

April 6, 2015

The Honorable Jeff Longbine, Chairperson  
Senate Committee on Financial Institutions and Insurance  
Statehouse, Room 235-E  
Topeka, Kansas 66612

Dear Senator Longbine:

**SUBJECT:** Fiscal Note for SB 143 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 143 is respectfully submitted to your committee.

SB 143 would mandate the following requirements for health insurance plans that provide dental services:

1. Allow an insured to contract directly with any dentist to receive dental care services without penalty;
2. Provide information regarding the insured's or beneficiary's dental benefit coverage with any dentist or dental office designated by the insured;
3. Provide that the insured or beneficiary of the plan or policy may assign the right to the payment or reimbursement of benefits to the dentist who provides the service;
4. Make available benefit maximum payment schedules; and
5. Accept claims formatted or transmitted in any manner authorized.

The benefit amount paid for receiving covered dental services must be the same whether or not the insured's dentist is a participating provider and belongs to the health insurer's network. The payment required must not adversely affect the insured's deductible or copayment under the health insurance plan. Payment of the insured's benefit to the designated assignee would satisfy the plan administrator's benefit payment obligation.

The Kansas Insurance Department indicates that the bill would have no fiscal effect on the agency. Similarly, the bill would have no fiscal effect on Kansas Dental Board responsibilities. Information from the Kansas Department of Health and Environment was not

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available at the time this fiscal note was prepared; however, based on an identical bill from the previous session, it was noted by the Department that the provisions would allow insureds to contract directly with dental providers without penalty and would deem all providers as “in network” for the purpose of reimbursements from the insurance companies. It was estimated that the additional cost to the State Employee Dental Plan would total no more than \$125,000. Any fiscal effect associated with SB 143 is not reflected in *The FY 2016 Governor’s Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,  
Director of the Budget

cc: Glenda Haverkamp, Insurance  
Aaron Dunkel, Health & Environment  
Charity Carlat, Dental Board