

STATE OF KANSAS



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GOVERNOR LAURA KELLY

MESSAGE FROM THE GOVERNOR

REGARDING VETO OF SENATE BILL 199

After reviewing this bill, I still have concerns about how it will hurt Kansas families. The plans provided under this bill do not cover pre-existing conditions and do not provide consumer protections. As a result, one medical emergency could cause a Kansas family to spiral into bankruptcy.

We already know that the solution to provide health care access for all Kansans, to bring thousands of jobs to our state, to save small businesses money, to protect our rural hospitals, and inject millions into our economy... is expanding Medicaid.

I encourage the Legislature to work with me to improve Kansans' access to affordable healthcare and join the 38 other states in expanding Medicaid.

Therefore, under Article 2, Section 14(a) of the Constitution, I hereby veto Senate Bill 199.

THE GOVERNOR'S OFFICE

BY THE GOVERNOR

A handwritten signature in blue ink, appearing to read "Laura Kelly", written over a horizontal line.

DATED

A handwritten date in blue ink, "April 11, 2022", written over a horizontal line.

SENATE BILL No. 199

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

Be it enacted by the Legislature of the State of Kansas:

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

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

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

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

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

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

- ~~(1) Chiropractic plans;~~
- ~~(2) acupuncture coverage plans;~~
- ~~(3) holistic medical treatment plans;~~
- ~~(4) podiatrist plans;~~
- ~~(5) pharmacy plans;~~
- ~~(6) psychiatric plans;~~
- ~~(7) allergy plans; and~~

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

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

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

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

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE concurred in

HOUSE amendments _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE

as amended _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.