

MINUTES OF THE HOUSE INSURANCE COMMITTEE

The meeting was called to order by Chairman Clark Shultz at 3:30 P.M. on February 22, 2005 in Room 527-S of the Capitol.

All members were present:

Committee staff present:

Melissa Calderwood, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Ken Wilke, Revisor of Statutes Office
Sue Fowler, Committee Secretary

Conferees appearing before the committee:

Lew Ebert, The Kansas Chamber, Topeka, KS
Natalie Bright, The Wichita Independent Business Association, Wichita, KS
Larrie Ann Lower, Kansas Association of Health Plans, Topeka, KS
Ashley Sherard, Lenexa Chamber of Commerce, Lenexa, KS
Wes Ashton, Overland Park Chamber of Commerce, Overland Park, KS
Ira Stamm, Topeka, KS
Amy Campbell, Kansas Mental Health Coalition, Topeka, KS

Others attending:

See attached list.

Discussion and action on bills previously heard:

HB 2323: Insurance company structure, statutory changes compatible with corporation code.

Terri Weber, Kansas Legislative Research Department, gave a brief overview of **HB 2323**.

Representative Cox moved to recommend **HB 2323** favorable for passage. Seconded by Representative Dillmore. Motion carried. Representative Phelps will carry the bill.

HB 2325: Life insurance; regulation of certain types of contracts.

Terri Weber, Kansas Legislative Research Department, gave a brief overview of **HB 2325**.

Representative Faber moved to adopt the proposed technical amendment as necessary to **HB 2325**. Seconded by Representative Grant. Motion carried. Representative Schwab moved to recommend **HB 2325** favorable for passage as amended. Seconded by Representative B. Sharp. Motion carried. Representative Schwab will carry the bill.

HB 2326: Kansas Insurance Guaranty Association, handling of claims.

Melissa Calderwood, Kansas Legislative Research Department, gave a brief overview of **HB 2326**.

Representative Schwab moved to recommend an amendment for a technical correction to **HB 2326**. Seconded by Representative Carter. Motion carried. After committee discussion and agreement of the committee Representative Schwab withdrew his motion. Representative Schwab moved to adopt the proposed technical amendment and the proposed amendment by Dave Hanson to **HB 2326**. Seconded by Representative Grant. Motion carried. Representative Grant recommended **HB 2326** favorable for passage as amended. Seconded by Representative Cox. Motion carried. Representative McLeland will carry the bill.

HB 2305: Allowing an uninsured motorist claim to the extent the coverage exceeds the limits of the amount of liability proceeds actually available to an injured insured.

Terri Weber, Kansas Legislative Research Department, gave a brief overview of **HB 2305**.

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Representative Schwab moved to recommend **HB 2305** favorable for passage. Seconded by Representative Carter. Motion failed. Representative Cox moved to report **HB 2305** unfavorable for passage. Seconded by Representative B. Sharp. Motion failed. Representative Schwab again moved to recommend **HB 2305** favorable for passage. Seconded by Representative Carter. Motion carried. A division was requested. Motion carried 7-6. Representative Schwab will carry the bill.

HB 2241: Adult care homes; risk assessment plans; prohibited use of inspection reports.

Representative Kirk moved to adopt acceptance of the balloon with technical corrections to **HB 2241**. Seconded by Representative Schwab. Motion carried. Representative Faber moved to report **HB 2241** unfavorable for passage with amendment. Seconded by Representative Dillmore. Representative Schwab made a substitute motion on **HB 2241** favorable for passage as amended. Seconded by Representative Kirk. Motion carried. Representative Kirk will carry the bill.

HB 2366: Accident and health insurance; removal on limitation on deductibles, coinsurance and similar payments.

Representative Carter moved to adopt balloon amendment to **HB 2366**. Seconded by Representative Schwab. Motion carried. Representative Carter moved to recommend **HB 2366** favorable for passage as amended. Seconded by Representative McLeland. Motion carried. Representative Carter will carry the bill.

HB 2357: Establishing a self audit program for insurance.

Melissa Calderwood, Kansas Legislative Research Department, gave a brief overview of **HB 2357**.

Representative McLeland moved to recommend **HB 2357** favorable for passage. Seconded by Representative Schwab. Representative Dillmore made a substitute motion for a technical correction to **HB 2357**. Seconded by Representative Carter. Motion carried. Representative McLeland renewed his motion to pass the bill out favorable as amended. Seconded by Representative Schwab. Motion carried. Representative Carter will carry the bill.

Hearing on:

HB 2365: Insurance; moratorium on new health insurance mandates.

Melissa Calderwood, Kansas Legislative Research Department, gave a brief overview of **HB 2365**.

Proponents:

Lew Ebert, The Kansas Chamber, (Attachment #1), appeared before the committee in support of **HB 2365**.

Natalie Bright, The Wichita Independent Business Association, (Attachment #2), appeared before the committee in support of **HB 2365**.

Larrie Ann Lower, Kansas Association of Health Plans, (Attachment #3), appeared before the committee in support of **HB 2365**.

Ashley Sherard, Lenexa Chamber of Commerce, (Attachment #4), presented written testimony in support of **HB 2365**.

Wes Ashton, Overland Park Chamber of Commerce, (Attachment #5), presented written testimony in support of **HB 2365**.

Opponents:

Ira Stamm, (Attachment #6), presented testimony in opposition to **HB 2365**.

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Amy Campbell, Kansas Mental Health Coalition, (Attachment #7), presented testimony in opposition to **HB 2365**.

Hearing was closed on **HB 2365**.

Hearing on:

HB 2367: Insurance; insurance plans for small employers.

Terri Weber, Kansas Legislative Research Department, gave a brief overview of **HB 2367**.

Proponents:

Lew Ebert, The Kansas Chamber, (Attachment #8), appeared before the committee in support of **HB 2367**.

Natalie Bright, The Wichita Independent Business Association, (Attachment #9), appeared before the committee in support of **HB 2367**.

Ashley Sherard, Lenexa Chamber of Commerce, (Attachment #10), presented written testimony in support of **HB 2367**.

Opponent:

Ira Stamm, Topeka, KS (Attachment 11), gave testimony in opposition to **HB 2367**.

Hearing was closed on **HB 2367**.

Representative Schwab moved to approve the minutes of the January 27, 2005, February 3, 2005, February 8, 2005, February 10, 2005, February 15, 2005 and February 17, 2005 meetings. Seconded by Representative Kelsey. Motion carried.

Next meeting will be March 3, 2005.

Meeting was adjourned at 5:40 P.M.