

SESSION OF 2026

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2703

As Recommended by House Committee on
Insurance

Brief*

HB 2703 would create the Kansas Health Insurance Affordability Transparency Act (Act). The bill would require the Kansas Department of Insurance (Department), upon request of a legislator, to prepare a report concerning the financial impact to covered individuals that would result from the passage of certain health insurance legislation (legislation).

Definitions

The bill would define the following terms:

- “Administrator” to mean the same as defined in current Kansas statute;
- “Cost-sharing” to mean any amount other than a premium that a covered individual is required to pay out-of-pocket on a health insurance claim, including, but not limited to, a deductible, coinsurance, or co-payment;
- “Covered individual” to mean a member, policyholder, subscriber, enrollee, beneficiary, dependent, or other individual covered by any of the following policies or other contracts that are designed to protect an individual against risk or loss:

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

- Accident and health insurance, including any type of coverage currently listed in Kansas statute;
- Dental insurance;
- Vision insurance; or
- Medicare supplement insurance;
- “Health insurance legislation” to mean any bill that has been introduced in either chamber of the Legislature during the current legislative session and includes any new:
 - Requirement for minimum health insurance coverage, including requiring coverage for specific health conditions, products, medications, health care procedures, or services;
 - Requirement on the amount or type of cost-sharing that a health insurer or administrator may require a covered person to pay;
 - Fee or other licensure requirement for a health insurer or administrator;
 - Tax or change to tax rates paid by a health insurer or an administrator;
 - Prohibition on any business practice of a health insurer or an administrator; or
 - Mandate requiring a health insurer or administrator to conduct business with respect to a covered person, contracted service provider, or any state governmental agency; and
- “Health Insurer” to mean any insurance company, nonprofit medical and hospital service corporation, municipal group-funded pool, fraternal benefit society, health maintenance organization, or any other entity that offers a health benefit plan.

Financial Impact Report Requests

Upon request from any legislator, the bill would require the Department to compile and produce a report describing the financial impact to covered individuals that would result from the passage of the legislation.

Data Call for Fiscal Analysis

To produce the financial impact report, the bill would require the Department to issue a data call to health insurers and administrators, which have been authorized by the Commissioner of Insurance to do business in the state, that could be impacted by the legislation. The bill would require the health insurers and administrators to provide:

- A statement of whether the legislation, if enacted, would be:
 - Preempted, in whole or in part, by federal law; and
 - Expected to increase or decrease insurance premiums;
- The aggregate amount of increased or decreased premium costs reasonably anticipated to result during the first plan year following the passage of the legislation and whether those costs would be one-time or recurring; and
- An estimate of the total number of Kansans who are reasonably anticipated to experience:
 - An increase in premium costs if the legislation became law. The estimate would include Kansans who are members of insurance plans regulated by the federal government and enrollees of insurance plans sponsored by government entities; and

- A reduction in net costs including any changes to premiums and cost-sharing if the legislation became law.

Department Report Time Frame

The bill would require the Department to produce the report within the time frame specified by the legislator requesting the report. The bill would provide an exception requiring the Department to allow health insurers no less than two business days to supply the requested data.

Submission of False Information

The bill would state knowingly submitting false information to the Department would be considered an unfair or deceptive act for the purposes of Unfair Trade Practice Law.

Confidentiality Provisions

The bill would prohibit the report from including the name of a health insurer in connection with any data. The bill would require such data be deidentified and aggregated to prevent disclosure of protected trade secret information.

The bill would provide that information obtained by the Department in the course of compiling a report would be confidential by law and privileged, would not be subject to the Kansas Open Records Act, or subject to disclosure or admissible as evidence in any private civil action.

Sunset of Report

The bill would sunset provisions relating to the final report on July 1, 2031, unless the Legislature reviews and reenacts such provisions.

Background

The bill was introduced in the House Committee on Insurance at the request of Representative Sutton.

House Committee on Insurance

In the House Committee hearing, **proponent** testimony was provided by representatives of Blue Cross Blue Shield Kansas, Employers for Affordable Healthcare, and Pharmaceutical Care Management Association. The proponents indicated the bill would create a mechanism to review any insurance mandates considered by the Legislature for the impact those mandates would have on Kansas residents, which would allow policymakers to make informed choices to protect the affordability and accessibility of health care in Kansas and improve transparency and accountability in health care policy.

No other testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Department states the bill would create a new task for policy examiners within the Rate and Form Compliance Division. The bill would increase the workload, but the Department has no data to base how often a legislator would request a report or the time it would take to complete a report, and the agency cannot estimate a fiscal effect.

The Office of Judicial Administration states the bill would have a negligible effect on expenditures that would be absorbed within current resources. The bill could also have a negligible fiscal effect on agency and State General Fund revenues.

The Department of Administration and the Kansas Department of Health and Environment state the bill would not have a fiscal effect.

The Division of the Budget has not received responses to the request for a fiscal effect from the Office of the Attorney General and the Kansas Association of School Boards. Any fiscal effect associated with the bill is not reflected in *The FY 2027 Governor's Budget Report*.

The League of Kansas Municipalities and the Kansas Association of Counties both state the bill would not have a fiscal effect.

Insurance; accident coverage; health coverage; Kansas Health Insurance Affordability Transparency Act; Kansas Department of Insurance; Legislature; Commissioner of Insurance; financial impact report