

February 19, 2013

The Honorable Clark Shultz, Chairperson
House Committee on Insurance
Statehouse, Room 521-E
Topeka, Kansas 66612

Dear Representative Shultz:

SUBJECT: Fiscal Note for HB 2312 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2312 is respectfully submitted to your committee.

Under current law, the maximum lifetime limit for an individual covered by the Kansas Uninsurable Health Act is \$3.0 million. HB 2312 would increase this lifetime limit to \$4.0 million.

According to the Kansas Insurance Department, enactment of HB 2312 would have no effect on the Kansas Insurance Department. However, insurance companies licensed to conduct health insurance business and that receive premiums in the State of Kansas may experience additional costs. All insurance companies are assessed a pro-rated annual amount paid to the Kansas High Risk Insurance Pool based on the percentage of premiums collected in the state. By increasing the lifetime limit on individuals in the high risk pool, additional costs would be borne by all insurance companies that are assessed for the high risk pool.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Anderson".

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

cc: Zac Anshutz, Insurance