Approved: January 29, 2015

MINUTES OF THE HOUSE VISION 2020 COMMITTEE

The meeting was called to order by Chairperson Tom Sloan at 9:00 am on Wednesday, January 21, 2015, 218-N of the Capitol.

All members were present except:

Representative Pam Curtis – Excused

Committee staff present:

Scott Abbott, Office of Revisor of Statutes

Iraida Orr, Legislative Research Department

Natalie Teemer-Washington, Legislative Research Department

Mary Koles, Kansas Legislative Committee Assistant

Renae Jefferies. Office of Revisor of Statutes

Conferees appearing before the Committee:

Susan Mosier, MD, Acting Secretary, Kansas Department of Health and Environment Jon Stewart, CEO, Heartland Community Health Center

Denise Cyzman, Executive Director, Kansas Association for the Medically Underserved Others in attendance:

See Attached List

Chairman Sloan greeted today's guests and conferees. He called for bill requests: there were none. He called attention to several handouts: (Attachment 1)

- Laura Landro, The Specialist Will See You Now, on Video," *The Wall Street Journal*, May 13, 2014.
- Gene Meyer, "Patients and economy would benefit from KanCare expansion," *Lawrence Journal World*,
- Chris Kardish, "Why Rejecting Medicaid Isn't Easy," *Governing*, November, 2014, 18.

<u>Informational Briefing on KanCare, rural health care, reimbursement, and tele-health technologies</u>

Susan Mosier, MD, Acting Secretary, Kansas Department of Health and Environment, presented an overview of Medicaid and the State Children's Health Insurance Program (CHIP). Both are joing programs between the state and federal governments and are major payers in our health care system. She explained the key features of KanCare:

- coordinated whole person-centered care
- clear accountability submit to an External Quality Review by the Kansas Foundation for Medical Care
- improving health outcomes less reliance on institutional care
- consolidation of financing move almost all of medicaid into a capitated risk-based managed care system

Dr. Mosier saud around 70% of all Medicaid clients are served through managed care today. Health

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Homes for individuals with Serious Mental Illness (SMI) were implemented July 1, 2014; nearly 28,000 Kansans were enrolled in SMI Health Homes as of January 1, 2015. Several innovative services, she reported, have been implemented

- Project ECHO, a telementoring program Kansas is one of eight states selected to take part in a feasibility study
- Oral Health Initiative one of five states selected to participate in this program
- a public-private partnership to reduce infant mortality and improve birth outcomes
- Million Hearth a national initiative to prevent a million heart attachs and sstrokes by 2017. (Attachment 2)

Following Dr. Mosier's remarks, questions were asked by Chairman Sloan and Representatives Rooker, Swanson, O'Brien, Bollier, and Francis. Brief discussions occurred.

<u>Informational Briefing on KanCare, rural health care, reimbursement, and tele-health technologies</u>

Jon Stewart, CEO, Heartland Community Health Center, Lawrence, Kansas, discussed the current landscape of Medicaid/KanCare in Kansas. He prefaced his comments with remarks about "Hot Spotting" as described by Dr. Atul Gawande in The New Yorker, January 24, 2011, and in later issues:

- Targeting individuals with the greatest needs makes the biggest impact
- insurance coverage is a sound investment
- KanCare is an investment in Community Health Centers and
- places health care resources strategically where they will have the biggest impact.

Kansas, he said, has one of the most restrictive Medicaid thresholds in the nation. Medicaid does not cover the poor and leaves about 14,000 uninsured in Lawrence. About 32,000 individuals in the service area need medical services and lack insurance. He introduced Darla, a client who takes her children to the Health Center but makes too much money to qualify for services herself. Expanding Medicaid would increase the risk pool to include fewer of the most compromised patients, be an investment in prevention, and would be a Kansas solution to an unacceptable situation

Expansion would generate around \$700,000 in new revenue from patients the center already sees and allow two new care teams to serve 3000 additional patients. This scenario would be recreated across the state. (Attachment 3) Questions were held until after the next presentation.

Informational briefing:on the medically underserved

Denise Cyzman, Executive Director, Kansas Association for the Medically Underserved (KAMU), described the agency's work as the Primary Care Association of Kansas and representative of 52 safety net clinics. KAMU, she testified, urges the legislature to find a Kansas-specific solution to opt into expansion and reap the benefits 28 other states now enjoy. Inaction, she observed, cost Kansas more than \$369 million in 2014.

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Kansas, she stated, has one of the most stringent Medicaid eligibility requirements in the country. Most working-age individuals work but many cannot afford insurance and do not qualify for Medicaid. People who do not have health insurance tend to delay health care and, subsequently, present to the system sicker, need more costly care and often end up with ruinous medical bills Financial instability, she notes, can result in poor mental health, increased substance abuse and domestic violence and perhaps even criminal behavior.

Cyzeman detailed many negative financial implications of NOT expanding Medicaid. She observed that the Kansas Department of Health and Environment released a report in August, 2014, that said that the 10 year cost to expand would be \$625 million; federal funds, expansion dollars, coming into the state during this time period would be in the billions. (Attachment 4) Committee members addressed questions to both Cyzman and Stewart and engaged in brief discussions. Participants included: Chairman Sloan, and Representatives Campbell, Francis, and others.

For additional information, see the following which Cyzman provided at Chairman Sloan's request: (Attachment 5)

- Urban Institute. *What Is the Result of States Not Expanding Medicaid?*. By Stan Dorn, Megan McGrath, John Holahan. August 2014.
- Regional Economic Models, Inc. and George Washington University. *Economic and Employment Effects of Expanding KanCare in Kansas*. By Chris Brown, Rod Motamedi, Corey Stottlemyer. February 2013
- The Commonwealth Fund. How States Stand to Gain or Lose Federal Funds by Opting In or Out of the Medicaid Expansion. By Sherry Glied and Staphanie Ma.

The Chairman thanked the conferees for their presentations.

The meeting adjourned at 10:20 a.m.. The next meeting will be January 26, 2015.