

**SENATE BILL No. 33**

By Committee on Financial Institutions and Insurance

1-22

1 AN ACT concerning insurance; relating to health insurance; pertaining to  
2 small employer carriers; establishment of certain classes of business;  
3 amending K.S.A. 40-2209g and repealing the existing section.  
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 40-2209g is hereby amended to read as follows: 40-  
7 2209g. ~~From and after January 1, 1993:~~ (a) A small employer carrier may  
8 establish a class of business only to reflect substantial differences in  
9 expected claims experience or administrative costs related to the following  
10 reasons:

11 (1) The small employer carrier uses more than one type of system for  
12 the marketing and sale of health benefit plans to small employers; *or*

13 (2) the small employer carrier has acquired a class of business from  
14 another small employer carrier; ~~or~~

15 ~~(3) the small employer carrier provides coverage to one or more~~  
16 ~~association groups that meet the requirements of subsection (f)(5) of~~  
17 ~~K.S.A. 40-2209, and amendments thereto.~~

18 (b) A small employer carrier may establish up to nine separate classes  
19 of business under subsection (a).

20 (c) The commissioner may adopt rules and regulations to provide for  
21 a period of transition in order for a small employer carrier to come into  
22 compliance with subsection (b) in the instance of acquisition of an  
23 additional class of business from another small employer carrier.

24 (d) The commissioner may approve the establishment of additional  
25 classes of business upon application to the commissioner and a finding by  
26 the commissioner that such action would enhance the efficiency and  
27 fairness of the small employer marketplace.

28 Sec. 2. K.S.A. 40-2209g is hereby repealed.

29 Sec. 3. This act shall take effect and be in force from and after April  
30 1, 2019, and its publication in the Kansas register.