

Approved: February 23, 1993  
Date

## MINUTES OF THE HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson William Bryant at 3:30 p.m. on February 17, 1993 in Room 527-S of the Capitol.

All members were present except:

Committee staff present: William Wolff, Legislative Research Department  
Bruce Kinzie, Revisor of Statutes  
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

### **Discussion on HB 2096, HB 2117, HB 2171**

The basis for the fiscal note on HB 2096 as presented to the Committee was questioned. Concern over the information that insured state employees would be paying higher premiums if this bill were enacted was expressed as it had been understood that BC/BS will co-pay all providers at the same rate. The current contracts with BC/BS must be reviewed. Information will be requested regarding upcharges from BC/BS. Bill Wolff will ask for clarification on the fiscal note from Budget.

Questions the Committee asked and discussed included:

1. What is the appropriate policy for a contract? Should the state set the requirements?
2. What are the health consequences?
3. Which is best: good quality management of health care or contracting?
4. Should we bundle all services into one contract to get better prices? What should these services be?
5. Is it the government's responsibility to develop a simple health care system? Who is responsible to control costs, the provider or the State?
6. Does the Legislature want managed care or cost containment? The national movement is towards managed competition.
7. Does the Legislature wait for the federal government to set the mandates while we try to protect all our small businesses at home?
8. Should the emphasis be on quality of patient care or cost containment, if choices must be made?
9. The 403 Commission is to make its recommendations regarding health care needs at the end of 1993 and how community ratings fit into the scheme. What is the plan if their recommendations and those of the Legislature do not mesh?
10. Is the problem in Wichita really a problem of overbuilding and now there is stiff competition in the marketplace for patients (customers)?
11. How can Kansas develop a health care plan which meets the federal mandates when it is strapped financially? 60% of the insured in Kansas are under self-insurance plans. What percentage of Kansans are on public assistance of some type?

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE,  
Room 527-S Statehouse, at 3:30 p.m. on February 17, 1993.

12. Are community ratings the answer? Who sets the rate?

13. Would the enactment of HB 2171 apply to all ancillary fields such as psychologists, social workers, etc?

The meeting adjourned at 4:35 p.m. The next meeting is scheduled for February 18, 1993.

## GUEST LIST

COMMITTEE:

House, Financial & Insurance

DATE:

2-17-93

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