

February 21, 2022

The Honorable Brenda Landwehr, Chairperson
House Committee on Health and Human Services
Statehouse, Room 112-N
Topeka, Kansas 66612

Dear Representative Landwehr:

SUBJECT: Fiscal Note for HB 2546 by House Committee on Health and Human Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2546 is respectfully submitted to your committee.

HB 2546 would require every health benefit plan that provides dental care services and that is delivered, issued for delivery, amended, or renewed on or after January 1, 2023, would upon request provide information regarding an insured's dental benefit available to the insured or to a dentist designated by the insured and accept claims submitted that are formatted or transmitted by a dentist in any manner authorized by law. A benefits amount paid for receiving dental care services would be the same regardless of whether the insured's dentist providing dental care services is a participating provider and belongs to the health insurer's provider network.

The bill specifies a health insurer providing a health benefit plan that offers dental care services or a health insurer that directly offers dental care services would be required to establish a website to provide resources and information to dentists and insureds. The health insurer would be required to make accessible on the website sufficient information about the plan or policy for dentists and insureds so that a dentists, with permission of the insured, may determine the type of dental care services covered by the insured's plan or policy and prepare an estimate of the amount of the payment or reimbursement available for the dental care services provided under the plan or policy. The health insurer would be prohibited from charging a fee to insureds or dentists for access to the website.

A health insurer providing a health benefit plan that offers dental care services or a health insurer that directly offers dental care services would be prohibited from reducing an insured's benefit payment amount as a result of an error relating to any other insured's benefits or transaction by the health insurer or the health insurer's contracted vendor or deduct the amount of an overpayment of a claim from a payment or reimbursement for a dental care service provided by a dentist who did not receive the overpayment. The bill's provisions would not be waived by contract and any contractual clause in conflict with the bill's provisions or that purports to waive any requirements of the bill would be void and unenforceable

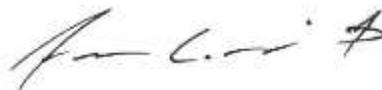
Estimated State Fiscal Effect				
	FY 2022 SGF	FY 2022 All Funds	FY 2023 SGF	FY 2023 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$1,681,240
FTE Pos.	--	--	--	--

The State Employee Health Plan (SEHP) estimates additional fee fund expenditures of \$1.7 million in FY 2023 resulting from the enactment of the bill based on estimates from the SEHP's vendor using six states that have enacted similar legislation. According to the SEHP, since the bill does not go into effect until January 1, 2023, the additional expenditures are for half of FY 2023. The SEHP states that based on other state's that have enacted similar legislation, in future years the cost would increase because dentists would no longer want to join the provider network. Nonnetwork providers can charge the members the difference between the plan allowance and the actual charge for the service, which would increase the patient's cost for care, according to the SEHP. The SEHP also notes the bill would have a fiscal effect on local governments; however, the SEHP does not have enough information to provide an estimate.

The Kansas Insurance Department indicates that enactment of the bill would not have a fiscal effect on the agency's operations. Any fiscal effect associated with HB 2546 is not reflected in *The FY 2023 Governor's Budget Report*.

The League of Kansas Municipalities states enactment of the bill would not have a fiscal effect on cities. The Kansas Association of Counties states the bill's enactment could affect the cost of insurance, but the Association does not have enough information to provide an estimate.

Sincerely,



Adam Proffitt
Director of the Budget

cc: Bobbi Mariani, Insurance
Celeste Chaney-Tucker, Department of Administration