

February 15, 2012

The Honorable Ruth Teichman, Chairperson  
Senate Committee on Financial Institutions and Insurance  
Statehouse, Room 236-E  
Topeka, Kansas 66612

Dear Senator Teichman:

**SUBJECT:** Fiscal Note for SB 373 by Senate Committee on Financial Institutions and Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning SB 373 is respectfully submitted to your committee.

SB 373 would adopt the Interstate Health Care Compact in Kansas. The Compact would take effect upon its adoption by at least two member states and consent of the United States Congress. The fundamental purposes of the Compact are to secure the right of the member states to regulate health care in their respective states and to suspend the operation of any conflicting federal laws, rules regulations and orders within their states, and to secure federal funding for member states that choose to invoke their authority under the Compact. The Compact establishes the Interstate Advisory Health Care Commission. Each member state could appoint no more than two members and each member would have one vote. The Commission could not act unless it was approved by a majority of the Commission's total membership. The Commission would meet at least once per year, with no set maximum number of meetings. The Commission could make non-binding recommendations to member states for their legislatures to consider.

If two member states were to adopt the Interstate Health Care Compact and the United States Congress consents to its creation, Kansas would continue to receive federal monies and Medicaid Program expenditures could change. The Department of Health and Environment has yet to respond to the request for a fiscal note on SB 373. An estimate of the fiscal effect of this bill is not yet determined. If any specific information is provided, a revised fiscal note will be issued. Any fiscal effect associated with SB 373 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Anderson", written over a white background.

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Aaron Dunkel, KDHE  
Zac Anshutz, Insurance