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Blue Cross and Blue Shield of Kansas
Opponent Testimony on Senate Bill 330
Senate Committee on Financial Institutions and Insurance
February 4, 2026

Chairwoman Dietrich and Members of the Committee:

Blue Cross Blue Shield of Kansas appreciates the opportunity to testify in opposition to Senate Bill 330. Extensive rules governing prior authorization already exist in state law, and this bill contains vague language and internal inconsistencies that would make it impossible for health plans to implement consistently and without confusion. In addition, it would add unnecessary additional costs to health plans, driving up administrative overhead costs that feed into premium rates.

Blue Cross and Blue Shield of Kansas (BCBSKS) is the state's largest **locally-operated, not-for-profit** health plan with more than 2,000 Kansas-based employees. We serve approximately 1,000,000 members in 103 Kansas counties. We make a point of keeping our overhead costs as low as we can while providing excellent service, so more premium dollars can go to pay claims.

To improve member experience and reduce administrative burdens for both our network providers and staff, we have minimized the number of medical services that require prior authorization (PA). It is reserved for a small number of *non-emergent* services, such as non-emergency inpatient services and high-cost or high-risk brand name pharmaceuticals. BCBSKS uses PA not to delay care, but to help make sure that members' premium dollars are used for medically necessary services, and to minimize the risk of fraud, waste, and abuse. Ultimately, this safeguard helps keep the costs of health insurance premiums affordable for everyone. **As a not-for-profit health plan, we have no profit incentive to deny PAs inappropriately.**

Prior authorization is already a highly regulated process, based on URAC (Utilization Review Accreditation Commission) guidelines that have been adopted in Kansas Department of Insurance regulations.[1] URAC guidelines create a robust regulatory scheme that protects patients — all prior authorizations must be based on evidence-based standards developed by the medical community, and many URAC requirements function as red flags that alert providers and health plans to immediate danger for a patient. SB 330 creates a conflicting set of incomplete standards that will only result in additional costs, complication, and delay of care for both patients and providers.

SB 330 includes a number of vague provisions that make its intent unclear, and implementation impossible. For example:

- Section 3(a) would set a 24-hour deadline to respond to PAs for "urgent healthcare services," but the bill does not define what "urgent healthcare services" means.

- Section 3(b) also contains conflicting requirements regarding PAs for emergency services. Section 3(b)(1) bars PAs for emergency services, but Section 3(b)(3) states that a PA for emergency services

[1] https://insurance.ks.gov/documents/department/regulations-adopted/article-4/40-4-41reg.pdf. *See also* K.S.A. 40-22a01 *et seq*.

must be responded to within two (2) hours of receipt, so the intent is unclear – are emergency PAs meant to be banned or not? Federal law already bans PA for most emergency services.[2]

- In addition, the term "emergency services" is not defined in the bill. Without a definition of "emergency services," this language opens the door to abuse of the system by declaring non-emergency services an emergency to trigger the two-hour deadline to respond. Providing 24-hour skilled medical coverage 365 days a year solely to process undefined "emergency services" PAs would add exorbitant costs to plans. This is not a good use of premium dollars.

SB 330 includes other provisions that would add unnecessary costs to an already expensive health care system. For example:

- Section 2 would require plans to integrate a secure PA platform *for pharmacy only* with any electronic health record (EHR) system a provider might use, and accomplish that work by the deadline of January 1, 2027. To keep overhead costs down, BCBSKS processes pharmacy PAs through a specific portal. SB 330 would block us from using that cost-effective portal and instead add unnecessary costs to securely connect with any number of EHR systems. We have not received *any* recent provider complaints about that portal.

- Section 3(d) requires a PA for a chronic or long-term care condition to be valid for the entire course of treatment. This language is overbroad and could prevent a health plan from shifting a patient to newer, less costly, equally effective treatments in the future. For example, a PA for a costly, brand-name asthma medication would have to be valid for the duration of the member's asthma treatment, which in many cases is lifetime. This could prevent a health plan from requiring a PA for a costly brand-name drug in the future when effective generic or biosimilar drugs come to market.

There is already a clear, thorough, patient-centered regulatory scheme for prior authorization in Kansas law. SB 330 would interfere with that clarity by adding a layer of vague rules that would make both compliance and enforcement difficult. We would encourage the Committee to vote against this bill to avoid creating an avoidable and confusing conflict.

Please do not hesitate to contact me if you have questions or concerns.

Sincerely,

Sarah Fertig
Director of Government Relations
Blue Cross and Blue Shield of Kansas

[2] *See* 45 C.F.R. 149.110.