

Approved:
Date: March 12, 2002

MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson Sandy Praeger at 9:30 a.m. on March 6, 2002 in Room 234 N of the Capitol.

All members were present except:

Committee staff present: Dr. Bill Wolff, Kansas Legislative Research Department
 Ken Wilke, Office of the Revisor of Statutes
 JoAnn Bunten, Committee Secretary

Conferees appearing before the committee:

Terry Leatherman, Kansas Chamber of Commerce and Industry

Others attending: See attached list.

Hearing on HB 2247 - Kansas business health care partnership act; removal of sunset

Terry Leatherman, Kansas Chamber of Commerce and Industry, testified before the Committee in support of **HB 2247** which removes the sunset provision in the bill making the Kansas Business Health Partnership a permanent program for improving health care availability and affordability for low-income workers of small employers. Mr. Leatherman noted that a feature of the Partnership is its potential to increase that purchasing clout by banding small employers together in its cooperative concept, and that the subsidy component of the Partnership is another reason why it could attract insurance provider interest. (Attachment 1)

There were no opponents to the bill.

The Chair noted that several changes were recommended in the Kansas Business Health Partnership Act by the Kansas Business Health Policy Committee at their meeting in November 2001. Staff was directed to draft a balloon of the bill showing the proposed changes. The bill will be considered by the Committee when the amendments have been drafted.

Adjournment

The meeting was adjourned at 10:00 a.m. The next meeting is scheduled for March 7, 2002.

SENATE FINANCIAL INSTITUTIONS & INSURANCE COMMITTEE GUEST LIST

DATE: 3-6-02

NAME	REPRESENTING
JARROD FORBES	KS Ins. Dept.
LINDA De LOURSEY	KS Ins. Dept.
Hanni Ann Pover	KAP
Bill Sneed	HIAA
Tom Bell	KIA
Michael Donnelly	Bill Borden & John Turpele
Terry Leatherman	KCCI
LARRY MAGILL	KVA
Hilary Hayes	Federico Consulting
Dave Hollmans	Wesley Medical Center
<i>[Signature]</i>	Henneman, Inc

KAPPA

LEGISLATIVE TESTIMONY



The Unified Voice of Business

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HB 2247

March 6, 2002

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the

Senate Committee on Financial Institutions and Insurance

by

Terry Leatherman
Vice President – Legislative Affairs

Madam Chairperson and members of the Committee:

I am Terry Leatherman, with the Kansas Chamber of Commerce and Industry. Thank you for the opportunity to express the Kansas Chamber's support for HB 2247.

The Kansas Chamber was a proponent of the creation of the Kansas Business Health Partnership when it was first proposed during the 2000 session of the Kansas Legislature, and remains a supporter of the concept today. It remains KCCI's hope that the Partnership structure will create a much needed insurance alternative for small employers to provide insurance coverage to

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 2,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 48% of KCCI's members having less than 25 employees, and 78% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

Senate Financial Inst. & Insurance

Date: 3-6-02

Attachment No. 1

their employees. That cannot occur without removing the sunset cloud on the Partnership, as HB 2247 proposes to do.

Health insurance affordability is one area where the size of a business clearly matters. When the small employer shops for insurance, they bring little purchasing clout to the market. A feature of the Partnership is its potential to increase that purchasing clout by banding small employers together in its cooperative concept. The subsidy component of the Partnership is another reason why it could attract insurance provider interest.

With the awarding of a contract to operate the Partnership earlier this year, the legislative vision of 2000 is progressing. As a result, KCCI would urge this Committee to lift the Partnership's sunset provision, by recommending HB 2247 for passage.

Thank you for permitting KCCI to comment on HB 2247. I would be happy to attempt to answer any questions.