

February 14, 2011

The Honorable Bob Bethell, Chairperson  
House Committee on Aging and Long Term Care  
Statehouse, Room 55C-S  
Topeka, Kansas 66612

Dear Representative Bethell:

**SUBJECT:** Fiscal Note for HB 2148 by House Committee on Aging and Long Term Care

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2148 is respectfully submitted to your committee.

HB 2148 would require a continuing care provider who files a disclosure statement to pay a filing fee of \$500 and a fee of not more than \$2 for each living unit in the continuing care facility, excluding units designated as part of a licensed nursing facility. The bill would permit the Commissioner of Insurance to develop rules and regulations that detail what must be submitted on an application for a certificate of registration as a continuing care provider. In addition, the bill would require the Commissioner to conduct a hearing on such applications. The bill also states the factors that the Commissioner must consider in determining whether an applicant should be granted a certificate of registration.

HB 2148 outlines the timeframe within which the Commissioner must issue an order approving or disapproving an application and restricts the issuance of certificates of registration to incorporated entities only. Finally, HB 2148 requires a provider who files for a certificate of registration for a facility that was occupied by at least one resident or was under construction on July 1, 2011, to pay a fee of \$2,000 and a fee of \$2 for each living unit in the facility, excluding units designated as part of a licensed nursing facility.

The Kansas Insurance Department indicates that passage of HB 2148 would have a fiscal effect on its operations. The Department would incur expenses in reviewing applications for certificates of registration and in conducting hearings for each application. In addition to the hearing costs, the Department states that its computer systems will need to be modified to comply with the requirements of the bill. Passage of HB 2148 could result in additional revenues to the Insurance Department from the payment of filing fees and per unit fees by providers who submit disclosure statements. The Kansas Insurance Department indicates that since the number of applications for certificates of registration cannot be predicted, a precise

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estimate of the fiscal effect of this bill cannot be made. Any fiscal effect associated with HB 2148 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Zac Anshutz, Insurance Department  
Sara Arif, Aging