

January 22, 2014

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

Dear Senator Olson:

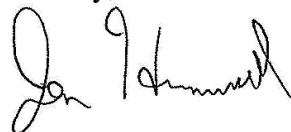
SUBJECT: Fiscal Note for SB 251 by Senator Denning

In accordance with KSA 75-3715a, the following fiscal note concerning SB 251 is respectfully submitted to your committee.

SB 251 would require health insurance companies to provide information on the amount of expected benefit payment for the provider services to physician offices and patients. The physician and patient would be informed as to the amount of deductible, co-payment and co-share for which the patient would be responsible. The physician would have an expected amount of payment from the health insurance company. Together, these two notifications would be known as the health care predetermination request and response. The bill would require the Kansas Insurance Department to be responsible for adopting rules and regulations necessary to carry out the new requirements.

The Kansas Department of Health and Environment (KDHE) states there would be no fiscal effect for KDHE if SB 251 does not include KanCare, as beneficiaries are not responsible for copays. The Kansas Insurance Department states that the requirements of SB 251 could be met within the agency's approved budget. It is unknown whether the provisions of the bill would cause additional administrative costs for health care providers and insurance plans and whether those costs would be passed on to plan participants. Any fiscal effect associated with SB 251 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,



Jon Hummell,  
Interim Director of the Budget

cc: Aaron Dunkel, Health & Environment  
Zac Anshutz, Insurance