

MINUTES OF THE SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE.

The meeting was called to order by Chairperson Sandy Praeger at 9:30 a.m. on March 21, 2001 in Room 234-N of the Capitol.

All members were present except:

Committee staff present:       Dr. Bill Wolff, Kansas Legislative Research Department  
  Ken Wilke, Office of the Revisor of Statutes  
  JoAnn Buntin, Committee Secretary

Conferees appearing before the committee:

  Senator Mark W. Taddiken  
  Don Moler, Executive Director, League of Kansas Municipalities  
  Randy Allen, Executive Director, Kansas Association of Counties  
  Kim Austin-Smith, Director of Human Resources, City of Topeka  
  Douglas E. Smith, Kansas Legislative Policy Group

Others attending: See attached list.

**Hearing on SB 258 - Report to legislature regarding counties opting into the state employees health plan**

Senator Mark W. Taddiken testified before the Committee in support of **SB 258** which would require a feasibility study of allowing each county in the state to opt into the state health care benefits program. Senator Taddiken noted that the availability and affordability of health care in rural communities continues to be a major concern for people in those areas, and several Boards of County Commissioners in his district have discussed this issue with him. (Attachment 1)

Don Moler, Executive Director, League of Kansas Municipalities, testified before the Committee in support of the bill, and offered an amendment to include cities in the feasibility study. (Attachment 2)

Also testifying in support of the bill was Randy Allen, Executive Director, Kansas Association of Counties, (Attachment 3); Kim Austin-Smith, Director of Human Resources, City of Topeka, (Attachment 4); and Douglas E. Smith, Kansas Legislative Policy Group, (Attachment 5).

Written testimony was received from Kathleen Sebelius, Commissioner of Insurance, (Attachment 6). In her written testimony Commissioner Sebelius noted that the topic of expansion of the Kansas employee health benefits program to other selected public organizations had been discussed and studied for the past several years. As a member of the Health Care Commission, she supports the concept of including those entities already listed in the statutes to be included in the state health benefits program by rules and regulations of the Health Care Commission.

A copy of a report was given to the Chair by the Commissioner which was presented to the Health Care Commission in August 2000 that focused on employees of public organizations in Kansas entitled, *Demographic and Health Insurance Profile of Public Organizations in Kansas*. The purpose of the survey included in the report was to obtain information on health insurance coverage among public employers and to gauge the degree of interest their administrators had in learning more about or joining the state health insurance plan.

Committee discussion related to the concept of the Health Care Commission including certain groups on the payroll of a county, township, or public school district into the state health care benefits program. Terry Bernatis, Health Benefits Administrator, Health Care Commission, answered questions from the Committee relating to this issue. Administrative costs and other related facts were not available at the time which the Committee considered to be relevant.

## CONTINUATION SHEET

It was agreed to by the Committee that **SB 258** should be recommended for further study during the interim. The Chair pointed out that this was also acceptable to Senator Taddiken. Senator Salmans made a motion that **SB 258** be recommended for study during the Interim, seconded by Senator Barnett. The motion carried.

### **Action on HB 2031 - Insurance ; Risk based capital requirements**

The Chair noted that the hearing on **HB 2031** was held on February 27<sup>th</sup>, and there were no opponents or amendments offered to the bill. Senator Barnett made a motion that the Committee recommend **HB 2031** favorable for passage, seconded by Senator Feleciano. The motion carried.

### **Adjournment**

The meeting was adjourned at 10:30 a.m. The next meeting of the Committee is scheduled for March 22, 2001.