

February 10, 2021

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

Dear Representative Johnson:

SUBJECT: Fiscal Note for HB 2110 by House Committee on Insurance and Pensions

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2110 is respectfully submitted to your committee.

HB 2110 would require that for the next health plan coverage year commencing on January 1, 2022, the State Employees Health Care Commission would provide for the coverage for the diagnosis and prescribed treatment of pediatric acute-onset neuropsychiatric syndrome (PANS) and pediatric autoimmune neuropsychiatric disorders associated with streptococcal infections (PANDAS). On or before March 1, 2023, the Commission would be required to submit a report to the Legislature regarding the coverage specified in the bill.

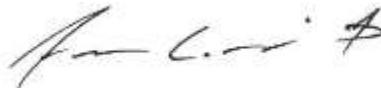
At the next Legislative Session, following the receipt of the report, the Legislature may consider whether or not to require the coverage for PANS and PANDAS to be included in any individual or group health insurance policy, medical service plan, contract, hospital service corporation contract, hospital and medical service corporation contract, fraternal benefit society, or health maintenance organization that provides coverage for accident and health services and that is delivered, issued for delivery, amended, or renewed in Kansas on or after July 1, 2024.

Estimated State Fiscal Effect				
	FY 2021 SGF	FY 2021 All Funds	FY 2022 SGF	FY 2022 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$242,236
FTE Pos.	--	--	--	--

The Department of Administration estimates enactment of HB 2110 would increase costs to the State Employee Health Plan by \$242,236 from special revenue funds in FY 2022. The estimate assumes a first-year cost increase of \$484,471. However, because the bill's provisions would not go into effect until January 1, 2022, only half the annual cost would apply to FY 2022. The Department estimates the cost would increase to \$511,117 in FY 2023 which assumes a cost and usage increase of \$26,646 or 5.50 percent.

The Insurance Department indicates enactment of the bill would have not have a fiscal effect on Department operations. Any fiscal effect associated with HB 2110 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Proffitt", followed by a stylized flourish or symbol.

Adam Proffitt
Director of the Budget

cc: Jeff Scannell, Department of Administration