

SESSION OF 2011

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2075

As Recommended by House Committee on
Insurance

Brief*

HB 2075 would extend from July 1, 2011 to July 1, 2016, the sunset provision that allows antifraud plans submitted to the Insurance Commissioner to be confidential and not public record.

Background

2006 Law (H. Sub. for SB 207) addressed fraudulent insurance acts. Provisions will expire on July 1, 2011, unless the Legislature reviews and reenacts them pursuant to KSA 45-229 (Kansas Open Records Act). The 2006 law required each insurer to have antifraud initiatives reasonably calculated to detect fraudulent insurance acts. Antifraud initiatives may include: fraud investigators who may be insurer employees or independent contractors; or an antifraud plan submitted to the Insurance Commissioner.

The bill was introduced at the request of the Kansas Insurance Department whose representative indicated that insurers are required to develop anti-fraud initiatives or file an anti-fraud plan with the Department. These initiatives or plans are to be held confidential and not subject to public record; this is to keep programs, the representative noted, from disclosure to individuals attempting to defraud insurance companies.

*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 <http://www.kslegislature.org>

There were no opponents to the bill at the time of the House Committee hearing.

The fiscal note prepared by the Division of the Budget states that the Kansas Insurance Department indicates that passage of the bill would have no fiscal effect on its operations.