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MEMORANDUM

To: Senate Standing Committee on Financial Institutions and Insurance
From: Eileen Ma, Assistant Revisor of Statutes
Date: January 29, 2019
Subject: Bill Brief for SB 32

SB 32 creates a healthcare benefits coverage product that would be subject to the commissioner of insurance's jurisdiction. The bill amends K.S.A. 40-2222, 40-2222a and 40-2222b.

K.S.A. 40-2222 provides that persons or other entities that provide coverage for medical, surgical, chiropractic, physical therapy, speech pathology, audiology, professional mental health, dental, hospital or optometric expenses are presumed to be subject to the commissioner of insurance's jurisdiction. Paragraphs one through nine on page 1, line 15 through page 2, line 26 specify certain exemptions from that presumption.

On page 2, lines 27 through 31, the bill would create a tenth exemption, pertaining specifically to the Kansas Farm Bureau and its affiliates. The bill further states that the healthcare benefit coverage provided as described in the paragraph would not be considered insurance.

SB 32 makes a number of technical fixes to 40-2222, and amends K.S.A. 40-2222a and 40-2222b to pertain to "a person or entity," rather than to an association, to reflect the new coverage created in the bill.