

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Chairperson Patricia Barbieri-Lightner at 3:30 p.m. on March 4, 2004 in Room 527-S of the Capitol.

All members were present.

Committee staff present:

Bill Wolff Legislative Research Department  
Ken Wilke, Revisor of Statutes  
Renaë Hansen, Secretary

Conferees appearing before the committee:

Bill Kostar, Kansas Health Partners Benefit Association  
David Hornick, Kansas Health Partners Benefit Association  
Jarrod Forbes, Kansas Insurance Department  
Dave Hanson, Kansas Insurance Association  
Jim Hall, ACLI

Others attending:

See Attached List.

Presentation on: Kansas Health Partners Benefit Association

Bill Kostar, Kansas Health Partners Benefit Association, a non profit board, (Attachment #1), spoke on the Health Partnership Act and addressed the needs of the uninsured population. Some solutions were offered to give small businesses a break and be able to afford to offer their employees insurance. They are also in the process of making more people aware of the tax credit available to small business owners and the HIPP'S program.

David Hornick, Kansas Health Partners Benefit Association, (Attachments #2 & #3), talked about some very specific actual examples of how going out and talking to employers about what programs are available to small businesses to cut insurance costs, amazingly resulted in employers being willing and able to provide health care to their employees. Many of these plans do not include employee underwriting. Charts showing these specific cost savings for the employer were included in the testimony presented by Bill Kostar and David Hornick.

Questions were asked by: Representatives Nancy Kirk, Cindy Neighbor, and Jan Scoggins-Waite.

Hearing on:

**SB 340: Insurance; risk-based capitol requirements.**

Jarrod Forbes, Kansas Insurance Department, (Attachment #4), presented testimony in favor of **SB 340** that would change the date on the risk based capitol instructions and formulas that are amended each year to reflect any necessary modifications or adjustments.

Dave Hanson, Kansas Insurance Association, (Attachment #5), presented written testimony in favor of the bill.

Jim Hall, ACLI, spoke in support of **SB 340**. They very much support the risk based capitol system and commends Kansas for its continued use of risk based capitol.

Hearing closed on: **SB 340.**

Representative Eber Phelps moved to passed out favorably **SB 340**, seconded by Representative Mario Goico.

Representative Mario Goico offered a substitute motion to amend **HB 2547** into **SB 340**, seconded by

CONTINUATION SHEET

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Representative Nile Dillmore.

**HB 2547** was passed out of committee but failed to be voted off the House floor before turn around.

**HB2547** provides federal funding to pay 65% of the Insurance premium for unemployed workers. There is approximately 1,700 Kansas workers that would be affected.(Attachment #6)

Ken Wilke told of this balloon having the necessary language to merge these two bills to preserve the bills respective affective dates.

Representative Eber Phelps asked a few questions about the merging of the two bills.

Representative Nile Dillmore verified that the original language of **HB 2547** was preserved as presented earlier in the session. That was verified by Revisor Ken Wilke.

Substitute Motion to amend HB 2547 into SB 340 passed unanimously.

Representative Bob Grant moved to pass out favorably **SB 340** as amended, seconded by Representative Scott Schwab, passed unanimously.

Meeting Adjourned.