

March 7, 2013

The Honorable Clark Shultz, Chairperson  
House Committee on Insurance  
Statehouse, Room 521-E  
Topeka, Kansas 66612

Dear Representative Shultz:

SUBJECT: Fiscal Note for HB 2284 by Representative Trimmer, et al.

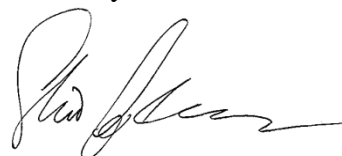
In accordance with KSA 75-3715a, the following fiscal note concerning HB 2284 is respectfully submitted to your committee.

HB 2284 would require that insured individual and group health plans, the State Employee Health Plan (SEHP) and municipal funded pools allow any network non-mail pharmacy provider to provide services if they agree to accept the same reimbursement level as the mail order pharmacy. The plan could not impose any additional member cost sharing for using a non-mail pharmacy instead of a mail order pharmacy. HB 2284 would also require that the pharmacy services provided by individual, group health plans, the State Employee Health Plan (SEHP) and municipal funded pools all be subject to the same annual deductibles and coinsurance provisions of the SEHP for medical services.

Estimated State Fiscal Effect				
	FY 2013 SGF	FY 2013 All Funds	FY 2014 SGF	FY 2014 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$200,000
FTE Pos.	--	--	--	--

The passage of HB 2284 would increase SEHP expenditures by \$200,000 in FY 2014 because the plan's specialty drug pharmacy would no longer be available with a sole provider discount. Costs would also increase for local government plans by some unknown amount. Any fiscal effect associated with HB 2284 is not reflected in *The FY 2014 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Aaron Dunkel, KDHE

Zac Anshutz, Insurance Department