

HOUSE BILL No. 2675

By Committee on Appropriations

1-20

9 AN ACT concerning health insurance; establishing a pilot program to
10 allow certain small businesses to provide health insurance through the
11 state employees health benefits program.
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13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. (a) Commencing in plan year 2007, the Kansas state em-
15 ployees health care commission shall establish a pilot program which
16 would allow a qualified small business to provide health insurance to its
17 employees by allowing eligible employees to participate in the state health
18 care benefits program.

19 (1) The pilot program established by this section shall expire on Jan-
20 uary 1, 2011.

21 (2) Participation in the pilot program shall be limited to a total of
22 1,000 eligible employees regardless of the number of qualified small busi-
23 nesses involved.

24 (3) Notwithstanding the provisions of K.S.A. 75-6501, and amend-
25 ments thereto, eligibility of eligible employees of a qualified small busi-
26 ness in this pilot program shall not be required to be designated by rule
27 and regulation.

28 (4) Each participating qualified small business shall agree to stay in
29 the pilot program for at least two years.

30 (5) Each participating qualified small business shall pay the required
31 health insurance premium for each of its participating eligible employees;
32 however, the employer shall be paid by the eligible employee for such
33 employee's portion of the premium. The determination of the portion of
34 the premium to be paid by the eligible employee shall be subject to
35 negotiation.

36 (b) As used in this section:

37 (1) "Small business" means any business that has at most 30
38 employees.

39 (2) "Qualified small business" means a small business that does not
40 provide health insurance to its employees.

41 (3) "Eligible employee" means an employee who is not already cov-
42 ered under another health insurance policy or program.

43 (c) The Kansas state employees health care commission shall report

1 its findings and any recommendations which the commission may have
2 concerning the pilot program established under this section to the gov-
3 ernor and to the legislature annually.

4 (d) The secretary of administration is hereby authorized to receive
5 grants, gifts or donations from the United States government, or its agen-
6 cies, the Sunflower Foundation: Healthcare for Kansas, or any other
7 source whatsoever for the purposes of the pilot program established un-
8 der this section and amendments thereto, and any moneys so received
9 shall be deposited in the state treasury and credited to the cafeteria ben-
10 efits fund established by K.S.A. 75-6513 and amendments thereto. All
11 funds received pursuant to this section shall be placed in a separate ac-
12 count within the cafeteria benefits fund. All expenditures made from such
13 fund for the purposes of this section shall be made in accordance with
14 appropriation acts upon warrants of the director of accounts and reports
15 issued by the secretary of administration or a person designated by the
16 secretary of administration.

17 Sec. 2. This act shall take effect and be in force from and after its
18 publication in the Kansas register.