Approved: March 27, 2024

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Chairperson Bill Sutton at 3:30 pm on Monday, March 18, 2024, in room 218-N of the Capitol.

All members were present except:

Representative Heather Meyer – Absent Representative Silas Miller – Absent Representative Brandon Woodard – Absent

Committee staff present:

Carol Robertson, Kansas Legislative Committee Assistant David Wiese, Office of Revisor of Statutes Eileen Ma, Office of Revisor of Statutes Kate Smeltzer, Legislative Research Department Leighann Thone, Legislative Research Department

Conferees appearing before the Committee:

Hayden Dublois, Opportunity Solutions Project
Emerson Frazier, Master Public Health, Stormont Vail Health
Shannon Flach, Vice President, Kansas Hospital Association
Jim Blackwell, Vice President, Great Plains Hospital Association
Nicole Milo, Common Spirit Health
Sandra Dickerson, CEO, Greenwood County Hospital
Representative Barb Wasinger, District 111

Courtney Younglove, MD, Private Citizen
Patrick Fields, National Director of Contracting and Revenue Cycle, Valley Hope Association
Adam Proffit, Secretary, Department of Administration

Others in attendance:

No list available

Representative Underhill motioned to approve the minutes from the Monday, March 11 committee meeting, seconded by Representative Neighbor. Motion carried.

<u>Hearing on: HB2825</u> — <u>Enacting consumer protection related to hospital price transparency act.</u> The Chair opened the hearing on <u>HB2825</u>. Assistant Revisor Ma gave and overview of the bill and stood for questions. (Attachment 1)

Questions from committee members included, but were not limited to the following issues:

Federal mandates

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- top 300 procedures to be coded
- hospital compliance with existing mandates addressing price transparency.
- additional costs due to unforeseen complications

Proponents in-person:

Hayden Dublois, Opportunity Solutions Project.

Mr. Dublois cited numerous flaws in the current federal transparency mandate, specifically, compliance failure, lack of enforcement, and insubstantial penalties. (Attachment 2)

Proponents written only:

• William Wilk, Kansas Chamber (Attachment 3)

No neutrals were present

Opponents in-person included:

• Emerson Frazier, Stormont Vail Health (Attachment 4)

Ms. Frazier concentrated opponent testimony around the following points; **HB2825** is redundant given existing federal legislation, emphasized the comprehensive nature of existing hospital transparency requirements, believes **HB2825** is a solution in search of problem that does not exist, and would place a financial burden on hospitals.

• Jim Blackwell, Great Plains Health Alliance (Attachment 5)

Mr. Blackwell is of the understanding that no hospitals in the State have been fined for non-compliance, it takes time to adequately estimate costs, the bill duplicates a federal mandate, is unnecessary, and does nothing more for Kansas consumers.

• Nicole Milo, Mountain Region, Common Spirit Health (Attachment 6)

Ms. Milo disclosed Common Spirit Health's opposition to the following elements of the bill, codifying federal rule into state creates confusion, there is currently an arbitrator of compliance, bill is redundant, and compounds penalties.

• Sandra Dickerson, Greenwood County Hospital (Attachment 7)

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Ms. Dickerson addressed the burden on small hospitals to maintain compliance with transparency, including, staffing issues,

Opponents - written only:

- Steve Kearney, Physician Hospitals of Kansas (Attachment 8)
- Joe Tallon, Salina Regional Health Center (Attachment 9)
- Jay Hall, Kansas Association of Counties (Attachment 10)
- Kevin Strecker, Ascension Via Christi (Attachment 11)
- Shannon Flach, Kansas Hospital Association (Attachment 12)

The Chair closed the hearing on **HB2825**.

Hearing on: HB2834 — Transferring officers, employees, powers, duties and functions relating to the state health care benefits program from the division of the state employee health benefits plan of the department of administration to the insurance department, establishing the commissioner of insurance as the chairperson of the Kansas state employees health care commission, providing that all management functions of such commission be administered by the commissioner of insurance and eliminating a pilot program regarding employer contributions for certain children.

The Chair opened the hearing on <u>HB2834.</u> Assistant Revisor Weise gave an overview of the bill and stood for questions. (Attachment 13)

Proponents appearing before the committee included:

• Barb Wasinger, State Representative, District 111 (Attachment 14).

Representative Wasinger cited a personal issue encounted with the State Employees Health Care Plan (SEHP). believes it is logical to move SEHP to the Kansas Insurance Department.

• Courtney Younglove (Attachment 15).

Ms. Younglove gave testimony to on going problems encountered with SEHP, including systematic denial of coverage by a related Insurance carrier, complex coding issues; supports this bill, believing it is in the peoples best interest to move the leadership and oversight of SEHP into the hands of an organization staffed by people with experience and knowledge of the field of medicine and the

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insurance industry.

• Patrick Fields (Attachment 16)

Mr. Fields believes that moving SEHP to the Kansas Department of Insurance will ensure compliance with federal parity laws.

No neutrals were present.

The following gave opponent testimony:

• Adam Proffit (Attachment 17)

The Chair closed the hearing on **HB2834.**

The Chair closed the meeting at 5:30.