

SESSION OF 2017

**SUPPLEMENTAL NOTE ON SENATE SUBSTITUTE FOR  
HOUSE BILL NO. 2027**

As Recommended by Senate Committee on  
Public Health and Welfare

**Brief\***

Senate Sub. for HB 2027 would make several amendments to the Kansas Healing Arts Act.

The bill would allow a physician providing services to a patient pursuant to a medical retainer agreement to bill for anatomic pathology services when the patient's bill meets certain specifications. The patient's bill for such services would be required to identify the laboratory or physician that performed the services, disclose in writing to the patient the actual amount charged by the physician or laboratory that performed the service, and be consistent with rules and regulations adopted by the State Board of Healing Arts (Board) for appropriate billing standards applicable to such services when furnished under the agreement.

The bill also would amend a statute governing institutional licenses and restrictions placed on practice privileges of these license holders. The bill would reinsert language stricken in 2014 to allow for reinstatement of an institutional license of an individual who was issued an institutional license prior to May 9, 1997, and who is providing mental health services under a written protocol with a person who holds a Kansas license to practice medicine and surgery other than an institutional license.

Finally, the bill would amend the law regarding immunity from liability in civil actions for persons reporting,

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\*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>

communicating, and investigating (reporting) certain information concerning alleged malpractice incidents. The bill would provide immunity to a person reporting an alleged malpractice incident from civil liability that may otherwise be incurred in an action resulting from reporting such information and would require a court to allow the person reporting, whom the court finds to have reported in good faith, a reasonable amount for attorney's fees and expenses incurred in defending a civil action.

## **Background**

### ***Senate Sub. for HB 2027—Anatomic Pathology Billing***

HB 2027 was introduced by the House Committee on Health and Human Services at the request of the Kansas Medical Society (KMS). At the House Committee hearing, a representative from KMS testified in favor of the bill stating enactment of the bill would protect patients from improper billing practices, provide greater transparency, and eliminate a barrier to medical retainer-type practice (also known as direct primary care) models. Written-only proponent testimony was received from four Board certified physicians practicing under a direct primary care model. No other testimony was provided.

In the Senate Committee on Public Health and Welfare hearing, a representative of KMS testified in favor of the bill. No other testimony was provided.

The Senate Committee recommended a substitute bill. The substitute bill incorporates the contents of HB 2027 and HB 2045, as recommended by the House Committee and amended by Senate Committee action to include a provision, requested by KMS, to provide immunity from civil liability for a person reporting alleged malpractice incidents.

According to the fiscal note prepared by the Division of the Budget, the Board states enactment of HB 2027, as introduced, would increase responsibilities of certain staff of the Board, but would have no fiscal effect.

***HB 2045—Institutional Licenses***

HB 2045 was introduced by the House Committee on Health and Human Services at the request of KMS. At the House Committee hearing, a representative from KMS testified in favor of the bill, stating the bill would reinstate a long-standing provision that was inadvertently stricken in 2014 when a comprehensive bill modernizing the Act was enacted. The representative noted that as a result of the deletion of the statutory provision, a small number of physicians whose sole practice is providing psychiatric services for state institutions are unable to provide such services and state institutions are without a physician to directly care for mental health patients. Written-only proponent testimony was received from a representative of the Board. No other testimony was provided.

In the Senate Committee on Public Health and Welfare hearing, a representative of KMS testified in favor of the bill. No other testimony was provided.

The Senate Committee amended HB 2045 to include a provision on immunity from civil liability, inserted the amended contents of HB 2045 into HB 2027, and recommended a substitute bill.

According to the fiscal note prepared by the Division of the Budget, the Board states enactment of HB 2045 as introduced would not affect agency revenues or expenditures.