

SENATE BILL No. 201

By Committee on Financial Institutions and Insurance

2-11

AN ACT concerning insurance; relating to association health plans and the regulation thereof.

Be it enacted by the Legislature of the State of Kansas:

Section 1. Notwithstanding any other provision of the law, a group health insurance contract issued to a small employer in this state shall be subject to regulation only to the extent that a self-insured health benefit plan covering small employers who are members of an association would be subject to the same regulation under state law or under provisions of federal law having the same effect as state law.

Sec. 2. As used herein, the following terms shall have the following definitions:

(a) "Regulation" shall mean any provisions of law requiring the provision of specific benefits, benefits for specific services, benefits for services provided by specific health care providers, the obligation to pay premium taxes or privilege fees on premiums collected from a small employer, obligations set forth in subsection (g), (i) or (j) of K.S.A. 40-2209, and amendments thereto, regulation under K.S.A. 40-2209b through 40-2209p, and amendments thereto, as amended or to be amended in the future, regulation of required review processes required by K.S.A. 40-22a01 *et seq.*, and amendments thereto, as amended or to be amended in the future, regulation under K.S.A. 40-2215, and amendments thereto, regulation under K.S.A. 40-2401 *et seq.*, and amendments thereto, as amended or to be amended in the future, regulation under K.S.A. 40-3001 *et seq.*, and amendments thereto, including assessments that incorporation premiums from small employers, regulation under K.S.A. 40-4601 *et seq.*, and amendments thereto, as amended or to be amended in the future, and all regulations promulgated pursuant thereto.

(b) "Small employer" shall have the same meaning as that set forth in subsection (u) of K.S.A. 40-2209d, and amendments thereto.

(c) "Group health insurance contract" shall mean a policy issued pursuant to K.S.A. 40-2209, and amendments thereto.

(d) "Self-insured health benefit plan" shall not include:

(1) A health benefit plan offered by an entity exempt from application of the insurance code as of January 1, 2003, pursuant to K.S.A. 40-202,

1 and amendments thereto; or

2 (2) an arrangement identified under 29 U.S.C. 1002 (40)(A)(i), (ii) or
3 (iii) as in existence on the effective date of this act.

4 Sec. 3. This act shall take effect and be in force from and after its
5 publication in the Kansas register.

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