doesn't have any input. I'm just asking why that is.

>> In the evaluation?

>> In the evaluation of the bid responses, yes.

>> Commission Schmidt, it strikes me that I think -- maybe it is words or how they are put together. Your concern probably rests more later in the process, does it not, when we are coming down to maybe recommendation development. As I think about other comments I have heard you make over the months that you're talking about the time when bids are actually evaluated and I think this in preparation process, maybe that phrase doesn't get there but for your concern maybe later in process where bids are received and now evaluated. Rather than in this introductory preparation by section of the document.

>> We have had conversations about do we give preference to a Kansas company.

>> Uh-huh.

>> This would fit in.

>> That is like the evaluation criteria.

>> Yes. You are right.

>> I'm not disagreeing or agreeing, just public be involved -- involved now evaluated.

>> I don't think the comment lines up with the section of the document. Talking about two different things.

>> We can move on and talk about the part -- being part of the evaluation later but this is not my bullet point. It was STEF's bullet point or somebody's bullet point. P F %BACK

>> Commissioner Gaston.

>> I wanted to ask about the document that is shown side-by-side. I looked through and didn't see it. It is supposed to be like where it shows what is the state employee health plan requirement and how would be different?

>> This is Janet. We are looking for that document to get it up. You are not going to see a lot because the biggest difference is there is no pnc that. Is the term, right? Procurement negotiation is our senior team under my lead, or director's lead. Whoever that director is. We are able to do -- we follow almost 100% of what procurement does. But the pnc is differentiator that follows sensitivity of these plans. You aren't going to see a ton on the that is different that. Is the biggest difference. The other difference is our documents are posted by us. They are not posted by procurement. They certainly could be. Be something we'd work out with procurement. That has been an operational I guess way of doing business for years with the health care plan. Slight difference because hcc is allowed to do it differently.

>> Thank you. That is -

>> The bids and so forth. The bids are but the contracts are not.

>> The bids are posted by -

>> Procurement posts -- afterwards the contracts are posted by us. >> I think earlier, I think it was maybe Tracy was talking about sort of the pnc in a typical type of a process. Are there still three people in the sehp procurement process?

>> No. No. Depends. There could be three or ten, depending on whose contract it is. Segal could join us. We might bring them in when we did the clinic again.

>> They would be used for clarification. They would be used in way of consul tan TIF. They would not be -- again, at the end of the day, we then can -- where the pnc makes in the traditional process makes the final decision, the hcc makes the final decision. The recommendation comes from the group from the state employee health plan. I think to commissioner Schmidt's concern is around that hcc role in being able to see more into that process.

>> I guess my follow-up would be if we did go to the d of a process, what -- I mean I guess you mentioned like timeliness maybe. I mean, would that be the biggest concern?



>> Be A major concern on my part.

>> Sorry. I didn't hear. Vicky, I didn't hear what commissioner Gaston said. What would be the biggest concern?

>> Like timeliness. Just that it takes longer. Thank you. That is helpful. Just trying to wrap my brain around what the difference is. Seems like very similar.

>> So -- and again, wanting to be mindful of this discussion, I think there are A couple of kind of overarching things that have been released. Hcc in better viewing insight as we go through the process. Another point of clarification, I think we were poking at it A minute ago, was there is evaluation criteria, then being part of the valuation. I think there is a little bit of both in terms of concern there. Which has been raised as well. Is that accurate? Okay. Go ahead, commissioner Schmidt.

>> Thank you, madam chair. Not trying to be funny about this but it does make me giggle just A tad. Because every state agency has timeliness problems with procurement. You know, I think I'm -- it makes me giggle A little bit to think that hcc doesn't think they have to have time, that they would have timeliness problems with department of administration and the procurement process. Because every agency has that. We have to plan ahead for it. I think that could be overcome. That should be overcome. I don't know why hcc doesn't --

>> I have to pass on that.

>> Let me clarify. I didn't mean about procurement but adding to process, time involved and time sensitivity with the contracts with the insurance companies and start dates and what not just that what else would be involved with getting the back and forth to the yet another party. If more people had to get involved in it. We do have A little bit of luxury to move things forward A little faster because we are not following the pnc process and so forth. So I just want to be clear on -- we talk about time sensitivity of the contract. The contract. Sorry for the confusion.

>> I just was saying we all have that in every agency. We all have time sensitive contracts. We have to accommodate for the response time. Anyway, just makes me chuckle A little bit, thank you.

>> Okay commissioners. I want to move us forward in this discussion. I want us to get to A place where people are comfortable with the process we are using. How we are evaluating, how we are identifying contracts that are in the best interest of the state and program, right. And I want to be mindful of making sure we are answering questions that commissioners want to understand as we view this process. What is laid out is what we currently do. So there is an opportunity if there are place where we want to think about so going back to what commissioner Schmidt said, there are, as Janet identified, there are A couple areas we do things differently than the d of a process. So there is the traditional d of a process. Kind of step-by-step which includes A three-person pnc. What we have written out is current process for the state employee health plan that the hcc then approves on. Then we have the ability to adopt the d of a process, to ratify our current process or to propose modifications to address some of the concerns that have been raised over the last year in that we are all comfortable with and affirm that process. Right. Am I laying that out? Does everyone agree those are the options we can -- d of a, our current process as it is and or something that is A modification that helps to address concerns that have been raised. Commissioner Schmidt, go ahead.

>> Thank you, madam chair. Just A process question then, what are we doing right now? Are we looking at what modifications can be made to the current process? This is what I said at the very beginning. If we are going to go with the d of a process, we don't need to have this discussion. I guess that –

>> I guess that is where as you expressed concern earlier what I am trying to do, is create an opportunity for discussion. Commissioners, I need whatever concerns you have. If you are comfortable with it. I need your voice to say I'm comfortable with what we have. You submitted a number of concern, commissioner Schmidt, I wanted to make sure we created that space. I wanted to

be very clear there have been times in the past when we talk about procurement that it was said we tried to shut that down so I want to be clear. This is the time for that discussion so we are all clear as to what our process is going to be forward so we can affirm that. So however we get there, but commissioners, I need your help in get there you go in that if you are comfortable with what is here, I need you to voice that as well. If you have concerns about what is here, I need you to voice that so we can get to A place because we do have other actions we need to take as we go into next year. I don't want us to be in A place where we are split on process but we are good on process so we can deal with content of the contracts which we know takes up A lot of our time and is most important. That help?

>> Somewhat. I guess my question is, I'm more of A get to the point. I want to -- so like for example, number four, I have A question about number four. So when I -- you can read what the concern is, Justin had -- Justin is much better at editing these documents than I am, quite frankly. Are we going to say like if I say with WHA the concern is and nobody says anything, then we move on and nobody thinks that is important and people are happy with the way it is now. That is what I'm trying to get at. Or go through the whole document and go back through and say, did anybody want to change anything? I'm just trying to get to the process part.

>> That is where I started. We had A question about item one. As we started to talk about that --

>> We can move that onto A different section, understood. Now we will go to the next DOOND the same thing that -- all I'm asking. Just trying to get clarity on how the process will work. Whether we go through all, because you said you wanted to hear from other people, other than me -- no, I mean, these are my comments so --

>> And I think the way I said go through all of them, my recommendation is we go section-by-section. That is what I was saying . The First four points are all about the bid development so there are A couple items you have. The idea because they are written here we can look T A those. If anybody else has any other

comments about the bid development, we incorporate that into that conversation. Then we move to the next step of the process. Because those four bullets work together. As we are thinking about changes that might want to be made in there, I don't want us to get through the word Smithing such as in this section we address or this is A conversation that covers bid development. Does that help? Okay. So commissioners bid development, we are talking about bid development, which is the first four items commissioner Schmidt on item number four there were -- you expressed some thoughts -- I don't want to say concerns. I think it was more of additions or considerations.

>> Thank you, madam chair .Enter Yes, I they is characterized appropriately. Just as number two -- or the number two bullet point on page 118. It indicates the hcc I think should be involved in determining the overall need to hire contractors, requirements and performance outcomes and evaluation criteria. I think the hcc ought to be involved. Not just legal counsel. Consultants working with hcc and opc.

>> Thoughts commissioners?

>> Thank you. My question back to you, does not the opportunity as the words say about halfway down that paragraph, the commissioners will provide their input to staff in time period provided. Is that not indicate that the issue of overall need requirement performance outcomes and criteria be part of those comments made by us at that time?

>> Okay. Commissioners, we are in discussion. I would just ask please say who you are before you respond just so we are not having to --

>> I don't want to jump over you in case you want to call on us. I'm used to being in the senate where you have to have the chair's permission to talk. So I think it maybe does in beginning but the thing is, I think what we have been asked to do, maybe I have taken this in correctly, but we have been asked to do is spread some input but it hasn't been really like are we going to hire -- my

suggestions haven't included like should we hire -- should Segal look at that contract, should we hire outside consultants to he will with the contract, should we -- what are performance outcomes, what are the evaluation criteria. That is not what the rfp that we are been -- that is not how the rfp -- not how we have taken the comments on the rfp. The rfp we have been given doesn't seem to include those types of things that I think we have been commenting on. So I think I wanted it to be clear what we should do.

>> Commissioner Schmidt, this is commissioner Burns-Wallace. Is it that those have to be explicit or could be part of Their feedback because those things may not be needed or required. I want to make sure you are saying is these must always be asked or it is just part -- could it be part of the general feedback that is given at that stage, at the bidding stage of the process?

>> I'd feel better if it was delineated out in the process itself.

>> This Steve. My reading, if I'm inclined to make comment, whatever they may be, it gives me the latitude or I take the latitude to go ahead and make those comments and relative right in that area. That is just my assessment. I don't think there is anything that prohibits. Therefore if it doesn't prohibit, then it is allowed. I understand you'd like to have specifically stated, I'm saying if I want to, I see existing right for me to do it.

>> I think it would be helpful to provide direction. Vicky Schmidt. I think it would be helpful to provide what kind of things we are looking for in that bid event.

>> So maybe A sentence SOR that would say comments would -- could include blah, blah, blah.

>> That's correct.

>> Just like it says in the beginning and may include. So may include, and then continue that on.

>> Commissioners, be mindful, I can't see you. Any comment s? We are talking about one, two, three, four. The bid development process working off pages 117, 118.

>> So can the commissioners that are on remotely, can they raise their hand or something so somebody can see if they have A comment? Are you able to do that technology? I would think you would be able to.

>> So part of it is because the -- I think because they are using the camera that is projecting out, projecting for us

>> Not A zoom call. When I was in the car I chimed in. They can chime in. It is awkward. Either says wait A minute or proceed. But they chime in any time.

>> Okay. I have not been in the car whatever listening so I guess that is what I want to make sure, commissioner, is you take yourself off mute. You have the ability to take yourself off mute. What I was asking. Wanted to make sure. Seems like commissioner landwehr is has been awful fully quite.

>> Are you there?

>> Maybe not.

>> This is commissioner Hensley. You hear me?

>> Yep.

>> I'm still here.

>> He's there. Maybe commissioner landwehr may have stepped away for A second.

>> I had to step away to get my booster shot.

>> Good for you.

>> Got A headache yet?

>> Nope.

>> I apologize, madam chairman, I was taking A phone call. What did I miss?

>> No question. Commissioner Schmidt was concerned that you all weren't there or that we weren't acknowledging you or you couldn't

talk or take yourself off mute. I was confirming you could take yourself off mute.

>> I was trying to take myself off mute. It did take me A few minute, so I apologize.

>> You are fine that. Is why I wait when I ask if you have comments. I know there is A bit of A delay.

>> I'm dealing with two computers and two mouse -- mice or whatever you want to call in front of me. I grabbed the wrong one to unmute.

>> The technology can be A blessing and curse.

>> Yes. I'm curse today, just so you know that.

>> Not A problem.

>> You are looking at –

>> Again, goes back to conversation we had earlier but in the bid development area, if there are comments made bay commissioner, I think it would be reasonable to get feedback, being we adapted or adopted your suggestion or rejected it. I don't know it has to be flowery or fancy or give lengthy response to why rejected or whatever, but just to give feedback. Anyway.

>> One of the things -- I can't remember, one set of the comments. Also I think by the time staff were talking comments and would make adjustments. Then rfp would be published, making sure we are closing that loop to see the time one so right. Anything else. So far just couple items in the bid development parts. There any other thoughts in the bid development section? Just one through four. Right. Number five and six talk about the bid posting and the follow-up. So it says the staffer, comments received from commissioners utilize the opc and consultant who's may be involved made changes -- actually that, is linking back to what we just said, which would then be follow-up to follow back through with commissioners individually and as A whole around any edits or changes. Sometimes the edits can be more stylistic or grammatical.

One of the things we want to make sure we are paying attention to or pushing back out is anything that is substantively different as well. Opc then puts them up. There is -- commissioner Schmidt, you have A comment there.

>> Do I. It is A change in the second sentence on number five. The change it to make -- quote, changes will be made based upon the hcc direction and final specification also be provided to the hcc for review before publication. Again, I think it is just timeliness of -- don't know whether that is the right word. Closing the loop that you made suggestions and these are changes you made. Then back to sort of like what we just did with the minutes earlier this thing today. Given your comments about minutes. So then just let's close the loop.

>> All right. Then -- sorry commissioners, I'm just making my own notes. Number six goes on to talk about big events. I'm flipping to page 119, if anyone is following along. There is A couple of comments there where it says opc has public posting capabilities through smart system consistent with ks. Then asks number and bidder registration capacity to notify potential vendors of any potential bid event. The note on number one says, not necessary. Yea. That is very normal. One of the things is that we send out communications. I'm talking just from office of procurement. When bids -- when rfp is made available, if there are any vendors that are already register ed with the state that fall that category it is A courtesy to let them know hey this rfp is out. You may have an interest. At any point in time. That doesn't -- remember, rfp process is publicly posted. Various different ways. This is more of A courtesy that happens. It is not hcc or state employee related just in general. A lot of vendor also get on that list because they want that photo FI-cation. It does not preclude anyone from bidding. Doesn't give advantage just mortgage of A cut SI. Lot of times when vendors come to meet with different offices that vendor meeting we will encourage them make sure they are on that list because they know they will be getting updated notifications. So I don't know. For me it is something I prefer we not do away with. It happens pretty



automatically, pretty standard. Again, doesn't preclude anyone or give them any preference in process. It is truly A courtesy. At the same time any department can actually reach out ask them to send it to additional bidders they have, additional potential vendors as well. Don't know if any others have comments on -- I'd like to leave it in.

>> Fine by me.

>> I'll give you that one.

>> >> It does say like if there are again the second one is that if there are -- again, yes. This is again more of an open process that any time there are -- again, I get A lot of vendor requests more so on my side. We always encourage state as vendor, then that way you are already in system and get those notifications. If as commissioners you get contacted by any vendors like encouraging them to be registered with the state, you know, helps. It means that is are in that communication path. I just want to be clear that does not preclude anybody else, right. So -

>> So we would refer those to Janet?

>> You say neutral so I would have cold call to vendor, I send to Rick. He sends them the information. That way we don't look like we are playing favorites that. 'S been A traditional policy.

>> We can provide that -- like standard language director sends to new vendor. Hey, we understand you are interested in being A vendor with the state. Here is the information with how you register.

>> Yeah. Enter[ Indiscernible ]Enter -- last week. I just sent both direct and Rick sent standard language. We don't engage ahead of pbs or anything going out.

>> All I'm saying I wouldn't know anyone to contact at state other than Janet. All I'm asking is does that mean I can send -

>> Yes, you can.

>> Janet will take care from there.

>> Yes, you can send it.

>> Thank you. I think that was just -- wanted to make sure my assumption was correct.

>> Yes. Other comment there is commissioners? Is that enough clear -- ideally, that is time to publicize far and wide when we have rfp so we do get -- there is occasion and we have seen it where there was only one or two bids DER, right. Part is we are always trying to ensure those in that industry are aware the state is putting something out so we are on various places just in general for state procurement. All right. Are we comfortable moving to the next section, the bid response preparation?

>> So the bid response preparation goes from number seven through number 12. We will start at the top with number seven. Again, still on page 19 for those following along. Number seven starts by saying procurement officer assigned by opc for bid event is responsible for responding to all questions and comments from potential bidders until event closes. All bids received are turned over to the state employee health and staff. Looks like the -- looks like the comment is, this is not clear who provides the content of the answers. Then it says, but see number eight. What rules of the opc govern amendments and the hcc should have A say in amendments. Those are two questions. The rest of number seven reads -- hold on. Amendments to rfp routed through the office in accordance with rules of opc. All questions posed by bidders and answers will come through the opc procurement officer. This is why we are in the bid process. While coordinating responses with employee contact this will ensure bidders receive same information and have equal opportunity to respond to the bid event. Okay. So the questions here is who provides the content of the answers. Yes. So the sap provides the answers but goes through the office of procurement to keep the bid event clean so that any questions that come in from any bidders -- and this is standard process -- possible pc any time there is open rfp, when questions come in for vendors

or sent back to home agency, those are answered. Answered through opc, office of procured contracts. Not only to vendor who asks but all -- it is made publicly available for anybody who might be bidding on that rfp at that time. Go ahead.

>> Madam chair, could we make that clear that the schp provides the answers. Doesn't look like -- doesn't say that specifically. >> No, no. Not A problem.

>> Then so it is -- so like what rules of the opc govern amendments that, is not really opc that govern, that is sehsp.

>> As point of clarification, amendment s is A term of art within the smart system. Any time there are answers that go back out, they go out as an amendment to the rfp. So it has to go through opc because they are the only ones that had the access in smart. No one else in state employee health plan has access to go into rfp once in opc's hands. Amendment is term of art. Not necessarily amending terms an conditions of the rfp but amending information going back out. That amendment as you pointed out is sent out to everybody registered.

>> Of the language, right.

>> Potentially. But comes in. Only the opc person can send it back out. They get it from the agency, it comes back to them, they put in it form that then they submit through smart. Smart then puts it out and sends out notifications. Says hey, vendor, you said were interested. There is an amendment you need to go look at and process all vendor s have to to sign the amendment so they can't come back and say oh I didn't know that was out there. There is a way opc tracks that.

>> The way this reeds, Vicky Schmidt. The way this reads procurement officer is responsible for responding. Doesn't look like sehsp is providing the information to them. I understand the process is that opc or whatever -

>> Operationally does it. So I think more just adding, cleaning THAUP language of -

>> That sehp is actually responding to –

>> They are formulating the content.

>> This makes it sound like opc is deciding what that is. Sehp is deciding content. Opc is putting it in the format.

>> I think it is we can just clean up that language to make that clarification. Yes.

>> Okay, thank you. Other commissioners. We are still on 7. Is there any other things in that bullet? Let me start. If we begin to -- okay, wait. There were -- hold on. There were A couple other comments associated with that tag. One we talked about the rules of opc government amendments. Hcc amendments. Thinking it was A contract amendment and so that cleared those.

>> Yes, ma'am.

>> So let's -- if we want to step into number eight, commissioners, are there any other comments on number seven? Eight just continues. Again these next few go together. Eight starts to talk about when state employee health plan administrator coordinator is point of contact for bid event. Includes -- ensures transparency. They work with opc. This is where maybe it is the link between 7 and 8 saying that that administrative coordinator is is part of who is providing the responses that opc is pushing out. I think this next number 8 just really walks through the process to ensure the information is being disseminated and publicly available. There is A note that says number five. Hcc should be able to decide this instead of generic reference according to state statute. So the sentence reads from time to time by is posted on public Web sites and published according to state statute untilled by -- until the bid event closes. So this may be A clarification of language. Says this includes the time offed by event is posted public Web site and according to state statute. That means that is the minimum of that is going to happen. Like it will go everywhere and be posted everywhere per what the state's statute says but that doesn't have to limit it if we want to Post-It other places. I mean, so it is more of

ensuring it is at least posted all places any other state procurement would be posted. According to state statute that is like the registry and couple other things. We need to specify –

>> Think we need to tweak that just to make sure not just A generic reference to that but –

>> So you want exact statute? Is that what you are thinking?

>> No. I think the hcc should be able to decide that. Not just states that -- not just the state statute that –

>> So hcc should be able to decide where bid is posted?

>> Well, shouldn't just be state -- state statute is pretty confining, right. Or is it wide open?

>> It requires it to be in the registry so many days.

>> If it over 15 -- 50,000, had to be in Kansas register can be posted on electronic bulletin board which it is through smart system and on the procurement and contracts Web site, which has every opened by in state of Kansas that involves opc. I mean, that is where when these notices go out that is where vendors are directed to. They are directed to office of procurements and contract's Web site that. Is where all the bid information is contained per the hcc' bid. That is where all the amendments go so I'm not sure E-are you talking about wanting to advertise in A newspaper or something? Because that is –

>> Are we talking about being more broad?

>> More broad.

>> That if the hcc wanted to publish somewhere else they be able to do that. But –

>> I don't think -- that would be something I guess you would suggest to opc. I'm not sure where else it would go. Is there some place you are thinking it is not going now that it should?

>> Thinking on the pbm side maybe

>> Because I –

>> There are other state -- there are states that have gone A different route with pbm contracting. I don't think they would be par of the -- they are probably not on part -- probably not looking at right places forbidding things like this. But maybe put like -- minimum requirement is with state -- then that would allow us to advertise –

>> Right. I don't think it precludes. I think there is space where we could. Again, that step of -- in that earlier prep when we were gathering information on the rfpF A commissioner has A recommendation of some place that would be good to -- again, like vendors. If you know vendors in that sector, we want to make sure they are registered. Pass that information so they can get to right information. I don't know if it was is like prompting of collection point as you are reviewing rfp, if you know of or aware, would be good place to advertise this rfp, you can pass that back to staff, which would not preclude us from allowing us to do what is typically done for state procurement with state statute but give us opportunity if there were other places. That work? Almost adding language back A step when we are collecting information on rf p that at that stage where you are thinking it through, you can say to plan when this goes out we should make sure that such and such or posted on such and such, or something of that nature.

>> Sorry, madam chair. I think you get what I'm trying to -- I don't want to be limited to just what is published in state statute but be able to add to if needed or wanted.

>> Gotcha. All right. Commissioners any other thoughts around bullet 8? Commissioners online, any thoughts? We are moving right along. You stand with us.

>> I think it is good.

>> All right. Bullet number nine goes on to talk about the responsibilities for the administrative coordinator. They are back and forth with the rfp as well as office of procurement. Bullet

number ten talks about -- continues to explain kind of the process of moving the various piece through.

>> I think there is a comment on page 113 from someone on number ten.

>> Feedback. Yes. Item ten. Does -- do procurement require between bid closes and award decisions are made. I think this is partially where with E begin to -- we deviate because once bid is closed the bid package then comes the state plan. Then the state employee health plan administrative coordinator then becomes the point of contact. Is that -- am I explaining that accurately?

>> Yes, that is correct. Under the -- what opc does is they treat employee plans and hcc's request as what they call internally A courtesy bid. That is dispute is since they package it all up. Once it is received they turn it over lock stock and barrel to sehp. Then at that point when you see number ten it says once the bid responses have been received by sehp administrative coordinator through officer, all will go through the administrative coordinator including vendor who's failed to respond or whose responses were in eligible to the reward. The procurement office is pretty much out of it. Except to come back at end to hit contract award button so that in smart it shows it can be paid.

>> Okay.

>> That is A process issue after everything is all done that. Is how the smart system is set up.

>> That helps commissioners. Other questions on numbers nine or ten? All right. Paragraph 11 talks about in conjunction with director, state health plan and administrative coordinator. Responsible for coordinating state employee health plan staff review offered by proposal's receipt forked by event, obtaining digital information needed from the bidders in addition to senior leadership team, counsel, resources like Segal or other experts, staff up included in these reviews include subject matter experts, staff POSZ

responsible for contract administration and financial management staff. There is a comment there. Hcc commissioners.

>> Who is part of the team?

>> Jennifer, Mike and you? Enter[ Indiscernible ]Enter

>> I think that ought to be delineated out.

>> Really? We know it is the leadership team -

>> That is what I'm saying. Ought to be in there.

>> Toward -

>> Not naming them individually. I think the leadership team meaning senior -- senior managers.

>> Got it.

>> >> Number 12 goes on to talk about following review of the bid responses, state employee health staff determines which vendors should be contracted to set up information and negotiation. This does not mean all this will be involved in the session. Then according with ks75-6504b, A minimum of three vendor bids are selected. Kit be more than three bids. If there are more than three submissions. Can be less than three if only one or two bid responses are received in response to the bid event. There are A couple of comments here. So I think both are around the idea of hcc seeing the bids.

>> That is correct. The hc -- the commissioners never see the bid responses.

>> We aren't part of any -- the three -- of the bid select -- the ones that are -- the bids that are selected.

>> I think this is A key point that along with A little bit down the line that the hcc ought to be involved in negotiations. I mean, I grant you that we have come A long, long way since in my tenure, my shorten your on this, in that I can pull back my notebooks from the first couple of meetings I was on and literally, it was the staff recommends company b. That was it. Why. What are the



differences. What -- I mean we do get A little more information now. I think that is not responsible for A group of commissioners that has A fiduciary responsibility to the plan. I think we need to be more active part. If you don't desire to be an active part of that, you know, that is okay. But I think that at least the commissioners that want to be part of that ought to be part of that. And I think you should be able to see the bids and you might have questions. I know there is one contract we have discussed even today that I would have had A lot of questions on.

>> Commissioner McGinn.

>> Thank you, madam chair. I guess I want to talk about this just A little bit. Make sure I fully understand the desire of commissioner Schmidt. Go back to first time I was commissioner. When bids came as county commissioners, we had the three or four recommendations and what was first, second or third chosen by the board of bids and contracts, which was A committee made up of employees or agency heads that worked on bids all-time and brought them to us. We could ask questions in A public meeting about why you picked number one first or second. Part was set up, which was -- explained to me and made A lot of sense to me was to take the conflict of interest out for us as county commissioners because we are hit up by A lot of vendors and people that have their own motivation to get where they want to be. I think this helps isolate us. Now my question kind of becomes, though, I think what you said commissioner Schmidt that we just get -- picked plan b or vendor b or whatever and that is it. I guess -- I don't think that we should be in the selection process part of that as commissioners, but I don't see A problem in see who the top three were so we can ask questions about that. And generally staff would defend their position. I just want to make sure I'm understanding this because I certainly as commissioner don't want to get involved in picking the vendor, but I certainly want to know why staff chose that vendor and give us an opportunity to have them go back and take A look at that again if we don't agree.

>> So I this I that is -- sorry.

>> Thought you needed to be recognized.

>> Go ahead. I know she gave that up about five minutes ago. Vicky Schmidt. I think that last point is the point that I want -- you know, if you have additional questions, if somebody guarantees a performance and you think that is an unreasonable performance and not that great on the overall contract, I want to ask more questions. Why are we only picking one vendor when we might be able to -- when there are times we pick two vendors I can think of A couple contracts or we allow state employees or retirees to have A choice. Then other times we don't allow any choices at all. I'd like to know things like that. I mean, I guess I want to -- one by response on then of your comments you want to ask questions and have it to go back to the bidders. And maybe not.

>> May I interject? It would only go back if majority of hcc said you need to take it back. But if -- I mean, if it is I don't agree with what they chose --

>> That is not what I'm talking about. Additional information. If you had additional questions on A bid.

>> Generally they would send back because everybody was concerned about that question. I think up until you get to that point it is the job of staff to do all the negotiations and I would guess, and I'm new at this so I don't know. But generally listening to us talk and converse, they are going to be part of developing those questions and that is how you end up -- that is why you get one vendor that is not lowed by. They are able to do x, y and z that we wanted them to do. So -- or the lowed by was not able to do x, y and z is what I should say that. Is why you pick the next vendor. I'm just trying to understand, are we going to be the negotiator or should staff for these contracts with our consultation.

>> We'll have to agree we disagree on that. Because I do think there ought to be somebody -- I have never had A vendor call me and try to influence me about a bid. I think it is different in A county commission -- I could be mistaken.

>> Let me cite one other example.

>> Sure.

>> On A hospital board. I don't negotiate contracts. Staff negotiates those contracts. Consultation of the board –

>> Do you have input in what is in those contracts?

>> So we can certainly see that. We are not the negotiators.

>> But do you have input in what those contracts -- what the bidding process looks like. Would you have input on what you want that contract to say?

>> Absolutely, but keep in mind the staff is there at the board's desire so they are not going to bring us a contract that we don't like and there's problems with because they will no longer be in charge so we are A little different, right here. Three branches of government and that type of thing. If you have an acc commission, if staff brings us A recommendation, I don't know why. Maybe this is where I've r on this process. I don't know why we as A commission say we accept, go back.

>> Vicky Schmidt. My experience has been -- pardon the ex-press - - well, I won't say that. My experience has been when we get those -- when we get the choices, we have to publicize it in the next two weeks so we don't have time to do that. We don't have time to go back. This is the timeline. We have had to have special meetings back-to-back almost because we have asked for more information and I mean because we are always running up against the clock of, you know, these rate s have to be publicized. This has to be publicized, we have this going on. We never get it so there is an opportunity to have another meeting or get more information timeliness. Timing problem. Not to delay boar this but I have been here three months now. We have delayed two, maybe three things. I agree, we do up to the wire but staff has figured out this commission is not going to except up to the wire again.

>> Well, you have done it three times since you have been here. So three times –

>> We have postponed two or three decisions already.

>> So are we learning or continue down that path?

>> -- things already on the agenda prior to my -- I wasn't able to start scheduling July 1st when I got here.

>> I understand.

>> I'm hoping staff is hearing this conversation. I think they are. But I'm new. I have A lot to learn on this journey. You have been on here longer than I have. My short comment is I think it is important staff listens to what our desires are, how we move forward. Maybe I'm going to be wrong but I think if they come present vendor b and we say we don't like it, we vote it down. If they are up against A deadline, it is on them. Thank you.

>> Go ahead.

>> Madam chairman

>> Commissioner landwehr, I will have commissioner Gaston, then come back to you.

>> Thank you.

>> I have been involved in grant processes. I have been at dcf. It A long process and takes so much time to read through all bids. I appreciate staff is here to do that. I know commissioner Schmidt referenced the fiduciary duty today. I think maybe couple times. I was looking for that. Is that in statute somewhere? Do we truly have A duty? I'm here to do my job and protect staff interest but I haven't seen it.

>> I don't know that it is used in that language but the 40 for contracting and decision-making does plan design and rates sit with hcc specifically within statute. I'm just saying I don't know statute reeds fiduciary responsibility but by -- I don't know. You know you pull that through as to what our responsibilities are, I guess I would say it but that sits with the hcc. For instance, not with the -- that office. Not state employee health care office that. Is why they are

staffing support. That authority to authorize sits with hcc. I don't know if that helps. If that -- that does help, thank you.

>> Commissioner Landwehr.

>> Thank you, madam chair. I'm not going to repeat everything that commissioner Mc Ginn just said but I think what we have done since the two of us have joined this commission is we have tried to learn, tried to catch up. There's a lot of deadlines thrown in front of us that we are not necessarily comfortable with because we weren't involved in all the early on discussions. So I am giving everyone the benefit of doubt that as we talk about making changes and talk about more information, different way information is displayed to us that staff does take and listen to this and, you know, helps us get it to where we can simplify stuff and information is there and we are not guessing or wondering or thinking or thought or whatever might occur. So I look at it as a new day going forward. I understand the frustrations of commissioner Schmidt. If I had been on here while I would probably be at frustration level as well. I don't know enough to be there yet. I can work on it. Truth be told. For those that know me. I'd like us to deal with what we feel we can do without jeopardizing, you know, whether you want to call it our fiduciary responsibility or our responsibility to the state employees, school employees or local unit OS F government that we are doing the right thing and doing due diligence. We are not experts but collectively come back to the answer. I think it is a new day, moving forward. I think in the future hopefully you will see less frustration, thank you.

>> Commissioners, we are in this section by response preparation. These were in relationship to discussion of number 12. Any other comments? Okay. Move to the next section. It is recommendation development. This is 13, 14, 15, 16. It talks about mainly the state employee health plan moving through negotiations, providing information, working with vendors through that process. Then with the outcome of the staff reviewing all the information comparison et cetera for criteria and make recommendation to hcc. So this is 13, 14, 15, 16. There couple of notes here. Note four mentions not

having hcc member I believe as part of the negotiation team. Note number five mentions commission should have opportunity to select criteria and valuation bids based upon their criteria.

>> Vicky Schmidt. Let me cut to the chase. From previous discussion I take it there isn't person on this commission that agrees so we probably should just move on.

>> We will see if anybody gets as frustrated as I have been about comments like, well, we have to take the lowest bid. Having that retracted later. I guess we will see if that -- we will see if the other commissioners get as frustrated. So there's not any support for that so --

>> Commissioner Schmidt, what I will say is do I think -- I guess sometimes I see it through the rfp process. Maybe it is not as clean cut but the idea around that -- the selection criteria, for me there is A space as we are crafting and as we bring various knowledge to be able to say this is, you know, even when we were talking, you know, about some of the RF fps we were getting ready to develop, being able to make sure there are things in there that are around what we want. I'm not expressing it clearly but the idea what is important, the important things. Sometimes presents itself as we want flexibility or creativity or we want more options. Some of that manifests itself in actually selection criteria or things we are looking for. I don't want to lose that. I want commissioners to feel there are things identified for standard type of contract that are criteria we will have any way. If commissioners have knowledge that can add to and help refine that, I want us to make sure we are able to capture that as well. I don't want it to be restrictive. That is an opportunity for -- I hope that makes sense to commissioners.

>> Madam chair, one time when I asked how are these rfps designed. I asked that question of staff, how are we -- how do we get to first document sent to commissioners for comment. And the comment I received back was that the response I received back was well this is what the last rfp said so we are sending this out that. Is really not an answer.

>> So could ski did you receive that more recently -- I don't remember when that was. I'm telling you that was very disturbing to me that we are just going to recycle it.

>> Right. And we –

>> On the vision plan we should, in my opinion, we should have had more options available because our rural areas of our state -- just picking on that one. But our rural areas of our state have much different providers out there than our urban areas.

>> And I think you see that in the amount of providers that have signed up with the current vendor that -- with the vendor we have selected for the first of the year that. Is a real shame to me. I hope we are not just recycling -- I hope your influence is that we will just not recycle previous rfps.

>> Only reason I ask the timing is we have taken pain-staking efforts including ensuring the commissioners had an opportunity to review the rfps before they go out so we are updating them. We also my understanding is that we take lessons learned whether it is from A GREAT EXAMPLE IS THE RFP FOR THE SERVICE OVER THE LAST FEW YEARS, SO WHEN THE RFP WENT OUT WROTE THAT A LITTLE BIT DIFFERENTLY BECAUSE OF SOME OF THE SPECIAL PROJECTS. AND SO THE LESSONS LEARNED OVER -- OR THE UTILIZATION OVER THE LAST FEW YEARS HELPED TO DRIVE WHAT THE NEW RFP LOOKED LIKE. AND SO I'M SPEAKING SPECIFICALLY TO THAT NOW IF YOU AGREE WITH WHO WAS CHOSEN OR HOW THEY WERE CHOSEN THAT'S ONE THING, BUT I WANT TO BE CLEAR ON THAT PIECE OF IT, AND THAT WAS WHY THAT WE STARTED THAT STEP OF ALSO ALLOWING AND CREATING SPACE, I SHOULD SAY, FOR COMMISSIONERS TO BE ABLE TO GIVE FEEDBACK AND CHIME IN BEFORE THAT RFP WENT OUT. >> ON ITEM NUMBER 16, STAFF WILL MAKE THE RECOMMENDATIONS. DID THE VENDOR HEAR THEY WERE AWARDED THE CONTRACT WHEN WE HEAR IT. WE STILL HAVE THE OPPORTUNITY TO REJECT THE REGIMENT DO WE GET TO SEE THE REASONS WHY WE PICKED THE VENDOR?

>> SO IF YOU REMEMBER -- SO IT TYPICALLY COMES -- I'M TRYING TO THINK OF WHICH ONE THAT WE DID RECENTLY. THEY MAKE A RECOMMENDATION TO US BASED ON IN A.

>> THAT ADVANTAGE WAS THE LAST ONE. MEDICARE ADVANTAGE.

>> MEDICARE ADVANTAGE WAS THE LAST ONE WE SAW.

>> DO YOU HAVE ROOM IN YOUR SCHEDULE IF THEY REJECT YOUR PROPOSAL?

>> THAT'S A VERY GOOD QUESTION. YOU'RE KIND OF -- IT'S CONTRACT DEPENDENT, AND I CAN'T ANSWER THAT. I MEAN, IT'S GOING TO BE TIGHT DEPENDING ON WHEN THE CONTRACT EXPIRES, WHETHER THE VENDOR WE HAVE WILL WANT IT EXTENDED. DO WE WANT TO EXTENDED. I THINK -- I WOULD JUST SAY WE HAVE A VERY LABORIOUS PROCESS FOR EVALUATING BIDS, GETTING FEEDBACK, EVEN WITHIN OUR OWN TEAM AS JENNIFER SENDS US. GET ME THE QUESTIONS, THEN WE RESPOND BACK TO EACH OTHER, THEN WE GET IN A ROOM. BEFORE WE EVEN GET TO THE TABLE WITH THE FIRST, AND SO THERE'S A LOT OF TIME IN ORANGESSAL PROCESS INVOLVED IN IT. I DON'T MEAN THAT TO BE NEGATIVE ON WHAT'S BEING SAID HERE. THAT'S WHAT OUR JOB IS, AND SO IT TAKES A LONG TIME TO EVEN GET IT TO THE POINT WHERE WE BRING IT TO RECOMMENDATION.

>> I GET THAT, BUT IF I HAD TO MAKE A RECOMMENDATION TO A BOARD THAT HAS TO APPROVE IT, I SURE WOULDN'T IT BE DOING IT ON A WEDNESDAY AND IT'S DUE ON FRIDAY. I GET THAT IT'S LABORIOUS -- SO MY QUESTION WAS: IF YOU BRING A CONTRACT TO US AT THE HCC AND WE REJECT IT, WOULD YOU TURN AROUND -- WILL WE HAVE TWO WEEKS? WILL WE HAVE THREE WEEKS SO WE CAN RECONVENE WITH ANOTHER PROPOSAL?

>> THAT'S PARTLY, I THINK, MORE OF THE QUESTION FOR YOU ALL BECAUSE THERE'D BE A COUPLE THINGS THAT COULD HAPPEN. ONE WOULD BE, OKAY, DO YOU WANT US TO GO TO THE SECOND-CHOICE VENDOR? AND THIS IS WHY WE DIDN'T PICK



THEM FIRST. THAT WOULD BE ONE DISCUSSION IF YOU HAD TONS OF MORE QUESTIONS OR INPUT THAT YOU WANTED US TO GO BACK TO OUR SELECTED OR RECOMMENDED VENDOR, WE DO THAT THAT REALLY QUICKLY, BUT THEN WE'D HAVE TO RECONVENE, AND YOU ALL WOULD HAVE TO SEE THE RESPONSE AND EITHER DECIDE FROM THERE AND THEN WE'RE IN THIS LOOP, SO I REALLY CAN'T ANSWER YOUR QUESTION WITHOUT KNOWING WHICH PARTICULAR CONTRACT WE'RE TALKING ABOUT.

>> NO CONTRACT IN GENERAL. THE QUESTION IS THE PROCESS.

>> THE PROCESS IS THE TIME CONSTRAINT YOU MIGHT HAVE. YOU AS A COMMISSION. I'D WANT TO HAVE IT APPROVED BEFORE THANKSGIVING.

>> TONIGHT I'M GOING TO HOLD ON THAT. A COUPLE OF THE THINGS WE'VE DONE OVER THE LAST YEAR IS WE'VE ACTUALLY MAPPED OUT ALL OF OUR CONTRACTS, WALKING THEM BACKWARDS. IN AN EFFORT TO TRY TO DO THAT TIMING BETTER. AND SO IN OUR PACKETS AS ONE OF THE STANDING ITEMS, I THINK IT WAS IN THE APPENDIX A FEW TIMES. IT SHOWS US TWO THINGS. IT SHOWS US THE FULL LIST OF CONTRACTS THAT WE HAVE, AND SO IT'S ACROSS MULTIYEARS, AND THEN THERE'S A DOCUMENT THAT SHOWS THE UPCOMING YEAR. AND EVERYTHING THAT IS DUE -- AND IT ACTUALLY HAS A DATE WHERE THEY'RE RECOMMENDING WE WANT -- IF IT'S DUE IN DECEMBER WE WANT TO GET -- BECAUSE OF THE NATURE OF ONE CONTRACT WE WANT TO GET IT OUT BY FEBRUARY. WE HAVE A BUNCH TO BE DONE BY DECEMBER. THERE HAS TO BE A THAT SESSION, AND SOME COULD BE OCTOBER. BUT WE'VE ATTEMPTED THROUGH THAT DOCUMENT TO START NOW TO MAP THOSE BACKWARDS. IT'S ONE OF THE REASONS WHY WE'RE STARTING THE WELLNESS CONVERSATION NOW. THAT WE'RE KICKING OFF THE PBM CONVERSATION VERY SOON IN PREPARATION THOSE WON'T BE UNTIL LATE SUMMER WHERE WE NEED TO HAVE THE CONVERSATIONS NOW SO IT CAN BE BUILT AND WALK THROUGH THE PROCESS. SO I THINK THAT THAT'S THE GOAL AND THE ATTEMPT. IT DOESN'T -- THE EXECUTION WE TRIED TO GET IT

THERE, BUT I THINK THAT ARE THOSE OR TOOLS WE'VE KIND OF REFINED IN THE LAST YEAR, JUST EVEN ALSO TO GIVE THIS COMMISSION A SHOT WHERE YOU COULD SEE IT EVEN TO SEE, OKAY, HERE'S ALL THE STUFF AND HOW IT'S STACKED FOR THE REST OF THE YEAR AND HERE'S WHEN WE SHOULD ANTICIPATE LOOKING FOR THAT FP TYPE OF THING. DOES THAT HELP?

>> I THINK BACK TO COMMISSIONER SCHMIDT'S FRUSTRATIONS. IS THE HCC BECAUSE THE TIMELINE GOING TO BE RUBBER STAMP PER COMMISSION, OR ARE WE GOING TO BE ABLE TO HAVE INPUT BASED ON WHAT STAFF PRESENTS?

>> SO THE INTENT IS THE LATTER.

>> WE'RE ALWAYS UP TO THE DEADLINE THEN WE'RE A RUBBER STAMP COMMISSION. IF WE HAVE TIME TO SAY WE DON'T LIKE THIS OR THAT AND SEND IT BACK, THEN WE'RE A COMMISSION THAT'S LOOKING AFTER THE STATE EMPLOYEES.

>> I WOULD SAY THE INTENT IS THE LATTER TO MAKE SURE THE COMMISSION HAS TIME TO ADEQUATELY REVIEW. WE DO RUN UP AGAINST TIMELINES, BUT WE DO OUR BEST. WE'RE ALWAYS TRYING TO COMMUNICATE AS WE RUN UP TO THOSE TIMELINES WHAT'S COMING. WHAT'S COMING. WHAT'S COMING.

>> JUST KNOW IT ALL -- OUR WORK IS ONE THING, AND THEN THERE'S GETTING IT POSTED THROUGH PROCUREMENT AND A PROCESS WHERE WE GET IN A QUEUE, SO WE'RE MINDFUL OF THE TIMELINE. IT'S NOT A KNOCK ON PROCUREMENT. IT'S HOW IT WORKS. WE ARE NEVER GOING TO INTENTIONALLY BRING A LAST-MINUTE CONTRACT. WE HAVEN'T BEEN DOING THAT AT ALL. WE'VE BEEN LAYING OUT EXACTLY WHAT YOU'VE SAID.

>> STEVE. IT SEEMS TO ME THAT THIS NUMBER FIVE ON PAGE 122 IS A NOTE MADE. IT'S SOMETHING WE TALKED ABOUT RELATIVE TO THE FIRST NOTE ON THE FIRST PAGE. THERE'S GOING TO BE THE OPPORTUNITY FOR US TO MAKE INPUT, SUGGESTIONS, ALONG THE WHOLE RANGE OF THINGS, WHETHER IT'S THE ELEMENTS OF THE RFP CRITERIA, ET CETERA, ET SEAT A.

WE TALKED ABOUT THERE SHOULD BE A LOOP THERE SO THAT THE PERSON, THE COMMISSIONER MAKING COMMENTS GETS SOME FEEDBACK, AND THERE SHOULDN'T BE ANY SURPRISES. I THINK THAT'S GOING TO BE INCLUDED BASED ON WHAT WE'VE TALKED ABOUT TODAY. NOW YOUR NOTE NUMBER FOUR ON THAT SAME PAGE IN TERMS OF AN HCC COMMISSIONER BEING PART OF THE NEGOTIATIONS, I THINK YOU'VE GATHERED BEFORE. I'M NOT SUPPORTIVE OF THAT, AND I THINK CAROLYN DID A GOOD JOB OF TALKING TO THAT IN TERMS OF OUR ROLE AND I THINK, AGAIN, IT'S AGREE TO DISAGREE THING RIGHT THERE.

>> VICKI SCHMIDT. I GUESS I'VE BEEN BURNED TOO MANY TIMES WITH THIS COMMITTEE ON THAT ONE. SUCH AS IT IS I'LL PROBABLY KEEP BEING A BROKEN RECORD WHEN IT'S NOT RIGHT. BUT MY FOOTNOTE NUMBER 5 ON NUMBER 16, I'M NOT SURE WHETHER THAT'S GOING TO BE ADDED OR NOT. I'M NOT SURE.

>> I KIND OF HEARD THAT IT HAS -- THAT WE ALREADY TALKED ABOUT IT, THAT IT'S GOING TO BE. AT LEAST THAT'S WHAT I'VE HEARD IN THE CONVERSATION THIS AFTERNOON.

>> I'D LIKE AN AFFIRMATION OF THAT.

>> I'M OKAY. LET'S SEE HERE. BECAUSE I DON'T THINK -- VICKI SCHMIDT, WITH ALL DUE RESPECT I DON'T THINK THAT'S WHAT MY -- OTHER THAN YOU, I DON'T THINK THAT THAT'S WHAT THEY HAVE SAID THAT SELECT THE CRITERIA AND EVALUATE THE BIDS.

>> I THINK HE WAS SAYING THE FEEDBACK INTO THE CRITERIA AND THE THE ASPECTS OF THE EVALUATION, NOT DOING IT.

>> THAT'S NOT WHAT MY FOOTNOTE IS.

>> HER FOOTNOTE IS ACTUALLY -

>> THE CRITERIA AND THE BID.

>> BEING INSERTED INTO IT. REMEMBER, STEVE, AS WE WERE TALKING EARLIER. THERE'S ONE THING ABOUT GETTING FEEDBACK OR COMMISSIONERS PROVIDING INFORMATION AROUND THIS SHOULD BE IN THE CRITERIA OR PART OF THE

VALUATION. THE SEPARATE PIECE IS COMMISSIONER SPENCE CONCERN AND INTEREST IN HAVING A MEMBER OF THE -- HAVING THE HCC BE A PART OF, CORRECT. AND THEN YOUR NUMBER FIVE HERE IS THE INSERTION OF BEING A PART OF THE VALUATION. BEING A PART OF THE NEGOTIATION OF BEING PART OF -

>> I WAS SEPARATING FOUR AND FIVE.

>> I THINK THEY'RE KIND OF TIED TOGETHER.

>> AND THAT THE BEING PART OF THE SELECTION COMMITTEE IS NOT SUPPORTED AT THIS POINT IN TIME, BUT CERTAINLY HAVING INPUT TO WHAT THE SELECTION CRITERIA'S GOING TO BE AND, AGAIN, AS COMMISSIONER MCGINN TALKED TALK, I'LL HAVE AN OPPORTUNITY TO EVALUATE THE BIDS. WE HAVE HAD TROUBLE WITH BEING REALLY SHORT TERM. THE OTHER PART WAS COMMISSION EITHER SPOKEN OR UNSPOKEN, UNWILLINGNESS TO MEET AS OFTEN AS WE'VE BEEN MEETING LAST YEAR OR SO, AND I THINK WE'VE RESPONDED TO THE NEED TO SAY WE WANT MORE BUT WE'VE ALSO GOT TO GET BACK TOGETHER AGAIN TO EVALUATE THE RESPONSES THAT ARE GOTTEN BY STAFF. HAVING BEEN ON CITY COUNCIL SOMETHING SIMILAR TO WHAT I THINK YOU DESCRIBED IN TERMS OF BIDS COMING IN AND THE BODY MAKING DECISIONS TYPE OF THING.

>> MADAM CHAIR?

>> YES, MA'AM.

>> I GUESS I JUST WANT TO SAY, I MEAN, I CERTAINLY UNDERSTAND AND PLEASE HEAR ME LOUD AND CLEAR, RESPECT THE TIMELINE THAT A LEGISLATOR IS UNDER IN JANUARY THROUGH MAY, AND WE'VE GOT A LOT OF HEAVY LIFTING TO DO IN JANUARY THROUGH MAY. SO SCHEDULING THOSE MEETINGS WITH TWO LEGISLATORS ON THIS COMMITTEE WELCOME TO FRIDAYS BECAUSE THAT'S PROBABLY GOING TO BE WHEN IT'S GOING TO HAVE TO BE. OR IT WILL BE A LATE AFTERNOON INTO THE EVENING MEETING. AND I AM THRILLED TO HAVE LEGISLATORS ON THIS COMMITTEE, SO PLEASE DON'T TAKE THAT

AS A NEGATIVE COMMENT, BUT, AGAIN, WE'RE NOT GOING TO BE ABLE TO MEET LIKE -- WE'RE NOT GOING TO BE ABLE TO MEET AT 11:00 ON A MONDAY THROUGH THIS TIME PERIOD WITH THE RESTRAINTS AND THE COMMITMENTS THAT THEY WILL HAVE. SO THAT MAKES THE TIMING, AS THE COMMISSIONER HAS POINTED OUT, THAT MAKES THE TIMING OF SOME OF THESE PROCESSES EVEN WHAT WE'RE JUST -- STAFF WILL HAVE TO BE COGNIZANT OF THAT.

>> SO NOTED. VERY MUCH SO. WITH MORE MEMBERS COMES A LITTLE BIT MORE JUGGLING OF TIME.

>> I SEE WE'RE WORKING ON SATURDAYS NOW TOO, SO LEGISLATURE. ANYWAY, NEVER MIND, GO AHEAD.

>> I THINK COMMISSIONER, THAT WAS DIRECTED AT ME. I TAKE THAT PERSONAL. [ LAUGHTER ]

>> COMPLETELY MISSED THAT ONE. I'M GOING TO LEAVE IT RIGHT THERE.

>> WE CAN'T SEE THE LOOK ON YOUR FACE, COMMISSIONER.

>> NO, SHE'S REFERRING TO THE PACT THAT OUR INTERIM COMMITTEE SCHEDULE IS SO FULL THAT WE ARE STARTING TO HAVE TO SCHEDULE SOME OF THE MEETINGS ON A SATURDAY AS WELL.

>> AREN'T YOU LUCKY.

>> VERY MUCH SO.

>> THANK YOU. [ LAUGHTER ] THERE

>> ALL RIGHT, COMMISSIONERS, WE HAVE A COUPLE MORE POINTS HERE. TAKING US THROUGH THE NEXT SECTION OR THE NEXT SECTION OF THE DOCUMENT. LET ME DO THIS HOW WE'VE BEEN DOING IT. NUMBER 17 IS CONTRACT APPROVAL PROCESS AND STATES THAT THEY -- IN AN OPEN MEETING IN ACCORDANCE WITH THE ACT, OPEN KANSAS OPEN MEETING ACT AND THE CONTRACT WILL BE FORWARDED TO THE VENDOR BEING AWARDED THE CONTRACT FOR SIGNATURE. THERE ARE NO

COMMENTS HERE IN THIS SECTION. DOES ANYONE -- I'M LOOKING BACK AT THE OTHER. THERE IS COMMENTS ON THE OTHER ONE, RIGHT, YEAH. I THOUGHT I SAW SOME SOMEWHERE. IT SAYS ADD SOME CLARIFICATION EMPLOYEE STAFF'S ABILITY OR INABILITY TO SHARE ANY BIDDERS PROPOSALS WITH OTHER BIDDERS, AND THEN I THINK IT'S A WORD CHANGE. SO I DON'T -- THE INABILITY OR ABILITY TO SHARE BIDDERS' INFO.

>> USUALLY WE USE KORA. THAT'S HOW OTHER VENDORS GET OTHER VENDORS THE INFORMATION.

>> WHICH IS A STANDARD PART OF THE PROCUREMENT PROCESS IF SOMEBODY ELSE WANTED THE INFORMATION, ONCE SOMETHING IS CLOSED.

>> ONCE THE CONTRACT HAS BEEN AWARDED AND EXECUTED THEN THE BID EVENT FILES BACK TO OUR DISCUSSION EARLIER, SUBJECT TO PROPRIETARY, WHATEVER THAT MAY BE, BECOMES AVAILABLE AND CAN BE SOUGHT BY DIFFERENT VENDORS TO GET THAT INFORMATION. HAVE THAT OPPORTUNITY, AND THEN THE -- ONCE THE CONTRACT'S EXECUTED THAT'S THE 30-DAY. NORMALLY THE 30-DAY PROTEST STARTS.

>> AND WE HAVE TRADITIONALLY FOLLOWED THAT PROCESS AND THAT THE STATE'S PROCESS IN THAT ONCE THAT BID IS EXECUTED THEN THERE'S A 30-DAY PROTEST PROCESS.

>> POLICY.

>> POLICY. AND AGAIN THIS IS -- SO WHAT'S WRITTEN IN THE NEXT SESSION OUT OF SECTION 17 INTO 8 IS THE OUTLINING CURRENT PROTEST THAT WE FOLLOW WHICH IS SIMILAR TO THE STATE. WE SAW ONE OF THESE EARLIER THIS YEAR. I KNOW THERE'S A COUPLE OF ITEMS HERE, AND THERE MIGHT BE ALSO AN ITEM ON 114, SO IN THIS SECTION ROLLING FROM THE CONTRACT APPROVAL PROCESS TO THE BID PROCESS IT TALKS ABOUT 30-DAY CALENDAR YEAR, AND, AGAIN, SO FAR CURRENTLY ADOPTED WHAT THE STATE USES FOR THAT. AND THEN IT OUTLINES WHAT THE WRITTEN PROTESTS SHALL INCLUDE AND

HOW IT SHOULD BE FILED. AND THEN IT GOES THROUGH THE STEPS FOR THE DETERMINATION. THERE'S A COUPLE OF NOTES IN THIS SECTION. I'M LOOKING AT NUMBER 18, A THROUGH E. ONE OF THE NOTES SAYS ALTERNATIVELY THE HCC CAN MAKE A DECISION AND THE AGGREGATED BIDDER'S REMEDY IS TO FILE A PETITION FOR JUDICIAL REVIEW PURSUANT TO THE KANSAS JUDICIAL REVIEW ACT.

>> VICKI SCHMIDT. I PERSONALLY THINK THAT IS THE WAY TO GO, AND NOT EVEN MESS WITH THE REST OF THE 30 DAYS AND EVENING ELSE. THEY CAN GO THROUGH THE JUDICIAL REVIEW PROCESS WITH THE KANSAS JUDICIAL REVIEW ACT, AND DON'T EVEN STOP HERE. I MEAN, I THINK THAT IS WHAT I THINK -- I THOUGHT WE SHOULD HAVE DONE WITH THE PREVIOUS BIDDER, BUT NOW THAT WE'VE ENTERED -- WELL, I DIDN'T VOTE TO DO THAT, BUT YOU ALL ENTERED INTO THE PROCESS. NOW YOU HAVE INSERTED INTO THE BID PROTEST, AND SO NOW -- ANYWAY, I THINK IT'S CLEANER JUST TO SAY ONCE YOU'VE MADE THE DECISION YOU CAN GO THROUGH THE JUDICIAL REVIEW ACT. AND JUST LEAVE IT AT THAT. AND NOT MESS WITH THE REST OF THIS STUFF. BECAUSE I DON'T THINK -- AND THEN ON THE SECOND NOTE WE HAVE NOT DEALT, AT LEAST UP UNTIL THIS POINT, WE HAVE NOT DELEGATED THE AUTHORITY AS A COMMISSION TO THE CHAIRPERSON, AND THEN THE CHAIRPERSON -- WELL, ANYWAY, I'M NOT GOING TO GO INTO THAT. ANYWAY, I THINK NUMBER ONE IS JUST CLEANER JUST TO KEEP 18 AND PUT THOSE WORDS IN AND MAKE THE AGREED TO BIDDERS REMEDY DIFFERENT. AND D READS, WHICH IS THE SECOND BULLET POINT ABOUT THE CHAIRPERSON. A PROTEST DECISION SHALL BE MADE BY THE CHAIRPERSON THAT YOU SEE AS SOON AS POSSIBLE AFTER RECEIVING ALL THE RELEVANT REQUESTS AND INFORMATION. THE DECISION OF A CHAIRPERSON IS FINAL. THERE IS NO FURTHER ADMINISTRATIVE REPEAL PROCESS. THE CHAIRPERSON IS THE AGENCY OFFICER TO RECEIVE THE SERVICE OF THE PETITION FOR JUDICIAL REVIEW ON BEHALF OF THE ACC AND THE STATE EMPLOYEE HEALTH PLAN. IN THE LAST ONE THAT WE, OR THE ONLY ONE I'VE RECEIVED SINCE I'VE BEEN HERE IS BY BROUGHT

THAT TO THE ENTIRE HCC, SO IT WASN'T A UNILATERAL DECISION.

>> THE LETTER WAS JUST SIGNED BY YOU. WE HAVE A MIC OPEN. AS OUR MOST OFFICIAL DOCUMENTS BY THE COMMISSION, BUT, YES, RECOGNIZE THAT, YES, THE LETTER WAS SIGNED SOLELY BY. THERE WAS ONE OTHER COMMENT ON PAGE 114. IT'S AROUND THE AGENCY CHAIR. IF WE WERE TO LEAVE THE SECTION THAT'S DEFINITELY AN AREA THE LANGUAGE WOULD BE MODIFIED THAT IT IS REFLECTIVE OF THE ENTIRE HCC.

>> THAT THE HCC SHOULD VOTE ON IT, AND THE MEMBERS THAT WANT TO PROCEED WITH IT SHOULD BE LISTED. THE ONE THAT IS DON'T SHOULD BE LISTED.

>> I AGREE WITH THE FIST PART NOT THE SECOND. SORRY, GO AHEAD COMMISSIONER.

>> I THINK IN ANY GOVERNING BODY THERE'S LIABLE TO BE DISSENTING VOTES, BUT AS A BODY WE OUGHT TO KOALESS AND THAT BECOMES THE BODY'S DECISION.

>> I WOULD AGREE WITH THAT EXCEPT FOR AN ILL PROCEDURE AND IN AN INLEGAL PROCEEDING WHERE IT'S A PROTEST BID AND HAS A LOT OF IMPLICATIONS TO IT, I THINK THAT SHOULD BE UP TO THE INDIVIDUAL COMMISSIONER AS TO IF THEY WANT TO PROCEED THAT WAY BECAUSE I'M STILL NOT CONVINCED THAT ON THE PREVIOUS ACTION THAT WE TOOK THAT THE COMMISSION TOOK SINCE WE DIDN'T HAVE ANYTHING IN WRITING ON A PROTEST WE DIDN'T HAVE A PROCEDURE IN PLACE ON A PROTEST. WE SHOULDN'T HAVE ENGAGED IN THAT. AND I DON'T WANT TO BE PART OF THAT

>> THEN HAVING THE CHAIR SIGN IT SOLELY IS A WAY TO DEAL WITH THAT. 123450 THAT CHAIR DOES NOT HAVE MY VOTE. THAT CHAIR, I DIDN'T VOTE FOR THE CHAIR TO BE THE SOLE PERSON TO DO THAT. THAT'S A DELEGATION OF AUTHORITY, I THINK. AND YOU KNOW, AND, AGAIN, IT'S NOT AGAINST THE CURRENT CHAIR. IT'S JUST A PROCESS THING. SO, I MEAN, DOES ANYONE. IS



THERE ANYONE OUT THERE WHO ONLINE IN THE ROOM THAT WOULD AGREE THAT -- WOULD THERE BE ANYONE THAT WOULD ENTERTAINED -- BE ENTERTAIN THE DISCUSSION ABOUT JUST PUTTING IT TO THE KANSAS JUDICIAL REVIEW ACT?

>> I DON'T HAVE KNOWLEDGE OF THE KANSAS JUDICIAL REVIEW ACT ENOUGH TO ANSWER THAT QUESTION YES OR NO. DID YOU SAY THAT THIS PROTEST PROCESS IS WHAT IS CURRENTLY USED BY --

>> THE STATE, THE OFFICE OF PROCUREMENT AND CONTRACTS. WE FOLLOW -- LIKE WITH MANY OTHER ASPECTS WE PRETTY MUCH FOLLOW THEIR PROCESS. THE PROCESS OF THE KANSAS JUDICIAL REVIEW ACT IS SO MUCH GREATER. I'D ALREADY STATED MORE THAN ONCE PREVIOUSLY THAT I FEEL WE OUGHT TO BE AS CLOSELY ALIGNED, NOT NECESSARILY 100%, BUT AS CLOSELY ALIGNED TO THE EXISTING PROCEDURES USED BY PROCUREMENT. AND IF THIS BID PROCESS IS IN PLACE THEN MY LIEN NEEDS TO GO WIT. NOW I WOULD AGREE THAT THE DECISION TO -- THE PROTEST DECISION OUGHT TO BE AN ACC DECISION RATHER THAN A UNILATERAL DECISION BY THE CHAIR. CERTAINLY ONE DESIGNED BY THE CHAIR AS THE CHAIR OF THE HCC.

>> MY COMMISSIONERS ONLINE, OTHERS IN THE ROOM, SO COMMISSIONER SCHMIDT IS INTERESTED IN UNDERSTANDING INTERESTS AROUND THE KANSAS JUDICIAL REVIEW ACT COMPARATIVE TO THE PROCESS SIMILAR TO THE STATE'S OPC WITH ONE AS CURRENTLY WRITTEN. I ASK STAFF TO TAKE THAT BACK, EDIT IT, MODIFY AND RECIRCULATE AND SO THAT INTO, AND I WOULD ASK STAFF THAT WE DO THIS AND GET THIS OUT PRIOR TO EVEN THE MATERIALS FOR THE NEXT MEETING. WE'RE ALLOWED TO MAKE SURE WE HAVE CAPTURED EVERYTHING IN THE ESSENCE OF THE CONVERSATIONS TODAY SO THAT WE POTENTIALLY COULD BE IN A POSITION TO AFFIRM THIS PROCESS AT OUR NOVEMBER MEETING. OUR COMMISSIONER'S COMFORTABLE WITH THOSE NEXT STEPS, AND AGAIN GETTING THIS OUT SOONER THAN THE PACKET MATERIAL, ALLOWING FOR

IF WE NEED TO GO BACK AND FORTH WITH LANGUAGE OR IF WE DIDN'T CAPTURE SOMETHING. OKAY COMMISSIONERS. WHERE THAT I'M GOING TO GO CLOSE ITEM NUMBER 8. ITEM NUMBER NINE IS JUST A QUICK UPDATE, AND THEN WE WILL RETURN TO ITEM NUMBER 2 TO CLOSE US OUT TODAY. ITEM NUMBER 9 IS AROUND THE WELLNESS PROGRAM. YOU ALL SHOULD RECEIVE SOME MATERIALS COMING FROM THE STAFF AROUND THE CONVERSATIONS WE HAVE PREVIOUSLY HAD AS THEY BEGIN TO DRAFT THE RFP, BUT WE WANT TO MAKE SURE WE CAPTURED SOME OF OUR DISCUSSIONS SO YOU'LL SEE A COUPLE OF THINGS COMING FROM THEM THEY HAVEN'T DRAFTED THE RFP YET.

>> I WAS WONDERING IN THAT SAME VAIN I KNOW THAT IN THE DIRECTOR'S REPORT JANET SAID SHE WAS WORKING ON -- THERE ARE PEOPLE WORKING ON THE MARATHON CONTRACT. SO SHOULD WE EXPECT AN UPDATE ON WHAT THAT CONTRACT LOOKS LIKE AT THE NEXT MEET SOMETHING

>> YES, DEFINITELY.

>> ALL RIGHT, COMMISSIONERS, I'D LIKE TO TAKE US BACK TO OUR AGENDA ITEM NUMBER 2. THE DOCUMENT THAT WE'RE RE-OPENING THE CONVERSATION AROUND THE RULE AND REG CHANGE, NO-WAY 30-DAY CHANGE THE COMMITTEE MET ON MAY 5TH. THE RESPONSE WAS SENT BY THE HEALTH PLAN ON MAY 12TH. AND IT HAS BEEN CIRCULATING IN HARD COPY IN THE ROOM. THIS WAS A PART OF THE CONVERSATION TO UNDERSTAND THE BACKGROUND AS WE MOVE TO RATIFY THESE CHANGES. ALL COMMISSIONS AND THE MOTIONS ON THE FLOOR AT THE TIME WERE ALL WITHDRAWN. SO WITH THAT COMMISSIONERS I WILL ENTERTAIN A MOTION, A SECOND AND NECESSARY DISCUSSION IN ANY DIRECTION THAT WE NEED TO GO.

>> MADAM CHAIR I MOVE TO RATIFY KAR'S 10-1-1. 1--1-3 AND 1-4 THAT'S PRESENTERRED TO US. THERE'S A MOTION ON THE FLOOR. IS THERE A SECOND? I OPEN IT UP FOR DISCUSSION, COMMISSIONERS.

>> THIS IS COMMISSIONER HENSLEY. CAN YOU HEAR ME?

>> YES. I THINK THE FIRST PROPER MOTION SHOULD BE TO TAKE THE ISSUE OFF THE TABLE

>> OKAY. SO I NEED A MOTION TO UNTABLE.

>> I WOULD MOVE THAT WE WOULD TAKE THIS SUBJECT MATTER OFF THE TABLE. HAVE A SECOND?

>> SECOND.

>> THERE'S A SECOND.

>> WAIT A MINUTE. MAYBE YOU HAVE TO HAVE THE FIRST MOTION REDACTED AND THEN GO TO -- YES, AND THEN GO BACK TO HENSLEY.

>> FIRST MOTION SHOULD BE WITHDRAWN, YEAH.

>> I WITHDRAW MY MOTION.

>> THERE'S A MOTION ON THE TABLE TO REMOVE THIS FROM THE TABLE. ANY DISCUSSION? ALL THOSE IN FAVOR?

>> AYE.

>> ANY OPPOSED. ABABSTENSION.

>> THE MOTION IS BACK ON THE TABLE TO RATIFY THE KARS AS DESCRIBED TO ELIMINATE THE 30-DAY WAITING PERIOD. FOR NEW EMPLOYEES. WE ARE IN DISCUSSION, COMMISSIONERS.

>> MADAM CHAIR –

>> COMMISSIONER HENSLEY.

>> I JUST WANTED TO SAY I SUPPORT THIS POLICY CHANGE. I THINK AS HAS BEEN POINTED OUT WE NEED MORE STATE EMPLOYEES. WE'VE GOT A LOT OF JOB OPENINGS THAT ARE VACANT CURRENTLY AND I BELIEVE THIS CHANGE WOULD HELP US IN TERMS OF RECRUITMENT.

>> I DO SUPPORT ALL THREE CHANGES IN THE REGULATIONS.

>> OTHER COMMENTS, COMMISSIONERS. QUESTIONS? ALL RIGHT. HEARING NONE. I WILL CALL FOR THE VOTE. ALL THOSE IN FAVOR SAY AYE. YOU'RE RIGHT. THANK YOU SO MUCH. PROCESS. FOR THE RATIFICATION OF A RULE AND REG CHANGE IT DOES REQUIRE ROLL CALL VOTE. THANK YOU, COMMISSIONERS, FOR KEEPING THESE STRAIGHT. WE WILL DO A ROLL CALL VOTE. COMMISSIONER SCHMIDT.

>> AYE.

>> COMMISSIONER GASTON.

>> AYE.

>> COMMISSIONER DECKANT.

>> AYE.

>> COMMISSIONER HENSLEY.

>> AYE.

>> COMMISSIONER LYNNWARE.

>> AYE.

>> COMMISSIONER MCGIN.

>> NO.

>> AND COMMISSIONER BURNSWALLACE IS AN AYE. THE VOTE PASSES 6-1. AND SO NEEDS TO BE RECORDED ON THE OFFICIAL RECORD. AND THE REGULATION HAS BEEN ADOPTED. COMMISSIONER SCHMIDT, SORRY.

>> THANK YOU, MADAM CHAIR. WILL THAT BE PUBLISHED AT THE NEXT KANSAS REGISTER? LET US DOUBLE CHECK AND WE'LL LET THE COMMISSIONERS KNOW. I THINK IT GOES OUT WITHIN THE NEXT ONE OR SOMETHING OF THAT NATURE. I DON'T KNOW THE PROCESS OFF THE TOP OF MY HEAD, BUT WE WILL MOVE TO TAKE THE IMMEDIATE NEXT STEPS.

>> I THINK WHAT WE'LL BE DOING IS CONTACTING DPS TO COORDINATE WITH THEM TO MAKE SURE THAT WHICHEVER IT'S PASSED AND GOES IN EFFECT THEY'RE READY FOR IT.

>> SO THAT IT TURNS AUTOMATICALLY ON WHEN IT'S PUBLISHED.

>> WE HAVE TWO WEEKS FROM THE TIME IT IS POSTED IN THE KANSAS REGISTER FOR IT TO BECOME EFFECTIVE. AND THEY'RE ALWAYS -

>> THERE'S A DELAY.

>> WE DO NEED TO TALK WITH DPS AND MAKE SURE THEY'RE READY FOR THE CHANGE.

>> COMMISSIONERS, I'LL HAVE THEM SEND THE UPDATE. IT'S A SLIGHT TIMING THING AND HAS A SLIGHT DELAY. WE'LL MAKE SURE YOU HAVE THE APPROPRIATE TIME.

>> I WOULD JUST SAY DPS HAS HAD PLENTY OF TIME TO GET READY FOR THIS BECAUSE IT'S BEEN IN THE WORKS FOR A YEAR. I HOPE THEY'RE READY.

>> COMMISSIONER McGIN.

>> I HAVE A COMMENT, AND I DON'T NEED IT TO BE RECORDED. I WAS JUST THINKING ABOUT WHAT COMMISSIONER HENSLEY SAID ABOUT WE NEED MORE STATE EMPLOYEES. WELL, THEN WE OUGHT TO GIVE THEM A RAISE, AND WE NEVER GIVE STATE EMPLOYEES A RAISE. IF WE'RE GOING TO COMPARE THAT TO THE EQUAL MARKET OUT THERE, AND I KNOW STATE EMPLOYEES DON'T ALWAYS GET MARKET RATE, BUT THEY SHOULD AT LEAST BE RIGHT UNDER THAT, AND WE'RE HAVING A HARD TIME GETTING STATE EMPLOYEES BECAUSE OF OUR SALARIES. THANK YOU.

>> THANK YOU, COMMISSIONER. COMMISSIONERS, THERE ARE NO OTHER AGENDA ITEMS. ARE THERE ANY ITEMS -- COMMISSIONER, GO AHEAD, COMMISSIONER SCHMIDT.

>> GO AHEAD. WERE YOU GOING TO ASK IF THERE'S ANYTHING FOR THE NEXT MEET SOMETHING

>> YES, IF THERE ARE ANY ITEMS. THERE'S A COUPLE THINGS THE STAFF IS STILL WORKING THROUGH THAT ARE POSTED TO COME TO THE NEXT AGENDA ATTEMPT. GO AHEAD IF YOU HAVE AN ITEM.

>> I DO HAVE AN ITEM. I'D LIKE TO START SEEING A REPORT OF THE NUMBER OF COMPLAINTS THAT ARE COMING IN TO THE STATE EMPLOYEE HEALTH PLAN. I KNOW WE, AT MY OFFICE, SEND THOSE ON TO THE STATE EMPLOYEE HEALTH PLAN WHEN THEY INVOLVE THE STATE EMPLOYEE HEALTH PLAN, BUT I'M PRETTY SURE WE DON'T HEAR ABOUT ALL OF THEM, AND I THINK IT'D BE IMPORTANT FOR THIS COMMISSION TO KNOW THE NUMBER OF COMPLAINTS THAT COME IN ABOUT THE STATE HEALTH PLAN, AND JUST OBVIOUSLY NOT DISCLOSING ANY DETAILS ABOUT THE INDIVIDUAL, BUT I THINK WE OUGHT TO KNOW WHAT COMPLAINTS ARE COMING OUR WAY ABOUT THE PLAN BECAUSE THEY SEEM TO BE, AT LEAST MY OFFICE IS RECEIVING MORE COMPLAINTS ABOUT THE STATE EMPLOYEE HEALTH PLAN AND THE PAYMENT OF BENEFITS AND SOME OF THE -- IT HAS INCREASED RECENTLY. SO I'M HOPING THAT MAYBE THAT'S NOT AN OVERALL TREND FOR US, BUT I THINK -- I DO THINK THAT AS COMMISSIONERS WE NEED TO KNOW THAT.

>> THANK YOU.

>> ANY OTHER ITEMS, COMMISSIONER? COMMISSIONER LANDWARE?

>> YES, YES.

>> GO AHEAD, COMMISSIONER.

>> I DIDN'T DO ANY DUE DILIGENCE EARLIER WHEN WE TOOK OUR VOTE. IF YOU REMEMBER IN THE DISCUSSION BEFORE WE TABLED THAT, THAT WE WOULD ALSO ASK FOR A QUARTERLY, AT LEAST, REPORT ON DETAILS AS TO WHAT THIS NEW BENEFIT IS COSTING THE PLAN.

>> SO NOTED.

>> THANK YOU.

>> ANY OTHER ITEMS, COMMISSIONER? COMMISSIONERS, IT'S BEEN A MARATHON, BUT WE GOT THROUGH SOME GREAT CONVERSATION TODAY, AND I GREATLY APPRECIATE IT. OUR ONE THING IS THAT WE WILL BE SCHEDULING A MEETING FOR NEXT MONTH. WE WILL WANT TO DO IT AFTER NOVEMBER 10TH TO CONSIDER THE NEW SLATE, AND SO COMMISSIONERS, DO WE WANT TO TRY TO GRAB A DATE HERE OR WOULD YOU BE OPEN TO THE STAFF SENDING OUT A POLL SO THAT WE CAN GRAB DATE THAT IS WOULD ALIGN WITH YOUR CALENDARS?

>> >> WE'RE ALL HERE NOW.

>> PULL THEM OUT THEN, COMMISSIONERS, LET'S GO.

>> WE ALL HAVE OUR CALENDARS.

>> EVERYBODY HAVE THEIR CALENDAR?

>> YEAH, I THINK -

>> SOME OF THESE INTERIMS THAT WE'RE DEALING WITH ARE NOT SCHEDULED YET.

>> MAY I MAKE A SUGGESTION?

>> YES, COMMISSIONER McGinn.

>> I'M JUST WONDERING IF A DOODLE POLL MIGHT BE BETTER. WE CAN TRY NOW, BUT I KNOW THERE'S A CERTAIN COMMISSIONER THAT'S ON EVERY COMMITTEE AND THAT COMMISSIONER MAY NOT BE AVAILABLE. SHE'S ONLINE. [ LAUGHTER ]

>> COMMISSIONERS -

>> I'M WONDERING, WITH ALL THE INTERIMS IT'S GOING TO BE PRETTY DICEY, AND WE PROBABLY NEED TO DO A DOODLE.

>> WE'LL DO A POLL AND POTENTIALLY CUT OUT DATE THAT IS WE ALREADY KNOW THERE'S SOME CONFLICTS AS WE TRY TO DO THAT.

>> MADAM CHAIR, SINCE IT'S LIKE 10 AFTER 5:00 OR 9 AFTER 5:00 OR 8 AFTER 5:00 DEPENDING WHICH CLOCK I'M LOOKING AT IN THIS ROOM. I AM REALLY GLAD WE STARTED AT 11:00 THIS MORNING, AND I WOULD NOT BE OPPOSED TO STARTING EVEN EARLIER LIKE 9:00 OR 10:00, RECOGNIZING THERE ARE THREE COMMISSIONERS THAT ARE DRIVING A COUPLE HOURS TO GET HERE. I DON'T WANT THEM DRIVING IN THE DARK, WHICH IN A MONTH THEY'LL BE DRIVING IN THE DARK AT 7:00, BUT ANYWAY, I APPRECIATE THE FACT THAT YOU HAVE BEEN FLEXIBLE TO START US EARLY. I APPRECIATE THE FACT THAT LUNCH WAS BROUGHT IN, BUT I DON'T THINK IT'S REALLY -- I CAN BRING SOMETHING TO EAT OR WHATEVER. I APPRECIATE THAT, BUT WHATEVER YOU WANT TO DO. BUT ANYWAY THANKS FOR LETTING US START EARLY. I DO THINK THAT WHEN IT HAD THES 5:00 IT REALLY DOESN'T MATTER WHAT'S ON THE AGENDA AFTER ABOUT 4:30. PEOPLE SAY YES TO. I KIND OF WISH THE PROCUREMENT ONE WOULD BE OCCURRING RIGHT NOW. [ LAUGHTER ]

>> SINCE I DIDN'T AND YOU JUST HAD TO FORCE THAT OVER AT 3:00, YOU KNOW, I'LL ACCEPT IT. BUT THANK YOU, MADAM CHAIR.

>> COMMISSIONER, I WAS MAKING SURE THAT IT DIDN'T END UP AT THE END OF THE DAY WHERE YOU WOULD SAY WE WOULD RUSH THROUGH IT AND NOT HAVE ENOUGH TIME FOR DISCUSSION. COMMISSIONERS, WE WILL FOLLOW UP WITH A POLL AGAIN. COMMISSIONERS, THANK YOU FOR YOUR TIME OF THE EMPLOYEES OF THE STATE APPRECIATE YOUR DEDICATION AND THE WORK. WITH THAT, COMMISSIONERS, WE ARE ADJOURNED.