

February 10, 2021

CORRECTED

The Honorable Steve Johnson, Chairperson  
House Committee on Insurance and Pensions  
Statehouse, Room 276A-W  
Topeka, Kansas 66612

Dear Representative Johnson:

**SUBJECT:** Corrected Fiscal Note for HB 2129 by House Committee on Insurance and Pensions

In accordance with KSA 75-3715a, the following corrected fiscal note concerning HB 2129 is respectfully submitted to your committee.

HB 2129 would require that commencing in plan year 2022 the Kansas State Employee Health Care Commission (KSEHCC) would implement coverage for tobacco cessation benefits for enrollees in the State Health Care Benefits Program. The bill specifies what those benefits would be.

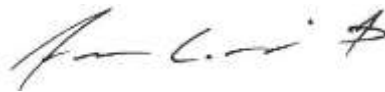
The KSEHCC would not be allowed to impose any lifetime limit, prior authorization, or cost-sharing requirement for the receipt of benefits. On or before March 1, 2023, the KSEHCC would be required to submit a report to the Legislature regarding the coverage specified in the bill.

Estimated State Fiscal Effect				
	FY 2021 SGF	FY 2021 All Funds	FY 2022 SGF	FY 2022 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$35,500
FTE Pos.	--	--	--	--

The Department of Administration estimates enactment of HB 2129 would increase costs to the State Employee Health Plan by \$35,500 from special revenue funds in FY 2022. The estimate assumes a first-year annual cost increase of \$71,000. However, because the bill's provisions would not go into effect until January 1, 2022, only half of the annual cost would apply

to FY 2022. In the original fiscal note, the amount listed that was needed for FY 2022 expenditures was incorrectly reported to be \$71,000. Of that amount, \$61,000 would be for physician fees and \$10,000 would be for drug costs. According to the State Employee Health Plan, this is a one-year pilot program. The Department estimates the cost would increase to \$75,205 in FY 2023. Of that amount, \$64,355 would be for physician fees and \$10,850 would be for drug costs. Any fiscal effect associated with HB 2129 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt".

Adam Proffitt  
Director of the Budget

cc: Jeff Scannell, Department of Administration