



# Kansas Insurance Department

Ken Selzer, CPA, Commissioner of Insurance

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## BULLETIN 2017-2

TO: All Third Party Administrators, Life & Health Insurers, Municipal Group-Funded Pools Authorized to Transact Health Insurance Business in Kansas and All Other Interested Parties

FROM: Ken Selzer, CPA, Commissioner of Insurance

SUBJECT: 2017 Kansas Senate Bill 22  
Revision of Third Party Administrators Statutes K.S.A. 40-3801 *et seq.*

DATE: April 21, 2017

The purpose of this Bulletin is to call your attention to the requirements in 2017 Senate Bill 22, which was effective upon publication in the March 9, 2017 issue of the Kansas Register.

Pursuant to SB 22, an individual or business entity that performs the duties of an administrator in Kansas must hold a resident or nonresident license. A nonresident is not eligible for a nonresident administrator license unless the nonresident administrator is licensed as a resident administrator in a home state that has a law or regulation substantially similar to Kansas.

A review of third party administrator laws in all U.S. states and territories was conducted to determine which states have administrator laws substantially similar to those adopted in Kansas. The following eight states are determined to have substantially similar laws to Kansas: Alaska, Delaware, Florida, Idaho, Indiana, Missouri, New Hampshire, and West Virginia. **As of June 1, 2017, KID will not renew nonresident administrator licenses for nonresident administrators holding resident licenses in states other than the eight states identified in this Bulletin.**

Resident and nonresident administrators holding a license in Kansas shall renew their licenses on a biennial basis. **Effective January 1, 2018, all administrators holding such a license shall be required to renew by December 31, 2018, for a period of two years.** A specific time period for renewing shall be set at a later date, but all renewals must be received no later than December 31, 2018. Pursuant to K.S.A. 40-3810, effective December 31, 2018, administrators not required to be licensed are required to register annually with the commissioner of insurance to verify their status.

Each administrator licensed under the provisions of this act shall file an annual report for the preceding year with the commissioner on or before July 1 of each year, or within such extension of time as the commissioner may grant for good cause. **The first annual report is due on or before July 1, 2018, for the preceding year.**

Additional information is posted on the Kansas Insurance Department website at <http://www.ksinsurance.org/company/accident-health-life.php>. Senate Bill 22 can be viewed at [http://www.kssos.org/Pubs/register/2017/Vol\\_36\\_No\\_10\\_March\\_9\\_2017\\_pages\\_185-208.pdf](http://www.kssos.org/Pubs/register/2017/Vol_36_No_10_March_9_2017_pages_185-208.pdf).

Questions about the requirements stated in this Bulletin should be addressed to Chris Hollenbeck, Kansas Insurance Department, 420 SW 9<sup>th</sup> Street, Topeka, KS 66612, by phone at 785-296-7850, or via email at [chollenbeck@ksinsurance.org](mailto:chollenbeck@ksinsurance.org).

A handwritten signature in black ink that reads "Ken Selzer". The signature is written in a cursive style with a large, stylized "K" and "S".

Ken Selzer, CPA  
Commissioner of Insurance  
May 2, 2017