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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 6, 2017

The Honorable Jene Vickrey, Chairperson House Committee on Insurance Statehouse, Room 276-W Topeka, Kansas 66612

Dear Representative Vickrey:

SUBJECT: Fiscal Note for HB 2118 by House Committee on Insurance

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2118 is respectfully submitted to your committee.

HB 2118 would amend the Health Care Provider Insurance Availability Act and the Nurse Practice Act. The bill would provide that the Health Care Stabilization Fund (HCSF) would not be liable for claims against charitable health care providers or claims against health care providers whose claims are covered by the Federal Tort Claims Act. The bill would allow a full-time University of Kansas Medical Center faculty member to also work part-time for the United States Department of Veterans Affairs. The bill would define a "charitable health care provider" in the Health Care Provider Insurance Availability Act to match the definition in the Kansas Tort Claims Act. The bill would also allow insurance companies to issue professional liability policies that exclude coverage for claims against charitable health care providers and claims against health care providers whose claims are covered by the Federal Tort Claims Act.

HB 2118 would impose a maximum Health Care Stabilization Fund liability of \$3.0 million per fiscal year for tail coverage. The bill would also clarify that Advance Practice Registered Nurses (APRN) with exempt licenses are not required to obtain professional liability insurance or participate in HCSF coverage. The bill would create a new inactive license category for APRNs and stipulate that those inactive licensees would not be required to obtain professional liability insurance or participate in HCSF coverage.

Enactment of HB 2118 would have no fiscal effect on state revenues or expenditures.

Sincerely,

Shawn Sullivan,

Director of the Budget

cc: Glenda Haverkamp, Insurance
Cathy Brown, Board of Healing Arts
Leisa Julian, University of Kansas
Chip Wheelen, Health Care Stabilization Fund
Inge Reed, Board of Nursing