

SESSION OF 2018

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2784**

As Recommended by House Committee on  
General Government Budget

**Brief\***

HB 2784 would require the Kansas State Employees Health Care Commission (HCC) to offer indemnity insurance to all state employees and would allow the use of payroll deductions for the payment of the insurance.

“Indemnity insurance” would mean any supplemental liability insurance policy that protects an individual against loss arising from a specific cause and that is authorized to be sold in Kansas.

The HCC would be authorized to negotiate and enter into contracts with qualified insurers for the purpose of providing indemnity insurance as detailed in the bill and to adopt rules and regulations as necessary.

The HCC would be exempt from open meetings requirements when meeting solely for the purpose of discussing and preparing strategies for negotiations for contracts for indemnity insurance. Contracts for indemnity insurance entered into pursuant to the bill would not be subject to competitive bid statutes, would not be more than three year terms, could be renegotiated and renewed, and would be subject to appropriations limits as specified in the bill.

The purchase of indemnity insurance would be voluntary and would be paid for by the employee. The cost would be established by the HCC.

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\*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>

## **Background**

The bill was introduced by the House Committee on Appropriations and referred to the House Committee on General Government Budget. In the House Committee hearing, the Committee noted the contents of the bill are identical to the contents of HB 2634, previously passed by the Committee.

No testimony was provided.

According to the fiscal note prepared by the Division of the Budget on the bill, enactment of the bill would not have a fiscal effect on the Kansas Department of Health and Environment (KDHE).

## ***HB 2634***

HB 2634 was introduced by the House Committee on General Government Budget at the request of Representative Sutton. In the House Committee hearing, a representative of the Department of Administration testified in support of the bill, noting the bill would codify current practice as established in a recent appropriations bill. Representatives of the HCC were also available to answer questions. No other testimony was provided.

According to the fiscal note prepared by the Division of the Budget on HB 2634, enactment of the bill would not have a fiscal effect on the KDHE.