

[As Amended by Senate Committee of the Whole]

As Amended by Senate Committee

Session of 2004

SENATE BILL No. 542

By Committee on Ways and Means

2-20

12 AN ACT concerning insurance; relating to insured's social security num-
13 bers; amending K.S.A. 2003 Supp. 40-4623 and repealing the existing
14 section.

15

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

17 New Section 1. ~~On and after January 1, 2006, no insurance company,~~
18 ~~including health maintenance organizations, offering any type of accident~~
19 ~~and sickness policy covering individuals residing in this state shall:~~

20 ~~—(1) Print an insured's social security number, or any part of the num-~~
21 ~~ber, on the insured's policy card.~~

22 ~~—(2) Make an individual's social security number available by reading~~
23 ~~the magnetic strip or other encoded information on the policy card.~~

24 ***On and after July 1, 2006: (a) No insurance company, including***
25 ***health maintenance organizations, offering any type of accident and***
26 ***sickness policy [covering individuals residing] in this state shall***
27 ***print or encode an insured's social security number on or into the***
28 ***insured's policy card.***

29 ***(b) Any distinguishing identifier assigned to the insured's policy***
30 ***card shall be a combination of numbers or letters or both, which is***
31 ***unique to the insured.***

32 ***(c) An insured's distinguishing identifier shall not, in any way,***
33 ***be based on or depend on the insured's social security number.***

34 New Sec. 2. ~~On and after January 1, 2006, no insurance company,~~
35 ~~including health maintenance organizations, offering any type of coverage~~
36 ~~for prescription drugs or devices covering individuals residing in this state~~
37 ~~shall:~~

38 ~~—(1) Print an insured's social security number, or any part of the num-~~
39 ~~ber, on the insured's policy card.~~

40 ~~—(2) Make an individual's social security number available by reading~~
41 ~~the magnetic strip or other encoded information on the policy card.~~

42 ***On and after July 1, 2006: (a) No insurance company, including***
43 ***health maintenance organizations, offering any type of coverage for***

1 ***prescription drugs or devices covering individuals residing in this***
2 ***state shall print or encode an insured's social security number on***
3 ***or into the insured's policy card.***

4 ***(b) Any distinguishing identifier assigned to the insured's policy***
5 ***card shall be a combination of numbers or letters or both, which is***
6 ***unique to the insured.***

7 ***(c) An insured's distinguishing identifier shall not, in any way,***
8 ***be based on or depend on the insured's social security number.***

9 ***New Sec. 3. If a federal law takes effect requiring the United***
10 ***States department of health and human services to establish a na-***
11 ***tional unique patient health identifier program, any person or en-***
12 ***tity that complies with such federal law shall be deemed to be in***
13 ***compliance with the provisions of sections 1 and 2, and amendments***
14 ***thereto, and K.S.A. 2003 Supp. 40-4623, and amendments thereto.***

15 ***Sec. 3 4. K.S.A. 2003 Supp. 40-4623 is hereby amended to read as***
16 ***follows: 40-4623. (a) A health benefit plan that provides coverage for***
17 ***prescription drugs or devices and issues a card for claims processing and***
18 ***an administrator of any such plan, including, but not limited to, a phar-***
19 ***macy benefits manager and a third-party administrator shall issue a card***
20 ***containing uniform prescription drug information to each person entitled***
21 ***to such card under the health benefit plan. If required for claims adju-***
22 ***dication, the uniform prescription drug information card shall specifically***
23 ***identify and display the following information:***

24 ***(1) ANSI-BIN number;***

25 ***(2) processor control number or group number or both;***

26 ***(3) card issuer identifier;***

27 ***(4) prescription claims processor, if different from card issuer;***

28 ***(5) cardholder identification number;***

29 ***(6) cardholder or insured name;***

30 ***(7) claims submission names and addresses; and***

31 ***(8) help desk telephone numbers.***

32 ***(b) A uniform prescription drug information card shall be issued by***
33 ***a health benefit plan to each person entitled to such card under the health***
34 ***benefit plan upon enrollment and reissued upon any change in such per-***
35 ***son's coverage that affects one or more mandatory data elements con-***
36 ***tained on the card.***

37 ***(c) Notwithstanding the foregoing provision, any health benefit plan***
38 ***or administrator of such plan may utilize, in lieu of such card, electronic***
39 ***technology which contains all of the information required for claims ad-***
40 ***judication, as long as such electronic technology is provided by the health***
41 ***benefit plan or administrator of such plan to the pharmacies which will***
42 ***adjudicate the prescription drug claims.***

43 ***(d) ~~On and after January 1, 2006, no uniform prescription drug in-~~***

1 ~~formation card shall:~~

2 ~~—(1) Print an insured's social security number, or any part of the num-~~
3 ~~ber, on the insured's card.~~

4 ~~—(2) Make an individual's social security number available by reading~~
5 ~~the magnetic strip or other encoded information on the insured's card.~~

6 **On and after July 1, 2006: (1) No cardholder's social security num-**
7 **ber shall be printed or encoded on or into any card issued under**
8 **this section.**

9 **(2) Any cardholder identification number or other distinguish-**
10 **ing identifier assigned to the card issued to a cardholder shall be a**
11 **combination of numbers or letters or both, which is unique to the**
12 **cardholder.**

13 **(3) A cardholder's identification number or other distinguishing**
14 **identifier shall not, in any way, be based on or depend on the card-**
15 **holder's social security number.**

16 Sec. ~~4~~ **5.** K.S.A. 2003 Supp. 40-4623 is hereby repealed.

17 Sec. ~~5~~ **6.** This act shall take effect and be in force from and after its
18 publication in the statute book.