

HOUSE BILL No. 2352

By Committee on Financial Institutions

2-13

1 AN ACT concerning ~~financial institutions; relating to branch banking;~~  
2 ~~remote service units; amending K.S.A. 2014 Supp. 9-1111 and~~  
3 ~~repealing the existing section~~ *insurance; relating to coverage for*  
4 *autism spectrum disorder; amending K.S.A. 2014 Supp. 40-2,194 and*  
5 *repealing the existing section.*  
6

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

8 ~~Section 1. K.S.A. 2014 Supp. 9-1111 is hereby amended to read as~~  
9 ~~follows: 9-1111. The general business of every bank shall be transacted at~~  
10 ~~the place of business specified in its *the bank's* certificate of authority and~~  
11 ~~at one or more branch banks established and operated as provided in this~~  
12 ~~section. Except for the establishment or operation of a trust branch bank or~~  
13 ~~the relocation of an existing trust branch bank pursuant to K.S.A. 9-1135,~~  
14 ~~and amendments thereto, it shall be unlawful for any bank to establish and~~  
15 ~~operate any branch bank or relocate an existing branch bank except as~~  
16 ~~hereinafter provided. Notwithstanding the provisions of this section, any~~  
17 ~~location at which a depository institution, as defined by K.S.A. 9-701, and~~  
18 ~~amendments thereto, receives deposits, renews time deposits, closes loans,~~  
19 ~~services loans or receives payments on loans or other obligations, as agent,~~  
20 ~~for a bank pursuant to subsection (25) of K.S.A. 9-1101(25), and~~  
21 ~~amendments thereto, or other applicable state or federal law, or is~~  
22 ~~authorized to open accounts or receive deposits under subsection (28) of~~  
23 ~~K.S.A. 9-1101(28), and amendments thereto, shall not be deemed to be a~~  
24 ~~branch bank:~~

25 ~~(a) For the purposes of this section, the term "branch bank" means~~  
26 ~~any office, agency or other place of business located within this state, other~~  
27 ~~than the place of business specified in the bank's certificate of authority, at~~  
28 ~~which deposits are received, checks paid, money lent or trust authority~~  
29 ~~exercised, if approval has been granted by the state bank commissioner,~~  
30 ~~under K.S.A. 9-1602, and amendments thereto;~~

31 ~~(b) establishment of a new branch or relocation of an existing branch~~  
32 ~~for eligible banks:~~

33 ~~(1) After first applying for and obtaining the approval of the~~  
34 ~~commissioner, an eligible bank incorporated under the laws of this state,~~  
35 ~~may establish and operate one or more branch banks or relocate an~~  
36 ~~existing branch bank, anywhere within this state;~~

1       ~~(2) the application shall include the nature of the banking business to~~  
2 ~~be conducted at the proposed branch bank, the primary geographical area~~  
3 ~~to be served by it the proposed branch bank, the personnel and office~~  
4 ~~facilities to be provided at the proposed branch bank and other information~~  
5 ~~the commissioner may require;~~

6       ~~(3) the application shall include the name selected for the proposed~~  
7 ~~branch bank. The name selected for the proposed branch bank shall not be~~  
8 ~~the name of any other bank or branch bank doing business within a 15-~~  
9 ~~mile radius of the same city or town, nor shall the name selected be~~  
10 ~~required to contain the name of the applicant bank. If the name selected for~~  
11 ~~the proposed branch bank does not contain the name of the applicant bank,~~  
12 ~~the branch bank shall provide in the public lobby of such branch bank, a~~  
13 ~~public notice that it such bank is a branch bank of the applicant bank;~~

14       ~~(4) the application shall include proof of publication of notice that the~~  
15 ~~applicant bank intends to file or has filed an application to establish a~~  
16 ~~branch bank or relocate an existing branch bank. The notice shall be~~  
17 ~~published in a newspaper of general circulation in the county where the~~  
18 ~~applicant bank proposes to locate the branch bank. The notice shall be in~~  
19 ~~the form prescribed by the commissioner and at a minimum shall contain~~  
20 ~~the name and address of the applicant bank, the location of the proposed~~  
21 ~~branch and a solicitation for written comments. The notice shall be~~  
22 ~~published on the same day for two consecutive weeks and provide for a~~  
23 ~~comment period of not less than 10 days after the date of the second~~  
24 ~~publication;~~

25       ~~(5) upon receipt of the application, and following expiration of the~~  
26 ~~comment period, the commissioner may hold a hearing in the county in~~  
27 ~~which the applicant bank seeks to operate the branch bank. The applicant~~  
28 ~~shall publish notice of the time, date and place of such hearing in a~~  
29 ~~newspaper of general circulation in the county where the applicant bank~~  
30 ~~proposes to locate the branch bank, not less than 10 nor more than 30 days~~  
31 ~~prior to the date of the hearing, and proof of publication shall be filed with~~  
32 ~~the commissioner. At any such hearing, all interested persons shall be~~  
33 ~~allowed to present written and oral evidence to the commissioner, or the~~  
34 ~~commissioner's designee, in support of or in opposition to the branch bank.~~  
35 ~~Upon completion of a transcript of the testimony given at any such~~  
36 ~~hearing, the transcript shall be filed in the office of the commissioner;~~

37       ~~(6) if the commissioner determines a public hearing is not warranted,~~  
38 ~~the commissioner shall approve or disapprove the application within 15~~  
39 ~~days after receipt of a complete application but not prior to the end of the~~  
40 ~~comment period. If a public hearing is held, the commissioner shall~~  
41 ~~approve or disapprove the application within 60 days after consideration of~~  
42 ~~the complete application and the evidence gathered during the~~  
43 ~~commissioner's investigation. The period for consideration of the~~

1 ~~application may be extended if the commissioner determines the~~  
2 ~~application presents a significant supervisory concern. If the commissioner~~  
3 ~~finds that:~~

4 ~~(A) There is a reasonable probability of usefulness and success of the~~  
5 ~~proposed branch bank; and~~

6 ~~(B) the applicant bank's financial history and condition is sound, the~~  
7 ~~new branch or relocation shall be granted, otherwise, it *the relocation* shall~~  
8 ~~be denied;~~

9 ~~(7) within 15 days after any final action of the commissioner~~  
10 ~~approving or disapproving an application, the applicant, or any adversely~~  
11 ~~affected or aggrieved person who provided written comments during the~~  
12 ~~specified comment period, may request a hearing with the state banking~~  
13 ~~board. Upon receipt of a timely request, the board shall conduct a hearing~~  
14 ~~in accordance with the provisions of the Kansas administrative procedure~~  
15 ~~act. Any decision of the state banking board is subject to review in~~  
16 ~~accordance with the Kansas judicial review act;~~

17 ~~(c) the establishment of a new branch or relocation of an existing~~  
18 ~~branch for banks which do not meet the definition of "eligible bank" shall~~  
19 ~~require that:~~

20 ~~(1) After first applying for and obtaining the approval of the state~~  
21 ~~banking board, a bank incorporated under the laws of this state, which~~  
22 ~~does not meet the definition of "eligible bank," may establish and operate~~  
23 ~~one or more branch banks, or relocate an existing branch bank, anywhere~~  
24 ~~within this state;~~

25 ~~(2) an application under paragraph (1) of this subsection, to establish~~  
26 ~~and operate a branch bank or to relocate an existing branch bank shall be~~  
27 ~~in such form and contain such information as the rules and regulations of~~  
28 ~~the state bank commissioner, adopted pursuant to K.S.A. 9-1713, and~~  
29 ~~amendments thereto, shall provide;:~~

30 ~~(3) the application shall include (A) Estimates of the annual income~~  
31 ~~and expenses of the proposed branch bank, the annual volume of business~~  
32 ~~to be transacted by it, the nature of the banking business to be conducted at~~  
33 ~~the proposed branch bank, the primary geographical area to be served by it~~  
34 ~~and the personnel and office facilities to be provided at the proposed~~  
35 ~~branch bank;~~

36 ~~(4) the application shall include (B) the name selected for the~~  
37 ~~proposed branch bank. The name selected for the proposed branch bank~~  
38 ~~shall not be the name of any other bank or branch bank doing business~~  
39 ~~within a 15 mile radius of the same city or town, nor shall the name~~  
40 ~~selected be required to contain the name of the applicant bank. If the name~~  
41 ~~selected for the proposed bank does not contain the name of the applicant~~  
42 ~~bank, the branch bank shall provide in the public lobby of such branch~~  
43 ~~bank, a public notice that it is a branch bank of the applicant bank; and~~

1       ~~(5) the application shall include (C) proof of publication of notice~~  
2 ~~that applicant bank intends to file an application to establish a branch bank~~  
3 ~~or relocate an existing branch bank. The notice shall be published in a~~  
4 ~~newspaper of general circulation in the county where the applicant bank~~  
5 ~~proposes to locate the branch bank. The notice shall be in the form~~  
6 ~~prescribed by the state banking board and at a minimum shall contain the~~  
7 ~~name and address of the applicant bank, the location of the proposed~~  
8 ~~branch and a solicitation for written comments. The notice shall be~~  
9 ~~published on the same day for two consecutive weeks and provide for a~~  
10 ~~comment period of not less than 10 days after the date of the second~~  
11 ~~publication;~~

12       ~~(6) (3) upon receipt of an application meeting the above requirements~~  
13 ~~of paragraph (2), and following the expiration of the comment period,~~  
14 ~~within 60 days the state banking board may hold a hearing in the county in~~  
15 ~~which the applicant bank seeks to establish and operate a branch bank.~~  
16 ~~Notice of the time, date and place of such hearing if one is to be held shall~~  
17 ~~be published in a newspaper of general circulation in the county where the~~  
18 ~~applicant bank proposes to locate the branch bank not less than 10 or more~~  
19 ~~than 30 days prior to the date of the hearing, and proof of publication shall~~  
20 ~~be filed with the commissioner. At any such hearing, all interested persons~~  
21 ~~shall be allowed to present written and oral evidence to the board in~~  
22 ~~support of or in opposition to the application. Upon completion of a~~  
23 ~~transcript of the testimony given at any such hearing, the transcript shall be~~  
24 ~~filed in the office of the commissioner and copies shall be furnished to the~~  
25 ~~members of the state banking board not less than 10 days prior to the~~  
26 ~~meeting of the board at which the application will be considered;~~

27       ~~(7) (4) the state banking board shall approve or disapprove the~~  
28 ~~application within 90 days after consideration of the application and the~~  
29 ~~evidence gathered during the board's investigation. If the board finds that:~~

30       ~~(A) There is a reasonable probability of usefulness and success of the~~  
31 ~~proposed branch bank; and~~

32       ~~(B) the applicant bank's financial history and condition is sound, the~~  
33 ~~application shall be granted, otherwise, the application shall be denied;~~  
34 ~~and~~

35       ~~(8) (5) any final action of the board approving or disapproving an~~  
36 ~~application shall be subject to review in accordance with the Kansas~~  
37 ~~judicial review act upon the petition of the applicant or any adversely~~  
38 ~~affected or aggrieved person who provided written comments during the~~  
39 ~~specified comment period;~~

40       ~~(d) any branch bank lawfully established and operating on the~~  
41 ~~effective date of this act may continue to be operated by the bank then~~  
42 ~~operating the branch bank and by any successor bank;~~

43       ~~(e) branch banks which have been established and are being~~

1 ~~maintained by a bank at the time of its *the branch bank's* merger into or~~  
2 ~~consolidation with another bank or at the time its *such branch bank's*~~  
3 ~~assets are purchased and its *the branch bank's* liabilities are assumed by~~  
4 ~~another bank may continue to be operated by the surviving, resulting or~~  
5 ~~purchasing and assuming bank. The surviving, resulting or purchasing and~~  
6 ~~assuming bank, with approval of the state bank commissioner, may~~  
7 ~~establish and operate a branch bank or banks at the site or sites of the~~  
8 ~~merged, constituent or liquidated bank or banks;~~

9 ~~(f) any state bank or national banking association may provide and~~  
10 ~~engage in banking transactions by means of remote service units wherever~~  
11 ~~located, which remote service units shall not be considered to be branch~~  
12 ~~banks. Any banking transaction effected by use of a remote service unit~~  
13 ~~shall be deemed to be transacted at a bank and not at a remote service unit;~~

14 ~~(g) as a condition to the operation and use of any remote service unit~~  
15 ~~in this state, a state bank or national banking association, each hereinafter~~  
16 ~~referred to as a bank, which desires to operate or enable its customers to~~  
17 ~~utilize a remote service unit must agree that such remote service unit will~~  
18 ~~be available for use by customers of any other bank or banks upon the~~  
19 ~~request of such bank or banks to share its *the remote service unit's* use and~~  
20 ~~the agreement of such bank or banks to share all costs, including a~~  
21 ~~reasonable return on capital expenditures incurred in connection with its~~  
22 ~~*the remote service unit's* development, installation and operation. The~~  
23 ~~owner of the remote service unit, whether a bank or any other person, shall~~  
24 ~~make the remote service unit available for use by other banks and their *the*~~  
25 ~~*bank's* customers on a nondiscriminatory basis, conditioned upon payment~~  
26 ~~of a reasonable proportion of all costs, including a reasonable return on~~  
27 ~~capital expenditures incurred in connection with the development,~~  
28 ~~installation and operation of the remote service unit. Notwithstanding the~~  
29 ~~foregoing provisions of this subsection, a remote service unit located on~~  
30 ~~the property owned or leased by the bank where the principal place of~~  
31 ~~business of a bank, or an attached auxiliary teller facility or branch bank of~~  
32 ~~a bank, is located need not be made available for use by any other bank or~~  
33 ~~banks or customers of any other bank or banks;~~

34 ~~(h) for purposes of this section, "remote service unit" means an~~  
35 ~~electronic information processing device, including associated equipment,~~  
36 ~~structures and systems, through or by means of which information relating~~  
37 ~~to financial services rendered to the public is stored and transmitted,~~  
38 ~~whether instantaneously or otherwise, to a bank and which, for activation~~  
39 ~~and account access, is dependent upon the use of a machine-readable~~  
40 ~~instrument in the possession and control of the holder of an account with a~~  
41 ~~bank or is activated by a person upon verifiable personal identification.~~  
42 ~~The term shall include "online" computer terminals that may be equipped~~  
43 ~~with a telephone or televideo device that allows contact with bank-~~

~~1 personnel and "offline" automated cash dispensing machines and  
2 automated teller machines, but shall not include computer terminals or  
3 automated teller machines or automated cash dispensing machines using  
4 systems in which account numbers are not machine read and verified.  
5 Withdrawals by means of "offline" systems shall not exceed \$300 per  
6 transaction and shall be restricted to individual not corporate or  
7 commercial accounts;~~

~~8 (i) for purposes of this section, "eligible bank" means a state bank  
9 that meets the following criteria:~~

~~10 (1) Received a composite rating of 1 or 2 under the uniform financial  
11 institutions rating system as a result of its most recent federal or state  
12 examination;~~

~~13 (2) meets the following three criteria for a well capitalized bank:~~

~~14 (A) Has a total risk based capital ratio of 10% or greater;~~

~~15 (B) has a tier one risk based capital ratio of 6% or greater; and~~

~~16 (C) has a leverage ratio of 5% or greater; and~~

~~17 (3) is not subject to a cease and desist order, consent order, prompt  
18 corrective action directive, written agreement, memorandum of  
19 understanding or other administrative agreement with its *the bank's*  
20 primary federal regulator or the office of the state bank commissioner.~~

~~21 Sec. 2. K.S.A. 2014 Supp. 9-1111 is hereby repealed.~~

~~22 Sec. 3. This act shall take effect and be in foree from and after its  
23 publication in the statute book.~~

*24 Section 1. K.S.A. 2014 Supp. 40-2,194 is hereby amended to read as  
25 follows: 40-2,194. (a) (1) (A) Any large group health insurance policy,  
26 medical service plan, contract, hospital service corporation contract,  
27 hospital and medical service corporation contract, fraternal benefit  
28 society or health maintenance organization which provides coverage for  
29 accident and health services and which is delivered, issued for delivery,  
30 amended or renewed on or after January 1, 2015, shall provide coverage  
31 for the diagnosis and treatment of autism spectrum disorder in any  
32 covered individual whose age is less than 12 years.*

*33 (B) Any individual or small group grandfathered individual or group  
34 health insurance policy, medical service plan, contract, hospital service  
35 corporation contract, hospital and medical service corporation contract,  
36 fraternal benefit society or health maintenance organization which  
37 provides coverage for accident and health services and which is  
38 delivered, issued for delivery, amended or renewed on or after January  
39 1, 2016, shall provide coverage for the diagnosis and treatment of autism  
40 spectrum disorder in any covered individual whose age is less than 12  
41 years.*

*42 (2) Such coverage shall be provided in a manner determined in  
43 consultation with the autism services provider and the patient. Services*

1 *provided by autism services providers under this section shall include*  
2 *applied behavior analysis when required by a licensed physician,*  
3 *licensed psychologist or licensed specialist clinical social worker but*  
4 *otherwise shall be limited to the care, services and related equipment*  
5 *prescribed or ordered by a licensed physician, licensed psychologist or*  
6 *licensed specialist clinical social worker.*

7 *(3) Coverage provided under this section for applied behavior*  
8 *analysis shall be subject to a limitation of:*

9 *(A) 1,300 hours per calendar year for four years beginning on the*  
10 *later of the date of diagnosis or January 1, 2015, for any covered*  
11 *individual diagnosed with autism spectrum disorder between birth and*  
12 *five years of age; and*

13 *(B) except as provided in subparagraph (A), 520 hours per calendar*  
14 *year for any covered individual less than 12 years of age.*

15 *Upon prior approval by the health benefit plan, such maximum*  
16 *benefit limit may be exceeded if the provision of applied behavior*  
17 *analysis services beyond the maximum limit is medically necessary for*  
18 *such individual. Any payment made by an insurer on behalf of a covered*  
19 *individual for any care, treatment, intervention, service or item, the*  
20 *provision of which was for the treatment of a health condition unrelated*  
21 *to such covered individual's autism spectrum disorder, shall not be*  
22 *applied toward any maximum benefit established under this paragraph.*  
23 *Except for the coverage for applied behavior analysis, no coverage*  
24 *required under this section shall be subject to the age and hour*  
25 *limitations described in this paragraph.*

26 *(4) On or after January 1, 2015, through June 30, 2016,*  
27 *reimbursement shall be allowed only for services provided by a provider*  
28 *licensed, trained and qualified to provide such services or by an autism*  
29 *specialist or an intensive individual service provider as such terms are*  
30 *defined by the Kansas department for aging and disability services*  
31 *Kansas autism waiver. On or after July 1, 2016, reimbursement shall be*  
32 *allowed only for services provided by an autism service provider licensed*  
33 *or exempt from licensure under the applied behavior analysis licensure*  
34 *act, except that reimbursement shall be allowed for services provided by*  
35 *an autism specialist, an intensive individual service provider or any*  
36 *other individual qualified to provide services under the home and*  
37 *community based services autism waiver administered by the Kansas*  
38 *department for aging and disability services.*

39 *(5) Any insurer or other entity which administers claims for*  
40 *services provided for the treatment of autism spectrum disorder under*  
41 *this section shall have the right and obligation to deny any claim for*  
42 *services based upon medical necessity or a determination that the*  
43 *covered individual has reached the maximum medical improvement for*

1 *the covered individual's autism spectrum disorder.*

2 *(6) Except for inpatient services, if an insured is receiving*  
3 *treatment for autism spectrum disorder, such insurer shall have the right*  
4 *to review the treatment plan not more than once in a period of six*  
5 *consecutive months, unless the insurer and the insured's treating*  
6 *physician or psychologist agree that a more frequent review is necessary.*  
7 *Any such agreement regarding the right to review a treatment plan more*  
8 *frequently shall apply only to a particular insured being treated for*  
9 *autism spectrum disorder and shall not apply to all individuals being*  
10 *treated for autism spectrum disorder by a physician or psychologist. The*  
11 *cost of obtaining any review or treatment plan shall be borne by the*  
12 *insurer.*

13 *(7) No insurer can terminate coverage, or refuse to deliver, execute,*  
14 *issue, amend, adjust or renew coverage to an individual solely because*  
15 *the individual is diagnosed with or has received treatment for autism*  
16 *spectrum disorder.*

17 *(b) For the purposes of this section:*

18 *(1) "Applied behavior analysis" means the design, implementation*  
19 *and evaluation of environmental modifications, using behavioral stimuli*  
20 *and consequences, to produce socially significant improvement in*  
21 *human behavior, including the use of direct observation, measurement*  
22 *and functional analysis of the relationship between environment and*  
23 *behavior.*

24 *(2) "Autism spectrum disorder" means a neurobiological disorder,*  
25 *an illness of the nervous system, which includes:*

26 *(A) "Autistic disorder," which is:*

27 *(i) Six or more items from (a), (b) and (c) of this subparagraph,*  
28 *with at least two items from (a) of this subparagraph, and one item each*  
29 *from (b) and (c) of this subparagraph:*

30 *(a) Qualitative impairment in social interaction, as manifested by at*  
31 *least two of the following:*

32 *(1) Marked impairment in the use of multiple nonverbal behaviors*  
33 *such as eye-to-eye gaze, facial expression, body postures and gestures to*  
34 *regulate social interaction;*

35 *(2) failure to develop peer relationships appropriate to*  
36 *developmental level;*

37 *(3) a lack of spontaneous seeking to share enjoyment, interests or*  
38 *achievements with other people; or*

39 *(4) lack of social or emotional reciprocity;*

40 *(b) qualitative impairments in communication as manifested by at*  
41 *least one of the following:*

42 *(1) Delay in, or total lack of, the development of spoken language;*

43 *(2) in individuals with adequate speech, marked impairment in the*

- 1 *ability to initiate or sustain a conversation with others;*  
2 *(3) stereotyped and repetitive use of language or idiosyncratic*  
3 *language; or*  
4 *(4) lack of varied, spontaneous make-believe play or social imitative*  
5 *play appropriate to developmental level;*  
6 *(c) restricted repetitive and stereotyped patterns of behavior,*  
7 *interests and activities, as manifested by at least one of the following:*  
8 *(1) Encompassing preoccupation with one or more stereotyped and*  
9 *restricted patterns of interest that is abnormal either in intensity or*  
10 *focus;*  
11 *(2) apparently inflexible adherence to specific, nonfunctional*  
12 *routines or rituals;*  
13 *(3) stereotyped and repetitive motor mannerisms; or*  
14 *(4) persistent preoccupation with parts of objects;*  
15 *(ii) delays or abnormal functioning in at least one of the following*  
16 *areas, with onset prior to age three years, including social interaction,*  
17 *language as used in social communication or symbolic or imaginative*  
18 *play; and*  
19 *(iii) the disturbance is not better accounted for by Rett's disorder or*  
20 *childhood disintegrative disorder;*  
21 *(B) "Asperger's disorder," which is:*  
22 *(i) a qualitative impairment in social interaction, as manifested by*  
23 *at least two of the following:*  
24 *(a) Marked impairment in the use of multiple nonverbal behaviors*  
25 *such as eye-to-eye gaze, facial expression, body postures and gestures to*  
26 *regulate social interaction;*  
27 *(b) failure to develop peer relationships appropriate to*  
28 *developmental level;*  
29 *(c) lack of spontaneous seeking to share enjoyment, interests or*  
30 *achievements with other people; or*  
31 *(d) lack of social or emotional reciprocity;*  
32 *(ii) restricted repetitive and stereotyped patterns of behavior,*  
33 *interests and activities, as manifested by at least one of the following:*  
34 *(a) Encompassing preoccupation with one or more stereotyped and*  
35 *restricted patterns of interest that is abnormal either in intensity or*  
36 *focus;*  
37 *(b) apparently inflexible adherence to specific, nonfunctional*  
38 *routines or rituals;*  
39 *(c) stereotyped and repetitive motor mannerisms; or*  
40 *(d) persistent preoccupation with parts of objects;*  
41 *(iii) the disturbance causes clinically significant impairment in*  
42 *social, occupational or other important areas of functioning;*  
43 *(iv) there is no clinically significant general delay in language;*

1       (v) *there is no clinically significant delay in cognitive development*  
2 *or in the development of age-appropriate self-help skills, adaptive*  
3 *behavior (other than in social interaction), and curiosity about the*  
4 *environment in childhood; and*

5       (vi) *criteria are not met for another specific pervasive*  
6 *developmental disorder or schizophrenia;*

7       (C) *"pervasive developmental disorder not otherwise specified," is a*  
8 *severe and pervasive impairment in the development of reciprocal social*  
9 *interaction associated with impairment in either verbal or nonverbal*  
10 *communication skills or with the presence of stereotyped behavior,*  
11 *interests and activities, but the criteria are not met for a specific*  
12 *pervasive developmental disorder, schizophrenia, schizotypal personality*  
13 *disorder, or avoidant personality disorder;*

14       (D) *"Rett's disorder," includes:*

15       (i) *All of the following:*

16       (a) *Apparently normal prenatal and perinatal development;*

17       (b) *apparently normal psychomotor development through the first*  
18 *five months after birth; and*

19       (c) *normal head circumference at birth;*

20       (ii) *onset of all of the following after the period of normal*  
21 *development:*

22       (a) *Deceleration of head growth between ages five and 48 months;*

23       (b) *loss of previously acquired purposeful hand skills between ages*  
24 *five and 30 months with the subsequent development of stereotyped hand*  
25 *movements;*

26       (c) *loss of social engagement early in the course of development;*

27       (d) *appearance of poorly coordinated gait or trunk movements; and*

28       (e) *severely impaired expressive and receptive language*  
29 *development with severe psychomotor retardation;*

30       (E) *"childhood disintegrative disorder," is:*

31       (i) *Apparently normal development for at least the first two years*  
32 *after birth as manifested by the presence of age-appropriate verbal and*  
33 *nonverbal communication, social relationships, play and adaptive*  
34 *behavior;*

35       (ii) *clinically significant loss of previously acquired skills in at least*  
36 *two of the following areas: Expressive or receptive language, social*  
37 *skills or adaptive behavior, bowel or bladder control or play and motor*  
38 *skills;*

39       (iii) *abnormalities of functioning in at least two of the following*  
40 *areas: Qualitative impairment in social interaction; qualitative*  
41 *impairments in communication; restricted, repetitive and stereotyped*  
42 *patterns of behavior, interests and activities, including motor stereotypies*  
43 *and mannerisms; and*

1       (iv) *the disturbance is not better accounted for by another specific*  
2 *pervasive developmental disorder or by schizophrenia.*

3       (3) *"Diagnosis of autism spectrum disorder" means any medically*  
4 *necessary assessment, evaluation or test performed by a licensed*  
5 *physician, licensed psychologist or licensed specialist clinical social*  
6 *worker to determine whether an individual has autism spectrum*  
7 *disorder.*

8       (4) *"Grandfathered health benefit plan" shall have the meaning*  
9 *ascribed to such term in 42 U.S.C. § 18011. The term "grandfathered*  
10 *health benefit plan" includes both small employer group health benefit*  
11 *plans that are grandfathered and individual health benefit plans that are*  
12 *grandfathered.*

13       (5) *"Health benefit plan" shall have the meaning ascribed to such*  
14 *term in K.S.A. 40-4602, and amendments thereto.*

15       (6) *"Large employer" means, in connection with a group health*  
16 *benefit plan with respect to a calendar year and a plan year, an employer*  
17 *who employed an average of at least ~~5~~ 101 employees on business days*  
18 *during the preceding calendar year and who employs at least one*  
19 *employee on the first day of the plan year.*

20       (7) *"Small employer" means, in connection with a group health*  
21 *benefit plan with respect to a calendar year and a plan year, an employer*  
22 *who employed an average of at least one but not more than ~~50~~ 100*  
23 *employees on business days during the preceding calendar year and who*  
24 *employs at least one employee on the first day of the plan year.*

25       (c) *If an individual has been diagnosed as having autism spectrum*  
26 *disorder meeting the diagnostic criteria described in the edition of the*  
27 *diagnostic and statistical manual of mental disorders available at the*  
28 *time of diagnosis, then that individual shall not be required to undergo*  
29 *any additional or repeated evaluation based upon the adoption of a*  
30 *subsequent edition of the diagnostic and statistical manual of mental*  
31 *disorders adopted by rules and regulations of the behavioral sciences*  
32 *regulatory board in order to remain eligible for coverage under this*  
33 *section.*

34       (d) *Except as otherwise provided in subsection (a), no individual or*  
35 *group health insurance policy, medical service plan, contract, hospital*  
36 *service corporation contract, hospital and medical service corporation*  
37 *contract, fraternal benefit society or health maintenance organization*  
38 *which provides coverage for accident and health services and which*  
39 *provides coverage with respect to autism spectrum disorder shall:*

40       (1) *Impose on the coverage required by this section any dollar*  
41 *limits, deductibles or coinsurance provisions that are less favorable to an*  
42 *insured than the dollar limits, deductibles or coinsurance provisions that*  
43 *apply to physical illness generally under the accident and sickness*

1 *insurance policy; or*

2 *(2) impose on the coverage required by this section any limit upon*  
3 *the number of visits that a covered individual may make for treatment of*  
4 *autism spectrum disorder.*

5 *(e) The provisions of this section shall not apply to any policy or*  
6 *certificate which provides coverage for any specified disease, specified*  
7 *accident or accident-only coverage, credit, dental, disability income,*  
8 *hospital indemnity, long-term care insurance as defined by K.S.A. 40-*  
9 *2227, and amendments thereto, vision care or any other limited*  
10 *supplemental benefit nor to any medicare supplement policy of*  
11 *insurance as defined by the commissioner of insurance by rules and*  
12 *regulations, any coverage issued as a supplement to liability insurance,*  
13 *workers' compensation or similar insurance, automobile medical-*  
14 *payment insurance or any insurance under which benefits are payable*  
15 *with or without regard to fault, whether written on a group, blanket or*  
16 *individual basis.*

17 *(f) This section shall not be construed as limiting benefits that are*  
18 *otherwise available to an individual under any individual or group*  
19 *health insurance policy, medical service plan, contract, hospital service*  
20 *corporation contract, hospital and medical service corporation contract,*  
21 *fraternal benefit society or health maintenance organization which*  
22 *provides coverage for accident and health services.*

23 *(g) The provisions of K.S.A. 40-2249a, and amendments thereto,*  
24 *shall not apply to the provisions of this section.*

25 *(h) The commissioner of the department of insurance shall grant a*  
26 *small employer with a group health benefit plan a waiver from the*  
27 *provisions of this section, if the small employer demonstrates to the*  
28 *commissioner by actual claims experience over any consecutive twelve-*  
29 *month period that compliance with this section has increased the cost of*  
30 *the health insurance policy by an amount of two and a half percent or*  
31 *greater over the period of a calendar year in premium costs to the small*  
32 *employer.*

33 *(i) Nothing contained in this section shall require coverage for or*  
34 *payment of full or partial day care or habilitation services, community*  
35 *support services, services at intermediate care facilities, school-based*  
36 *rehabilitative services or overnight, boarding and extended stay services*  
37 *at facilities for autism patients. Only services actually rendered on an*  
38 *hourly basis or fractional portion thereof by certified applied behavior*  
39 *analysis (ABA) providers as herein defined shall be required to be*  
40 *covered under this section. Nothing in this section shall require*  
41 *coverage or payment hereunder for services that are otherwise provided,*  
42 *authorized or required to be provided by public or private schools*  
43 *receiving any state or federal funding for such services.*

1        ***Sec. 2. K.S.A. 2014 Supp. 40-2,194 is hereby repealed.***

2        ***Sec. 3. This act shall take effect and be in force from and after***

3        ***January 1, 2016, and its publication in the statute book.***