

MINUTES OF THE FINANCIAL INSTITUTIONS & INSURANCE COMMITTEE

The meeting was called to order by Chairperson Senator Ruth Teichman at 9:30 a.m. on March 18, 2003 in Room 234-N of the Capitol.

All members were present except:

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

Conferees appearing before the committee: Bob Williams, KPHA
Bob Alderson, KPHA
Nancy Corkins, Dillons, KPHA, KFC

Others attending: See attached list

Senator Teichman informed the committee of written testimony from Deena Horst, Representative. (See attachment 1)

She then introduced Bob Williams, KPHA who presented testimony as an proponent for **HB 2233**. He pointed out that 70% of prescriptions are paid for by insurance companies. Cards are used to pay for prescriptions. In order for the pharmacists to send the proper information over the system, the specific data must be recorded on the card. This bill identifies the data elements we believe should be required on all prescription drug cards. Passage of **HB 2233** will go a long way to eliminating some of the "hassle factor" in processing drug claims, and free up the pharmacist's time to practice pharmacy. (See attachment 2)

Senator Teichman introduced Bob Alderson, KPHA. He appeared on behalf of the Kansas Pharmacists Association in support of **HB 2233**. He related that Pharmacy Benefits Managers ("PBM's") is a company which administers all or a portion of a pharmacy benefit segment of a health benefit plan. (See attachment 3) Brad Smoot presented an amendment to **HB 2233** explaining who receives a prescription card. (See attachment 3a)

Nancy Corkins, regional supervisor for Dillons Pharmacy spoke in support of **HB 2233**. Dillons pharmacies fill in excess of 100000 prescriptions every week. 87% are tied to some type of insurance. A standardized card would help us to achieve administrative efficiencies that benefit consumers. She related that 20% of a pharmacist's time is consumed by insurance issues.

Twenty-four states have passed legislation mandating a standard prescription benefit card since 1999. (See attachment 4)

After discussion among the committee, the hearing was closed. Senator Feleciano moved that **HB 2233** be amended with the suggested amendments, seconded by Senator Brungardt. Motion carried.
Senator Feleciano moved to recommend **HB 2233** as favorable for passage as amended, seconded by

CONTINUATION SHEET

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Senator Barnett. Motion carried. Bill moved out favorably.

HB 2071 Having to do with the foreign language of insurance policies. Jarrod Forbes, Ks. Ins. Dept. presented an amendment to **HB 2071**. The amendment is needed to change the date in the Mental Health Parity Provision from December 31, 2002 to December 31, 2003. Senator Teichman explained that the date change will be Section 5 of the bill.

The bill allows insurance companies to print policies in different languages.

Bill Sneed gave his opinion that they must be authorized by statute to print in different languages.

Discussion followed by committee members as to whether the bill was needed or not.

Dr. Wolfe explained that the insurance company must have a filing. So if they are going to have it in different languages, the company must have a filing. **Senator Adkins moved that HB 2071 be amended, and passed out favorably. Seconded by Senator Feleciano.** .

Minutes were approved

Meeting adjourned