

HOUSE BILL No. 2285

By Committee on Health and Human Services

2-5

9 AN ACT concerning health care; relating to debts owed to the state; state
10 debt setoff program.

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

13 Section 1. Any hospital or health care provider who has provided
14 health care services to an individual who was not covered by a health
15 insurance policy or was not eligible to receive benefits under medicaid
16 or the state children's health insurance program, as provided in K.S.A.
17 38-2001 et seq., and amendments thereto, at the time such health care
18 services were administered, and such person has failed to pay for such
19 services for a period greater than 90 days, may submit a claim to the
20 secretary of health and environment for the unpaid health care services.
21 If the claim appears meritorious on its face, the claim for the unpaid
22 medical services shall constitute a debt owed to the department of health
23 and environment for purposes of K.S.A. 75-6202 et seq., and amendments
24 thereto, and the secretary may certify the debt to the department of
25 administration.

26 Sec. 2. At the time of certification, the secretary of health and en-
27 vironment shall supply any information necessary, in accordance with
28 K.S.A. 75-6202, and amendments thereto, to identify each debtor whose
29 refund is sought to be set off pursuant to K.S.A. 75-6205, and amend-
30 ments thereto, and certify the amount of the debt or debts owed by each
31 such debtor.

32 Sec. 3. If a debtor identified by the secretary of health and environ-
33 ment is determined by the department of administration to be entitled
34 to a refund, the department of administration shall notify the department
35 of health and environment that a refund has been set off on behalf of the
36 department of health and environment for purposes of this section and
37 shall certify the amount of such set off, which shall not exceed the amount
38 of the claimed debt certified. When the refund owed exceeds the claimed
39 debt, the department shall send the excess amount to the debtor within
40 a reasonable time after such excess is determined.

41 Sec. 4. The department of administration shall notify the debtor by
42 certified mail the taxpayer whose refund is sought to be set off that such
43 setoff will be made. The notice shall contain the provisions contained in

1 K.S.A. 75-6206, and amendments thereto, including the opportunity for
2 a hearing to contest the setoff provided therein.

3 Sec. 5. Once a debt has been setoff and finally determined under
4 the applicable provisions of K.S.A. 2008 Supp. 75-6202 et seq., and
5 amendments thereto, and the department of health and environment has
6 received the funds transferred from the director of accounts and reports
7 of the department of administration, the department of health and en-
8 vironment shall settle with each hospital or health care provider for the
9 amounts the director setoff for such party. At the time of each settlement,
10 each hospital or health care provider shall be charged for administration
11 expenses which shall not exceed 20% of the collected amount.

12 Sec. 6. In accordance with K.S.A. 75-8712, and amendments thereto,
13 lottery prize payouts shall also be subject to the set off procedures estab-
14 lished in this section and any rules and regulations promulgated thereto.

15 Sec. 7. The director of accounts and reports shall follow the priority
16 procedure in accordance with K.S.A. 75-6211, and amendments thereto.

17 Sec. 8. The director of accounts and reports and the secretary of
18 health and environment may adopt any and all rules and regulations nec-
19 essary to carry out the provisions of this act.

20 Sec. 9. This act shall take effect and be in force from and after its
21 publication in the statute book.