

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Chairperson Patricia Barbieri-Lightner at 3:30 p.m. on January 22, 2004 in Room 527-S of the Capitol.

All members were present except:

Representative H. Jan Scoggins-Waite- excused
Representative Joe Humerickhouse- excused
Representative Nancy Kirk- excused
Representative Ray Cox- excused

Committee staff present:

Bill Wolff Legislative Research Department
Ken Wilke, Revisor of Statutes
Renaë Hansen, Secretary

Conferees appearing before the committee:

Dr. Robert J. St. Peters, M.D.
President and CEO
Kansas Health Institute
Pam Scott, Executive Director
Kansas Funeral Directors and Embalmers Association

Others attending:

See Attached List.

Pam Scott, Executive Director, Kansas Funeral Directors and Embalmers Association, requested introduction of legislation that would eliminate the requirement for insurance agents to maintain errors and omissions insurance coverage as a condition of licensure in the state of Kansas. (Attachment #1) The bill was introduced by consensus.

Dr. Bob St. Peters, M.D., President & CEO of Kansas Health Institute, (Attachment #2), presented a review of a survey that was objectively done by a group at Harvard using an independent research company. The survey polled Kansans on their views of the current Health Care system.

Comments and Questions were posed by: Representatives Nile Dillmore, Mary Kauffman, Patricia Barbieri-Lightner, and Eber Phelps.

Meeting Adjourned.

HOUSE INSURANCE COMMITTEE GUEST LIST

DATE: January 22, 2003

NAME	REPRESENTING
David Jones	KID
Jeff Botkinberg	State Farm
Pam Scott	Ks Funeral Directors Assn
Sarah Novascone	Fed. Consulting



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PAM SCOTT
Topeka

January 22, 2004

To: House Insurance Committee

From: Pam Scott, Executive Director

Re: Bill Introduction
Amendment to K.S.A. 40-241

Chairman Barbieri-Lightner and members of the Committee, on behalf of the Kansas Funeral Directors and Embalmers Association (KFDA), I would like to request the introduction of legislation which would amend K.S.A. 40-241 to eliminate the requirement that Kansas insurance agents maintain errors and omissions insurance coverage as a condition of licensure in the state of Kansas.

In 2001, the KFDA introduced legislation to eliminate the errors and omissions insurance coverage requirements for insurance agents holding a license for the sole purpose of selling life insurance and annuities to fund prearranged funeral agreements. We did this because the errors and omissions insurance coverage was difficult to obtain at reasonable rates especially in light of the limited risk involved with agents holding a license for this limited purpose. The legislation passed the Senate but did not receive a hearing in the House. Objections were raised that insurance agents holding this limited license should not be treated differently from other insurance agents.

The problem continues so we are asking for introduction of legislation that would exempt all insurance agents from this requirement. It is our understanding that there are only two other states that require insurance agents to maintain errors and omissions coverage. This creates an uneven playing field. Non-resident insurance agents selling insurance in Kansas are not required to have errors and omissions coverage. This puts Kansas agents at a disadvantage.

Thank you for your consideration of this request. I would be happy to respond to any questions you may have.

House Insurance
Date: 1/22/04
Attachment # 1



House Insurance Committee
January 22, 2004

Robert F. St. Peter, M.D.
President & CEO
Kansas Health Institute

**Kansas Residents' Views of the
Health System**

Harvard School of Public Health
Kansas Health Institute
ICR/International Communications Research
October 2003

House Insurance
Date: 1/22/04
Attachment # 2

Methods

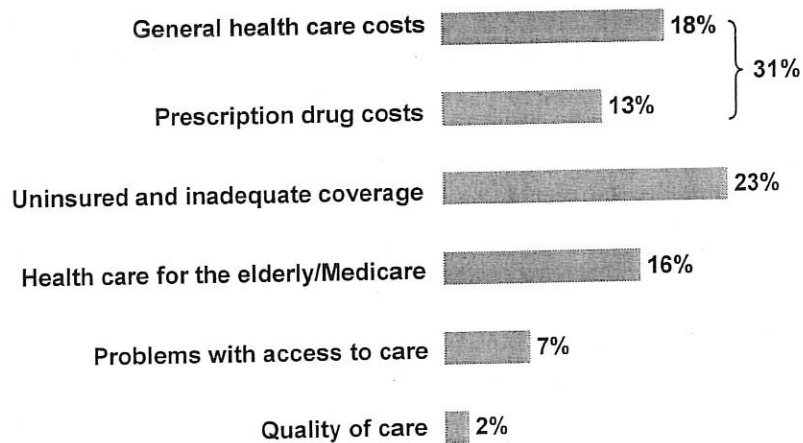
- Telephone survey of 1,006 randomly selected Kansas state residents, age 18 and older
- The interviewing period was between September 22-29, 2003
- The data was weighted to accurately reflect the demographics of the state population, as described by the US Census
- The margin of error is ± 3 percentage points

Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Most important health care issues for Kansas state government to address

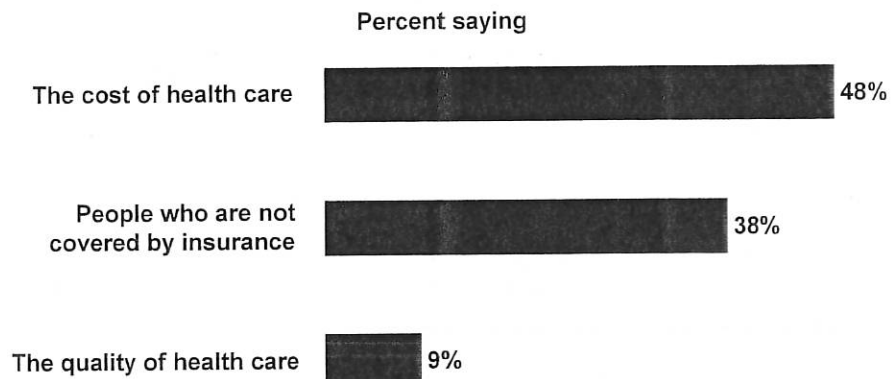
Percent saying



Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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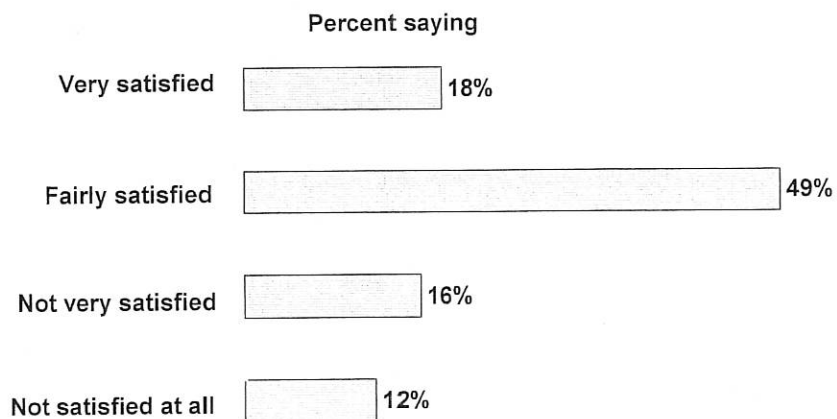
Which one do you see as the most important health care issue at the present time?



"Some other issue" and "Don't know" responses not shown
Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Satisfaction with the Kansas health care system

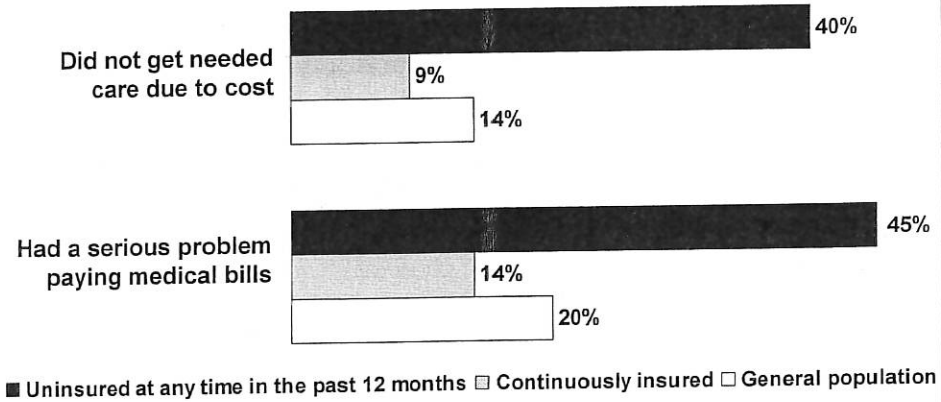


"Don't know" responses not shown
Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Problems getting or paying for medical care in the past 12 months

Percent saying



■ Uninsured at any time in the past 12 months □ Continuously insured □ General population

Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Worries about getting and paying for care in the future (1)

Percent saying they are worried that in the next six months...

They might not be able to afford health insurance (among those currently insured)



They might not be able to afford the prescription drugs they need



They will lose their health coverage (among those currently insured)



□ Very worried □ Somewhat worried

Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Worries about getting and paying for care in the future (2)

Percent saying they are worried that in the next six months they might not be able to get the health care services because they can't afford it

Kansas



United States*



Very worried Somewhat worried

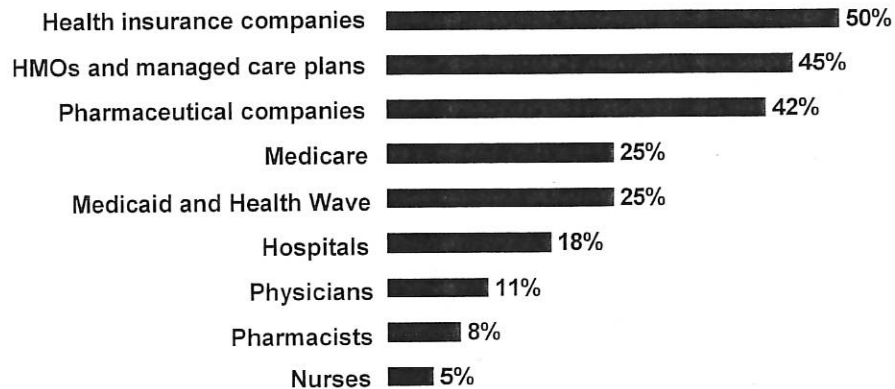
Harvard School of Public Health/Kansas Health Institute/ICR, 2003

*Kaiser Family Foundation/ Harvard School of Public Health, *Health News Index*, June 2003

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Who is doing a bad job serving the needs of health care consumers in Kansas?

Percent saying they are doing a bad job

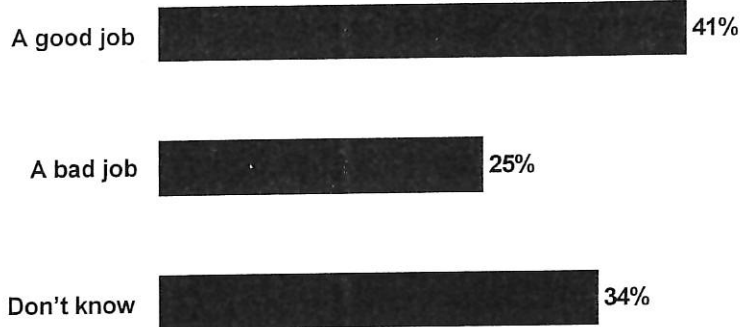


Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Kansas residents' views of Health Wave and Medicaid

Do you think they are doing a good job or a bad job in serving health care consumers?

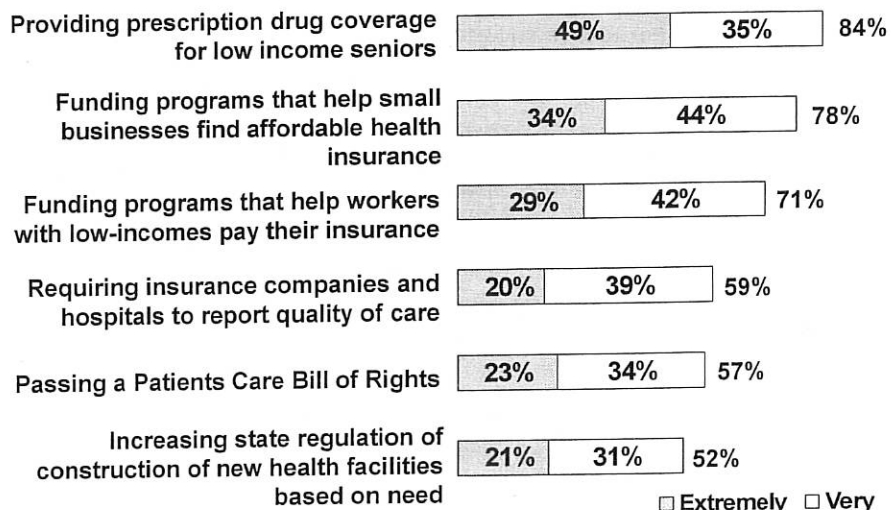


Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Priorities for the state's health care agenda

Percent saying it should be an extremely or very important priority



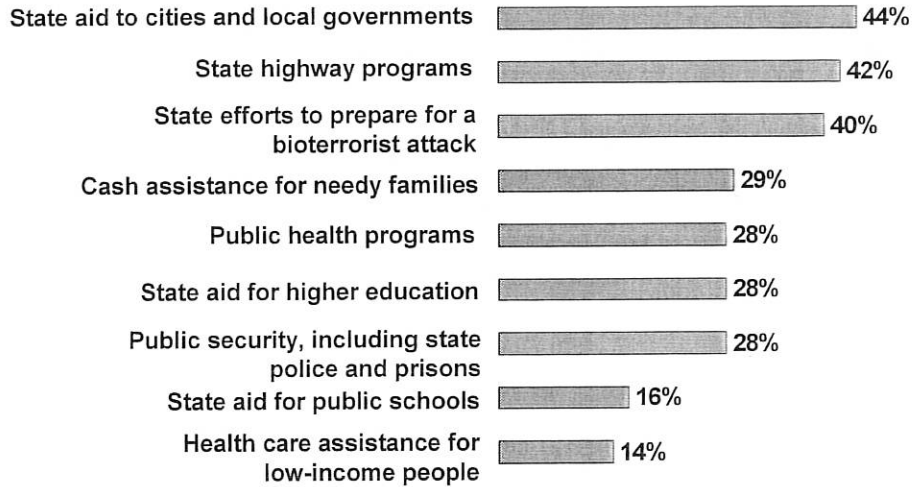
Extremely Very

Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Budget tradeoffs

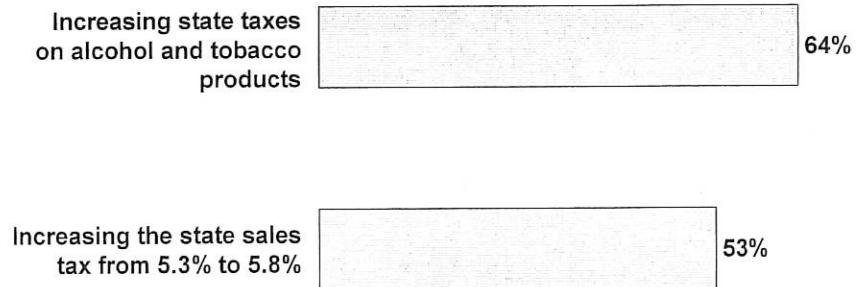
Percent saying to afford to help low income workers pay for health insurance, the state should spend less on...



Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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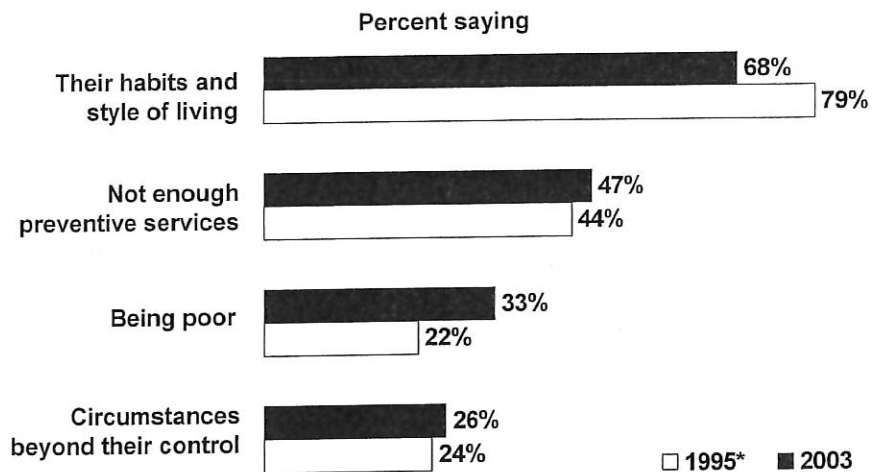
Percent of Kansas residents supporting increased taxes to help low income workers pay for health insurance



Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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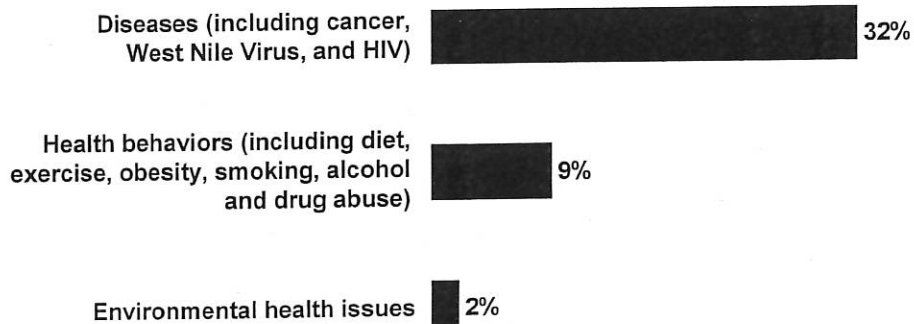
Kansas residents' views of the top two reasons people become ill



Harvard School of Public Health/Kansas Health Institute/ICR, 2003

*Harvard School of Public Health/
Kansas Health Foundation, 1995 15

Most important public health issues for Kansas state government to address



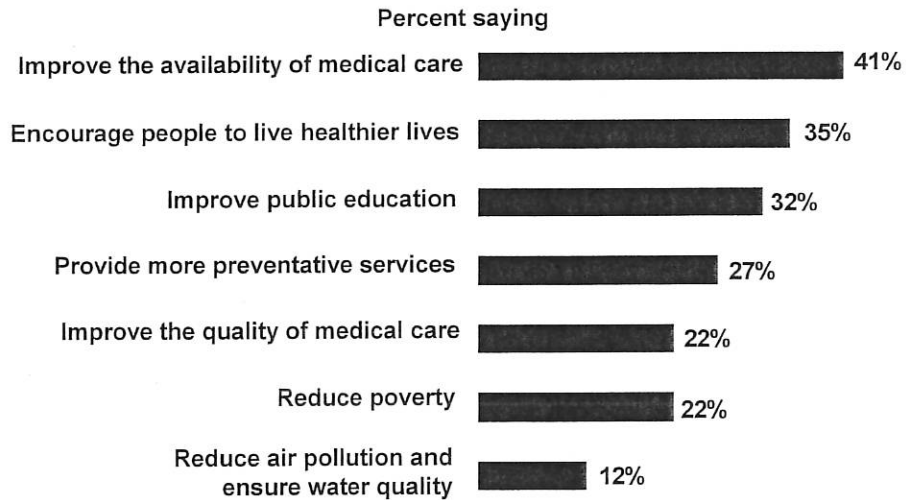
Note: 74% named health delivery issues (including cost, insurance and health professionals)

Adds to more than 100% due to rounding

Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Top two things that could improve people's health in Kansas

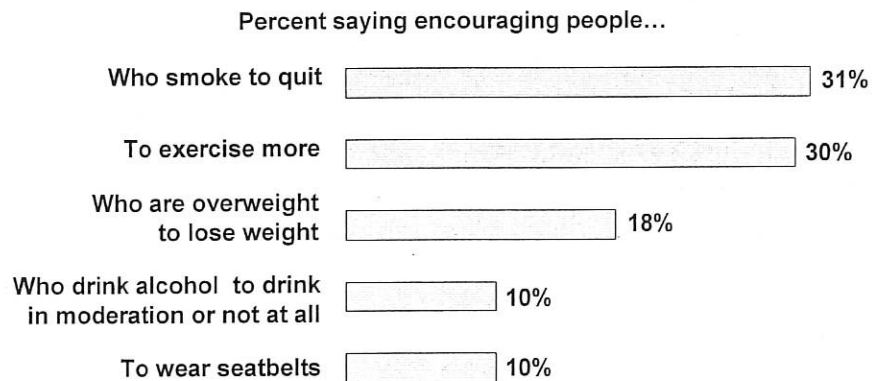


Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Most important aspect of encouraging people to live healthier lives

BASE: Those who chose "encouraging people to live healthier lives" as one of the two most important things we could do to improve people's health

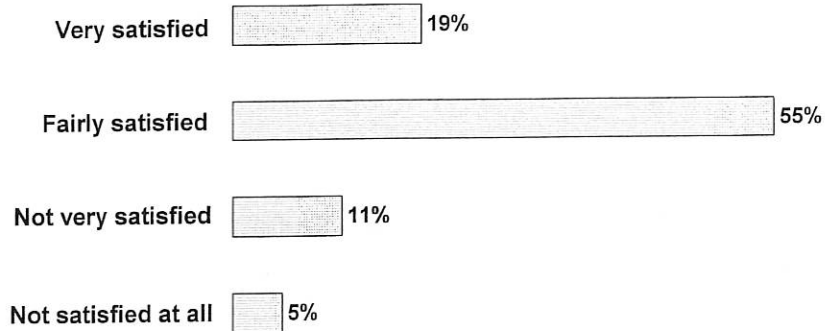


Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Satisfaction with the Kansas public health system

Percent saying they are satisfied with the state system designed to protect the community's health and stop the spread of disease



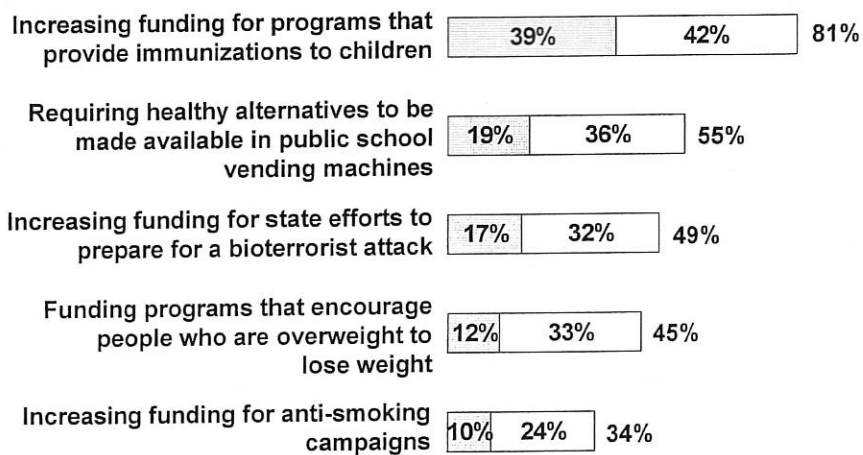
"Don't know" responses not included

Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Priorities for the state's public health agenda

Percent saying it should be an extremely or very important priority



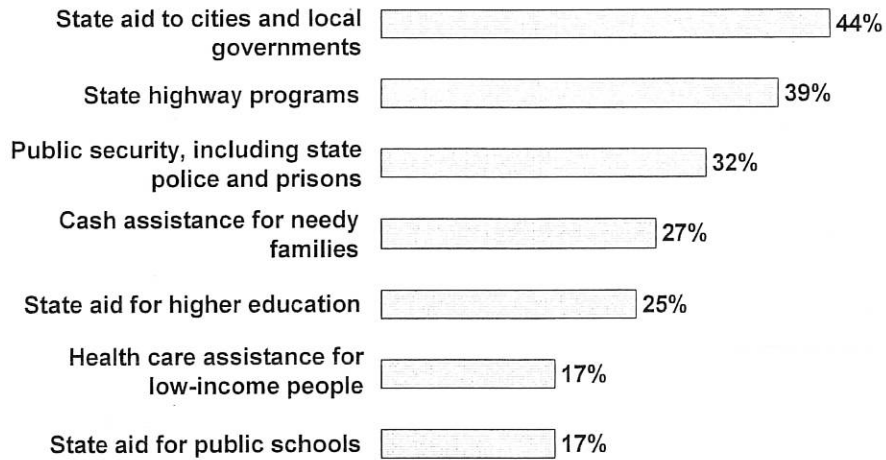
Harvard School of Public Health/Kansas Health Institute/ICR, 2003

Extremely Very

20

Budget tradeoffs

Percent saying to afford new public health programs, the state should spend less on...



Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Percent of Kansas residents favoring increased taxes to pay for new public health programs



Harvard School of Public Health/Kansas Health Institute/ICR, 2003

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Kansas Health Institute

*Healthier Kansans through
informed decisions*

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