

February 4, 2011

The Honorable Ruth Teichman, Chairperson
Senate Committee on Financial Institutions and Insurance
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Teichman:

SUBJECT: Fiscal Note for SB 65 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 65 is respectfully submitted to your committee.

Under current law, a request for external review of an adverse decision by a health insurer must be made within 90 days. Also, an external review must be completed within seven business days when an emergency medical condition exists. SB 65 would extend the amount of time an insured person has to request an external review to 120 days. In addition, the bill would require an external review to be completed within 72 hours after the date of receipt of the request for an expedited external review, or as expeditiously as the insured's medical condition or circumstances require. Finally, SB 65 expands the definition of "emergency medical condition" for the purposes of determining when emergency external review of a denial of health benefits is required.

The Kansas Insurance Department and the Kansas Health Policy Authority both indicate that passage of SB 65 would have no fiscal effect on agency operations.

Sincerely,



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

cc: Zac Anshutz, Insurance
Scott Brunner, Health Policy Authority