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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 6, 2015

The Honorable Mary Pilcher-Cook, Chairperson Senate Committee on Public Health and Welfare Statehouse, Room 441-E Topeka, Kansas 66612

Dear Senator Pilcher-Cook:

SUBJECT: Fiscal Note for SB 122 by Senate Committee on Public Health and Welfare

In accordance with KSA 75-3715a, the following fiscal note concerning SB 122 is respectfully submitted to your committee.

SB 122 would require hospitals or health systems that charge facility fees for outpatient services or diagnostic testing where a professional fee is also expected to be charged to provide the patient with a written notice containing specific information. The information required in the notification would include a statement that fees in addition to professional fees will be charged, an estimate of the patient's potential financial liability, and advice that the patient should contact their health insurer for additional information.

Passage of SB 122 would have no fiscal effect on state revenues or expenditures. The bill would affect hospitals and health systems that would have to meet the new requirements. These entities already provide disclosure paperwork. The requirement to provide a cost estimate could be difficult since it would involve knowing the coverages provided under many different health insurance plans and anticipating what procedures might be necessary.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Theresa Gordzica, KUMC