

**SENATE BILL No. 133**

By Committee on Public Health and Welfare

2-7

1 AN ACT concerning health information; enacting the Kansas health  
2 information technology and exchange act; amending K.S.A. 16-1602  
3 and repealing the existing section; also repealing K.S.A. 65-1734, 65-  
4 4970, 65-4972 and 65-4973 and K.S.A. 2010 Supp. 65-3228, 65-4971  
5 and 65-4974.

6  
7 *Be it enacted by the Legislature of the State of Kansas:*

8 New Section 1. Section 1 through 18, and amendments thereto, shall  
9 be known and may be cited as the Kansas health information technology  
10 and exchange act.

11 New Sec. 2. As used in the Kansas health information technology  
12 and exchange act:

13 (a) "Act" means the Kansas health information technology and  
14 exchange act.

15 (b) "Approved HIO" means a health information organization  
16 operating in the state which has been approved by the corporation.

17 (c) "Corporation" means the Kansas health information exchange,  
18 inc., created by executive order 10-06.

19 (d) "Covered entity" means a health care provider, a health care  
20 component of a hybrid entity, a health plan or a health care clearinghouse.

21 (e) "DPOA-HC" means the person to whom a durable power of  
22 attorney for health care decisions has been granted by an individual in  
23 accordance with K.S.A. 58-625 et seq., and amendments thereto.

24 (f) "Health care clearinghouse" means a health care clearinghouse,  
25 as that term is defined by the HIPAA privacy rule, doing business within  
26 the state.

27 (g) "Health care provider" means a health care provider, as that term  
28 is defined by the HIPAA privacy rule, that furnishes health care to  
29 individuals in the state.

30 (h) "Health information organization" means any entity operating in  
31 the state which (1) maintains technical infrastructure for the electronic  
32 movement of health information among covered entities, and (2)  
33 promulgates and enforces policies governing participation in such health  
34 information exchange.

35 (i) "Health information technology" means an information  
36 processing application using computer hardware and software for the

1 storage, retrieval, use and disclosure of health information for  
2 communication, decision-making, quality, safety and efficiency of health  
3 care. "Health information technology" includes, but is not limited to: (1)  
4 An electronic health record; (2) a personal health record; (3) health  
5 information exchange; (4) electronic order entry; and (5) electronic  
6 decision support.

7 (j) "Health plan" means a health plan, as that term is defined by the  
8 HIPAA privacy rule, doing business within the state.

9 (k) "HIPAA privacy rule" means the privacy rule of the  
10 administrative simplification subtitle of the health insurance portability  
11 and accountability act of 1996 (Pub. L. No. 104-191) contained in 45  
12 C.F.R. part 160 and 45 C.F.R. part 164, subparts A and E, as amended  
13 from time to time. As used in the act, the following terms shall be defined  
14 using the definitions set forth in the HIPAA privacy rule: (a) Designated  
15 record set; (b) disclosure; (c) electronic protected health information; (d)  
16 health care; (e) health care clearinghouse; (f) health care provider; (g)  
17 health information; (h) hybrid entity; (i) individual; (j) individually  
18 identifiable health information; (k) protected health information; (l)  
19 public health authority; and (m) use.

20 (l) "Incapacitated adult" means a person whose ability to receive and  
21 evaluate relevant health care information or to effectively communicate  
22 personal health care decisions, or both, notwithstanding the use of  
23 assistive technologies or other supports, is impaired such that the person,  
24 in the opinion of the health care provider presently providing examination  
25 or treatment for the individual, lacks the capacity to reasonably weigh the  
26 risks and benefits of the provision of health care or to effectively  
27 communicate personal health care decisions. No person who is being  
28 treated by prayer in the practice of the religion of any church which  
29 teaches reliance on spiritual means alone through prayer for healing shall  
30 be determined to be an incapacitated adult under the act for that reason  
31 alone.

32 (m) "Interoperability" means the capacity of two or more  
33 information systems to exchange information or data in an accurate,  
34 effective, secure and consistent manner.

35 (n) "Minor" means any person under age 18 unless: (1) Such person  
36 is 16 or older and is, or has been, married; or (2) a court of proper  
37 jurisdiction has conferred rights of majority upon such person.

38 (o) "Participation agreement" means a written agreement between a  
39 covered entity and an approved HIO concerning the covered entity's  
40 participation in the approved HIO on terms consistent with section 16 of  
41 this act.

42 (p) "Personal representative" means the person who has the legal  
43 authority to act on behalf of an individual for one of the purposes listed in

1 section 9 of this act.

2 (q) "Secretary" means the secretary of the department of health and  
3 environment.

4 (r) "Standard authorization form" means the standard authorization  
5 form developed and promulgated by the secretary pursuant to section 6 of  
6 this act.

7 (s) "State" means the state of Kansas.

8 (t) "State agency" means the department of health and environment;  
9 the Kansas health policy authority; the department of social and  
10 rehabilitation services; the department on aging; the department of  
11 corrections; the office of the attorney general; the insurance department;  
12 those state boards responsible for licensing and disciplining health care  
13 providers; other state regulatory bodies; and any county or municipal  
14 government or instrumentality thereof, including local boards of health  
15 and local health officers, but not including any community mental health  
16 center as defined by K.S.A. 75-3307e, and amendments thereto.

17 (u) "State law" means any Kansas statute; regulation promulgated  
18 by a state agency; directive, opinion, or guidance issued by a state  
19 agency; opinion issued by any state or municipal court; or any opinion  
20 issued by the attorney general.

21 New Sec. 3. It is the purpose of this act to harmonize state law with  
22 the HIPAA privacy rule with respect to individual access to protected  
23 health information, proper safeguarding of protected health information,  
24 and the use and disclosure of protected health information for purposes of  
25 facilitating the development and use of health information technology and  
26 health information exchange.

27 New Sec. 4. (a) A covered entity shall provide an individual or such  
28 individual's personal representative with access to the individual's  
29 protected health information maintained by the covered entity in a  
30 designated record set in compliance with 45 C.F.R. 164.524.

31 (b) A covered entity shall implement and maintain appropriate  
32 administrative, technical and physical safeguards to protect the privacy of  
33 protected health information in a manner consistent with 45 C.F.R.  
34 164.530(c).

35 New Sec. 5. (a) No covered entity shall use or disclose protected  
36 health information except as follows:

37

38 (1) Use and disclosure of protected health information consistent  
39 with an authorization that satisfies the requirements of 45 C.F.R. 164.508;

40 (2) use and disclosure of protected health information without an  
41 authorization as permitted under 45 C.F.R. 164.502, 164.506, 164.508,  
42 164.510 and 164.512; or

43 (3) use and disclosure of protected health information as required

1 under 45 C.F.R. 164.502.

2 (b) Notwithstanding the provisions of subsection (a), no covered  
3 entity shall disclose an individual's protected health information to a  
4 health information organization for any purpose without an authorization  
5 that satisfies the requirements of 45 C.F.R. 164.508, unless such covered  
6 entity:

7 (1) Is a party to a current participation agreement with an approved  
8 HIO at the time the disclosure is made;

9 (2) discloses the individual's protected health information to that  
10 approved HIO in a manner consistent with the approved HIO's  
11 established procedures;

12 (3) prior to the disclosure, has furnished to the individual, or such  
13 individual's personal representative, whose information is to be disclosed  
14 to the approved HIO, the notice required under section 16 of this act; and

15 (4) restricts disclosure to the approved HIO of any protected health  
16 information concerning the individual that is the subject of a written  
17 request delivered to the covered entity by the individual, or such  
18 individual's personal representative, for reasonable restrictions on  
19 disclosure of all or any specified categories of the individual's protected  
20 health information, as defined pursuant to section 16 of this act, following  
21 the covered entity's receipt of such written request.

22 (c) Notwithstanding the provisions of subsections (a) and (b), a  
23 covered entity that uses or discloses protected health information in  
24 compliance with this section shall be immune from any civil or criminal  
25 liability or any adverse administrative action arising out of or relating to  
26 such use or disclosure.

27 New Sec. 6. (a) No later than six months following the effective date  
28 of this act, the secretary shall develop and adopt by rules and regulations  
29 a standard authorization form for the use and disclosure of protected  
30 health information consistent with the requirements of 45 C.F.R. 164.508.

31 (b) Any person or entity in possession, custody or control of any  
32 protected health information which is the subject of a properly completed  
33 standard authorization form shall accept such form as valid authorization  
34 for the disclosure of such protected health information to the person or  
35 entity identified in such standard authorization form. Notwithstanding  
36 any other provisions, a person or entity is not precluded from accepting or  
37 relying upon any document which satisfies the requirements of 45 C.F.R.  
38 164.508, as valid authorization for the use or disclosure of protected  
39 health information.

40 New Sec. 7. (a) Notwithstanding any other provision of this act, a  
41 covered entity may condition the furnishing of copies of an individual's  
42 protected health information in paper or electronic form to the individual,  
43 the individual's personal representative, or any other person or entity

1 authorized by law to obtain or reproduce such information, upon the  
2 payment of charges to be established and updated by the secretary, except  
3 no provider shall condition the furnishing of copies to another provider  
4 needed for that provider's treatment of an individual on payment of such  
5 fee. This section shall not apply to disclosures by a covered entity to an  
6 approved HIO, or by an approved HIO to a covered entity.

7 New Sec. 8. (a) Any provision of state law regarding the  
8 confidentiality, privacy, security or privileged status of any protected  
9 health information which may be contrary to, inconsistent with or more  
10 restrictive than the rules set forth in this act shall be superseded by the  
11 rules set forth in this act, except that: (1) Nothing in this act shall limit or  
12 restrict the effect and application of the peer review statute, K.S.A. 65-  
13 4915, and amendments thereto; the risk management statute, K.S.A. 65-  
14 4921, and amendments thereto; or the statutory physician-patient  
15 privilege, K.S.A. 60-427, and amendments thereto; and (2) nothing in this  
16 act shall supersede the provisions of any state law relating to the  
17 confidentiality, privacy, security or privileged status of protected health  
18 information in the possession or custody of any state agency.

19 (b) Nothing in this act shall limit or restrict the ability of any state  
20 agency to require the disclosure of protected health information by any  
21 person or entity pursuant to law.

22 New Sec. 9. It is the purpose of this act to identify the person who  
23 qualifies as a personal representative to act on behalf of an individual for  
24 any of the following purposes:

25 (1) Consent to treatment and for the provision of health care to an  
26 individual by a health care provider;

27 (2) consent for autopsy of a decedent's body or part;

28 (3) disposition of a decedent's remains including burial, cremation  
29 or entombment;

30 (4) consent for anatomical gift of decedent's body or part;

31 (5) Informed consent for an individual's participation in a research  
32 protocol in accordance with the provisions of 21 C.F.R. 56.101 et seq.,  
33 and 45 C.F.R. 46.101 et seq.;

34 (6) an individual's exercise of individual rights under the HIPAA  
35 privacy rule in accordance with 45 C.F.R. 164.520 to 164.528;

36 (7) an individual's authorization for use or disclosure of that  
37 individual's protected health information in accordance with 45 C.F.R.  
38 164.502 to 164.514;

39 (8) an individual's exercise of individual rights with respect to  
40 inclusion of protected health information within an approved HIO in  
41 accordance with section 16 of this act; or

42 (9) an individual's exercise of patient rights in accordance with any  
43 other state or federal statute or regulation, including, but not limited to,

1 42 C.F.R. 482.13 and 45 C.F.R. 635, but only to the extent such statute or  
2 regulation does not otherwise identify a personal representative for such  
3 purpose.

4 New Sec. 10. (a) When any person or entity requires a personal  
5 representative to act on behalf of an incapacitated adult or deceased  
6 individual for one of the purposes listed in section 9 of this act, such  
7 person or entity shall first make a reasonable inquiry as to whether a  
8 DPOA-HC or a legal guardian has been designated or appointed for such  
9 incapacitated adult or deceased individual.

10 (b) If no DPOA-HC or legal guardian has been designated or  
11 appointed or such DPOA-HC or legal guardian is incompetent or  
12 unavailable at the time, the person or entity requiring a personal  
13 representative to act on behalf of an incapacitated adult or deceased  
14 individual for one of the purposes listed in section 9 of this act shall make  
15 a reasonable inquiry as to the availability of another individual to serve as  
16 the personal representative, in the following priority, provided such  
17 person is competent and available at the time:

18 (1) The incapacitated adult's or deceased individual's spouse;

19 (2) any adult son or daughter of the incapacitated adult or deceased  
20 individual;

21 (3) either parent of the incapacitated adult or deceased individual;

22 (4) any adult brother or sister of the incapacitated adult or deceased  
23 individual;

24 (5) any adult grandchild of the incapacitated adult or deceased  
25 individual; or

26 (6) a close friend of the incapacitated adult or deceased individual.

27 (c) Where there are multiple personal representatives at the same  
28 priority level in the hierarchy, it shall be the responsibility of those  
29 personal representatives to make reasonable efforts to reach a consensus  
30 as to their decision on behalf of the patient. If two or more personal  
31 representatives who are in the same category and have equal priority  
32 disagree about the matter at issue, a majority of the available persons in  
33 that category shall control, unless, in the case of an incapacitated adult,  
34 the minority initiates guardianship proceedings in accordance with K.S.A.  
35 59-3050 et seq., and amendments thereto. No health care provider or  
36 other person or entity shall be required to seek appointment of a legal  
37 guardian on behalf of an incapacitated adult for any purpose listed in  
38 section 9 of this act.

39 (d) In the event a person of a higher priority to an individual's  
40 identified personal representative becomes available and is willing to  
41 serve the individual's personal representative for one of the purposes  
42 listed in section 9 of this act, the person with higher priority shall be  
43 identified as the individual's personal representative. In the event a

1 person in a higher, a lower, or the same priority level or a health care  
2 provider seeks to challenge the priority of an individual's recognized  
3 personal representative, the challenging party may initiate guardianship  
4 proceedings in accordance with the K.S.A. 59-3030 et seq., and  
5 amendments thereto.

6 (e) A personal representative's authority to act on behalf of an  
7 incapacitated adult shall extend only so long as the adult is incapacitated.  
8 Upon gaining capacity, the individual shall have the sole authority to act  
9 for any of the purposes listed in section 9 of this act.

10 New Sec. 11. (a) The person with the authority to consent to the  
11 provision of health care to a minor by a health care provider also shall  
12 have the authority to act as that minor's personal representative with  
13 respect to any other purpose listed in section 9 of this act as it relates to  
14 the provision of such health care.

15 (b) If no parent or legal guardian of a minor with authority to  
16 consent to the provision of health care by a health care provider to that  
17 minor is available by any means, personally, telephonically or  
18 electronically or competent to provide such consent, the person or entity  
19 requiring a personal representative for a minor for one of the purposes  
20 listed in section 9 of this act shall make a reasonable inquiry as to the  
21 availability of another person to act as the minor's personal  
22 representative, in the following priority, provided such person is  
23 competent and available at the time:

24 (1) Any person designated in writing by such parent or legal  
25 guardian to consent for the provision of health care by a health care  
26 provider for the minor;

27 (2) any grandparent of the minor;

28 (3) any adult brother or sister of the minor;

29 (4) any adult aunt or uncle of the minor;

30 (5) any adult cousin of the minor; or

31 (6) any adult close friend of the minor's parent or legal guardian.

32 No person or entity shall seek or rely upon a decision made by a  
33 personal representative of a minor with respect to treatment and provision  
34 of health care unless such person or entity reasonably determines the  
35 delay associated with locating the minor's parent or legal guardian would  
36 be detrimental to the health or welfare of such minor.

37 (c) Upon reaching the age of majority and otherwise becoming  
38 emancipated, an individual shall gain control over the protected health  
39 information, including protected health information relating to the  
40 provision of health care to the individual while such individual was a  
41 minor. The parent, legal guardian or other person who consented for the  
42 provision of health care by a health care provider may not access or  
43 otherwise exercise control over such protected health information once

1 the individual reaches the age of majority or otherwise becomes  
2 emancipated.

3 (d) Any person who identifies and relies upon a personal  
4 representative to act for a minor with respect to one of the purposes listed  
5 in section 9 of this act in compliance with this provision shall be immune  
6 from any civil or criminal liability or adverse licensure or disciplinary  
7 action by a state agency relating to the subject matter of such purpose  
8 regardless of any other provision of state law.

9 New Sec. 12. (a) Nothing herein shall amend or repeal the laws  
10 related to the Kansas durable power of attorney act for health care  
11 decisions, K.S.A. 58-625 et seq., and amendments thereto, the Kansas  
12 natural death act, K.S.A. 65-28,101 et seq., and amendments thereto, or  
13 the laws related to do-not-resuscitate directives, K.S.A. 65-4941 et seq.,  
14 and amendments thereto. A personal representative does not have the  
15 power to revoke any of the following valid advance directives properly  
16 executed by the individual, regardless of the individual's subsequent  
17 incapacity:

18 (1) A durable power of attorney for health care decisions; or

19 (2) a Kansas natural death act declaration.

20 (b) Nothing herein shall alter or amend any existing laws related to  
21 the necessity of obtaining consent for provision of health care by a health  
22 care provider; informed consent for a research protocol; the determination  
23 of whether an adult has an impairment or a minor has been emancipated;  
24 or the circumstances in which a minor may consent for the provision of  
25 health care by a health care provider on such minor's own behalf.

26 New Sec. 13. A health care provider may disclose protected health  
27 information without authorization to any state agency for any public  
28 health purpose that is permitted or required by law. Nothing in this act  
29 shall be construed to limit the use, transfer, or disclosure of protected  
30 health information as required or permitted by any other provision of law.

31 New Sec. 14. (a) The corporation shall establish and revise, as  
32 appropriate, standards for approval and operation of statewide and  
33 regional health information organizations operating in the state as  
34 approved HIOs including, but not limited to, the following:

35 (1) Satisfaction of certification standards for health information  
36 exchanges promulgated by the federal government;

37 (2) adherence to nationally recognized standards for interoperability;

38 (3) adoption and adherence to rules promulgated by the corporation  
39 regarding access to and use and disclosure of protected health  
40 information maintained by or on an approved HIO;

41 (4) demonstration of adequate financial resources to sustain  
42 continued operations in compliance with the standards;

43 (5) participation in outreach activities for individuals and covered

1 entities;

2 (6) conduct of operations in a transparent manner to promote  
3 consumer confidence;

4 (7) implementation of security breach notification procedures; and

5 (8) development of procedures for entering into and enforcing the  
6 terms of participation agreements with covered entities which satisfy the  
7 requirements established by the corporation pursuant to section 16 of this  
8 act.

9 New Sec. 15. (a) The corporation shall establish and implement:

10 (1) A process by which a health information exchange may apply for  
11 and receive approval by the corporation by demonstrating compliance  
12 with the standards promulgated by the corporation pursuant to section 14  
13 of this act;

14 (2) a process by which an approved HIO shall be re-approved on  
15 appropriate intervals by demonstrating continued compliance with the  
16 standards promulgated by the corporation pursuant to section 14 of this  
17 act; and

18 (3) a process for the investigation of reported concerns and  
19 complaints regarding an approved HIO and imposition of appropriate  
20 remedial and proactive measures to address any identified deficiencies.

21 New Sec. 16. (a) The corporation shall establish requirements for  
22 participation agreements to include the following:

23 (1) Specification of procedures for the covered entity to disclose an  
24 individual's protected health information to the approved HIO;

25 (2) specification of procedures for the covered entity to access an  
26 individual's protected health information from the approved HIO;

27 (3) specification of the written notice to be provided by the covered  
28 entity to any individual, or such individual's personal representative, prior  
29 to the covered entity's disclosure of the individual's protected health  
30 information to the approved HIO. Such written notice, which may be  
31 incorporated into the covered entity's notice of privacy practices required  
32 under the HIPAA privacy rule, shall include the following that:

33 (A) The individual's protected health information will be  
34 disclosed to the approved HIO to facilitate the provision of health care to  
35 the individual;

36 (B) the approved HIO maintains appropriate safeguards to protect  
37 the privacy and security of protected health information;

38 (C) only authorized individuals may access protected health  
39 information from the approved HIO;

40 (D) the individual, or such individual's personal representative, has  
41 the right to request in writing that the covered entity: (i) Not disclose any  
42 of the individual's protected health information to the approved HIO; or  
43 (ii) not disclose specified categories of the individual's protected health

1 information to the approved HIO;

2 (E) such restrictions may result in a health care provider not having  
3 access to information necessary to provide appropriate care for the  
4 individual;

5 (F) the covered entity is required to honor a written request  
6 delivered to the covered entity by an individual, or such individual's  
7 representative, not to disclose any of the individual's protected health  
8 information to an approved HIO; and

9 (G) the covered entity is required to honor a written request  
10 delivered to the covered entity by an individual, or such individual's  
11 representative, for reasonable restrictions on the disclosure of specified  
12 categories of the individual's protected health information to an approved  
13 HIO.

14 (4) specification of documentation requirements to demonstrate  
15 delivery of such notice to an individual, or such individual's personal  
16 representative, by or on behalf of the covered entity prior to the covered  
17 entity's disclosure of the individual's protected health information to the  
18 approved HIO;

19 (5) standards for determining the reasonableness of an individual's  
20 written request, or the written request of such individual's personal  
21 representative, not to disclose specified categories of the individual's  
22 protected health information to the approved HIO based on the covered  
23 entity's technological capabilities; and

24 (6) specification of the purposes for which a covered entity may  
25 access protected health information through the approved HIO.

26 New Sec. 17. Any health information organization which is not an  
27 approved HIO shall not be eligible for any financial support from the  
28 state, or assistance or support from the state in securing any other source  
29 of funding.

30 New Sec. 18. Notwithstanding any other provision of this act, no use  
31 or disclosure of protected health information maintained by or on an  
32 approved HIO shall be made except pursuant to rules adopted by the  
33 corporation consistent with this act. An approved HIO that uses or  
34 discloses protected health information in compliance with such rules shall  
35 be immune from any civil or criminal liability or any adverse  
36 administrative action arising out of or relating to such use or disclosure.

37 Sec. 19. K.S.A. 16-1602 is hereby amended to read as follows: 16-  
38 1602. In this act:

39 (a) "Agreement" means the bargain of the parties in fact, as found in  
40 their language or inferred from other circumstances and from rules,  
41 regulations, and procedures given the effect of agreements under laws  
42 otherwise applicable to a particular transaction.

43 (b) "Automated transaction" means a transaction conducted or

1 performed, in whole or in part, by electronic means or electronic records,  
2 in which the acts or records of one or both parties are not reviewed by an  
3 individual in the ordinary course in forming a contract, performing under  
4 an existing contract or fulfilling an obligation required by the transaction.

5 (c) "Computer program" means a set of statements or instructions to  
6 be used directly or indirectly in an information processing system in order  
7 to bring about a certain result.

8 (d) "Contract" means the total legal obligation resulting from the  
9 parties' agreement as affected by this act and other applicable law.

10 (e) "Digital signature" means a type of electronic signature  
11 consisting of a transformation of an electronic message using an  
12 asymmetric crypto system such that a person having the initial message  
13 and the signer's public key can accurately determine whether:

14 (1) The transformation was created using the private key that  
15 corresponds to the signer's public key; and

16 (2) the initial message has not been altered since the transformation  
17 was made.

18 (f) "Electronic" means relating to technology having electrical,  
19 digital, magnetic, wireless, optical, electromagnetic or similar  
20 capabilities.

21 (g) "Electronic agent" means a computer program or an electronic or  
22 other automated means used independently to initiate an action or  
23 respond to electronic records or performances in whole or in part, without  
24 review or action by an individual.

25 (h) "Electronic record" means a record created, generated, sent,  
26 communicated, received or stored by electronic means.

27 (i) "Electronic signature" means an electronic sound, symbol or  
28 process attached to or logically associated with a record and executed or  
29 adopted by a person with the intent to sign the record.

30 (j) "Governmental agency" means an executive, legislative, or  
31 judicial agency, department, board, commission, authority, institution or  
32 instrumentality of the federal government or of a state or of a county,  
33 municipality or other political subdivision of a state.

34 (k) "Information" means data, text, images, sounds, codes, computer  
35 programs, software, databases or the like.

36 (l) "Information processing system" means an electronic system for  
37 creating, generating, sending, receiving, storing, displaying or processing  
38 information.

39 (m) "Message" means a digital representation of information.

40 (n) "Person" means an individual, corporation, business trust, estate,  
41 trust, partnership, limited liability company, association, joint venture,  
42 governmental agency, public corporation or any other legal or  
43 commercial entity.

1 (o) "Record" means information that is inscribed on a tangible  
2 medium or that is stored in an electronic or other medium and is  
3 retrievable in perceivable form.

4 (p) "Registered certification authority" means a person providing  
5 certification of a digital signature who is, or is certified by, a member of  
6 the group of certification authorities approved by and registered with the  
7 secretary.

8 (q) "Secretary" means the Kansas secretary of state.

9 (r) "Security procedure" means a procedure employed for the  
10 purpose of verifying that an electronic signature, record or performance is  
11 that of a specific person or for detecting changes or errors in the  
12 information in an electronic record. The term includes a procedure that  
13 requires the use of algorithms or other codes, identifying words or  
14 numbers, encryption, callback or other acknowledgment procedures.

15 (s) "State" means a state of the United States, the District of  
16 Columbia, Puerto Rico, the United States Virgin Islands or any territory  
17 or insular possession subject to the jurisdiction of the United States.

18 (t) "Transaction" means an action or set of actions occurring  
19 between two or more persons relating to the conduct of business,  
20 insurance, *health care*, commercial or governmental affairs.

21 Sec. 20. K.S.A. 16-1602, 65-1734, 65-4970, 65-4972 and 65-4973  
22 and K.S.A. 2010 Supp. 65-3228, 65-4971 and 65-4974 are hereby  
23 repealed.

24 Sec. 21. This act shall take effect and be in force from and after its  
25 publication in the Kansas register.

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