



March 24, 2026

The Honorable Brenda Dietrich, Chairperson
Senate Committee on Financial Institutions and Insurance
300 SW 10th Avenue, Room 546-S
Topeka, Kansas 66612

Dear Senator Dietrich:

SUBJECT: Fiscal Note for SB 467 by Senator Holscher

In accordance with KSA 75-3715a, the following fiscal note concerning SB 467 is respectfully submitted to your committee.

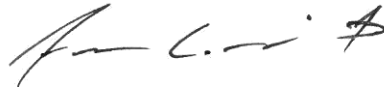
SB 467 would enact the Artificial Intelligence in Medical Decisions Transparency Act. The bill would establish requirements for how health insurers and utilization review organizations could use artificial intelligence, algorithms, or other software tools when performing utilization review or management functions based in whole or in part on medical necessity. The Act would apply to any health insurer or utilization review organization that uses these tools directly or contracts with an entity that uses them. A determination of medical necessity would be made only by a licensed physician or a licensed healthcare professional who is competent to evaluate the specific clinical issues involved.

Only a licensed physician or a licensed healthcare professional who is competent to evaluate the specific clinical issues involved in the healthcare services requested by the provider would be allowed to deny or modify requests for authorization for healthcare services that are medically necessity. A health insurer subject to the provisions of this Act would establish written policies and procedures that would be filed with the Kansas Department of Insurance and would be disclosed to insureds, healthcare providers, and the public upon request.

The Kansas Department of Insurance states that it is unsure if enactment of the bill would affect existing utilization review statutes for those insurers with Utilization Review Accreditation Commission accreditation, which could require additional reviews. However, any additional

reviews would be performed with existing staff; as a result, the bill would not have a fiscal effect.
The Office of Judicial Administration states that the bill would not have a fiscal effect.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam C. Proffitt", followed by a stylized flourish or symbol.

Adam C. Proffitt
Director of the Budget

cc: Kyle Strathman, Department of Insurance
Trisha Morrow, Judiciary