

HOUSE BILL No. 2486

AN ACT concerning insurance; relating to examination of organizations and providers; amending K.S.A. 40-3211 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 40-3211 is hereby amended to read as follows: 40-3211. (a) The commissioner may make an examination of the affairs of any health maintenance organization or medicare provider organization and providers with whom such organization has contracts, agreements or other arrangements as often as the commissioner deems it necessary for the protection of the interests of the people of this state but not less frequently than once every ~~three~~ *five* years.

(b) At least once every three years and at such other times as the commissioner may require, a health maintenance organization or medicare provider organization shall obtain an on-site quality of care assessment by an independent quality review organization acceptable to the commissioner for the purpose of evaluating levels of health care delivery according to industry standards as prevailing from time to time. The findings of ~~said~~ *such* independent quality review organization shall be expressed by it in a written opinion relating to the general quality of care provided by the health maintenance organization or medicare provider organization and its related contractors of health care services. Failure to obtain such quality of care assessment or the rendering of an unfavorable opinion by the independent quality review organization shall give the commissioner cause to institute action in accordance with K.S.A. 40-3205, 40-3206 or 40-3207, and amendments thereto.

(c) Every health maintenance organization or medicare provider organization and any of the medicare provider organization providers shall submit its books and records relating its operation to such examinations. Medical records of individuals and records of providers under a contract to the health maintenance organization or medicare provider organization shall be subject to such examination, but the identity of patients shall not be disclosed in any report to the commissioner or the commissioner's agents or representatives. For the purpose of examinations, the commissioner may administer oaths to, and examine the officers and agents of the health maintenance organization or medicare provider organization and the principals of such providers.

(d) The fees and expenses of examinations under this section shall be assessed against the organization being examined and remitted to the commissioner. The fees and expenses of the commissioner shall be in accordance with K.S.A. 40-223, and amendments thereto.

(e) In lieu of such examination, the commissioner may accept the report of an examination made by the appropriate examining agency or official of another state or agency of the federal government.

Sec. 2. K.S.A. 40-3211 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.