

February 25, 2019

The Honorable Brenda Landwehr, Chairperson
House Committee on Health and Human Services
Statehouse, Room 352-S
Topeka, Kansas 66612

Dear Representative Landwehr:

SUBJECT: Fiscal Note for HB 2298 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2298 is respectfully submitted to your committee.

HB 2298 would allow the assignment of dental insurance benefits under the state healthcare benefits program to any licensed dental practitioner. The amount of benefit paid to the dentist must be the same whether or not the dentist belongs to the health insurer's provider network. Health insurers would be prohibited from reducing an insured's benefit payment amount as a result of any error or transaction by the administrator or provider of the state healthcare benefits program.

Estimated State Fiscal Effect				
	FY 2019 SGF	FY 2019 All Funds	FY 2020 SGF	FY 2020 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$2,272,559
FTE Pos.	--	--	--	--

The Kansas Department of Health and Environment (KDHE) estimates the bill would increase state employee health insurance costs by \$2,272,559 in FY 2020. This figure represents half of the total for calendar year (CY) 2020. Based on actual network discount savings in CY 2018, estimated discount savings in CY 2019 and inflation factors, KDHE estimates discount savings in CY 2020 would be \$4,545,118.

KDHE estimates that the bill could cost local governments several million dollars; however, the fiscal effect is unknown because KDHE does not possess data on city or county health plans. Any fiscal effect associated with HB 2298 is not reflected in *The FY 2020 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is fluid and cursive, with a large initial "L" and a long, sweeping underline.

Larry L. Campbell
Director of the Budget

cc: Dan Thimmesh, Health & Environment
Glenda Haverkamp, Insurance