

SESSION OF 2004

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 340**

As Amended by House Committee on  
Insurance

**Brief\***

SB 340, as amended, concerns the preparation and filing of certain reports by insurance companies with the Insurance Department. The bill updates from December 31, 2002, to December 31, 2003, the risk-based capital instructions and formulas developed by the National Association of Insurance Commissioners (NAIC) that insurance companies must use in preparing their financial reports for filing with the Department.

Further, as amended by the House Committee, the bill amends the Kansas Uninsurable Health Insurance Plan Act to expand coverage to "federally defined eligible individuals for federal trade adjustment assistance." (Eligible individuals are those displaced by foreign trade competition.)

**Background**

SB 340 was requested by the Insurance Commissioner whose representative explained the date in the law is changed annually to reflect the latest changes in the NAIC instructions and formulas.

The House Committee amendment added the language of HB 2547 which had previously been recommended by the Committee, not considered by the full House, and re-referred to the Committee. The original HB 2547 also was requested by the Insurance Commissioner to make group health insurance coverage available through the Kansas Uninsurable Health Insurance Plan to individuals certified to receive federal assistance in paying for health coverage under the terms of the Health Coverage Tax Credit Program within the federal Trade

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Adjustment Assistance Reform Act of 2002. The bill makes it possible for approximately 1,700 displaced Kansas workers to qualify for payment of 65 percent of their premium for health care coverage under the Plan.

The fiscal notes from the Division of the Budget on both SB 340 and HB 2547 indicate passage would have no fiscal impact.