

## Kentucky Community and Technical College System Board of Regents

**Agenda Item:** Other-Post Employment Benefit (OPEB) Trust Administrative Committee Decisions

**Action Question:** Should the Kentucky Community and Technical College System (KCTCS) Board of Regents approve the Anthem Medicare Advantage plan for the calendar year 2025 and create a Request for Proposal (RFP) soliciting bids from other insurance companies for calendar year 2026?

**Recommendation:** The OPEB Trust Administrative Committee unanimously approved extending the current Anthem Medicare Advantage plan for calendar year 2025 and voted to create an RFP going back out to market for best options for calendar year 2026 for OPEB Trust eligible retirees 65 and older.

**Rationale:** The forensic audit by MCM CPAs and Advisors recommended KCTCS consider issuing an RFP to solicit bids from other insurance companies to appropriately evaluate options available to KCTCS to make a decision that is more appropriate for KCTCS and the retirees receiving the benefits in the OPEB Trust plan.

**Background:** Prior to the October 2021 Open Enrollment period for health insurance benefits, KCTCS made an administrative decision to increase the health benefits supplied to those retirees eligible to receive post-employment benefits pursuant to pre-2009 Board Policy and through payments made to the OPEB Trust. This decision was reported to the Board during the September 18, 2021, KCTCS Board of Regents' meeting, however no action was taken. To ensure the Board exercised its statutory duty, the KCTCS Board of Regents approved the increase in the retiree health benefits associated with the OPEB Trust during the December 2, 2021, meeting.