

February 22, 2022

The Honorable Steven Johnson, Chairperson  
House Committee on Insurance and Pensions  
Statehouse, Room 218-N  
Topeka, Kansas 66612

Dear Representative Johnson:

**SUBJECT:** Fiscal Note for HB 2562 by House Committee on Insurance and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2562 is respectfully submitted to your committee.

HB 2562 would require every individual or group health insurance policy, medical service plan, contract, hospital service corporation contract, hospital and medical service corporation contract, fraternal benefit society, or health maintenance organization that provides coverage for accident and health services, that is delivered, issued for delivery, amended, or renewed on or after January 1, 2023, and that provides benefits with respect to screening and diagnostic examinations for breast cancer would be required to ensure that the cost-sharing requirements applicable to diagnostic breast examinations and supplemental breast screening examinations for an individual enrolled under such coverage are not less favorable to the insured than the requirements applicable to a screening mammography examination for breast cancer.

Estimated State Fiscal Effect				
	FY 2022 SGF	FY 2022 All Funds	FY 2023 SGF	FY 2023 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$128,781
FTE Pos.	--	--	--	--

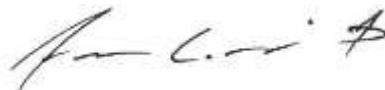
The Department of Administration estimates enactment of HB 2562 would increase costs to the State Employee Health Plan by \$128,781 from special revenue funds in FY 2023. The

estimate assumes a first-year cost increase of \$257,562; however, because the bill's provisions would not go into effect until January 1, 2023, only half the annual cost would apply to FY 2023.

The Kansas Insurance Department indicates the bill's enactment would constitute a new mandate for purposes of state cost defrayal under the Affordable Care Act and the Department states it is unable to estimate a fiscal effect. Any fiscal effect associated with HB 2562 is not reflected in *The FY 2023 Governor's Budget Report*.

Both the Kansas Association of Counties and the League of Kansas Municipalities state enactment of the bill could have a fiscal effect on local governments which would depend on potential changes to insurance rates.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", with a stylized flourish at the end.

Adam Proffitt  
Director of the Budget

cc: Bobbi Mariani, Insurance  
Celeste Chaney-Tucker, Department of Administration