

**MINUTES OF MEETING
KENTUCKY GROUP HEALTH INSURANCE BOARD
KENTUCKY EMPLOYEES' HEALTH PLAN
MONTHLY MEETING May 19, 2026, AT 2:00 P.M.
PERSONNEL CABINET, 501 HIGH STREET, FRANKFORT, KENTUCKY 40601
IN PERSON MEETING**

At the monthly meeting of the Kentucky Group Health Insurance Board held on May 19, 2026, the following members were present: Secretary Mary Elizabeth Bailey, Tanya Bradshaw as proxy for Commissioner Robbie Fletcher, Connie Pettyjohn as proxy for Jerry Powell, Tommy Loving, Robin Winkfield as proxy for Jason McGinnis, Nancy Haggerty as proxy for John Hicks, Aaron Roberts as proxy for Auditor of Public Accounts Allison Ball, Elizabeth Cunningham as proxy for Holly Johnson, Steve Gillespie, Jessica Hiler, and Michael Wilson. Staff members present were Deputy Secretary Robert Long, Commissioner Chris Chamness, Deputy Commissioner Brandon Adams, Will Adams, Jen Thompson, Grant Hakanson. Also present were Camille Burgess, Sean Rafferty, David Hume, Larry Totten, Brent Pruitt, Margaret Cooper, and Stephanie Davidson.

Secretary Bailey called the meeting to order at 2:00 p.m. Ms. Jen Thompson called roll.

Secretary Bailey asked for a motion to accept the April 28, 2026, board minutes as read and approved. The motion was made by Steve Gillespie and seconded by Tommy Loving. The motion passed unanimously.

Secretary Bailey introduced the agenda item *Kentucky Employees' Health Plan (KEHP) Update / Review goals*. Commissioner Chamness updated the Board on the following items:

Renewals

- Several renewals are signed and awaiting final approvals at the Finance Cabinet and potential review by the Government Contracts Review Committee.
- The RFP for financial statement and audit support services has closed, and we are waiting for a final contract and final approvals as well.

- RFPs for the medical claims and pharmacy claims integrity vendors are being scored this week.

Plan Design

- Aon is working on plan design, though there are unknowns, including how pharmacy dispensing fees under SB 188 will be coded and processed by CVS/Caremark in 2027. The Kentucky Department of Insurance will be publishing new dispensing fee rates that will apply to all pharmacy claims in Kentucky.
- Aon is also analyzing the impact of plan design changes and claims experience for the first part of 2026, which will be critical to this analysis.
- We will update this committee in the summer as we finalize plan design.

Open Enrollment Preparations

- KEHP will have an active enrollment for all member types. The Department is working on a comprehensive project plan for open enrollment, as this will be a big lift.
- Part of the Department's efforts will be outreach to our participating employers to get as many updates to demographic information completed as possible. These efforts to clean up data are critical as we prepare to move to a new benefits administration system.

State and Local Government Benefits Association

Three staff members attended the SALGBA Annual conference in Providence. Three take aways:

1. All government plans are challenged with pressures on budget and claims costs.
2. We have implemented several cost-saving strategies and programs that other states are considering. Artificial Intelligence (AI) is not a silver bullet to curb costs, but AI can be useful. Oversight is critical.
3. Many states are conducting claims reviews for the first time or with renewed scrutiny. There are also concerns about impacts from the Consolidated Appropriations Act of 2021 and how certain claims are (re)processed, including with Independent Dispute Resolution and provider appeal rights.

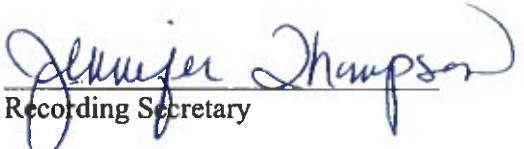
Secretary Bailey introduced the agenda item *SmartShopper Update*. Margaret Cooper, Senior Client Performance Manager, and Stephanie Davison, Senior Client Performance Director, updated the board on the KEHP 2025 SmartShopper performance, which includes over \$1 million cash incentives to members, along with over \$8.9 million in Program

savings to KEHP. Top three (3) procedures shopped include: MRI, mammogram, labs. Over 50% of shoppers chose a location within 20 miles of their home to reach an incentivized facility. Program savings overall since inception include over \$49.5 to date. Board members were shown the shopping experience, including a look at the Care Concierge team and how they impact members' success.

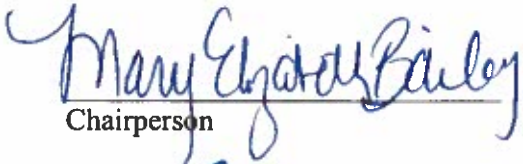
Secretary Bailey introduced the agenda item *Old/New Business*. There being no further business, Secretary Bailey asked for a motion to adjourn the meeting. The motion was made by Steve Gillespie and seconded by Tommy Loving. The motion passed unanimously. The meeting was adjourned at 2:31 pm.

Copies of all documents presented are incorporated as part of the minutes of the Kentucky Group Health Insurance Board held May 19, 2026.

I do certify that I was present at this meeting, and I have recorded the above actions of the Board on the various items considered by it at this meeting. Further, I certify that all applicable requirements of KRS 61.805-61.850 were met in conjunction with this meeting.


Recording Secretary

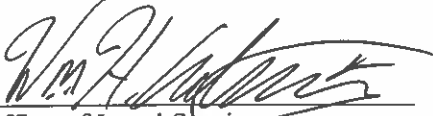
We, the Chair of the Kentucky Group Health Insurance Board and Commissioner of the Kentucky Department of Employee Insurance, do certify that the Minutes of Meeting held on May 19, 2026, were approved on June 23, 2026.


Chairperson

Commissioner

I have reviewed the Minutes of the May 19, 2026, Kentucky Group Health Insurance Board

Meeting for content, form, and legality.


Office of Legal Services