SENATE BILL No. 110

By Committee on Financial Institutions and Insurance

1-31

AN ACT concerning the state board of regents; relating to supplemental health insurance coverage; authorizing the purchase thereof for certain state employees; amending K.S.A. 2016 Supp. 75-4101 and repealing the existing section.

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

K.S.A. 2016 Supp. 75-4101 is hereby amended to read as Section 1. follows: 75-4101. (a) There is hereby created a committee on surety bonds and insurance, which shall consist of the state treasurer, the attorney general and the commissioner of insurance or their respective designees. The commissioner of insurance shall be the chairperson of the committee and the director of purchases or the director's designee shall be ex officio secretary. The committee shall meet on call of the chairperson and at such other times as the committee shall determine but at least once each month on the second Monday in each month. Meetings shall be held in the office of the commissioner of insurance. The members of the committee shall serve without compensation. The secretary shall be the custodian of all property, records and proceedings of the committee. Except as provided in this section and K.S.A. 74-4925, 74-4927, 75-6501 through 75-6511 and K.S.A. 76-749, and amendments thereto, no state agency shall purchase any insurance of any kind or nature or any surety bonds upon state officers or employees, except as provided in this act. Except as otherwise provided in this section, health care coverage and health care services of a health maintenance organization for state officers and employees designated under-subsection (c) of K.S.A. 75-6501(c), and amendments thereto, shall be provided in accordance with the provisions of K.S.A. 75-6501 through 75-6511, and amendments thereto.

(b) The Kansas turnpike authority may purchase group life, health and accident insurance or health care services of a health maintenance organization for its employees or members of the highway patrol assigned, by contract or agreement entered pursuant to K.S.A. 68-2025, and amendments thereto, to police toll or turnpike facilities, independent of the committee on surety bonds and insurance and of the provisions of K.S.A. 75-6501 through 75-6511, and amendments thereto. Such authority may purchase liability insurance covering all or any part of its operations and may purchase liability and related insurance upon all vehicles owned or

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operated by the authority independent of the committee on surety bonds and insurance and such insurance may be purchased without complying with K.S.A. 75-3738 through 75-3744, and amendments thereto. Any board of county commissioners may purchase such insurance or health care services, independent of such committee, for district court officers and employees any part of whose total salary is payable by the county. Nothing in any other provision of the laws of this state shall be construed as prohibiting members of the highway patrol so assigned to police toll or turnpike facilities from receiving compensation in the form of insurance or health maintenance organization coverage as herein authorized.

- (c) The agencies of the state sponsoring a foster grandparent or senior companion program, or both, shall procure a policy of accident, personal liability and excess automobile liability insurance insuring volunteers participating in such programs against loss in accordance with specifications of federal grant guidelines. Such agencies may purchase such policy of insurance independent of the committee on surety bonds and insurance and without complying with K.S.A. 75-3738 through 75-3744, and amendments thereto.
- (d) Any state educational institution as defined by K.S.A. 76-711, and amendments thereto, may purchase insurance of any kind or nature except employee health insurance. Such insurance shall be purchased on a competitively bid or competitively negotiated basis in accordance with procedures prescribed by the state board of regents. Such insurance may be purchased independent of the committee on surety bonds and insurance and without complying with K.S.A. 75-3738 through 75-3744, and amendments thereto.
- (e) (1) The state board of regents may enter into one or more group insurance contracts to provide health and accident insurance coverage or health care services of a health maintenance organization for all students attending a state educational institution as defined in K.S.A. 76-711, and amendments thereto, and such students' dependents, except that such insurance shall not provide coverage for elective procedures that are not medically necessary as determined by a treating physician. The participation by a student in such coverage shall be voluntary. In the case of students who are employed by a state educational institution in a student position, the level of employer contributions toward such coverage shall be determined by the board of regents.
- (2) The state board of regents is hereby authorized to independently provide, through self-insurance or the purchase of insurance contracts, health care benefits for employees of a state educational institution, as such term is defined in K.S.A. 76-711, and amendments thereto, when the state health care benefits program is insufficient to satisfy the requirements of 22 C.F.R. § 62.14, as in effect upon the effective date of

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this section. Such healthcare benefits shall be limited to only those for whom the state health care benefits program does not meet federal 3 requirements.

- (3) The state board of regents may adopt rules and regulations necessary to administer and implement the provisions of this section.
 - Sec. 2. K.S.A. 2016 Supp. 75-4101 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the Kansas register.