

## HOUSE BILL No. 2312

By Committee on Insurance

2-12

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1 AN ACT concerning the Kansas uninsurable health insurance plan act;  
2 pertaining to the lifetime limit; amending K.S.A. 2012 Supp. 40-2124  
3 and repealing the existing section.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2012 Supp. 40-2124 is hereby amended to read as  
7 follows: 40-2124. (a) Coverage under the plan shall be subject to both  
8 deductible and coinsurance provisions set by the board. The plan shall  
9 offer to current participants and new enrollees no fewer than four choices  
10 of deductible and copayment options. Coverage shall contain a  
11 coinsurance provision for each service covered by the plan, and such  
12 copayment requirement shall not be subject to a stop-loss provision. Such  
13 coverage may provide for a percentage or dollar amount of coinsurance  
14 reduction at specific thresholds of copayment expenditures by the insured.

15 (b) Coverage under the plan shall be subject to a maximum lifetime  
16 benefit of ~~\$3,000,000~~ \$4,000,000 per covered individual.

17 (c) Coverage under the plan shall exclude charges or expenses  
18 incurred during the first 90 days following the effective date of coverage  
19 as to any condition:

20 (1) Which manifested itself during the six-month period immediately  
21 prior to the application for coverage in such manner as would cause an  
22 ordinarily prudent person to seek diagnosis, care or treatment; or

23 (2) for which medical advice, care or treatment was recommended or  
24 received in the six-month period immediately prior to the application for  
25 coverage. In succeeding years of operation of the plan, coverage of  
26 preexisting conditions may be excluded as determined by the board, except  
27 that no such exclusion shall exceed 180 calendar days, and no exclusion  
28 shall be applied to either a federally defined eligible individual provided  
29 that application for coverage is made not later than 63 days following the  
30 applicant's most recent prior creditable coverage or an individual under the  
31 age of 19 years who is eligible for enrollment in the plan under paragraph  
32 (3) of subsection (b) of K.S.A. 40-2122, and amendments thereto. For any  
33 individual who is eligible for the credit for health insurance costs under  
34 section 35 of the internal revenue code of 1986, the preexisting conditions  
35 limitation will not apply whenever such individual has maintained  
36 creditable health insurance coverage for an aggregate period of three

1 months, not counting any period prior to a 63-day break in coverage, as of  
2 the date on which such individual seeks to enroll in coverage provided by  
3 this act.

4 (d) (1) Benefits otherwise payable under plan coverage shall be  
5 reduced by all amounts paid or payable through any other health  
6 insurance, or insurance arrangement, and by all hospital and medical  
7 expense benefits paid or payable under any workers compensation  
8 coverage, automobile medical payment or liability insurance whether  
9 provided on the basis of fault or nonfault, and by any hospital or medical  
10 benefits paid or payable under or provided pursuant to any state or federal  
11 law or program.

12 (2) The association shall have a cause of action against an eligible  
13 person for the recovery of the amount of benefits paid which are not  
14 covered expenses. Benefits due from the plan may be reduced or refused  
15 as a set-off against any amount recoverable under this section.

16 Sec. 2. K.S.A. 2012 Supp. 40-2124 is hereby repealed.

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