

HOUSE BILL No. 2689

By Committee on Insurance

2-3

9 AN ACT concerning health insurance; requiring certain disclosures to
10 holders of group policies; enacting the Kansas employee health care
11 affordability and accountability act.

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

14 Section 1. (a) Sections 1 through 8, and amendments thereto, shall
15 be known as the Kansas employer health care affordability and account-
16 ability act.

17 (b) This act shall apply to:

18 (1) Any policy of group accident and sickness insurance that is issued
19 in this state to any person other than a small employer; and

20 (2) any insurer or health maintenance organization authorized to is-
21 sue policies of insurance of the kind enumerated in K.S.A. 40-901, and
22 amendments thereto, and K.S.A. 40-1102 and amendments thereto.

23 (c) For the purposes of this section, "small employer" shall have the
24 meaning ascribed to it in K.S.A. 40-2209d and amendments thereto.

25 Sec. 2. (a) Each insurer or health maintenance organization that is
26 authorized to issue a policy of group accident and sickness insurance in
27 the state of Kansas shall provide the following information to the poli-
28 cyholder upon request:

29 (1) Monthly premium and claims experience for each line of cover-
30 age, including the:

31 (A) Amount of premium paid;

32 (B) amount of claims paid for medical care including hospital ex-
33 penses, professional services, and prescription drugs; and

34 (C) number of employees.

35 (2) A report showing the total amount that has been applied to each
36 individual or family deductible for the specified benefit or contract
37 period.

38 (b) The policyholder may request the information listed in paragraph
39 (1) of subsection (a) for a time period of up to 24 months prior to the
40 date of such request. The information provided in response to such re-
41 quest shall include all claims paid during the applicable time period re-
42 gardless of the date when the claim was incurred. Upon the policyholder's
43 request, for each claim in excess of \$10,000 paid during the applicable

1 time period, the information provided shall include:

- 2 (1) To the extent known to the insurer or health maintenance organ-
3 ization, the identity of the person on whose behalf the claim was paid;
- 4 (2) to the extent known to the insurer or health maintenance organ-
5 ization, the diagnosis of such person;
- 6 (3) the current health status of the person; and
- 7 (4) the identity of the health care provider providing the underlying
8 medical care or treatment.

9 Sec. 3. An insurer issuing fire insurance as defined in K.S.A. 40-901,
10 and amendments thereto, and casualty, surety and fidelity coverage as
11 defined in K.S.A. 40-1102, and amendments thereto, shall provide the
12 policyholder with loss information upon the policyholder's request for up
13 to five years, or for the amount of time insured by the insurer, if less.

14 Sec. 4. (a) Except as provided in subsection (b), the information re-
15 quired by sections 2 and 3, and amendments thereto, shall be provided
16 to the policyholder without charge.

17 (b) If a policyholder requests the information required by sections 2
18 and 3, and amendments thereto, more than twice during a policy year,
19 the insurer or health maintenance organization may make a reasonable
20 charge therefor in an amount approved by the commissioner of insurance.

21 Sec. 5. Upon the policyholder's written request, the information re-
22 quired by sections 2 and 3, and amendments thereto, shall be provided
23 to the policyholder not later than 30 days after the date of the request.

24 Sec. 6. Notwithstanding the provisions of section 4, and amendments
25 thereto, no insurer or health maintenance organization shall be required
26 to provide any information that constitutes "protected health informa-
27 tion" as that term is defined in 45 C.F.R. § 164.501 unless the policy-
28 holder certifies, as part of its request for such information, that it has
29 satisfied the conditions that must be met in order for it to receive such
30 information as set forth in 45 C.F.R. § 164.504(f).

31 Sec. 7. Any violation of this act shall be considered a violation of
32 K.S.A. 40-2401 et seq.

33 Sec. 8. The commissioner of insurance is hereby authorized to adopt
34 such rules and regulations as may be necessary to carry out the provisions
35 of this act.

36 Sec. 9. This act shall take effect and be in force from and after its
37 publication in the Kansas register.