

February 19, 2026

The Honorable William Sutton, Chairperson  
House Committee on Insurance  
300 SW 10th Avenue, Room 218-N  
Topeka, Kansas 66612

Dear Representative Sutton:

SUBJECT: Fiscal Note for HB 2677 by Representative Howe

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2677 is respectfully submitted to your committee.

HB 2677 would require any health insurance plan, on and after January 1, 2027, to provide coverage for a hearing aid to each insured child. The bill would require such coverage to include certain items and services, including evaluation, programming, repairs, and adjustments. The bill would establish a 48-month maximum benefit of \$5,000. The bill would also require coverage to include replacement of a hearing aid and associated services within three months of the dispensing date if the hearing aid fails to meet prescribed target or is unable to be repaired. The bill specifies that hearing aid coverage would be subject to the same deductible, copayment, and coinsurance as similar covered items and services and that a health insurance plan could not deny or refuse coverage based on the hearing impairment of a child.

The Department of Insurance indicates enactment of the bill would not have a fiscal effect on the agency. The Department notes that provisions of the bill would constitute a benefit in addition to the state's essential health benefits, which would require defrayal under federal law. The Department of Administration indicates enactment of the bill would not have a fiscal effect on the State Employee Health Plan because the coverage described in the bill is already provided to members. The Department of Health and Environment indicates enactment of the bill would not have a fiscal effect on the agency. Any fiscal effect associated with HB 2677 is not reflected in *The FY 2027 Governor's Budget Report*.

The Kansas Association of Counties indicates enactment of the bill could increase expenditures for counties if the additional coverage results in an increase in health insurance

premiums. However, a precise fiscal effect cannot be estimated. The League of Kansas Municipalities indicates enactment of the bill would not have a fiscal effect on cities.

The Kansas Association of School Boards states that enactment of the bill could increase expenditures for school districts, community colleges, technical colleges, special education cooperatives, and interlocals if the expansion of coverage results in an increase in health insurance premiums. The Association states that, as its members are employers required to provide coverage under the federal Affordable Care Act, any increase in the employer's portion of an employee's insurance premium would result in increased expenditures for its members. The Association indicates that students may realize some financial benefit from the expansion of coverage but anticipates that premiums could also increase in order to provide the coverage. The Association also notes that while some of its community and technical college members provide special education and related services for K-12 students prior to graduation from high school, once students graduate these entities would likely be more involved with ensuring students are provided reasonable accommodations under the federal Rehabilitation Act rather than the Individuals with Disabilities Education Act and existing state law regarding special education.

Sincerely,



Adam C. Proffitt  
Director of the Budget

cc: Samir Arif, Department of Administration  
Kyle Strathman, Department of Insurance  
Amy Penrod, Department of Health & Environment  
Wendi Stark, League of Kansas Municipalities  
Bruce Chladny, Kansas Association of Counties  
Angie Stallbaumer, Kansas Association of School Boards