

MINUTES OF THE HOUSE COMMITTEE ON INSURANCE.

The meeting was called to order by Chairperson Patricia Barbieri-Lightner at 3:30 on February 20, 2003 in Room 527-S of the Capitol.

All members were present except: Excused: Bonnie Sharp, Nile Dillmore, Mary Kaufman

Committee staff present: Bill Wolff, Legislative Research  
Ken Wilke, Revisor of Statutes  
Rena Hansen, Secretary

Conferees appearing before the committee: **Larry MaGill**, Kansas Association of Insurance Agents,  
**Terry Leatherman**, the Kansas Chamber of Commerce and Industry  
**Bill Curtis**, Kansas Association of School Boards  
**Brad Smoot**, Legislative Counsel, The National Council on Compensation Insurance  
**Larrie Ann Lower**, Legislative council, Alliance of American Insurers  
**Philip S. Harness**, Acting Director of Workers Compensation, Kansas Department of Human Resources  
**Jarrold Forbes**, Kansas Insurance Department  
**Don Brown**, Special Projects Manager, Kansas Insurance Department

Others attending: 15 others, some who signed the register.

Representative Mario Goico moved to adopt the amendment to **HB2023**, seconded by Representative Cindy Neighbor.

An explanation for the amendment was given by Representative Mario Goico, and Ken Wilke made it clear that the bill is prospective and not retroactive.

Discussion was brought to the floor of the committee meeting by: Representatives Scott Schwab, RJ Wilson, and Bob Grant.

The question was called. Amendment passed.

Representative Cindy Neighbor moved to pass favorably out of committee the amended **HB2023**, seconded by Representative Scott Schwab, passed unanimously.

It was discussed that Representative Mario Goico would carry the bill to the floor.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON INSURANCE at 3:30 p.m. on February 20, 2003 in Room 527-S of the Capitol.

Hearing on:

**HB2232**- Insurance informal deductible for certain medical claims under workers compensation.

Proponents:

Larry MaGill, Kansas Association of Insurance Agents, (Attachment #1), spoke as a proponent for **HB 2232** which deals with establishing the informal workers compensation deductible. Current practices by some companies to keep their costs down have caused them to be in violation of certain Kansas statutes and this bill seeks to offer them a way to keep their medical insurance costs down in order to continue to keep offering their employees a cost affordable insurance plan.

Questions were posed by: Representatives Bob Grant, and Scott Schwab.

Terry Leatherman, the Kansas Chamber of Commerce and Industry, (Attachment #2), presented testimony in support of **HB 2232**.

Opponents:

Bill Curtis, Kansas Association of School Boards, (Attachment #3), since Kansas Law already permits deductibles and finds that process more preferable to the ones presented by **HB 2232**.

Brad Smoot, Legislative Counsel, The National Council on Compensation Insurance, (Attachment #4), presented testimony against **HB 2232** because it distorts data in rating the individual risks that they look at for their clients.

Questions were posed by: Representatives Patricia Barbieri-Lightner, Scott Schwab, Mario Goico, and RJ Wilson.

Larrie Ann Lower, Legislative council, Alliance of American Insurers, (Attachment #5), highlighted some areas that were highly disagreeable to them in **HB 2232**.

Neutral Conferees:

Philip S. Harness, Acting Director of Workers Compensation, Kansas Department of Human Resources, (Attachment #6), pointed out some mechanical and problematic problems that would arise if this bill were to become law.

Questions were posed by: Representatives David Huff, Stephanie Sharp, Scott Schwab, and Bob Grant.

The fiscal note presented by the Division of the Budget was noted.

Jarrod Forbes, Kansas Insurance Department, (Attachment #7), presented testimony with the concerns that

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON INSURANCE at 3:30 p.m. on February 20, 2003 in Room 527-S of the Capitol.

the Insurance Department has about this bill.

Questions were posed by: Representative RJ Wilson.

The hearing was closed.

Hearing on:

**HCR 5010- Concurrent resolution asking insurance commissioner to disseminate certain information on long-term care insurance and to study policy provisions.**

Neutral Conferees:

Don Brown, Special Projects Manager, Kansas Insurance Department, (Attachment #8), stressed the departments commitment to consumer assistance through printed publications, web site materials, and face-to face customer service. He noted the **HCR 5010** accurately describes many of the important reasons why the Kansas Insurance Department publishes many of its annual research projects on health care in Kansas.

Questions were posed by: Representatives Mario Goico, David Huff, Bob Grant, and Ken Wilke (Revisor).

Comments were given by Dr. Ken Wilke, Revisor.

Hearing closed.

Meeting adjourned.

Next meeting February 25, 2003.