

Approved: 4-3-98
Date

MINUTES OF THE HOUSE COMMITTEE ON INSURANCE.

The meeting was called to order by Chairperson Dennis Wilson at 1:35 p.m. on March 18, 1998 in Room 527-S of the State Capitol.

All members were present except: Representative Vaughn Flora, excused
Representative Dave Gregory, excused

Committee staff present: Bill Wolff, Legislative Research Department
Robert Nugent, Revisor of Statutes
Beth James, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

The meeting was called to order at 1:35 p.m. by Chairperson Dennis Wilson.

Two sets of minutes from March 10 and March 11, 1998 were handed out to the committee to read over. The Chairperson said that the committee was going to work on HB2997, HB2705, and SB439.

HB2997: **Insurance coverage for diabetic equipment and supplies.**

HB2705: **Technical correction to Kassebaum-Kennedy health insurance legislation.**

SB439: **Medicare provider organization, regulations and creation.**

The Chairperson asked the committee to turn their attention to SB439. The Chairperson opened the floor for discussion or action on the bill. Representative Kirk made a motion to amend SB439 with what was HB2705. HB2705 had been passed out of this committee favorably, to be put on the consent calendar. It got pulled off the consent calendar and then got dropped at turn around time. The motion was seconded by Representative Johnston. Representative Myers asked to hear the explanation of HB2705. Bill Wolff from the Research Department explained the bill. The Chairperson asked if there was any more discussion. There was a short discussion regarding HB2705 addressing availability and not affordability. The Chairperson called for the vote. The motion passed to amend SB439 with HB2705.

Representative Tomlinson then made a motion to amend HB2997 with a balloon he would now hand out to the committee and to then amend HB2997 into SB439 and to retitle it House Substitute for SB439. Representative Tomlinson went over the balloon. (Attachment #1). The motion was seconded by Representative Johnston. The Chairperson called for the vote and the motion passed.

Representative Johnson made a motion to amend House Substitute for SB439 with the balloon he would now hand out. (Attachment #2) This balloon deals with the pharmacists. There was some discussion. The motion was seconded by Representative Empson. There was more discussion regarding reciprocity.

Representative Tomlinson asked the committee not to amend this balloon into the bill because this would constitute a major policy change and allow, in this one small instance, reimbursement for cognitive training on the part of the pharmacists. He would like to see that issue go to an interim committee. Several other committee members agreed.

There being no further discussion, Chairperson Wilson called for the vote. The motion failed.

CONTINUATION SHEET
HOUSE COMMITTEE ON INSURANCE, MARCH 18, 1998
ROOM 527 AT 1:30 P.M.

The Chairperson then said he would entertain a motion on the bill as amended. Representative Burroughs made a motion to pass out **House Substitute for SB439** favorably as amended. The motion was seconded by Representative Johnston. There was a short discussion as to how the Senate would handle this bill and the retitling of the bill. Chairperson Wilson then called for the vote and the motion to pass out **House Substitute for SB439** as amended passed.

Chairperson Wilson thanked all parties concerned for their help in getting this bill passed. He expressed his hope that when the bill gets to the floor it will not be laden down with amendments that could possibly kill the bill.

The Chairperson asked the committee to take the time to read the minutes that had been handed out at the beginning of the meeting. He then asked for a motion. Representative Campbell made a motion to accept the minutes of March 10 and March 11, 1998 as presented to the committee. The motion was seconded by Representative Burroughs. A vote was taken and the motion passed.

The meeting was adjourned at 2:11 p.m.

HOUSE BILL No. 2997

By Committee on Appropriations

2-26

9 AN ACT concerning insurance; relating to increased coverage for dia-
10 betes; amending K.S.A. 1997 Supp. 40-1909 and 40-19c09 and re-
11 pealing the existing sections.

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

14 New Section 1. (a) This act shall be known and may be cited as the
15 "diabetes coverage act."

16 (b) Any individual or group health insurance policy, medical service
17 plan, contract, hospital service corporation contract, hospital and medical
18 service corporation contract, fraternal benefit society or health mainte-
19 nance organization which provides coverage for accident and health serv-
20 ices and which is delivered, issued for delivery, amended or renewed on
21 or after January 1, 1999, also, shall provide coverage for equipment, and
22 supplies, limited to hypodermic needles and supplies used exclusively
23 with diabetes management and outpatient self-management training and
24 education, including medical nutrition therapy, for the treatment of in-
25 sulin dependent diabetes, insulin-using diabetes, gestational diabetes and
26 noninsulin using diabetes if prescribed by a health care professional le-
27 gally authorized to prescribe such ~~items~~ services and supplies under the law. Such coverage
28 shall include coverage for insulin only if such coverage also includes cov-
29 erage of prescription drugs.

30 (c) Diabetes outpatient self-management training and education shall
31 be provided by a certified, registered or licensed health care professional
32 with expertise in diabetes. The coverage for outpatient self-management
33 training and education shall be required pursuant to this section only if
34 the diabetic ~~after consultation and approval by a physician licensed to~~
35 ~~practice medicine and surgery~~ (1) is treated at a program approved by
36 the American diabetes association; (2) is treated by a person certified by
37 the national certification board for ~~diabetic~~ diabetes educators; or (3) is, as to
38 nutritional education, treated by a licensed dietitian.

39 (d) (1) The benefits provided in this act shall be subject to the same
40 annual deductible or co-insurance and the same requirement of medical
41 necessity established for all other covered benefits within a given policy.
42 In the case of a policy requiring that services be provided by or upon
43 referral from a primary care physician, the benefits provided by this act

HOUSE Insurance
Attachment # 1-1
3-18-98

1 shall be subject to such requirement.

2 (2) Private third party payors may not reduce or eliminate coverage
3 due to the requirements of this act.

4 (3) Enforcement of the provisions of this act shall be performed by
5 the commissioner of insurance.

6 Sec. 2. K.S.A. 1997 Supp. 40-1909 is hereby amended to read as
7 follows: 40-1909. (a) Such corporations shall be subject to the provisions
8 of the Kansas general corporation code, articles 60 to 74, inclusive, of
9 chapter 17 of the Kansas Statutes Annotated, applicable to nonprofit cor-
10 porations, to the provisions of K.S.A. 40-214, 40-215, 40-216, 40-218, 40-
11 219, 40-222, 40-223, 40-224, 40-225, 40-226, 40-229, 40-230, 40-231, 40-
12 235, 40-236, 40-237, 40-247, 40-248, 40-249, 40-250, 40-251, 40-252,
13 40-254, 40-2,100, 40-2,101, 40-2,102, 40-2,103, 40-2,104, 40-2,105, 40-
14 2,114, 40-2,116, 40-2,117, 40-2a01 to 40-2a19, inclusive, 40-2216 to 40-
15 2221, inclusive, 40-2229, 40-2230, 40-2250, 40-2251, 40-2253, 40-2254,
16 40-2401 to 40-2421, inclusive, 40-3301 to 40-3313, inclusive, K.S.A. 1997
17 Supp. 40-2,153, 40-2,154, 40-2,160 and 40-2,161 and section 1, and
18 amendments thereto, except as the context otherwise requires, and shall
19 not be subject to any other provisions of the insurance code except as
20 expressly provided in this act.

21 (b) No policy, agreement, contract or certificate issued by a corpo-
22 ration to which this section applies shall contain a provision which ex-
23 cludes, limits or otherwise restricts coverage because medicaid benefits
24 as permitted by title XIX of the social security act of 1965 are or may be
25 available for the same accident or illness.

26 (c) Violation of subsection (b) shall be subject to the penalties pre-
27 scribed by K.S.A. 40-2407 and 40-2411, and amendments thereto.

28 Sec. 3. K.S.A. 1997 Supp. 40-19c09 is hereby amended to read as
29 follows: 40-19c09. (a) Corporations organized under the nonprofit med-
30 ical and hospital service corporation act shall be subject to the provisions
31 of the Kansas general corporation code, articles 60 to 74, inclusive, of
32 chapter 17 of the Kansas Statutes Annotated, applicable to nonprofit cor-
33 porations, to the provisions of K.S.A. 40-214, 40-215, 40-216, 40-218, 40-
34 219, 40-222, 40-223, 40-224, 40-225, 40-226, 40-229, 40-230, 40-231, 40-
35 235, 40-236, 40-237, 40-247, 40-248, 40-249, 40-250, 40-251, 40-252,
36 40-254, 40-2,100, 40-2,101, 40-2,102, 40-2,103, 40-2,104, 40-2,105, 40-
37 2,116, 40-2,117, 40-2a01 et seq., 40-2111 to 40-2116, inclusive, 40-2215
38 to 40-2220, inclusive, 40-2221a, 40-2221b, 40-2229, 40-2230, 40-2250,
39 40-2251, 40-2253, 40-2254, 40-2401 to 40-2421, inclusive, and 40-3301
40 to 40-3313, inclusive, K.S.A. 1997 Supp. 40-2,153, 40-2,154, 40-2,160
41 and 40-2,161 and section 1, and amendments thereto, except as the con-
42 text otherwise requires, and shall not be subject to any other provisions
43 of the insurance code except as expressly provided in this act.

(e) The provisions of this act shall not apply to any medicare supplement policy of insurance, as defined by the commissioner of insurance by rule and regulation, any policy of long-term care insurance, as defined by K.S.A. 40-2227, and amendments thereto, any specified disease or specified accident coverage or any accident only coverage as defined by the commissioner of insurance by rule and regulation, whether written on a group, blanket, or individual basis.

TOTAL P.04

#1-2
3-18-98.

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23 with diabetes management and outpatient self-management training and
24 education, including medical nutrition therapy, for the treatment of in-
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32 with expertise in diabetes. The coverage for outpatient self-management
33 training and education shall be required pursuant to this section only if
34 the diabetic after consultation and approval by a physician licensed to
35 practice medicine and surgery: (1) is treated at a program approved by
36 the American diabetes association; (2) is treated by a person certified by
37 the national certification board for diabetic educators; ~~or~~ (3) is, as to
38 nutritional education, treated by a licensed dietitian

39 (d) (1) The benefits provided in this act shall be subject to the same
40 annual deductible or co-insurance and the same requirement of medical
41 necessity established for all other covered benefits within a given policy.
42 In the case of a policy requiring that services be provided by or upon
43 referral from a primary care physician, the benefits provided by this act

; or (4) is treated by a licensed pharmacist who has successfully completed a program of diabetes education conducted by the university of Kansas school of pharmacy

House Insurance
Attachment #2
3-18-98