

MINUTES OF THE HOUSE COMMITTEE ON INSURANCE.

The meeting was called to order by Chairperson Patricia Barbieri-Lightner at 3:30 on January 30, 2003 in Room 527-S of the Capitol.

All members were present except: Excused: David Huff, Cindy Neighbor.

Committee staff present: Ken Wilke, Revisor of Statutes
Renae Hansen, Secretary

Conferees appearing before the committee: **Rep. Bob Bethell**, 113th District, Kansas House of Representatives.
Rep. R.J. Wilson, Assistant Minority Leader, 3rd District, Kansas House of Representatives.
Rep. Nancy Kirk, 56th District, Kansas House of Representatives.
Bob Totten, Kansas Contractors.
Brad Smoot, Blue Cross and Blue Shield
Larrie Ann Lower, executive director Kansas Association of Health Plans

Others attending: 16 others, see attached list for those who signed the register.

Bill Introductions:

Representative Bob Bethell, 113th District, introduced a bill that would allow a home owner to have to carry mortgage insurance on their home loan only until 20% of the assessed value is paid off, and not as it is currently written/practiced for 20% of the loan amount.

Questions were posed by Ken Wilke.

Representative Scott Schwab moved that the committee introduce the bill, seconded by Representative Joe Hummerickhouse, passed unanimously by the committee.

Bob Totten, Kansas Contractors Association, introduced a bill for indemnification, Kansas contractors are concerned about how risk is assigned to contractors.

Questions were posed by Ken Wilke.

Representative Stanley Dreher moved that the committee introduce the bill, seconded by Representative Bob Grant, passed unanimously by the committee.

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Representative RJ Wilson, 3rd district, introduced a bill that would allow coverage for up to \$150.00 for cancer patients' prosthesis or wig.

Representative Stephanie Sharp moved that the committee introduce the bill, seconded by Representative Bonnie Sharp, passed unanimously by the committee.

Representative Nancy Kirk, 56th district, asked that the committee introduce a bill that would give authorization to professional associations to establish their own liability insurance pools.

Questions were posed by Ken Wilke.

Representative Ray Cox, moved that the committee introduce the bill, seconded by Representative Mario Goico, passed unanimously.

Brad Smoot, Blue Cross and Blue Shield and Larrie Ann Lower, executive director Kansas Association of Health Plans, presented information on the current status of Managed Care Health Plans. Larrie Ann Lower presented testimony on the national trends in the rising costs of health care. (Attachment #1) Brad Smoot presented testimony on the Kansas trends in the rising costs of health care. (Attachment #2) Some of the key points presented as to why health insurance is continuing to increase at a higher rate than inflation are: aging population, societies insatiable demand for the best possible healthcare they can get using new techniques and new available pharmaceuticals, and to have someone else pay for that health care.

Questions were posed by Representative Mary Kauffman.

It was noted that Kansas Business Health Partnership Act preliminary information was available to them for their perusal before the presentation by Bill Kostar next Tuesday.

Representative Ray Cox, moved that the committee approve the minutes presented from the January 16, 21, and 23 meetings, seconded by Representative Bob Grant, passed unanimously.

Meeting adjourned.

Next meeting February 4, 2003.

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