

STATE OF KANSAS - STATE EMPLOYEES HEALTH CARE COMMISSION

MEETING MINUTES - ADOPTED

September 27, 2021 - 3:00 PM

KPERS Board Room, 611 S. Kansas Ave., Topeka, KS

The Kansas - State Employees Health Care Commission (HCC) meeting was called to order on Monday, September 27, 2021, at 3:00 pm. The meeting was conducted in person at the KPERS Board Room, in Topeka, KS with a virtual video broadcast available to the public using GoTo Webinar following publication to the State of Kansas's Public Square web portal and SEHP website.

The following members were present:

- Chair DeAngela Burns-Wallace
- Commissioner Steve Dechant
- Commissioner Vicki Schmidt
- Commissioner Carolyn McGinn
- Commissioner Brenda Landwehr
- Commissioner Sandy Praeger (virtual)
- Commissioner Rebekah Gaston

The following staff were present:

- Janet Stanek, SEHP Director
- Mike Michael, SEHP Deputy Director
- Jennifer Flory, SEHP, Administrative Coordinator
- Pete Nagurny, SEHP Sr. Manager, Data & Finance
- Paul Roberts, SEHP Sr. Manager, Health Plan Operations
- Laurie Knowlton, SEHP Sr. Manager, Membership Services
- John Yeary, Department of Administration Chief Counsel
- Tracy Diel, Department of Administration, Legal Counsel

The following attended virtually:

- Courtney Fitzgerald, SEHP Marketing Manager
- Ken Vieira, Segal Consulting
- Patrick Klein, Segal Consulting
- Dr. Sadhna Paralkar, Segal Consulting
- Doug Sumner, Marathon Health
- Eric Schrumppf, Marathon Health
- Holly Martin, Marathon Health
- Jon Swartz, Marathon Health

Topic	Discussion	Action	Follow-up
<p>Welcome and Introductions</p>	<p>Secretary Burns-Wallace called the meeting to order at 3:06 pm. She welcomed the commissioners and those listening in. She reminded all commissioners to please identify themselves when speaking for those listening on the phone.</p> <p>She recapped the purpose for the meeting, review of the Marathon Health Contract, and that it is a public meeting and is broadcast via GoTo Meeting.</p>		
<p>1. Approval of Minutes a. August 23, 2021 [Action Item]</p>	<p>Secretary Burns-Wallace recapped the new format for the meeting minutes.</p> <p>Commissioner Schmidt suggested the following edits: Page 11 – should say Commissioner Schmidt; Page #2 – the explanation of vote should be moved to the Action column instead of the Discussion column.</p> <p>There was consensus expressed in respect to the new minute format and flow of information.</p>	<p><i>Commissioner Dechant made a motion to approve the minutes for 08/23/21.</i></p> <p><i>1st – Commissioner Dechant</i> <i>2nd – Commissioner Gaston</i></p> <p><i>All in favor, none against, the motion passed.</i></p> <p>The 08/23/21 Minutes were approved with the noted edits.</p>	<p>It was requested to include headers on each page for future versions.</p>
Topic	Discussion	Action	Follow-up

<p>2. Marathon Contract Recommendation [Action Item]</p>	<p>Janet Stanek presented information regarding the Marathon contract. See attached materials. She noted that today's information included excerpts from Marathon's Year 2 Annual Report with current and trended data.</p> <p>The commission had various questions for Marathon and requested clarification on some of the metrics presented.</p> <p>Commissioner Schmidt expressed concern that the negotiated extension did not include any modifications to the performance guarantees, as had been her understanding from the last HCC meeting. Concern was expressed that the ability to negotiate revised performance guarantees from the vendor had been compromised.</p> <p>Janet Stanek noted that staff has been in discussions with Marathon regarding alternative performance guarantees and plans to make modifications should the contract be extended.</p> <p>Janet Stanek reviewed the current performance guarantees with the commissioners included in the materials.</p> <p>Commissioner Schmidt inquired about the terms of the lease for the Clinic space.</p> <p>Commissioner Burns-Wallace noted that Marathon would extend for 1 year and that the State would potentially look to use that space for other purposes, should the Clinic be discontinued in the future.</p>	<p><i>Commissioner Gaston made a motion to extend the amended Marathon contract for 1 year.</i></p> <p>Commissioner Burns-Wallace clarified this would include the SEHP staff moving forward with an RFP.</p> <p><i>1st – Commissioner Gaston</i> <i>2nd – Commissioner Dechant</i></p> <p><i>Commissioner Schmidt made a friendly amendment to the motion to also extend the lease for 1 year at the rate of \$16.50 per square foot (\$5,478 monthly cost; \$65,736 annual cost).</i></p> <p><i>The amendment was accepted.</i></p> <p>The amended contract included an annual savings of \$301,478 as follows: a reduction of the annual fee consistent with the 2020 annual fee at the cost of \$2,073,048 (reduced from \$2,285,526) resulting in a savings of \$212,478; increase behavioral health a .5 FTE at no additional cost to the state resulting in a savings of \$89,000; and expand virtual services across the state at no additional cost to the state.</p>	<p>Commissioner McGinn requested that future reports that are broken out by department include the Legislative Branch individually and not combined with other departments.</p> <p>Commissioner Landwehr requested that future Performance Guarantees include outcomes measurements.</p>
<p>Topic</p>	<p>Discussion</p>	<p>Action</p>	<p>Follow-up</p>

		<p>6 in favor, 1 against. The motion passed.</p> <p>Commissioner Schmidt voted in opposition of the motion and requested to record her explanation as being the same reason as she has stated in previous meetings where she expressed opposition to the process used by the HCC to award contracts</p> <p><i>The Marathon Contract was approved as presented for a one-year extension, including a one-year lease extension.</i></p>	
<p>3. Next Meeting Agenda, October 18, 11 am</p>	<p>Secretary Burns-Wallace noted the next meeting is scheduled for October 18th at 11 am in the KPERS Board Room. She noted that the agenda would be robust and include discussions on HB 2218 requirements, the 30-day rule and regulation change, the procurement process, HCC legal counsel options as well as standard reports, including the financial report and the Director report.</p>		<p>Commissioner Landwehr requested that all emails come from a single contact.</p> <p>Janet Stanek will be recorded as the Sender on all future HCC related communications.</p>
<p>4. Adjournment</p>		<p><i>The meeting adjourned at 4:16 pm.</i></p>	