## As Amended by House Committee

Session of 2019

## HOUSE BILL No. 2066

By Committee on Health and Human Services

1-23

AN ACT concerning-advanced practice registered nurses; board of-1 nursing; relating to definition of practice; prescribing authority;-2 3 licensure requirements; rules and regulations; amending K.S.A. 65-4 1130 and 65-4101 and, K.S.A. 2017 Supp. 65-1113, as amended by 5 section 2 of of chapter 42 of the 2018 Session Laws of Kansas, and K.S.A. 2018 Supp. 40-3401 and repealing the existing sections. {the 6 7 department of health and environment; establishing the KanCare 8 bridge to a healthy Kansas program; amending K.S.A. 2018 Supp. 9 40-3213 and repealing the existing section.} 10 11 Be it enacted by the Legislature of the State of Kansas: 12 Section 1. K.S.A. 2017 Supp. 65-1113, as amended by section 2 of chapter 42 of the 2018 Session Laws of Kansas, is hereby amended to read 13 as follows: 65-1113. When used in this act and the act of which this-14 15 section is amendatory: 16 (a) "Board" means the board of nursing. 17 (b) "Diagnosis" in the context of nursing practice, for licensedpractical nurses and registered nurses, means that the identification of 18 19 and discrimination between physical and psychosocial signs and 20 symptoms essential to effective execution implementation execution and 21 management of the nursing regimen and shall be construed as distinct from 22 a medical diagnosis patient's healthcare, determined by the nurse's level of 23 education nursing regimen. Advanced practice registered nurses are 24 educated and trained in using diagnoses and may develop primary-25 and differential diagnoses within the advanced practice registered 26 nurse scope of practice. 27 (c) "Treatment" means the selection and performance of those-28 therapeutic measures essential to effective execution implementation and management of the nursing regimen, and any prescribed medical regimen 29 30 patient's healthcare, determined by the nurse's level of education. 31 (d) Practice of nursing. (1) The practice of professional nursing as 32 performed by a registered professional nurse for compensation or 33 gratuitously, except as permitted by K.S.A. 65-1124, and amendments-34 thereto, means the process in which substantial specialized knowledge

derived from the biological, physical, and behavioral sciences is applied 1 2 to: the: Care, diagnosis, treatment, counsel and health teaching of persons who are experiencing changes in the normal health processes or who-3 4 require assistance in the maintenance of health or the prevention or-5 management of illness, injury or infirmity; administration, supervision or 6 teaching of the process as defined in this section; and the execution of the 7 medical treatment regimen as prescribed by a person licensed to practice 8 medicine and surgery or, a person licensed to practice dentistry or a-9 person licensed to practice advanced practice registered nursing. (2) The practice of nursing as a licensed practical nurse means the 10 performance for compensation or gratuitously, except as permitted by 11 K.S.A. 65-1124, and any amendments thereto, of tasks and responsibilities 12 defined in paragraph (1), which tasks and responsibilities are based on 13 acceptable educational preparation within the framework of supportive and 14 restorative care under the direction of a registered professional nurse, a-15 16 person licensed to practice medicine and surgery or a person licensed to 17 practice dentistry. 18 (3) The practice of professional nursing as an advanced practice-19 registered nurse as defined in subsection (g) within the APRN role means, 20 in addition to the practice and responsibilities of professional nursing as. 21 defined in paragraph (1): Conducting an advanced assessment; ordering. 22 and interpreting diagnostic procedures; establishing primary and 23 differential diagnoses; prescribing, ordering, administering and furnishing therapeutic measures as set forth by the board; delegating and assigning. 24 25 therapeutic measures to assistive personnel; collaborating and consulting with physicians and other healthcare providers; providing referrals to-26 27 healthcare providers, agencies and community resources; and other acts-28 that require education and training consistent with the professional-29 standards and commensurate with the APRN's education, certification,-30 demonstrated competencies and experience. 31 (e) A "professional nurse" means a person who is licensed to practice 32 professional nursing as defined in subsection (d)(1). 33 (f) A "practical nurse" means a person who is licensed to practice-34 practical nursing as defined in subsection (d)(2). 35 (g) "Advanced practice registered nurse" or "APRN" means a-36 professional nurse who holds a license from the board to function practice 37 advanced practice registered nursing as defined in subsection (d)(3) as a 38 professional nurse in an advanced role, and this advanced role shall may be 39 further defined by rules and regulations consistent with the Kansas nurse 40 practice act adopted by the board in accordance with K.S.A. 65-1130, and 41 amendments thereto-42 (h) "Continuing nursing education" means learning experiences-43 intended to build upon the educational and experiential bases of the

HB 2066—Am. by HCW

1 registered professional and licensed practical nurse for the enhancement of

2 practice, education, administration, research or theory development to the
 3 end of improving the health of the public.

4 (i) "Collaboration" means the process in which two or more 5 healthcare professionals work together to meet the healthcare needs of a
 6 patient, as warranted by the patient.

*(j)* "Consultation" means the process in which an advanced practice.
 *registered nurse who maintains primary management responsibility for a*.
 *patient's care seeks advice or opinion of a physician or another member of the healthcare team.*

11 See. 2. K.S.A. 65-1130 is hereby amended to read as follows: 65-12 1130. (a) No professional nurse shall announce or represent to the public 13 that such person is an advanced practice registered nurse unless such 14 professional nurse has complied with requirements established by the 15 board and holds a valid license as an advanced practice registered nurse in 16 accordance with the provisions of this section.

17 (b) (1) The board shall establish standards and requirements for any professional nurse who desires to obtain licensure as an advanced practice 19 registered nurse. Such standards and requirements shall include, but not be 20 limited to, standards and requirements relating to the education of-21 advanced practice registered nurses. The board may give such-22 examinations and secure such assistance as it deems necessary to-23 determine the qualifications of applicants.

24 (2) On and after July 1, 2020, for an applicant, an initial advanced
 25 practice registered nurse license shall have a current advanced practice
 26 registered nurse certification in such applicant's specific role granted by a
 27 national certifying organization recognized by the board whose

*certification standards are approved by the board as equal to or greater*.
 *than the corresponding standards established by the board.*

30 (c) The board shall adopt rules and regulations *consistent with the* 31 *Kansas nurse practice act* applicable to advanced practice registered 32 nurses which *that*:

(1) Establish roles and identify titles and abbreviations of advanced
 practice registered nurses which *that* are consistent with nursing practice
 specialties recognized by the nursing profession *including titles describing the four APRN roles of certified registered nurse anesthetist, clinical nurse specialist, certified nurse midwife and certified nurse practitioner.*

(2) Establish education and qualifications necessary for licensure for
 each role of advanced practice registered nurse established by the board at
 a level adequate to assure the competent performance by advanced practice registered nurses of functions and procedures which advanced
 practice registered nurses are authorized to perform. Advanced practice
 registered nursing is based on knowledge and skills acquired in. *Education*

HB 2066—Am. by HCW

1 and qualifications for APRN licensure established by the board shall-2 include completion of basic nursing education, licensure as a registered-3 nurse and graduation from or completion of a master's or higher degree an 4 accredited graduate or post-graduate level APRN program in one of the 5 advanced practice registered nurse roles approved by the board of nursing. 6 (3) Define the role of advanced practice registered nurses and 7 establish limitations and restrictions on such role consistent with the-8 Kansas nurse practice act. The board shall adopt a definition of the role 9 under this paragraph which that is consistent with the education and 10 qualifications required to obtain a license as an advanced practiceregistered nurse, which *that* protects the public from persons performing 11 12 functions and procedures as advanced practice registered nurses for which they lack adequate education and qualifications and which that authorizes 13 advanced practice registered nurses to perform acts generally recognized 14 15 by the profession of nursing as capable of being performed, in a manner 16 consistent with the public health and safety, by persons with postbasic-17 education in nursing. In defining such role the board shall consider: 18 (A) The education required for a licensure as an advanced practice 19 registered nurse; 20 (B) the type of nursing practice and preparation in specialized-21 advanced practice skills involved in each role of advanced practice-22 registered nurse established by the board; 23 (C) the scope and limitations of advanced practice nursing prescribed 24 by national advanced practice organizations. Advanced practice nursing is 25 built on the practice of health promotion, health maintenance, illnessprevention, diagnosis, treatment and management of common health-26 27 problems and acute and chronic conditions; and 28 (D) acts recognized by the nursing profession as appropriate to be 29 performed by persons with postbasic education in nursing. 30 (4) Require an advanced practice registered nurse to wear-31 identification that clearly identifies the nurse as such when providing-32 direct patient care, unless wearing identification creates a safety or health 33 risk to the nurse or patient. 34 (d) (1) An advanced practice registered nurse may prescribe drugs 35 pursuant to a written protocol as authorized by a responsible physician. 36 Each written protocol shall contain a precise and detailed medical plan of 37 eare for each elassification of disease or injury for which the advanced-38 practice registered nurse is authorized to prescribe and shall specify all-39 drugs which may be prescribed by the advanced practice registered nurse. 40 Any written, procure and administer prescription drugs and controlledsubstances in schedules II through V pursuant to applicable federal and 41 state laws. An advanced practice registered nurse shall not prescribe 42

43 any drug that is intended to cause an abortion.

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(2) A prescription order shall include the name, address and telephone number of the responsible physician. The *advanced practice registerednurse*. An advanced practice registered nurse may not dispense drugs, but may request, receive and sign for professional samples and may distribute

5 professional samples to patients pursuant to a written protocol as 6 authorized by a responsible physician.

7 (3) In order to prescribe controlled substances, the advanced practice
 8 registered nurse shall: (1)

9 (A) Register with the federal drug enforcement administration; and 10 (2)-

11 (B) notify the board of the name and address of the responsible-12 physician or physicians. In no case shall the scope of authority of the 13 advanced practice registered nurse exceed the normal and customarypractice of the responsible physician federal drug enforcement-14 administration registration as prescribed by the rules and regulations of 15 16 the board. An advanced practice registered nurse shall comply with the-17 federal drug enforcement administration requirements related to-18 controlled substances.

19 (4) An advanced practice registered nurse certified in the role of 20 registered nurse anesthetist while functioning as a registered nurse-21 anesthetist under K.S.A. 65-1151 through 65-1164, and amendments 22 thereto, shall be subject to the provisions of K.S.A. 65-1151 through 65-1164, and amendments thereto, with respect to drugs and anesthetic agents 23 24 and shall not be subject to the provisions of this subsection. For the 25 purposes of this subsection, "responsible physician" means a personlicensed to practice medicine and surgery in Kansas who has accepted-26 27 responsibility for the protocol and the actions of the advanced practice-28 registered nurse when prescribing drugs.

29 (5) An advanced practice registered nurse shall maintain malpractice 30 insurance coverage in effect as a condition of rendering professional-31 service as an advanced practice registered nurse in this state and shall-32 provide proof of insurance at the time of licensure and renewal of license. 33 The requirements of this paragraph shall not apply to an advanced-34 practice registered nurse who: Practices solely in employment for which 35 the advanced practice registered nurse is covered under the federal tort-36 claims act or Kansas tort claims act; practices solely as a charitable-37 healthcare provider under K.S.A. 75-6102, and amendments thereto; or is 38 serving on active duty in the military service of the United States. 39 (e) As used in this section, "drug" means those articles and substances 40 defined as drugs in K.S.A. 65-1626 and 65-4101, and amendments thereto. (f) A person registered to practice as an advanced registered nurse 41

42 practitioner in the state of Kansas immediately prior to the effective date of
 43 this act shall be deemed to be licensed to practice as an advanced practice

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registered nurse under this act and such person shall not be required to file
 an original application for licensure under this act. Any application for
 registration filed which *that* has not been granted prior to the effective date
 of this act shall be processed as an application for licensure under this act.

5 (g) An advanced practice registered nurse certified in the role of 6 certified nurse-midwife and engaging in the independent practice of 7 midwifery under the independent practice of midwifery act with respect to 8 prescribing drugs shall be subject to the provisions of the independent 9 practice of midwifery act and shall not be subject to the provisions of this 10 section.

11 (h) (1) The board shall adopt rules and regulations establishing a program of transition to full practice as an advance practice 12 registered nurse. Any advanced practice registered nurse who has less 13 than 4,000 hours of licensed active practice as an advanced practice 14 registered nurse under a collaborative relationship with a physician in 15 16 accordance with this subsection shall be required to undergo such-17 transition program. Any hours completed under a written protocol 18 with a responsible physician prior to the amendments made to this 19 section by this act shall not count towards the 4,000-hour requirement.

20 (2) A transition period advanced practice registered nurse shall 21 not prescribe, procure or administer prescription drugs, except as-22 provided in this paragraph. As part of the transition to full practice as 23 an advance practice registered nurse, an advanced practice registered nurse shall complete 4,000 hours in accordance with paragraph (1) 24 within a period of three years while maintaining a collaborative 25 relationship with a physician or a full practice advanced practice-26 registered nurse for the prescription, procurement and administration 27 28 of prescription drugs by the transition period advanced practice-29 registered nurse.

30 (3) A transition period advanced practice registered nurse may
 31 engage in the practice of nursing as an advanced practice registered
 32 nurse and may prescribe, procure and administer prescription drugs
 33 as part of the collaborative relationship described in paragraph (2).

34 (4) The board shall specify the manner and form in which a
 35 transition period advanced practice registered nurse may identify and
 36 represent such credentials, professionally and to the public.

37 (5) A transition period advanced practice registered nurse shall 38 complete any documentation required by the board to demonstrate 39 completion of the transition program prior to becoming a full practice advanced practice registered nurse. Upon successful completion of the 40 transition program, the board shall authorize the advanced practice 42 registered nurse to engage in the practice of advanced practice 43 registered nursing without the limitations imposed by this subsection

1	and as otherwise authorized by law.
2	(6) The board shall adopt rules and regulations as necessary to
3	implement and administer this subsection.
4	(7) As used in this subsection:
5	(A) "Full practice" means the full extent of practice authorized
6	under the Kansas nurse practice act, and rules and regulations-
7	adopted thereunder, without a written protocol with a responsible-
8	physician or a collaborative relationship with a physician.
9	(B) "Physician" means a person licensed by the state board of
10	healing arts to practice medicine and surgery.
11	Sec. 3. K.S.A. 65-4101 is hereby amended to read as follows: 65-
12	4101. As used in this act: (a) "Administer" means the direct application of
13	a controlled substance, whether by injection, inhalation, ingestion or any
14	other means, to the body of a patient or research subject by:
15	(1) A practitioner or pursuant to the lawful direction of a practitioner;
16	<del>Of</del>
17	(2) the patient or research subject at the direction and in the presence
18	of the practitioner.
19	(b) "Agent" means an authorized person who acts on behalf of or at
20	the direction of a manufacturer, distributor or dispenser. It does not include
21	a common carrier, public warehouseman or employee of the carrier or-
22	warehouseman.
23	(c) "Application service provider" means an entity that sells
24	electronic prescription or pharmacy prescription applications as a hosted
25	service where the entity controls access to the application and maintains-
26	the software and records on its server.
27	(d) "Board" means the state board of pharmacy.
28	(e) "Bureau" means the bureau of narcotics and dangerous drugs,-
29	United States department of justice, or its successor agency.
30	(f) "Controlled substance" means any drug, substance or immediate-
31	precursor included in any of the schedules designated in K.S.A. 65-4105,
32	65-4107, 65-4109, 65-4111 and 65-4113, and amendments thereto.
33	(g) (1) "Controlled substance analog" means a substance that is-
34	intended for human consumption, and at least one of the following:
35	(A) The chemical structure of the substance is substantially similar to
36	the chemical structure of a controlled substance listed in or added to the
37	schedules designated in K.S.A. 65-4105 or 65-4107, and amendments-
38	thereto;
39	(B) the substance has a stimulant, depressant or hallucinogenic effect
40	on the central nervous system substantially similar to the stimulant,
41	depressant or hallucinogenic effect on the central nervous system of a-
42	controlled substance included in the schedules designated in K.S.A. 65-
43	4105 or 65-4107, and amendments thereto; or

1	(C) with respect to a particular individual, such individual represents
2	or intends the substance to have a stimulant, depressant or hallucinogenie
3	effect on the central nervous system substantially similar to the stimulant,
4	depressant or hallucinogenic effect on the central nervous system of a-
5	controlled substance included in the schedules designated in K.S.A. 65-
6	4105 or 65-4107, and amendments thereto.
7	(2) "Controlled substance analog" does not include:
8	(A) A controlled substance;
9	(B) a substance for which there is an approved new drug application;
10	<del>Of</del>
11	(C) a substance with respect to which an exemption is in effect for
12	investigational use by a particular person under section 505 of the federal
13	food, drug and cosmetic act, 21 U.S.C. § 355, to the extent conduct with
14	respect to the substance is permitted by the exemption.
15	(h) "Counterfeit substance" means a controlled substance which that,
16	or the container or labeling of which, without authorization bears the-
17	trademark, trade name or other identifying mark, imprint, number or
18	device or any likeness thereof of a manufacturer, distributor or dispenser
19	other than the person who in fact manufactured, distributed or dispensed
20	the substance.
21	(i) "Cultivate" means the planting or promotion of growth of five or
22	more plants which that contain or can produce controlled substances.
23	(j) "DEA" means the U.S. department of justice, drug enforcement-
24	administration.
25	(k) "Deliver" or "delivery" means the actual, constructive or-
26	attempted transfer from one person to another of a controlled substance,
27	whether or not there is an agency relationship.
28	(1) "Dispense" means to deliver a controlled substance to an ultimate
29	user or research subject by or pursuant to the lawful order of a practitioner,
30	including the packaging, labeling or compounding necessary to prepare the
31	substance for that delivery, or pursuant to the prescription of a mid-level
32	practitioner.
33	(m) "Dispenser" means a practitioner or pharmacist who dispenses, or
34	a physician assistant who has authority to dispense prescription-only drugs
35	in accordance with K.S.A. 65-28a08(b), and amendments thereto.
36	(n) "Distribute" means to deliver other than by administering or-
37	dispensing a controlled substance.
38	(o) "Distributor" means a person who distributes.
39	(p) "Drug" means: (1) Substances recognized as drugs in the official
40	United States pharmacopeia, official homeopathic pharmacopoeia of the
41	United States or official national formulary or any supplement to any of
42	them; (2) substances intended for use in the diagnosis, cure, mitigation,-
43	treatment or prevention of disease in human or animals; (3) substances-

1 (other than food) intended to affect the structure or any function of the 2 body of human or animals; and (4) substances intended for use as acomponent of any article specified in paragraph (1), (2) or (3). It does not 3 4 include devices or their components, parts or accessories. (q) "Immediate precursor" means a substance which that the board 5 6 has found to be and by rule and regulation designates as being the-7 principal compound commonly used or produced primarily for use and 8 which that is an immediate chemical intermediary used or likely to be used 9 in the manufacture of a controlled substance, the control of which is-10 necessary to prevent, curtail or limit manufacture. (r) "Electronic prescription" means an electronically prepared-11 12 prescription that is authorized and transmitted from the prescriber to the 13 pharmacy by means of electronic transmission. (s) "Electronic prescription application" means software that is used 14 to create electronic prescriptions and that is intended to be installed on the 15 prescriber's computers and servers where access and records are controlled 16 17 by the prescriber. 18 (t) "Electronic signature" means a confidential personalized digital-19 key, code, number or other method for secure electronic data transmissions 20 which that identifies a particular person as the source of the message, 21 authenticates the signatory of the message and indicates the person's-22 approval of the information contained in the transmission. (u) "Electronic transmission" means the transmission of an electronic 23 24 prescription, formatted as an electronic data file, from a prescriber's-25 electronic prescription application to a pharmacy's computer, where the data file is imported into the pharmacy prescription application. 26 (v) "Electronically prepared prescription" means a prescription that is 27 28 generated using an electronic prescription application. (w) "Facsimile transmission" or "fax transmission" means the 29 30 transmission of a digital image of a prescription from the prescriber or the 31 prescriber's agent to the pharmacy. "Facsimile transmission" includes, but 32 is not limited to, transmission of a written prescription between the 33 prescriber's fax machine and the pharmacy's fax machine; transmission of 34 an electronically prepared prescription from the prescriber's electronic 35 prescription application to the pharmacy's fax machine, computer or 36 printer; or transmission of an electronically prepared prescription from the 37 prescriber's fax machine to the pharmacy's fax machine, computer or 38 printer. 39 (x) "Intermediary" means any technology system that receives and-40 transmits an electronic prescription between the prescriber and the-41 pharmaey. (y) "Isomer" means all enantiomers and diastereomers. 42 (z) "Manufacture" means the production, preparation, propagation, 43

1 compounding, conversion or processing of a controlled substance either-

2 directly or indirectly or by extraction from substances of natural origin or 3 independently by means of chemical synthesis or by a combination of 4 extraction and chemical synthesis and includes any packaging or-5 repackaging of the substance or labeling or relabeling of its container,-6 except that this term does not include the preparation or compounding of a 7 controlled substance by an individual for the individual's own lawful use 8 or the preparation, compounding, packaging or labeling of a controlled-9 substance:

(1) By a practitioner or the practitioner's agent pursuant to a lawful
 order of a practitioner as an incident to the practitioner's administering or
 dispensing of a controlled substance in the course of the practitioner's
 professional practice; or

(2) by a practitioner or by the practitioner's authorized agent under such practitioner's supervision for the purpose of or as an incident to research, teaching or chemical analysis or by a pharmacist or medical care
 facility as an incident to dispensing of a controlled substance.

18 (aa) "Marijuana" means all parts of all varieties of the plant Cannabis 19 whether growing or not, the seeds thereof, the resin extracted from any-20 part of the plant and every compound, manufacture, salt, derivative,-21 mixture or preparation of the plant, its seeds or resin. It does not include: 22 (1) The mature stalks of the plant, fiber produced from the stalks, oil or 23 eake made from the seeds of the plant, any other compound, manufacture, 24 salt, derivative, mixture or preparation of the mature stalks, except the 25 resin extracted therefrom, fiber, oil or cake or the sterilized seed of the 26 plant which that is incapable of germination; (2) any substance listed in 27 schedules II through V of the uniform controlled substances act; or (3) 28 eannabidiol (other trade name: 2-[(3-methyl-6-(1-methylethenyl)-2-29 evelohexen-1-yl]-5-pentyl-1,3-benzenediol).

(bb) "Medical care facility" shall have the meaning ascribed to that
 term in K.S.A. 65-425, and amendments thereto.

(cc) "Mid-level practitioner" means a certified nurse-midwife-32 33 engaging in the independent practice of midwifery under the independent 34 practice of midwifery act, an advanced practice registered nurse issued a 35 license pursuant to K.S.A. 65-1131, and amendments thereto, who has-36 authority to prescribe drugs pursuant to a written protocol with a-37 responsible physician under K.S.A. 65-1130, and amendments thereto, or a 38 physician assistant licensed under the physician assistant licensure act who 39 has authority to prescribe drugs pursuant to a written agreement with a 40 supervising physician under K.S.A. 65-28a08, and amendments thereto. 41 (dd) "Narcotic drug" means any of the following whether produced 42 directly or indirectly by extraction from substances of vegetable origin or

43 independently by means of chemical synthesis or by a combination of

1 extraction and chemical synthesis:

2 (1) Opium and opiate and any salt, compound, derivative or-3 preparation of opium or opiate;

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4 (2) any salt, compound, isomer, derivative or preparation thereof
5 which *that* is chemically equivalent or identical with any of the substances
6 referred to in paragraph (1) but not including the isoquinoline alkaloids of
7 opium;

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(3) opium poppy and poppy straw; or

9 (4) ecca leaves and any salt, compound, derivative or preparation of 10 coca leaves, and any salt, compound, isomer, derivative or preparation 11 thereof which *that* is chemically equivalent or identical with any of these 12 substances, but not including decocainized coca leaves or extractions of 13 coca leaves which *that* do not contain cocaine or ecgonine.

(ce) "Opiate" means any substance having an addiction-forming or
 addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining
 liability. It does not include, unless specifically designated as controlled
 under K.S.A. 65-4102, and amendments thereto, the dextrorotatory isomer
 of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). It does
 include its racemic and levorotatory forms.

21 (ff) "Opium poppy" means the plant of the species Papaver 22 somniferum l. except its seeds.

23 (gg) "Person" means an individual, corporation, government, or 24 governmental subdivision or agency, business trust, estate, trust, 25 partnership or association or any other legal entity.

(hh) "Pharmaeist" means any natural person licensed under K.S.A.
 65-1625 et seq., and amendments thereto, to practice pharmacy.

(ii) "Pharmaeist intern" means: (1) A student currently enrolled in an
 accredited pharmacy program; (2) a graduate of an accredited pharmacy
 program serving such person's internship; or (3) a graduate of a pharmacy
 program located outside of the United States which *that* is not accredited,
 and who had successfully passed equivalency examinations approved by
 the board.

(jj) "Pharmaey prescription application" means software that is used
 to process prescription information, is installed on a pharmacy's computers
 and servers, and is controlled by the pharmacy.

37 (kk) "Poppy straw" means all parts, except the seeds, of the opium 38 poppy, after mowing.

(II) "Practitioner" means a person licensed to practice medicine and
 surgery, dentist, podiatrist, veterinarian, optometrist, or scientific investigator or other person authorized by law to use a controlled substance in teaching or chemical analysis or to conduct research with respect to a controlled substance.

HB 2066—Am. by HCW

1	(mm) "Prescriber" means a practitioner or a mid-level practitioner.
2	(nn) "Production" includes the manufacture, planting, cultivation,
3	growing or harvesting of a controlled substance.
4	(oo) "Readily retrievable" means that records kept by automatic data
5	processing applications or other electronic or mechanized recordkeeping
6	systems can be separated out from all other records within a reasonable
7	time not to exceed 48 hours of a request from the board or other authorized
8	agent or that hard-copy records are kept on which certain items are
9	asterisked, redlined or in some other manner visually identifiable apart
10	from other items appearing on the records.
11	(pp) "Ultimate user" means a person who lawfully possesses a-
12	controlled substance for such person's own use or for the use of a member
13	of such person's household or for administering to an animal owned by
14	such person or by a member of such person's household.
15	See. 4. K.S.A. 2018 Supp. 40-3401 is hereby amended to read as-
16	follows: 40-3401. As used in this act:
17	(a) "Applicant" means any healthcare provider.
18	(b) "Basic coverage" means a policy of professional liability-
19	insurance required to be maintained by each healthcare provider pursuant
20	to the provisions of K.S.A. 40-3402(a) or (b), and amendments thereto.
21	(c) "Commissioner" means the commissioner of insurance.
22	(d) "Fiscal year" means the year commencing on the effective date of
23	this act and each year, commencing on the first day of July thereafter.
24	(e) "Fund" means the healthcare stabilization fund established
25	pursuant to K.S.A. 40-3403(a), and amendments thereto.
26	(f) (1) "Healthcare provider" means a person licensed to practice any
27	branch of the healing arts by the state board of healing arts, a person who
28	holds a temporary permit to practice any branch of the healing arts issued
29	by the state board of healing arts, a person engaged in a postgraduate-
30	training program approved by the state board of healing arts, a medical
31	care facility licensed by the state of Kansas, a podiatrist licensed by the
32	state board of healing arts, a health maintenance organization issued a-
33	certificate of authority by the commissioner, an optometrist licensed by the
34	board of examiners in optometry, a pharmacist licensed by the state board
35	of pharmacy, a licensed professional nurse who is authorized to practice as
36	a registered nurse anesthetist, a licensed professional nurse who has been
37	granted a temporary authorization to practice nurse anesthesia under-
38	K.S.A. 65-1153, and amendments thereto, a professional corporation-
39	organized pursuant to the professional corporation law of Kansas by-
40	persons who are authorized by such law to form such a corporation and
41	who are healthcare providers as defined by this subsection, a Kansas-
42	limited liability company organized for the purpose of rendering-
43	professional services by its members who are healthcare providers as-

1 defined by this subsection and who are legally authorized to render the 2 professional services for which the limited liability company is organized, 3 a partnership of persons who are healthcare providers under this 4 subsection, a Kansas not-for-profit corporation organized for the purpose 5 of rendering professional services by persons who are healthcare providers 6 as defined by this subsection, a nonprofit corporation organized to-7 administer the graduate medical education programs of community-8 hospitals or medical care facilities affiliated with the university of Kansas 9 school of medicine, a dentist certified by the state board of healing arts to administer anesthetics under K.S.A. 65-2899, and amendments thereto, a 10 psychiatric hospital licensed prior to January 1, 1988, and continuously 11 12 thereafter under K.S.A. 2015 Supp. 75-3307b, prior to its repeal, and-13 K.S.A. 2018 Supp. 39-2001 et seq., and amendments thereto, or a mental health center or mental health clinic licensed by the state of Kansas. On 14 and after January 1, 2015, "healthcare provider" also means, a physician 15 16 assistant licensed by the state board of healing arts, a licensed advanced 17 practice registered nurse who is authorized by the board of nursing to-18 practice as an advanced practice registered nurse in the classification of a 19 nurse-midwife, a licensed advanced practice registered nurse who has been 20 granted a temporary authorization by the board of nursing to practice as an 21 advanced practice registered nurse in the classification of a nurse-midwife, 22 a nursing facility licensed by the state of Kansas, an assisted living facility 23 licensed by the state of Kansas or, a residential healthcare facility licensed 24 by the state of Kansas or an advanced practice registered nurse licensed 25 by the board of nursing.

26 (2) "Healtheare provider" does not include: (1)(A) Any state-27 institution for people with intellectual disability; (2)(B) any state-28 psychiatric hospital; (3)(C) any person holding an exempt license issued 29 by the state board of healing arts or the board of nursing; (4)(D) any 30 person holding a visiting clinical professor license from the state board of 31 healing arts; (5)(E) any person holding an inactive license issued by the 32 state board of healing arts; (6)(F) any person holding a federally active 33 license issued by the state board of healing arts; (7)(G) an advanced 34 practice registered nurse who is authorized by the board of nursing to-35 practice as an advanced practice registered nurse in the classification of-36 nurse-midwife or nurse anesthetist and who practices solely in the course 37 of employment or active duty in the United States government or any of its 38 departments, bureaus or agencies or who provides professional services as 39 a charitable healthcare provider as defined under K.S.A. 75-6102, and 40 amendments thereto; or (8) (H) a physician assistant licensed by the state board of healing arts who practices solely in the course of employment or 41 active duty in the United States government or any of its departments, 42 43 bureaus or agencies or who provides professional services as a charitable

HB 2066—Am. by HCW

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inactive license issued by the board of nursing; (ii) practicing solely inemployment for which the advanced practice registered nurse is covered. under the federal tort claims act or the Kansas tort claims act; (iii)practicing solely as a charitable healthcare provider in accordance with K.S.A. 75-6102, and amendments thereto; or (iv) practicing solely while serving on active duty in the military service of the United States. (g) "Inactive healthcare provider" means a person or other entity who purchased basic coverage or qualified as a self-insurer on or subsequent to the effective date of this act but who, at the time a claim is made forpersonal injury or death arising out of the rendering of or the failure to render professional services by such healthcare provider, does not have basic coverage or self-insurance in effect solely because such person is no longer engaged in rendering professional service as a healthcare provider. (h) "Insurer" means any corporation, association, reciprocal exchange, inter-insurer and any other legal entity authorized to writebodily injury or property damage liability insurance in this state, including workers compensation and automobile liability insurance, pursuant to the provisions of the acts contained in article 9, 11, 12 or 16 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto. (i) "Plan" means the operating and administrative rules and procedures developed by insurers and rating organizations or thecommissioner to make professional liability insurance available to healthcare providers. (i) "Professional liability insurance" means insurance providingcoverage for legal liability arising out of the performance of professional services rendered or that should have been rendered by a healthcareprovider. (k) "Rating organization" means a corporation, an unincorporated association, a partnership or an individual licensed pursuant to K.S.A. 40-956, and amendments thereto, to make rates for professional liabilityinsurance (1) "Self-insurer" means a healthcare provider who qualifies as a selfinsurer pursuant to K.S.A. 40-3414, and amendments thereto. (m) "Medical care facility" means the same when used in thehealthcare provider insurance availability act as defined in K.S.A. 65-425, and amendments thereto, except that as used in the healthcare provider

insurance availability act such term, as it relates to insurance coverage
 under the healthcare provider insurance availability act, also includes any
 director, trustee, officer or administrator of a medical care facility.

42 (n) "Mental health center" means a mental health center licensed by 43 the state of Kansas under K.S.A. 2018 Supp. 39-2001 et seq., and

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healtheare provider as defined under K.S.A. 75-6102, and amendments thereto; or (1) an advanced practice registered nurse: (i) Holding an-

1 amendments thereto, except that as used in the healthcare provider-

2 insurance availability act such term, as it relates to insurance coverage 3 under the healthcare provider insurance availability act, also includes any

4 director, trustee, officer or administrator of a mental health center.

5 (o) "Mental health clinic" means a mental health clinic licensed by 6 the state of Kansas under K.S.A. 2018 Supp. 39-2001 et seq., and 7 amendments thereto, except that as used in the healthcare provider-8 insurance availability act such term, as it relates to insurance coverage 9 under the healthcare provider insurance availability act, also includes any 10 director, trustee, officer or administrator of a mental health clinic.

(p) "State institution for people with intellectual disability" means Winfield state hospital and training center, Parsons state hospital and
 training center and the Kansas neurological institute.

(q) "State psychiatric hospital" means Larned state hospital, –
 Osawatomic state hospital and Rainbow mental health facility.

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(r) "Person engaged in residency training" means:

17 (1) A person engaged in a postgraduate training program approved by the state board of healing arts who is employed by and is studying at the 18 university of Kansas medical center only when such person is engaged in 19 20 medical activities that do not include extracurricular, extra-institutional 21 medical service for which such person receives extra compensation and 22 that have not been approved by the dean of the school of medicine and the 23 executive vice-chancellor of the university of Kansas medical center. Persons engaged in residency training shall be considered resident 24 25 healthcare providers for purposes of K.S.A. 40-3401 et seq., and 26 amendments thereto: and

27 (2) a person engaged in a postgraduate training program approved by 28 the state board of healing arts who is employed by a nonprofit corporation 29 organized to administer the graduate medical education programs of 30 community hospitals or medical care facilities affiliated with the university 31 of Kansas school of medicine or who is employed by an affiliate of the 32 university of Kansas school of medicine as defined in K.S.A. 76-367, and 33 amendments thereto, only when such person is engaged in medical-34 activities that do not include extracurricular, extra-institutional medical service for which such person receives extra compensation and that have 35 36 not been approved by the chief operating officer of the nonprofit-37 corporation or the chief operating officer of the affiliate and the executive 38 vice-chancellor of the university of Kansas medical center.

(s) "Full-time physician faculty employed by the university of Kansas
 medical center" means a person licensed to practice medicine and surgery
 who holds a full-time appointment at the university of Kansas medical
 center when such person is providing healthcare. A person licensed to
 practice medicine and surgery who holds a full-time appointment at the

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university of Kansas medical center may also be employed part-time by

the United States department of veterans affairs if such employment is

approved by the executive vice-chancellor of the university of Kansas-

4 medical center. 5 (t) "Sexual act" or "sexual activity" means that sexual conduct that 6 constitutes a criminal or tortious act under the laws of the state of Kansas. 7 (u) "Board" means the board of governors created by K.S.A. 40-3403, 8 and amendments thereto-9 (v) "Board of directors" means the governing board created by K.S.A. 10 40-3413, and amendments thereto. (w) "Locum tenens contract" means a temporary agreement not-11 exceeding 182 days per calendar year that employs a healthcare provider 12 to actively render professional services in this state. 13 (x) "Professional services" means patient care or other services-14 authorized under the act governing licensure of a healthcare provider. 15 16 (y) "Healthcare facility" means a nursing facility, an assisted living 17 facility or a residential healthcare facility as all such terms are defined in 18 K.S.A. 39-923, and amendments thereto. 19 (z) "Charitable healthcare provider" means the same as defined in-20 K.S.A. 75-6102, and amendments thereto. 21 New Section 1. Sections 1 through 15, and amendments thereto, 22 shall be known and may be cited as the KanCare bridge to a healthy 23 Kansas program, which is hereby established. The department of health and environment shall administer and promote the program 24 25 and provide information to potential eligible individuals who live in medically underserved areas of Kansas. The legislature expressly 26 consents to expand eligibility for receipt of benefits under the Kansas 27 28 program of medical assistance, as required by K.S.A. 39-709(e)(2), and 29 amendments thereto, by the passage and enactment of the KanCare bridge to a healthy Kansas program. 30 31 New Sec. 2. For purposes of eligibility determinations under the 32 Kansas program of medical assistance on and after January 1, 2020, 33 medical assistance shall be granted to any adult under 65 years of age 34 who is not pregnant and whose income does not exceed 133% of the 35 federal poverty level, to the extent permitted under the provisions of 36 42 U.S.C. § 1396a, as it exists on the effective date of this act, and 37 subject to the requirements of the KanCare bridge to a healthy 38 Kansas program. 39 New Sec. 3. (a) The department of health and environment shall 40 refer all non-disabled adults in the KanCare bridge to a healthy Kansas program who are unemployed or working fewer than 20 hours 41 a week, as a condition of the program, to the state's existing workforce 42 43 training programs and work search resources, including, but not

1 limited to:

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2 (1) The Kansasworks program administered by the department 3 of commerce; or

- 4 (2) the generating opportunities to attain lifelong success 5 program administered by the Kansas department for children and 6 families.
- 7 (b) The KanCare bridge to a healthy Kansas program application 8 shall:
  - (1) Screen applicants for education status;
  - (2) screen applicants for employment status; and

11 (3) require applicants to acknowledge the referral required by 12 subsection (a).

(c) Full-time students shall be exempted from the referral
 required by subsection (a) for each year they are enrolled in a
 postsecondary education institution or technical school.

(d) Parents with minor children in the home may be exempted
from the referral required by subsection (a) at the discretion of the
department of health and environment.

New Sec. 4. (a) The department of health and environment may
establish a health insurance coverage premium assistance program for
individuals who meet the following requirements:

(1) The individual has an annual household income of not more
than 133% of the federal income poverty level, based on the modified
adjusted gross income provisions set forth in section 2001(a)(1) of the
federal patient protection and affordable care act; or

(2) the individual is eligible for health insurance coverage
 through an employer but cannot afford the health insurance coverage
 premiums.

(b) A program established under this section must:

30 (1) Contain eligibility requirements that are the same as in 31 sections 2 and 3, and amendments thereto; and

(2) provide that an individual's payment for a health insurance
 coverage premium may not exceed 2% of the individual's annual
 income.

New Sec. 5. A denial of federal approval and federal financial participation that applies to any part of the KanCare bridge to a healthy Kansas program shall not prohibit the department of health and environment from implementing any other part of the program that is federally approved for federal financial participation or does not require federal approval or federal financial participation.

41 New Sec. 6. The department of health and environment shall
42 submit to the centers for medicare and medicaid services of the United
43 States department of health and human services any state plan

amendment, waiver request or other approval request necessary to
 implement the KanCare bridge to a healthy Kansas program.

New Sec. 7. (a) All moneys collected or received by the secretary 3 of health and environment from drug rebates connected to KanCare 4 5 bridge to a healthy Kansas program beneficiaries shall be remitted to 6 the state treasurer in accordance with the provisions of K.S.A. 75-7 4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury 8 to the credit of the KanCare bridge to a healthy Kansas drug rebate 9 10 fund.

There is hereby created in the state treasury the KanCare 11 (b) bridge to a healthy Kansas program drug rebate fund as a 12 reappropriating fund. Moneys in the KanCare bridge to a healthy 13 Kansas program drug rebate fund shall be expended for the purpose 14 of medicaid medical assistance payments for KanCare bridge to a 15 16 healthy Kansas program beneficiaries. All expenditures from the KanCare bridge to a healthy Kansas program drug rebate fund shall 17 be made in accordance with appropriation acts upon warrants of the 18 19 director of accounts and reports issued pursuant to vouchers 20 approved by the secretary of health and environment or the 21 secretary's designee.

22 (c) The KanCare bridge to a healthy Kansas program drug 23 rebate fund shall be used for the purposes set forth in the KanCare bridge to a healthy Kansas program and for no other governmental 24 25 purposes. It is the intent of the legislature that the fund shall remain intact and inviolate for the purposes set forth in the KanCare bridge 26 to a healthy Kansas program, and moneys in the fund shall not be 27 subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, 28 29 and amendments thereto.

30 (d) On or before the 10th day of each month, the director of
31 accounts and reports shall transfer from the state general fund to the
32 KanCare bridge to a healthy Kansas program drug rebate fund
33 interest earnings based on:

(1) The average daily balance of moneys in the KanCare bridge
 to a healthy Kansas program drug rebate fund for the preceding
 month; and

37 (2) the net earnings rate of the pooled money investment portfolio38 for the preceding month.

(e) On or before January 11, 2021, and on or before the first day
of the regular session of the legislature each year thereafter, the
secretary of health and environment shall prepare and deliver a report
to the legislature that summarizes all expenditures from the KanCare
bridge to a healthy Kansas program drug rebate fund, fund revenues

and recommendations regarding the adequacy of the fund to support
 necessary KanCare bridge to a healthy Kansas program expenditures.

New Sec. 8. (a) All moneys collected or received by the secretary 3 of health and environment for privilege fees collected pursuant to 4 5 K.S.A. 40-3213, and amendments thereto, connected to KanCare 6 bridge to a healthy Kansas program beneficiaries shall be remitted to 7 the state treasurer in accordance with the provisions of K.S.A. 75-8 4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury 9 to the credit of the KanCare bridge to a healthy Kansas privilege fee 10 11 fund.

12 (b) There is hereby created in the state treasury the KanCare bridge to a healthy Kansas privilege fee fund as a reappropriating 13 fund. Moneys in the KanCare bridge to a healthy Kansas privilege fee 14 fund shall be expended for the purpose of medicaid medical assistance 15 16 payments for KanCare bridge to a healthy Kansas program 17 beneficiaries. All expenditures from the KanCare bridge to a healthy 18 Kansas privilege fee fund shall be made in accordance with 19 appropriation acts upon warrants of the director of accounts and 20 reports issued pursuant to vouchers approved by the secretary of 21 health and environment or the secretary's designee.

22 (c) The KanCare bridge to a healthy Kansas privilege fee fund 23 shall be used for the purposes set forth in the KanCare bridge to a 24 healthy Kansas program and for no other governmental purposes. It is 25 the intent of the legislature that the fund shall remain intact and inviolate for the purposes set forth in the KanCare bridge to a healthy 26 27 Kansas program, and moneys in the fund shall not be subject to the 28 provisions of K.S.A. 75-3722, 75-3725a and 75- 3726a, and 29 amendments thereto.

30 (d) On or before the 10th day of each month, the director of
31 accounts and reports shall transfer from the state general fund to the
32 KanCare bridge to a healthy Kansas privilege fee fund interest
33 earnings based on:

(1) The average daily balance of moneys in the KanCare bridge
 to a healthy Kansas privilege fee fund for the preceding month; and

36 (2) the net earnings rate of the pooled money investment portfolio
 37 for the preceding month.

(e) On or before January 11, 2021, and on or before the first day
of the regular session of the legislature each year thereafter, the
secretary of health and environment shall prepare and deliver a report
to the legislature that summarizes all expenditures from the KanCare
bridge to a healthy Kansas privilege fee fund, fund revenues and
recommendations regarding the adequacy of the fund to support

1 necessary KanCare bridge to a healthy Kansas program expenditures.

New Sec. 9. (a) On or before January 11, 2021, and on or before 2 the first day of the regular session of the legislature each year 3 4 thereafter, the secretary of health and environment shall prepare and 5 deliver a report to the legislature that summarizes the cost savings achieved by the state from the movement of beneficiaries from the 6 7 KanCare program to the KanCare bridge to a healthy Kansas program, including, but not limited to, the MediKan program, the 8 medically needy spend-down program and the breast and cervical 9 10 cancer program.

(b) State cost savings shall be determined by calculating the cost
of beneficiaries if services were provided in the KanCare program less
the cost of services provided to beneficiaries under the KanCare
bridge to a healthy Kansas program.

15 New Sec. 10. On or before January 11, 2021, and on or before the 16 first day of the regular session of the legislature each year thereafter, 17 the secretary of corrections shall prepare and deliver a report to the 18 legislature that identifies cost savings to the state from the use of the 19 KanCare bridge to a healthy Kansas program to cover inmate 20 inpatient hospitalization.

New Sec. 11. On or before February 15 of each year, the secretary of health and environment shall present a report to the house committee on appropriations and the senate committee on ways and means that summarizes the costs for the KanCare bridge to a healthy Kansas program and the cost savings and additional revenues identified in sections 7 through 9, and amendments thereto.

New Sec. 12. (a) There is hereby established the KanCare bridge
to a healthy Kansas working group.

(b) The working group is charged with identifying non-state general fund sources to fund any shortfall of the KanCare bridge to a healthy Kansas program, identified by the secretary of health and environment in section 11, and amendments thereto.

33 (c) The working group shall be composed of the following34 members:

(1) Two members of the house of representatives appointed by the
 speaker of the house of representatives;

37 (2) one member of the house of representatives appointed by the
 38 minority leader of the house of representatives;

39 (3) two members of the senate appointed by the president of the40 senate;

41 (4) one member of the senate appointed by the minority leader of 42 the senate;

43 (5) one representative from the Kansas hospital association;

1	(6) one representative from the Kansas medical society;
2	(7) one representative from the community care network of
3	Kansas;
4	(8) one representative from the Kansas academy of family
5	physicians;
6	(9) one representative from the association of community mental
7	health centers of Kansas;
8	(10) one representative from the Kansas dental association;
9	(11) one representative from the Kansas emergency medical
10	services association;
11	(12) one representative from the Kansas optometric association;
12	(13) one representative from the Kansas pharmacists association;
13	and
14	(14) one representative of KanCare bridge to a healthy Kansas
15	program consumers from alliance for a healthy Kansas.
16	(d) The chairperson of the working group shall be elected by the
17	members of the working group:
18	(1) From members of the working group from the house of
19	representatives in even-numbered years; and
20	(2) from members of the working group from the senate in odd-
21	numbered years.
22	(e) Legislative staff shall provide such assistance as may be
23	requested by the working group.
24	(f) (1) Legislative members attending a meeting of the working
25	group or a subcommittee meeting thereof shall receive compensation
26	and travel expenses and subsistence expenses or allowances as
27	provided in K.S.A. 75-3212, and amendments thereto.
28	(2) Non-legislative members shall not receive compensation,
29	subsistence allowance, mileage or associated expenses from the state
30	for attending a meeting or subcommittee meeting of the working
31	group.
32	(h) The working group shall meet no fewer than two times in any
33	given calendar year.
34	(i) A quorum of the working group shall be nine members, of
35	which at least four shall be legislative members of the working group.
36	(j) The working group shall report to the legislature on or before
37	March 15 of each year with recommendations for funding the
38	KanCare bridge to a healthy Kansas program, as necessary.
39	New Sec. 13. If, at any point, the percentages of federal medical
40	assistance available to the program for coverage of program
41 42	participants described in section 1902(a)(10)(A)(i)(VIII) of the federal
42 43	social security act are less than the percentages provided for in section 1201(b)(1)(A) through (E) of the federal health care and education
43	1201(D)(1)(A) through (E) of the federal health care and education

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1 reconciliation act of 2010, as it exists on the effective date of this act,

the department of health and environment shall terminate the
KanCare bridge to a healthy Kansas program over a 12-month period,
beginning on the first day that the federal medical assistance
percentages fall below such amount.

6 New Sec. 14. (a) The department of health and environment shall 7 charge to each person enrolled under the KanCare bridge to a healthy 8 Kansas program a \$25 monthly fee as a condition of participation in 9 the program, up to a maximum of \$100 per month per family 10 household.

11 (b) The department of health and environment shall remit all 12 moneys collected under this section to the state treasurer in 13 accordance with the provisions of K.S.A. 75-4215, and amendments 14 thereto. Upon receipt of each such remittance, the state treasurer shall 15 deposit the entire amount into the state treasury to the credit of the 16 state general fund.

(c) (1) The department of health and environment shall suspend
an enrollee's coverage under the KanCare bridge to a healthy Kansas
program for three calendar months following three consecutive
calendar months of nonpayment of the fee established under this
section.

22 (2) Any such suspended enrollee may apply for reinstatement of23 coverage one time.

(3) The department of health and environment shall suspend an
 enrollee's reinstated coverage permanently following another three
 consecutive months of nonpayment of the fee established under this
 section.

New Sec. 15. The KanCare bridge to a healthy Kansas program
shall not provide coverage or reimbursement for any abortion
services.

Sec. 14. 16. K.S.A. 2018 Supp. 40-3213 is hereby amended to read as follows: 40-3213. (a) Every health maintenance organization and medicare provider organization subject to this act shall pay to the commissioner the following fees:

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(1) For filing an application for a certificate of authority, \$150;
(2) for filing each annual report, \$50; or

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(3) for filing an amendment to the certificate of authority, \$10.

(b) Every health maintenance organization subject to this act
shall pay annually to the commissioner at the time such organization
files its annual report, a privilege fee in an amount equal to the
following percentages of the total of all premiums, subscription
charges or any other term that may be used to describe the charges
made by such organization to enrollees: 3.31% during the reporting

1 period beginning January 1, 2015, and ending December 31, 2017; and 2 5.77% on and after January 1, 2018. In such computations all such 3 organizations shall be entitled to deduct therefrom any premiums or 4 subscription charges returned on account of cancellations and 5 dividends returned to enrollees. If the commissioner shall determine at 6 any time that the application of the privilege fee, or a change in the 7 rate of the privilege fee, would cause a denial of, reduction in or 8 elimination of federal financial assistance to the state or to any health 9 maintenance organization subject to this act, the commissioner is 10 hereby authorized to terminate the operation of such privilege fee or the change in such privilege fee. 11

(c) For the purpose of insuring the collection of the privilege fee 12 provided for by subsection (b), every health maintenance organization 13 subject to this act and required by subsection (b) to pay such privilege 14 fee shall at the time it files its annual report, as required by K.S.A. 40-15 16 3220, and amendments thereto, make a return, generated by or at the 17 direction of its chief officer or principal managing director, under 18 penalty of K.S.A. 2018 Supp. 21-5824, and amendments thereto, to the 19 commissioner, stating the amount of all premiums, assessments and 20 charges received by the health maintenance organization, whether in 21 cash or notes, during the year ending on the last day of the preceding 22 calendar year. Upon the receipt of such returns the commissioner of 23 insurance shall verify such returns and reconcile the fees pursuant to 24 subsection (f) upon such organization on the basis and at the rate 25 provided in this section.

(d) Premiums or other charges received by an insurance company
from the operation of a health maintenance organization subject to
this act shall not be subject to any fee or tax imposed under the
provisions of K.S.A. 40-252, and amendments thereto.

(e) Fees charged under this section shall be remitted to the state
treasurer in accordance with the provisions of K.S.A. 75-4215, and
amendments thereto. Upon receipt of each such remittance, except as
provided in section 8, and amendments thereto, the state treasurer
shall deposit the entire amount in the state treasury to the credit of the
medical assistance fee fund created by K.S.A. 2018 Supp. 40-3236, and
amendments thereto.

(f) (1) On and after January 1, 2018, in addition to any other filing or return required by this section, each health maintenance organization shall submit a report to the commissioner on or before March 31 and September 30 of each year containing an estimate of the total amount of all premiums, subscription charges or any other term that may be used to describe the charges made by such organization to enrollees that the organization expects to collect during the current

calendar year. Upon filing each March 31 report, the organization 1 shall submit payment equal to  $\frac{1}{2}$  of the privilege fee that would be 2 assessed by the commissioner for the current calendar year based 3 4 upon the organization's reported estimate. Upon filing each 5 September 30 report, the organization shall submit payment equal to 6 the balance of the privilege fee that would be assessed by the 7 commissioner for the current calendar year based upon the 8 organization's reported estimates.

(2) Any amount of privilege fees actually owed by a health 9 maintenance organization during any calendar year in excess of 10 estimated privilege fees paid shall be assessed by the commissioner 11 and shall be due and payable upon issuance of such assessment.

(3) Any amount of estimated privilege fees paid by a health 13 maintenance organization during any calendar year in excess of 14 privilege fees actually owed shall be reconciled when the commissioner 15 16 assesses privilege fees in the ensuing calendar year. The commissioner 17 shall credit such excess amount against future privilege fee 18 assessments. Any such excess amount paid by a health maintenance 19 organization that is no longer doing business in Kansas and that no 20 longer has a duty to pay the privilege fee shall be refunded by the 21 commissioner from funds appropriated by the legislature for such 22 purpose.}

23 Sec. 4. 5. {17.} K.S.A. 65-1130 and 65-4101 and, K.S.A. 2017 Supp. 24 65-1113, as amended by section 2 of chapter 42 of the 2018 Session Laws of Kansas, and K.S.A. 2018 Supp. 40-3401 are {40-3213 is} hereby 25 26 repealed.

27 Sec. 5. 6. {18.} This act shall take effect and be in force from and 28 after July 1, 2020, and its publication in the statute book {Kansas 29 register}.

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