

Reagan Cussimano  
Director of Government Affairs

February 10, 2025

Chairwoman Dietrich and Members of the Senate Financial Institutions and Insurance Committee,

My name is Reagan Cussimano and I am here on behalf of The University of Kansas Health System in support Senate Bill 121. With that, we respectfully request the inclusion of an amendment to clarify the exemption status of church and government self-funded health plans. For over 30 years, these plans have relied on an exemption provided under KSA 40-202(b). However, recent interpretations have created uncertainty regarding their regulatory status. This proposed amendment is necessary to restore clarity and provide statutory direction by ensuring that self-funded plans offered by churches, government entities, and similar organizations are not classified as health insurers under Kansas law.

The amendment would achieve the following:

- Explicitly define self-funded plans offered by churches, government entities, and related organizations as distinct from health benefit plans, thereby restoring 30 years of precedent and exempting them from state insurance regulation.
- Reinforce that such entities are not health insurers as described in KSA 40-2,186(b)-(c), preserving their historical exemption from burdensome regulatory oversight.
- Maintain the balance between protecting consumers and respecting the unique nature of religious and governmental organizations that have long provided reliable self-funded plans to their members.

In closing, we appreciate the opportunity to support Senate Bill 121 and offer the proposed amendment which will preserve and clarify the longstanding exemption of churches, government entities, and their self-funded plans for more than thirty years.

Thank you for your time and consideration. I am happy to answer any questions the committee may have.

Sincerely,

Reagan Cussimano