

**HOUSE BILL No. 2048**

By Committee on Insurance

Requested by Eric Turek, Kansas Insurance Department

1-21

AN ACT concerning insurance; relating to the powers, duties and responsibilities of the commissioner; eliminating the requirement that the commissioner submit certain reports to the governor; removing certain specific entities from the definition of person for the purpose of enforcing insurance law; amending K.S.A. 40-108 and 40-2253 and K.S.A. 2024 Supp. 40-2,125 and repealing the existing sections.

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

Section 1. K.S.A. 40-108 is hereby amended to read as follows: 40-108. ~~The commissioner of insurance shall make an annual report to the governor of the general conduct and condition of the insurance companies, including fraternal benefit societies, doing business in this state. The commissioner of insurance shall keep and preserve in a permanent form a full record of the commissioner's proceedings, including a concise statement of the condition of each company reported, visited or examined by the commissioner.~~

Sec. 2. K.S.A. 2024 Supp. 40-2,125 is hereby amended to read as follows: 40-2,125. (a) If the commissioner determines after notice and opportunity for a hearing that any person has engaged or is engaging in any act or practice constituting a violation of any provision of Kansas insurance statutes or any rule and regulation or order thereunder, the commissioner may, in the exercise of discretion, order any one or more of the following:

(1) Payment of a monetary penalty of not more than \$1,000 for each and every act or violation, unless the person knew or reasonably should have known *that* such person was in violation of the Kansas insurance statutes or any rule and regulation or order thereunder, in which case the penalty shall be not more than \$2,000 for each and every act or violation;

(2) suspension or revocation of the person's license or certificate if such person knew or reasonably should have known that such person was in violation of the Kansas insurance statutes or any rule and regulation or order thereunder; or

(3) that such person cease and desist from the unlawful act or practice and take such affirmative action ~~as that~~, in the judgment of the commissioner, will carry out the purposes of the violated or potentially

Proposed Amendment to HB 2048  
For Senate Committee on Financial Institutions and Insurance  
By Eileen Ma  
Office of Revisor of Statutes

1 Sec. 3. K.S.A. 40-2253 is hereby amended to read as follows: 40-  
2 2253. (a) The commissioner of insurance shall devise universal forms to be  
3 utilized by every insurance company, including health maintenance  
4 organizations where applicable, offering any type of accident and sickness  
5 policy covering individuals residing in this state for the purpose of  
6 receiving every claim under such policy by persons covered thereunder. In  
7 the preparation of such forms, the commissioner may confer with  
8 representatives of insurance companies, health maintenance organizations,  
9 trade associations and other interested parties. Upon completion and final  
10 adoption of such forms by the commissioner, the commissioner shall  
11 notify those companies affected by sending them a copy of such forms and  
12 an explanation of the requirements of this section. Every such company  
13 shall implement utilization of such forms not later than six months  
14 following the date of the commissioner's notification.

15 (b) An accident and sickness insurer may not refuse to accept a claim  
16 submitted on duly promulgated uniform claim forms. An insurer may  
17 accept claims submitted on any other form.

18 (c) An accident and sickness insurer does not violate subsection (a)  
19 by using a document that the accident and sickness insurer has been  
20 required to use by the federal government or the state.

21 ~~(d) The commissioner of insurance shall report to the governor and to~~  
22 ~~the legislature, no later than the commencement of the 1993 regular~~  
23 ~~session of the Kansas legislature, regarding the development of uniform~~  
24 ~~electronic data interchange formats and standards, along with a proposed~~  
25 ~~plan, including an analysis of the cost impact thereof.~~

26 Sec. 4. K.S.A. 40-108 and 40-2253 and K.S.A. 2024 Supp. 40-2,125  
27 are hereby repealed.

28 Sec. 5. This act shall take effect and be in force from and after its  
29 publication in the ~~statute book~~.

Kansas register