

**KY MINUTES OF MEETING
KENTUCKY GROUP HEALTH INSURANCE BOARD
KENTUCKY EMPLOYEES' HEALTH PLAN
MONTHLY MEETING JUNE 25, 2024, AT 2:00 P.M.
PERSONNEL CABINET, 501 HIGH STREET, FRANKFORT, KENTUCKY 40601
VIDEO TELECONFERENCE AND IN-PERSON HYBRID MEETING**

At the monthly meeting of the Kentucky Group Health Insurance Board held on June 25, 2024, the following members were present: Secretary Mary Elizabeth Bailey, Tommy Loving, Angie Raley as proxy for Sharon Clark, Nancy Haggerty as proxy for John Hicks, Tiffany Yeast as proxy for Robin Kinney, Mike Wilson, Jerry Powell, Elizabeth Cunningham as proxy for Holly Johnson, Adrienne Carter, and Steve Gillespie. Staff members present were Commissioner Chris Chamness, Jen Thompson, Donna Marcum, Will Adams, Allison Lile and Paula Chisholm, and Steeley Shacklette. Also present were Carl Felix, Kristin Shramovich, David Hume, Connie Pettyjohn, and Camille Burgess.

Secretary Bailey called the meeting to order at 2:01 p.m. Ms. Jennifer Thompson called roll.

Secretary Bailey asked for a motion to accept the May 28, 2024, board minutes as read and approved. The motion was made by Tommy Loving and seconded by Jerry Powell. The motion passed unanimously.

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

- Procurement Update
 - The medical third-party administrator RFP should be nearing the end of scoring soon, with an award announced thereafter.
 - The DEI is in discussions with CVS on the parameters of the extension of pharmacy benefit services in 2025. Compliance with SB 188 / HB 190 is a core topic – we can expect changes to pharmacy benefits, which will be communicated to members with open enrollment materials.
- Open Enrollment
 - Open Enrollment will run October 7 – October 25. KHRIS ESS will be available starting

- 10/1 for enrollment during benefit fairs.
- Five benefit fairs will take place 10/1 through 10/4, and on 10/8 at locations around the Commonwealth.
- DEI Members Services will host similar customer service hours as last year:
 - October 7 through October 11: 7:30 a.m. to 4:30 p.m.
 - October 14 through October 18: 7:30 a.m. to 6:00 p.m.
 - October 21 through October 25: 7:30 a.m. to 8:00 p.m.
- There will be no increase to employer or employee medical premiums for 2025.
- Healthcare FSA contribution limit increases to \$3,200 (up from \$3,050), with maximum carryover increasing to \$640 (\$610). Child & Adult Care FSA remains at \$5,000 for household, \$2,500 married, filing separately max.
- DEI is expecting a fourth plan option in 2024: a LivingWell High Deductible Health Plan (HDHP). This plan will be a qualified HDHP for a member to open an HSA.
- The default plan for new hires starting 1/1/2025 will be a waiver without HRA, this will facilitate our first day coverage for new Commonwealth-paid employees.
- HealthEquity Security Incidents:
 - One involved fraud with bad actors using available member information to request new log-ins and passwords, then submitting fraudulent claims or rerouting claims in process to a new bank account. This incident did not involve a compromise of HealthEquity's data systems.
 - Second incident involved a bad actor who compromised and exploited a HealthEquity contractor's log-in and then gained access to data systems involving PII and PHI. HealthEquity has hired an outside security consultant to investigate and is in the process of identifying compromised members and will be sending communications and offering free credit monitoring.

Secretary Bailey introduced the agenda item *KEHP – Mid Year Review*. Allison Lile, Healthcare Data Administrator, presented the board with the executive summary for the upcoming Annual Report. For the most part, 2023 follows the trends from the previous years. The main changes reflected included a 25% increase in pharmacy costs from 2022. To illustrate this, new slides with data related to GLP-1s was included. With the upcoming change in the way KEHP will be paying dispensing fees to Kentucky Independent Pharmacies, a new slide showing 2023 fill data was also included.

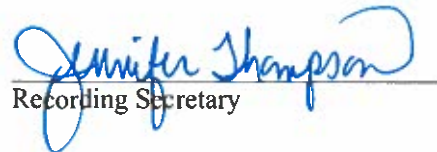
Secretary Bailey introduced the agenda item *Old/New Business*. There being no further business,

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 2:41 pm.



Copies of all documents presented are incorporated as part of the minutes of the Kentucky Group Health Insurance Board held June 25, 2024.

CERTIFICATION

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 Deputy Commissioner of the Kentucky Department of Employee Insurance, do certify that the Minutes of Meeting held on June 25, 2024, were approved on July 30, 2024.


Chairperson

Commissioner

I have reviewed the Minutes of the June 25, 2024, Kentucky Group Health Insurance Board Meeting for content, form, and legality.


Office of Legal Services

