

February 20, 2025

The Honorable Will Carpenter, Chairperson  
House Committee on Health and Human Services  
300 SW 10th Avenue, Room 112-N  
Topeka, Kansas 66612

Dear Representative Carpenter:

SUBJECT: Fiscal Note for HB 2362 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2362 is respectfully submitted to your committee.

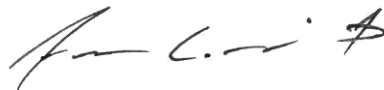
HB 2362 would require the Department of Administration to report monthly to the Kansas Department of Health and Environment (KDHE) the Social Security numbers or alternate taxpayer identification numbers of all individuals who claim a Kansas lottery or gambling prize in excess of \$5,000 during the reported month. KDHE would verify if individuals with the prize winnings are receiving medical assistance in Kansas. KDHE would only use this information to determine if any recipient's eligibility for benefits has been affected by prize winnings. The bill requires KDHE to not publicly disclose the identity of any lottery prize winner, including recipients who are determined to have illegally received benefits.

Estimated State Fiscal Effect			
	FY 2025	FY 2026	FY 2027
Expenditures			
State General Fund	--	\$138,974	--
Fee Fund(s)	--	--	--
Federal Fund	--	216,566	--
Total Expenditures	--	\$355,540	--
Revenues			
State General Fund	--	--	--
Fee Fund(s)	--	--	--
Federal Fund	--	--	--
Total Revenues	--	--	--
FTE Positions	--	--	--

KDHE indicates HB 2362 would require a total of \$355,540 in FY 2026, including \$138,974 from the State General Fund and \$216,566 in federal funds to implement the bill. KDHE would be required to create a new inbound interface with the Department of Administration to accept a file containing individuals with prize earnings exceeding \$5,000. Computer programming and testing would be required to set up a new connectivity with the Department of Administration and create a new task for the system to inform employees about prize winnings from individuals receiving medical assistance. Depending on the level of prize earnings, employees may be required to re-run the Eligibility Determination and Benefit Calculation on the individual receiving medical benefits or take appropriate actions. There could be some cost saving if the individual is determined to be exceeding income limits, but those savings are undeterminable as KDHE does not currently have data on Medicaid members receiving prize winnings.

The Department of Administration, Kansas Lottery, and Kansas Racing and Gaming Commission indicate that the bill would have no fiscal effect on their operations. Any fiscal effect associated with HB 2362 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt  
Director of the Budget

cc: Amy Penrod, Department of Health & Environment  
Keith Kocher, Kansas Lottery  
Samir Arif, Department of Administration  
Brandi White, Kansas Racing & Gaming Commission