

HOUSE BILL No. 2360

By Committee on Appropriations

2-13

1 AN ACT concerning the administration of the state employee health
2 benefits plan; creating the division of state employee health benefits
3 plan in the department of administration.
4

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

6 Section 1. (a) There is hereby established, within the department of
7 administration, the division of the state employee health benefits plan. The
8 head of the division shall be director of the state employee health benefits
9 plan, who shall be appointed by and serve at the pleasure of the secretary
10 of administration. The director shall be in the unclassified service under
11 the Kansas civil service act and shall receive an annual salary fixed by the
12 secretary of administration and approved by the governor.

13 (b) (1) The secretary of administration shall appoint, in accordance
14 with the provisions of the Kansas civil service act, such employees as may
15 be needed, in the judgment of the secretary and director, to carry out the
16 powers and duties of the state employee health benefits plan.

17 (2) All officers and employees of the division of the state employee
18 health benefits plan shall act for and exercise the powers of the director of
19 the state employee health benefits plan to the extent that authority to do so
20 is delegated by the secretary and director. Subject to the provisions of
21 K.S.A. 75-3702j, and amendments thereto, the secretary and director may
22 organize the division of the state employee health benefits plan in the
23 manner deemed most efficient.

24 Sec. 2. All powers, duties and functions of the staff of the division of
25 health care finance of the department of health and environment
26 established in K.S.A. 2016 Supp. 65-1,252 through 65-1,258, and
27 amendments thereto, involving the administration of the state employee
28 health benefits plan are hereby transferred to and imposed upon the
29 department of administration and its division of the state employee health
30 benefits plan and the secretary and the director of the state employee
31 health benefits plan.

32 Sec. 3. (a) The department of administration and the division of the
33 state employee health benefits plan shall be the successor in every way to
34 the powers, duties and functions of the division of health care finance of
35 the department of health and environment involving the administration of
36 the state employee health benefits plan in which the same were vested

1 pursuant to K.S.A. 2016 Supp. 65-1,252 through 65-1,258, and
2 amendments thereto, and that are transferred pursuant to this act.

3 (b) Every act performed in the exercise of such transferred powers,
4 duties and functions by or under the authority of the department of
5 administration and the division of the state employee health benefits plan
6 or the secretary or the director of the state employee health benefits plan
7 involving the administration of the state employee health benefits plan
8 shall be deemed to have the same force and effect as if performed by the
9 division of health care finance of the department of health and
10 environment in which the same were vested pursuant to K.S.A. 2016 Supp.
11 65-1,252 through 65-1,258, and amendments thereto, in which such
12 powers, duties and functions were vested prior to the effective date of this
13 act.

14 (c) Whenever the division of health care finance of the department of
15 health and environment or words of like effect are referred to or designated
16 by a statute, contract, memorandum of agreement or other document and
17 such reference is in regard to any of the powers, duties or functions
18 transferred to the department of administration and its division of the state
19 employee health benefits plan, such reference or designation shall be
20 deemed to apply to the department of administration and the division of
21 the state employee health benefits plan.

22 (d) All rules and regulations, orders and directives of the division of
23 health care finance of the department of health and environment that relate
24 to the functions transferred by this act and that are in effect on the effective
25 date of this act, shall continue to be effective and shall be deemed to be
26 rules and regulations, orders and directives of the secretary of
27 administration until revised, amended, revoked or nullified pursuant to
28 law.

29 Sec. 4. (a) The balances of all funds or accounts thereof appropriated
30 or reappropriated for the division of health care finance of the department
31 of health and environment or any state agency, department, board,
32 commission or council, relating to the powers, duties and functions
33 involving the administration of the state employee health benefits plan by
34 K.S.A. 2016 Supp. 65-1,252 through 65-1,258, and amendments thereto,
35 are hereby transferred within the state treasury to the department of
36 administration for the division of the state employee health benefits plan
37 and shall be used only for the purpose for which the appropriation was
38 originally made.

39 (b) Liability for all accrued compensation or salaries of officers and
40 employees who are transferred to the department of administration and the
41 division of the state employee health benefits plan pursuant to this act shall
42 be assumed and paid by the division of the state employee health benefits
43 plan of the department of administration.

1 Sec. 5. (a) When any conflict arises as to the disposition of any
2 property, power, duty or function or the unexpended balance of any
3 appropriation as a result of any abolition or transfer made by or under this
4 act, such conflict shall be resolved by the governor, whose decision shall
5 be final.

6 (b) The division of the state employee health benefits plan in the
7 department of administration shall succeed to all property, property rights
8 and records that were used for or pertain to the performance of powers,
9 duties and functions involving the administration of the state employee
10 health benefits plan that were transferred to the division of health care
11 finance in the department of health and environment pursuant to K.S.A.
12 2016 Supp. 65-1,252 through 65-1,258, and amendments thereto. Any
13 conflict as to the proper disposition of property, personnel or records
14 arising under the provisions of this act, shall be determined by the
15 governor, whose decision shall be final.

16 Sec. 6. (a) No suit, action or other proceeding, judicial or
17 administrative, lawfully commenced, or that could have been commenced,
18 by or against any state agency or program mentioned in K.S.A. 2016 Supp.
19 65-1,252 through 65-1,258, and amendments thereto, or by or against any
20 officer of the state in such officer's official duties, shall abate by reason of
21 the governmental reorganization effected under the provisions of this act.
22 The court may allow any such suit, action or other proceeding to be
23 maintained by or against the successor of any such state agency or any
24 officer affected.

25 (b) No criminal action commenced or that could have been
26 commenced by the state shall abate by the taking effect of this act.

27 Sec. 7. (a) All officers and employees of the division of health care
28 finance of the department of health and environment who, immediately
29 prior to the effective date of this act, are engaged in the exercise and
30 performance of the powers, duties and functions involving the
31 administration of the state employee health benefits plan and transferred
32 by this act, as well as all officers and employees of the department of
33 health and environment who are determined by the secretary of
34 administration to be engaged in providing administrative, technical or
35 other support services that are essential to the exercise and performance of
36 the powers, duties and functions transferred by this act, are hereby
37 transferred to the division of the state employee health benefits plan of the
38 department of administration. All classified officers and employees so
39 transferred shall retain their status as classified employees.

40 (b) Officers and employees of the division of health care finance of
41 the department of health and environment transferred by this act shall
42 retain all retirement benefits and leave balances and rights that had accrued
43 or vested prior to the date of transfer. The service of each such officer or

1 employee so transferred shall be deemed to have been continuous. Any
2 subsequent transfers, layoffs or abolition of classified service positions
3 under the Kansas civil service act shall be made in accordance with the
4 civil service laws and any rules and regulations adopted thereunder.
5 Nothing in this act shall affect the classified status of any transferred
6 person employed by the division of health care finance of the department
7 of health and environment prior to the date of transfer.

8 (c) Notwithstanding the effective date of this act, the provisions of
9 this act prescribing the transfer of officers and employees from the
10 division of health care finance of the department of health and
11 environment to the division of the state employee health benefits plan of
12 the department of administration shall commence at the start of a payroll
13 period.

14 Sec. 8. This act shall take effect and be in force from and after its
15 publication in the statute book.