AN ACT concerning health insurance; establishing certain fees on policies
sold on the federally facilitated health insurance exchange; creating the
medical assistance fee fund.

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

Section 1. (a) Beginning January 1, 2015, each health insurer that
participates in the health insurance exchange administered by the federal
government within this state shall pay to the commissioner of insurance an
annual fee in an amount equal to 3.5% of the monthly premium for each
policy sold, delivered or issued for delivery on such health insurance
exchange.

(b) There is hereby created in the state treasury the medical assistance
fee fund. The commissioner of insurance shall remit to the state treasurer,
in accordance with the provisions of K.S.A. 75-4215, and amendments
thereto, all moneys collected or received by the commissioner from health
insurers for the fees specified in subsection (a). Upon receipt of each such
remittance, the state treasurer shall deposit the entire amount in the state
treasury to the credit of the medical assistance fee fund.

(c) Moneys in the medical assistance fee fund shall be expended for
the purpose of medicaid medical assistance payments. All expenditures
from the medical assistance fee fund shall be made in accordance with
appropriation acts upon warrants of the director of accounts and reports
issued pursuant to vouchers approved by the secretary of health and
environment or the secretary's designee.

(d) On or before the 10th of each month, the director of accounts and
reports shall transfer from the state general fund to the medical assistance
fee fund interest earnings based on:

(1) The average daily balance of moneys in the medical programs fee
fund for the preceding month; and

(2) The net earnings rate of the pooled money investment portfolio for
the preceding month.

Sec. 2. This act shall take effect and be in force from and after its
publication in the statute book.