

SESSION OF 2023

SUPPLEMENTAL NOTE ON SENATE BILL NO. 24

As Recommended by Senate Committee on
Financial Institutions and Insurance

Brief*

SB 24 would amend the definitions of “small employer” and “large employer” in a statute pertaining to insurance coverage for autism spectrum disorder. The definitions of “small employer” and “large employer” pertain to group health benefit plans and are specified by the number of people employed on business days during the preceding calendar year, with at least one employee on the first day of the benefit plan year.

The bill would amend the definition of “small employer” from an average of at least 1 but not more than 100 employees to an average of at least 2 but not more than 50 employees. The bill would amend the definition of “large employer” from an average of at least 101 employees to an average of at least 51 employees.

The bill would also make technical amendments.

Background

The bill was introduced by the Senate Committee on Financial Institutions and Insurance at the request of the Kansas Insurance Department (Department).

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Senate Committee on Financial Institutions and Insurance

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Department, stating the federal Protecting Affordable Coverage for Employees (PACE) Act, enacted in 2015, amended the definition of small employer for purposes of market reforms under the Patient Protection and Affordable Care Act and the Public Health Service Act. [Note: The PACE Act generally defines a small employer as an employer who employed an average of 1-50 employees on business days during the preceding calendar year but authorizes states to extend the definition of small employer to include employers with up to 100 employees.] The proponent stated the bill would align the definition of “small employer” with statutes regarding general health insurance. The proponent stated the Department has confirmed the benefit for autism spectrum disorder is already being provided in the contracts of all those that are potentially able to incur the services required in the statute, and the change would bring parity to the definitions and provide clarity to employers and insurers.

Written-only proponent testimony was provided by the Council of Autism Service Providers.

No additional testimony was provided.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, the Department, Kansas Association of Counties, and the League of Kansas Municipalities all state enactment of the bill would not have a fiscal effect.

Insurance; definitions; autism spectrum disorder