Thank you Madam Chair and members of the committee for the opportunity to testify in opposition to the retroactive privilege fee provision contained in this bill.

This bill would enact a retroactive privilege fee and would require health insurance companies, selling HMO policies, to write a check for a tax that they have no ability to collect from their customers.

This would be a difficult policy during a time of turmoil and uncertainty in the health insurance marketplace. Increasing a tax on health insurance policies could result in fewer plans being offered in the future.

I respectfully ask that you oppose the retroactive component of this bill.

Clark Shultz
Deputy Commissioner of Insurance
Kansas Insurance Department