

HOUSE BILL No. 3010

By Committee on Appropriations

3-10

9 AN ACT concerning the Kansas health policy authority; relating to ad-
10 ministration of the health care database; designation of statistical agent
11 for insurer experience data plans; amending K.S.A. 2005 Supp. 40-
12 2251 and repealing the existing section.
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14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2005 Supp. 40-2251 is hereby amended to read as
16 follows: 40-2251. (a) The commissioner of insurance shall develop or ap-
17 prove statistical plans which shall be used by each insurer in the recording
18 and reporting of its premium, accident and sickness insurance loss and
19 expense experience, in order that the experience of all insurers may be
20 made available at least annually in such form and detail as may be nec-
21 essary to aid the commissioner and other interested parties in determin-
22 ing whether rates and rating systems utilized by insurance companies,
23 mutual nonprofit hospital and medical service corporations, health main-
24 tenance organizations and other entities designated by the commissioner
25 produce premiums and subscriber charges for accident and sickness in-
26 surance coverage on Kansas residents, employers and employees that are
27 reasonable in relation to the benefits provided and to identify any accident
28 and sickness insurance benefits or provisions that may be unduly influ-
29 encing the cost. Such plans may also provide for the recording and re-
30 porting of expense experience items which are specifically applicable to
31 the state. In promulgating such plans, the commissioner shall give due
32 consideration to the rating systems, classification criteria and insurance
33 and subscriber plans on file with the commissioner and, in order that such
34 plans may be as uniform as is practicable among the several states, to the
35 form of the plans and rating systems in other states.

36 (b) ~~The secretary of health and environment~~ *Kansas health policy*
37 *authority*, as administrator of the health care database, pursuant to K.S.A.
38 65-6804, and amendments thereto, shall serve as the statistical agent for
39 the purpose of gathering, receiving and compiling the data required by
40 the statistical plan or plans developed or approved under this section. The
41 commissioner of insurance shall make an assessment upon the reporting
42 insurance companies, health maintenance organizations, group self-
43 funded pools, and other reporting entities sufficient to cover the anti-

1 pated expenses to be incurred by the ~~secretary~~ *Kansas health policy au-*
2 *thority* in gathering, receiving and compiling such data. Such assessment
3 shall be in the form of an annual fee established by the ~~secretary~~ *Kansas*
4 *health policy authority* and charged to each reporting entity in proportion
5 to such entity's respective shares of total health insurance premiums, sub-
6 scriber charges and member fees received during the preceding calendar
7 year. Such assessments shall be paid to the ~~secretary~~ *Kansas health policy*
8 *authority* and the ~~secretary~~ *Kansas health policy authority* shall remit
9 such fees to the state treasurer in accordance with the provisions of K.S.A.
10 75-4215, and amendments thereto. Upon receipt of each such remittance,
11 the state treasurer shall deposit the entire amount in the state treasury
12 to the credit of the insurance statistical plan fund. Compilations of ag-
13 gregate data gathered under the statistical plan or plans required by this
14 act shall be made available to insurers, trade associations and other in-
15 terested parties.

16 (c) The ~~secretary~~ *Kansas health policy authority*, in writing, shall re-
17 port to the commissioner of insurance any insurance company, health
18 maintenance organization, group self-funded pool, nonprofit hospital and
19 medical service corporation and any other reporting entity which fails to
20 report the information required in the form, manner or time prescribed
21 by the ~~secretary~~ *Kansas health policy authority*. Upon receipt of such
22 report, the commissioner of insurance shall impose an appropriate penalty
23 in accordance with K.S.A. 40-2,125, and amendments thereto.

24 Sec. 2. K.S.A. 2005 Supp. 40-2251 is hereby repealed.

25 Sec. 3. This act shall take effect and be in force from and after its
26 publication in the statute book.