

SESSION OF 2008

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2699**

As Amended by House Committee on  
Insurance and Financial Institutions

**Brief\***

HB 2699, as amended, would amend the Kansas Health Care Prompt Payment Act to create a limited time frame (within 18 months after the end of the month the incorrect payment was made) during which an insurer could request reimbursement from an insured individual or a provider for a claim paid in error. In cases of fraud by either the insured (policyholder) or the provider, the request for reimbursement may be initiated within the applicable statute of limitations under KSA 60-513.

**Background**

The bill was introduced by the House Committee at the request of the Kansas Insurance Department whose representative indicated that the bill would require insurance companies to recoup erroneous payments in a timely manner. Currently, the representative noted, insurance companies can recoup the payment at any time within five years. The representative offered amendments to the bill to remove the Kansas Long-Term Care Prompt Payment Act from the bill and insert a provision specific to fraud on behalf of the insured person and the provider. A representative of America's Health Insurance Plans testified in support of the bill and amendments offered by the Insurance Department and further offered an amendment to lengthen the specified time period from 15 months to 18 months. The Kansas Medical Society also testified in support of the original bill.

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The House Committee on Insurance and Financial Institutions amended the bill to delete the provisions of the Kansas Long-Term Care Prompt Payment Act, to insert a provision to specify the time frame applicable in the cases of fraud, and to increase the time frame insurers would have to request reimbursement. The amendments were requested by the Kansas Insurance Department and America's Health Insurance Plans.

The fiscal note prepared by the Division of the Budget on the introduced version of the bill states that the Kansas Insurance Department indicates there would be no fiscal effect associated with the enactment of the bill.