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March 20, 2019

Kansas House of Representatives State Capitol Topeka, KS 66612

Re: Written testimony, HB 2402, Corporate Practice of Medicine

Dear Members of the House Health and Human Services Committee:

The Board of Governors of the Health Care Stabilization Fund have serious concerns regarding legislation that would allow the corporate practice of medicine. Current law prohibits a corporation from hiring a physician to practice medicine that the corporation itself is not licensed to provide. Our concerns revolve around the unknown effects the bill would have on the Stabilization Fund's actuarial soundness.

The Stabilization Fund has been in existence for over 4 decades and funding is entirely made up of payments made by individual physicians, hospitals, and other health care providers. It is important that

the Stabilization Fund remain actuarially sound. We ask that we be given sufficient time to fully asses
the impact this change would have on pricing, coverage, claims exposure, and long term actuarial stability.
Thank you for your consideration.

Sincerely,

Clark Shultz