



Kansas Association of Health Plans

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HB 2159
Before the Senate Public Health Committee
Marlee Carpenter, Executive Director

Chairman Schmidt and members of the Committee;

The Kansas Association of Health Plans (KAHP) is a nonprofit association dedicated to providing the public information on managed care health plans. Members of the KAHP are Kansas licensed health maintenance organizations, preferred provider organizations and other entities that are associated with managed care. KAHP members serve the majority of Kansans enrolled in private health insurance. KAHP members also serve the Kansans enrolled in HealthWave and Medicaid managed care.

KAHP has concerns with HB 2159 and its effect on health insurance in 2014 if federal health reform moves forward. New § 2706(a) of Public Health Service Act, created by § 1201 of Patient Protection and Affordable Care Act states in part:

"A group health plan and a health insurance issuer offering group or individual health insurance coverage shall not discriminate with respect to participation under the plan or coverage against any health care provider who is acting within the scope of that provider's license or certification under applicable State law." 42 U.S.C. §300gg-5(a).

HHS regulations for the above non-discrimination clause have not been developed. KAHP members have concerns about the effect of the federal non-discrimination clause in conjunction with the passage of HB 2159. Current Kansas law does not require insurers to cover these physical therapy services. However, federal law will require insurers to cover these PT self-referral visits beginning in 2014. Under federal health reform, insurers cannot discriminate against providers that are acting within the scope of their license as defined under state law. This bill could have an impact on carriers' and consumers' costs beginning in 2014.

We would request the below amendment to help clarify the intent of HB 2159 and provide continuity and more certainty for health insurance providers.

Language for possible amendment:

"Notwithstanding the provisions of this section, nothing in the physical therapy practice act shall be construed to require any individual or group policy of accident and sickness, medical or surgical expense insurance coverage or any provision of a policy, contract, plan or agreement for medical service to pay or reimburse for physical therapy services contrary to the terms of such policy, contract, plan or agreement. Such policy, contract, plan or agreement may require as a condition of payment or reimbursement that such services must be medically necessary and were delivered only upon the referral of a person licensed to practice the healing arts."

Thank you for your time and I will be happy to answer any questions.