

SESSION OF 2009

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2259

As Amended by House Committee on
Health and Human Services

Brief*

HB 2259, as amended, would direct the Kansas Health Policy Authority to apply for waivers from the Centers for Medicare and Medicaid Services (CMS) that would allow the state Medicaid program to include Health Savings Accounts (HSAs), Health Opportunity Accounts (HOAs), or both. The bill would direct the agency to negotiate with CMS to include provisions allowing for the promotion of personal responsibility of Medicaid recipients. The bill would allow approved waivers to be implemented in phases as funding is made available.

Background

Proponent testimony was provided by the Kansas Association of Health Underwriters, Day Insurance Solutions, and HSA Benefits Consulting. Proponents stated that the advantages to Medicaid recipients possibly could include a choice of health insurance plans, a choice in providers, lower rates, and insurance portability. Some of the proponents expressed concern about the pilot premium assistance plan that would have included a buy-in of a state approved health benefit plan.

There was no opponent testimony against the bill, and the Kansas Health Policy Authority provided neutral testimony, including a summary of a recent report relevant to the bill.

The House Committee on Health and Human Services amended the bill by deleting section 2 of the introduced bill

*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>

which would have required the Health Policy Authority to develop and implement a pilot premium assistance plan for eligible employees of small employers.

According to the fiscal note prepared by the Division of the Budget, section 2 of the introduced bill would cost \$2.3 million, including \$1.15 million from the State General Fund, along with 3.0 additional FTE positions to implement a pilot premium assistance plan. In consultation with the Health Policy Authority, no estimate was provided for section 1 of the bill dealing with the Medicaid waivers because the bill would allow any reforms to be phased in based upon available funding.