

SENATE BILL No. 199

By Committee on Public Health and Welfare

2-10

1 AN ACT concerning insurance; relating to health insurance; providing for  
2 short-term, limited-duration health plans; amending K.S.A. 2020 Supp.  
3 40-2,193 and repealing the existing section.

4  
5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2020 Supp. 40-2,193 is hereby amended to read as  
7 follows: 40-2,193. (a) For the purposes of this section:

8 (1) "Specially designed policy" means an insurance policy that by  
9 design may not meet all or part of the definitions of a group or individual  
10 sickness and accident insurance policy and includes temporary sickness  
11 and accident insurance on a short-term, *limited-duration* basis.

12 (2) "Short-term, *limited-duration*" means an insurance policy period  
13 of ~~six months or less than 12 months, based upon policy design, which~~  
14 ~~that offers not more than one renewal period or extension periods up to a~~  
15 ~~maximum policy period of 36 months total duration,~~ with or without a  
16 requirement of medical re-underwriting or medical requalification.

17 (A) Because a short-term, *limited-duration* policy addresses the  
18 special needs for temporary coverage, a short-term, *limited-duration*  
19 policy is not subject to continuation provisions of the health insurance  
20 portability and accountability act of 1996 (public law 104-191).

21 (B) Because a short-term, *limited-duration* policy addresses the  
22 special needs for temporary coverage, a short-term, *limited-duration*  
23 policy shall be exempt from medical loss ratio calculations associated with  
24 individual sickness and accident insurance issued within the state unless  
25 such calculation excludes any monthly administration fee associated with  
26 the sale of such policy.

27 ~~(b) Specially designed policies shall include policies designed to~~  
28 ~~provide sickness and accident insurance for specific coverage of benefits~~  
29 ~~or services that may be excluded as benefits or services cited under K.S.A.~~  
30 ~~2020 Supp. 40-2,192, and amendments thereto. Specially designed policies~~  
31 ~~may include the following stand-alone policies and coverages:~~

- 32 ~~(1) Chiropractic plans;~~  
33 ~~(2) acupuncture coverage plans;~~  
34 ~~(3) holistic medical treatment plans;~~  
35 ~~(4) podiatrist plans;~~  
36 ~~(5) pharmacy plans;~~

1       ~~(6) psychiatric plans;~~  
2       ~~(7) allergy plans; and~~  
3       ~~(8) such other stand-alone plans or combinations of plans of accepted~~  
4 ~~traditional and nontraditional medical practice as shall be allowable for~~  
5 ~~exclusion from group or individual plans under K.S.A. 2020 Supp. 40-~~  
6 ~~2,192, and amendments thereto.~~

7       ~~(e)—No specially designed policy shall be deemed to be included~~  
8 ~~under the definition of group sickness and accident insurance, including~~  
9 ~~short-term, limited-duration health insurance, issued or renewed inside or~~  
10 ~~outside of this state and covering persons residing in this state.~~

11       ~~(e) Any insurance company issuing short-term, limited-duration-~~  
12 ~~health insurance shall include the following statement, printed in 14-point~~  
13 ~~font, in its contracts and application materials for policies having a~~  
14 ~~coverage start date on or after January 1, 2022, whether for initial~~  
15 ~~enrollment, renewal or extension:~~

16       ~~"This coverage is not required to comply with certain federal market~~  
17 ~~requirements for health insurance, principally those contained in the~~  
18 ~~Affordable Care Act. Be sure to check your policy carefully to make sure~~  
19 ~~you are aware of any exclusions, limitations or lifetime or annual dollar~~  
20 ~~limitations regarding coverage of health benefits, including preexisting~~  
21 ~~conditions.~~

22       ~~If your policy expires, it may not be automatically renewable. To~~  
23 ~~continue with a short-term, limited-duration health plan, you may need to~~  
24 ~~reapply for a new policy."~~

25       Sec. 2. K.S.A. 2020 Supp. 40-2,193 is hereby repealed.

26       Sec. 3. This act shall take effect and be in force from and after its  
27 publication in the statute book.