

## MINUTES OF THE HOUSE COMMITTEE ON INSURANCE.

The meeting was called to order by Chairperson Rep. Robert Tomlinson at 3:35 p.m. on January 16, 2000 in Room 526-S of the Capitol.

All members were present except:                   Rep Carlos Mayans  
  Rep. Eber Phelps

Committee staff present:                               Bill Wolff, Research  
  Ken Wilke, Revisor  
  Mary Best, Secretary

Conferees appearing before the committee:       Ms. Larrie Ann Lower, Kansas Association of Health Plans  
  Ms. Sarah Adams, Keys for Networking  
  Mrs. Kathy Byrnes, Consumer, parent  
  Ms. Amy Campbell, Kansas Mental Health Association  
  Mr. Paul Klotz, Association of Community Health Centers of  
  Kansas, Inc.  
  Mrs. Elizabeth Adams, Kansas Alliance for the Mentally Ill  
  Dr. Ty Porter, Menninger Foundation  
  Mrs. Audrey Auernheimer, Consumer, parent  
  Mrs. Barbara Bohm, Consumer, parent  
  Ms. Mary Jo Bergkamp, Consumer, parent  
  Ms. Ann Christman, Consumer, parent  
  Mr. Brad Smoot, BC/BS & BC/BS of Kansas  
  Mrs. Linda DeCoursey, Kansas Insurance Department  
  Mr. Michael Larkin, Kansas Employer Coalition on Health  
  Mr. Jeff Bottenberg, Western Surety Company

Others attending:                                        See Attached Guest List

Please note the room change for this meeting. Chairman Tomlinson, upon calling the meeting to order, called the committee's attention to an error in the bill being presented. The date had overtly been eliminated from the bill and a balloon was going to be presented at a later date to re-insert the date. With that business aside, the Chair introduced Ms. Larry Ann Lower as the first conferee to address the bill.

Ms. Lower, Kansas Association of Health Plans, presented Proponent Testimony to the committee. A copy of the written testimony, (Attachment #1) is attached hereto and incorporated into the Minutes by reference. Ms. Lower gave an overview of the bill to the committee. Ms. Lower reminded the committee that the Senate passed this bill last session under SB 547 (36-4), requiring the testing of mental health parity on the state employees health insurance plan. She also reminded the committee that the House did not have time to run the bill and thus it was before them this session. However, this bill is not mandating he state employees to cover this benefit, since that decision had already been made by the health care commission and they were already providing mental health parity to all of the states employees. She continued to explain that this bill does require a report be submitted to the Legislature in regard to the cost and to do so by the date entered the bill. Ms. Lower stood for questions. Rep. Kirk requested information regarding which HMO's were providing this coverage now, their experience with the coverage and the costs.

Ms. Sarah Adams, Keys for Networking, gave Proponent Testimony to the committee. A copy of the testimony, (Attachment #2) is attached hereto and incorporated into the Minutes by reference.

Mrs. Kathy Byrnes, Consumer and parent, gave Proponent Testimony to the committee. A copy of the testimony is (Attachment #3), is attached hereto and incorporated into the Minutes by reference.

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Ms. Amy Campbell, Kansas Mental Health Coalition, gave Proponent Testimony to the committee. Copies of her testimony and other materials are (Attachments # 4,5,6,7), are attached hereto and incorporated into the Minutes by reference. Ms. Campbell added to the previous testimony given by distributing a map showing 32 states which have already passed parity legislation as well as a handout from NAMI from studies dating from 1996 to 1999. Ms. Campbell also offered a suggested amendment to the bill which is numbered as Attachment #7. Ms. Campbell stood for questions from the committee. Questions were posed by Rep. Vickery regarding the federal plans and how they are effected by this plan? He also inquired into whether or not the federal plan included parity. Rep. Huff inquired as to whether this type of treatment ever came to an end or continued endlessly. Responses for the questions came from Dr. Ty Porter, Menninger Foundation.

Chairman Tomlinson requested data from other states and requested the information include how many people were forced out of coverage in these states. He spoke of cost vs. affordability vs. people losing help. Rep. Boston inquired into number of claims being paid out and the cost of these claims.

Mr. Paul Klotz, Association of Community Health Centers of Kansas, Inc., was the next conferee to come before the committee. Mr. Klotz gave Proponent Testimony and a copy of the testimony is (Attachment #8), is attached hereto and incorporated into the Minutes by reference. There were no questions from the committee.

Mrs. Elizabeth Adams, National Alliance of Mental Illness, Kansas, was the next conferee to come before the committee. Mrs. Adams gave Proponent Testimony and included hand outs to the committee. A copy of the testimony and handouts are (Attachments #9,10,11), attached hereto and incorporated into the Minutes by reference. Mrs. Adams told the committee that the bill was very valuable to NAMI and the people it served. She explained, this is a step forward "with proof of the cost effectiveness of insuring treatment for disorders of the brain that manifest as mental illness." Mrs. Adams informed the committee that the U.S. Federal Government "gave 9.5 million employees mental health parity on January 1, 2001." She also informed the committee that, "data from the 32 other states and Kansas's own State health benefits plan only an increase of insurance costs up to 1 or 1 ½ percent with managed care." Mrs. Adams stood for questions. There were none.

Dr. Ty Porter, Menninger Foundation, came before the committee to present Proponent Testimony. Dr. Porter had no written testimony and spoke generally about the plan, summarizing what the previous speakers had reported. He also touched on biological illnesses such as ADD. Rep. Ostmeyer asked questions on genetic patterns.

Mrs. Audrey Auernheimer, Barbara Bohm, Mary Jo Bergkamp and Ann Christman, Consumers and parents, were recognized next by the Chairman and each gave her personal experience with a family member or themselves in regard to mental illnesses. Copies of their testimonies are, (Attachment #'s 12,13,14,15) attached hereto and incorporated into the Minutes by reference. Rep. Huff requested an explanation about bi-polarism, and was told it is the new name for manic depression.

Mr. Brad Smoot, BC/BS & BC/BS of Kansas, was the last Proponent Conferee to come before the committee. A copy of his testimony and chart is, (Attachment #'s 16,17), attached hereto and incorporated into the Minutes by reference. Mr. Smoot spoke of the support behind this bill, and reminded people this is not a "tracking bill" but a data presentation bill, "requiring the state health care benefits program to report on the costs of mental health coverage to the 2002 Legislature so that it may evaluate proposals to impose a mental health parity mandate on the private sector." Mr. Sneed related to the committee that Kansas all ready mandates mental health coverage (first dollar). Mr. Sneed reminded the committee of insurance mandates and raising premiums and their falling on the working men and women of Kansas, who must pay the cost of each mandate or elect to either reduce their coverages or do away with coverage altogether. Mr. Sneed stood for questions. There were none.

More written Proponent Testimony (Attachment #18) was presented for Col. Lynn Rolf, Consumer, parent. Ms. Chris Collins, Kansas Medical Society, gave written Proponent Testimony (Attachment #19) only. Mr. Whitney Damron, Kansas Psychological Association, submitted written Proponent Testimony (Attachment #20) only. Copies of these testimonies are attached hereto and incorporated into the Minutes by reference.

Ms. Linda DeCoursey, Kansas Insurance Department, gave Neutral Testimony, to the committee. A copy of her written testimony (Attachment #21) attached hereto and incorporated into the Minutes by reference.

Mr. Mike Larkin, Kansas Employer Coalition on Health, offered Opponent Testimony to the committee. A copy of the testimony (Attachment #22) is attached hereto and incorporated into the Minutes by reference. Mr. Larkin stated that they are not anti-parity, but are anti-mandates in the laws. Especially those laws that place higher premiums on small business and discouraging them from providing any coverage at all. This testimony concluded the public discussion on this bill. The bill will be worked on Thursday, the 18<sup>th</sup> of January.

The next order of business was bill presentation. The Chairman recognized Mr. Jeffery Bottenberg, Western Surety Company. The bill being offered would amend K.S.A. 8-2401 and K.S.A. 8-2404 and limit the coverage on motor vehicle dealer surety bonds to consumers. A copy of the proposed amendment (Attachment #23) is attached hereto and incorporated into the Minutes by reference. The proposed bill (amendment) was placed before the committee. Rep. Boston made the motion to hear the proposed bill. Rep. Huff seconded the motion and the motion carried.

Request was made for further bills or business, and with none coming forth the meeting was adjourned. The time was 5:45 p.m.

The next meeting will be held January 18<sup>th</sup> in the regular meeting room at 3:30 p.m.