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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 6, 2012

The Honorable Brenda Landwehr, Chairperson House Committee on Health and Human Services Statehouse, Room 151-S Topeka, Kansas 66612

Dear Representative Landwehr:

SUBJECT: Fiscal Note for HB 2520 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2520 is respectfully submitted to your committee.

HB 2520 would adopt the Interstate Health Care Compact in Kansas. The Compact would take effect upon its adoption by at least two member states and consent of the United States Congress. The fundamental purposes of the Compact are to secure the right of the member states to regulate health care in their respective states and to suspend the operation of any conflicting federal laws, rules regulations and orders within their states, and to secure federal funding for member states that choose to invoke their authority under the Compact. The Compact establishes the Interstate Advisory Health Care Commission. Each member state could appoint no more than two members and each member would have one vote. The Commission could not act unless it was approved by a majority of the Commission's total membership. The Commission would meet at least once per year, with no set maximum number of meetings. The Commission could make non-binding recommendations to member states for their legislatures to consider.

If two member states were to adopt the Interstate Health Care Compact and the United States Congress consents to its creation, Kansas would continue to receive federal monies and Medicaid Program expenditures could change. The Department of Health and Environment has yet to respond to the request for a fiscal note on HB 2520. An estimate of the fiscal effect of this bill is not yet determined. If any specific information is provided, a revised fiscal note will be issued. Any fiscal effect associated with HB 2520 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA

Director of the Budget

cc: Aaron Dunkel, KDHE Zac Anshutz, Insurance Jeff Russell, Legislative Services