



**KANSAS  
INSURANCE  
DEPARTMENT**

*Vicki Schmidt, Commissioner*

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**Proponent Testimony for HB 2094 – Eliminating and clarifying confusing requirements concerning Health Maintenance Organization financial projections**

**March 7, 2023**

Chairman Longbine and Members of the Committee,

Thank you for the opportunity to testify in support of House Bill 2094.

House Bill 2094 proposes to amend K.S.A. 40-3203, concerning health maintenance organizations (HMOs), and the financial requirements to receive a certificate of authority in the state of Kansas.

Current statutes require the three-year financial projection documents to include:

- Complex monthly statements of revenue and expenses for the first year.
- Quarterly statements of revenue and expenses for subsequent years.
- Quarterly balance sheet.
- A statement and justification of assumptions.

The Kansas Insurance Department receives inquiries about this statute regularly from HMOs applying for a certificate of authority. House Bill 2094 simplifies and clarifies these financial projection requirements by changing to annual statements rather than various monthly and quarterly statements. This change will provide HMOs a more streamlined and less burdensome approach as they seek to transact business in Kansas.

House Bill 2094 passed the House Committee of the Whole with a vote of 124-0.

Thank you for the opportunity to submit testimony in support of House Bill 2094.

Eric Turek  
Director of Government and Public Affairs