

REPORTS OF STANDING COMMITTEES

MR. PRESIDENT:

The Committee on **Financial Institutions and Insurance** recommends **SB 121** be amended on page 1, following line 24, by inserting:

"Sec. 2. K.S.A. 40-202 is hereby amended to read as follows: 40-202. Nothing contained in this code shall apply to:

(a) Grand or subordinate lodges of any fraternal benefit society ~~which~~ that admits to membership only persons engaged in one or more hazardous occupations in the same or similar line of business or to fraternal benefit societies as defined in and organized under article 7 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto, unless they be expressly designated;

(b) the employees of a particular person, firm, or corporation;

(c) mercantile associations ~~which~~ that simply guarantee insurance to each other in the same lines of trade and do not solicit insurance from the general public;

(d) the Swedish mutual aid association of Rapp, Osage county, Kansas;

(e) the Scandia mutual protective insurance company, of Chanute, Kansas;

(f) the Seneca and St. Benedict mutual fire insurance company of Nemaha county, Kansas;

(g) the mutual insurance system practiced in the Mennonite church, in accordance with an old custom, either by the congregation themselves or by special associations, of its members in Kansas;

(h) the Kansas state high-school activities association;

(i) the mutual aid association of the church of the brethren;~~or~~

(j) a voluntary noncontractual mutual aid arrangement whereby the needs of participants are announced and accommodated through subscriptions to a monthly publication;

(k) a self-funded health plan established or maintained for its employees by the state or a subdivision of the state, a school district, any public authority or by a county or city government or any political subdivision, agency or instrumentality thereof; or

(l) a self-funded health plan established or maintained for its employees by a church or by a convention or association of churches that is exempt from tax under section 501 of the internal revenue code.";

On page 14, in line 31, before "transactions" by inserting "material";

On page 22, following line 4, by inserting:

"Sec. 10. K.S.A. 40-4602 is hereby amended to read as follows: 40-4602. As used in this act:

(a) "Emergency medical condition" means the sudden and, at the time, unexpected onset of a health condition that requires immediate medical attention, where failure to provide medical attention would result in serious impairment to bodily functions or serious dysfunction of a bodily organ or part, or would place the person's health in serious jeopardy.

(b) "Emergency services" means ambulance services and ~~health care~~ healthcare items and services furnished or required to evaluate and treat an emergency medical condition, as directed or ordered by a physician.

(c) "Health benefit plan" means any hospital or medical expense policy, health, hospital or medical service corporation contract, a plan provided by a municipal group-funded pool, a policy or agreement entered into by a health insurer or a health maintenance organization contract offered by an employer or any certificate issued under any such policies, contracts or

plans. "Health benefit plan" does not include policies or certificates covering only accident, credit, dental, disability income, long-term care, hospital indemnity, medicare supplement, specified disease, vision care, coverage issued as a supplement to liability insurance, insurance arising out of a workers compensation or similar law, automobile medical-payment insurance, a self-funded health plan established or maintained for its employees by the state or a subdivision of the state, a school district, any public authority or by a county or city government or any political subdivision, agency or instrumentality thereof, a self-funded health plan established or maintained for its employees by a church or by a convention or association of churches that is exempt from tax under section 501 of the internal revenue code or insurance under which benefits are payable with or without regard to fault and ~~which that~~ is statutorily required to be contained in any liability insurance policy or equivalent self-insurance.

(d) "Health insurer" means any insurance company, nonprofit medical and hospital service corporation, municipal group-funded pool, fraternal benefit society, health maintenance organization, or any other entity ~~which that~~ offers a health benefit plan subject to the Kansas Statutes Annotated.

(e) "Insured" means a person who is covered by a health benefit plan.

(f) "Participating provider" means a provider who, under a contract with the health insurer or with its contractor or subcontractor, has agreed to provide one or more ~~health care~~ healthcare services to insureds with an expectation of receiving payment, other than coinsurance, copayments or deductibles, directly or indirectly from the health insurer.

(g) "Provider" means a physician, hospital or other person ~~which that~~ is licensed, accredited or certified to perform specified ~~health care~~ healthcare services.

(h) "Provider network" means those participating providers who have entered into a contract or agreement with a health insurer to provide items or ~~health care~~ healthcare services to

individuals covered by a health benefit plan offered by such health insurer.

(i) "Physician" means a person licensed by the state board of healing arts to practice medicine and surgery.";

Also on page 22, in line 5, after "K.S.A." by inserting "40-202,"; in line 6, by striking the first "and" and inserting a comma; also in line 6, after "40-3308" by inserting "and 40-4602";

And by renumbering sections accordingly;

On page 1, in the title, in line 9, after the semicolon by inserting "exempting certain entities from state regulation as health benefit plans,"; also in line 9, after "K.S.A." by inserting "40-202,"; in line 10, by striking the first "and" and inserting a comma; also in line 10, after "40-3308" by inserting "and 40-4602"; and the bill be passed as amended.

_____ Chairperson