Session of 2002

8 9

## **HOUSE BILL No. 2960**

By Committee on Health and Human Services

2-15

AN ACT concerning reimbursement for prescription drugs under certain plans and policies; amending K.S.A. 75-6504 and repealing the existing section.

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

- Section 1. K.S.A. 75-6504 is hereby amended to read as follows: 75-6504. (a) Subject to the provisions of appropriation acts relating thereto, in developing and providing for the implementation of a state health care benefits program the Kansas state employees health care commission may:
- (1) Enter into one or more group insurance contracts to provide coverage for all or part of the state health care benefits program;
- (2) establish a self-funded program on an actuarially sound basis to provide coverage for all or part of the state health care benefits program and administer the self-funded program or contract for all or part of the administration of the self-funded program;
- (3) provide for the self-administration of all or part of the state health care benefits program;
- (4) enter into contracts with one or more health care providers for the provision of health care services;
- (5) enter into contracts in accordance with the provisions of K.S.A. 75-6505, and amendments thereto, with one or more health maintenance organizations for the provision of health care services; or
- (6) any combination of the authority granted under this subsection (a).
- (b) The Kansas state employees health care commission is hereby authorized to negotiate and enter into contracts with qualified insurers, health maintenance organizations and other contracting parties for the purpose of establishing the state health care benefits program, including the acquisition of consulting and other services necessary therefor. The commission shall advertise for proposals, shall negotiate with not less than three firms or other parties submitting proposals, and shall select from among those submitting proposals the firm or other contracting party to contract with for the purpose of entering into contracts for services related to the state health care benefits program.

HB 2960

- (c) The provisions of K.S.A. 75-4317 through 75-4320a, and amendments thereto, shall not apply to meetings of the Kansas state employees health care commission when the commission meets solely for the purpose of:
- (1) Discussing and preparing strategies for negotiations for such plans and contracts; and
- (2) considering health care matters relating to individually identifiable plan participants.
- (d) Contracts entered into pursuant to this section, K.S.A. 75-6505 or 75-6510, and amendments thereto, shall not be subject to the provisions of K.S.A. 75-3738 to 75-3740, inclusive, and amendments thereto. Such contracts may be for terms of not more than three years and may be renegotiated and renewed. All such contracts shall be subject to the limits of appropriations made or available therefor and subject to the provisions of appropriations acts relating thereto.
- (e) No contracts entered into by the commission after the effective date of this act and no plan of health care benefits offered by the commission during a period of open enrollment after the effective date of this act shall limit reimbursement for prescription medications and refills of prescriptions to less than a ninety-day supply.
- New Sec. 2. An insurance company, nonprofit health service corporation, nonprofit medical and hospital service corporation or health maintenance organization that provides coverage for prescription drugs may not issue, deliver, execute or renew any health insurance policy or health service contract on an individual, group, blanket, franchise or association basis which limits reimbursement for prescription medications and refills of prescriptions to less than a ninety-day supply.
  - Sec. 3. K.S.A. 75-6504 is hereby repealed.
- Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.