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FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/07

SPONSOR King LAST UPDATED _____ HB 652

SHORT TITLE PRC Approval of Certain Appointments SB _____

ANALYST Earnest

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 589.

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Bill 652 would amend the insurance code to provide the PRC additional authority over Insurance Division matters.

- Section 1 would require approval of all appointments made by the superintendent of Insurance to boards, commissions or groups, etc.
- Section 2 would provide for PRC review of all orders of the superintendent of insurance as part of the appeal process and states that refusal of PRC final orders may be heard by the Supreme Court;
- Section 3 removes the district court and replaces it with the Supreme Court as the appellate review body.
- Section 4 would provide for commission review of all managed health care determinations made by the external grievance appeals panel pursuant to the Patient's Protection Act, as amended by Section 5 of the bill, providing right to appeal.

FISCAL IMPLICATIONS

The bill would bring additional administrative costs in providing a level of review by the PRC. PRC notes, however, that such costs and time allocations cannot be determined at this time.

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Historically few cases have been appealed and it appears that any such cost can be absorbed in the general operation of the commission.

ADMINISTRATIVE IMPLICATIONS

PRC will need to adopt procedural regulations governing the process of seeking their review of insurance decisions and appointments.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 652 relates to House Bill 589, which is similar in purpose but does not provide for appeal to the Supreme Court.

BE/csd