

March 6, 2020

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

Dear Senator Olson:

SUBJECT: Fiscal Note for SB 464 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 464 is respectfully submitted to your committee.

SB 464 would require a health insurer that provides benefits for diagnostic breast cancer examinations to ensure that the cost-sharing requirements and treatment limitations that are applicable to a diagnostic examination are not less favorable than the requirements and limitations that apply to a screening examination for an insured.

Estimated State Fiscal Effect				
	FY 2020 SGF	FY 2020 All Funds	FY 2021 SGF	FY 2021 All Funds
Revenue	--	--	--	--
Expenditure	--	--	--	\$129,670
FTE Pos.	--	--	--	--

The Kansas Department of Health and Environment states that the State Employee Health Plan (SEHP) currently covers mammograms for women as a preventative service with no member cost share. The plan does not limit the number of eligible mammograms covered. The added costs to the SEHP would be to provide coverage to male members and for diagnostic magnetic resonance imaging and ultrasound screenings. The Department estimates the bill would increase costs to the SEHP by \$129,670 from special revenue funds in FY 2021. The estimate assumes a first-year annual cost increase of \$259,339. However, because the maximum out-of-pocket cost share obligation would not go into effect until January 1, 2021, only half of the annual costs would apply to FY 2021. The Department estimates the cost would increase to \$273,603 in the out years, which assumes a usage and cost increase of \$14,264 or 5.5 percent.

The Kansas Insurance Department states that the passage of the bill would not have a fiscal effect on the agency. Any fiscal effect associated with SB 464 is not reflected in *The FY 2021 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "L. L. Campbell". The signature is written in a cursive style with a large initial "L" and a long, sweeping underline.

Larry L. Campbell
Director of the Budget

cc: Bobbi Mariani, Insurance
Dan Thimmesch, Health & Environment