

Approved 3-16-92
Date

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE

The meeting was called to order by SENATE ROY M. EHRLICH at
Chairperson

10:00 a.m./~~p.m.~~ on March 5,, 1992 in room 526-S of the Capitol.

All members were present except:

Committee staff present:

Emalene Correll, Legislative Research
Bill Wolff, Legislative Research
Norman Furse, Revisor's Office
Jo Ann Buntin, Committee Secretary

Conferees appearing before the committee:

Senator Lana Oleen
Roger Rupp, D.D.S., Winfield
David Sager, D.D.S., Midwestern Institute for Advanced Dental Studies
William W. Sneed, Health Insurance Association of America
Tom Bell, Kansas Hospital Association
Tom Hitchcock, Board of Pharmacy

Chairman Ehrlich called the meeting to order at 10:00 a.m. and announced continuation of hearing on SB 603 - Dentists licensed in another state or county practicing dentistry while training as a student.

Senator Oleen, expressed her support of SB 603 and introduced Roger Rupp, D.D.S., from Winfield who submitted written testimony and stated he had experienced hands-on education both in Kansas and in other states, and that it has proven to be safe and effective. Most of these candidates for licensure practice on patients without holding a license, and they take the licensure examination without even the aid and supervision of an instructor. (Attachment 1)

David Sager, D.D.S, representing the Midwestern Institute for Advanced Dental Studies, submitted written testimony and stated his support for SB 603. Institute dentists believe that "hands on" dental training is the best way to learn the latest dental techniques. Under current Kansas law, a dentist licensed in Nebraska is unable to come to Manhattan to receive "hands on" dental training from another dentist. (Attachment 2)

Hearing and Final Action on:

SB 722 - Commissioner of Insurance to make certain reports regarding uniform electronic data interchange formats and standards.

Bill Sneed, Health Insurance Association of America, submitted written testimony on SB 722, and stated the bill requires the Commissioner of Insurance to monitor the work that is being done relative to the creation of a uniform format for filing claims electronically. (Attachment 3)

Tom Bell, Kansas Hospital Association, submitted written testimony in support of SB 722 that would result in potential cost savings in reduction of personnel, cost of postage, streamlining and standardizing hardware and software requirements for such a system, and savings by insurers in payroll and data processing. (Attachment 4) Committee discussion related to whether computer back-up would be necessary.

The Chairman called for opponents of SB 722. No opponents appeared. The Chairman asked for wishes of the Committee on SB 722. Senator Hayden made a motion to recommend SB 722 favorably for passage, seconded by Senator Langworthy. No discussion followed. The motion carried. Senator Hayden will carry the bill.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE,
room 526-S, Statehouse, at 10:00 a.m./p.m. on March 5, 1992

Hearing and Final Action on:

SB 737 - Uniformed controlled substance act.

Tom Hitchcock, Kansas Board of Pharmacy, submitted written testimony on **SB 737** that showed proposes changes in the bill that would comply and conform with the federal drug enforcement. Mr. Hitchcock also pointed out three printing errors in the bill relating to chemical names, and requested these errors be amended back into the bill. (Attachment 5) It was pointed out by staff that the spelling of "Marihuana" should be consistent throughout the bill. The Chairman stated it was the consensus of the Committee for staff Furse to make the necessary changes in the bill, and Senator Burke made a motion to recommend **SB 737 as amended** favorably for passage, seconded by Senator Walker.

No discussion followed. The motion carried. Senator Salisbury will carry the bill.

Final action on SB 548 - Persons eligible for medical assistance coverage of adult care home costs.

Senator Strick addressed the Committee on **SB 548** pointing out the possible benefits that might accrue from its passage. (Attachment 6) The Chairman asked for wishes of the Committee on **SB 548**. Committee discussion related to major fiscal costs, which is approximately \$250,000 the first year, and **HB 2844**. It was pointed out that if the bill is not amended, the Secretary of SRS would be required to use the same criteria and standards as were in effect in June of 1991, which means that social security increases, increases in protected income levels, etc., could not be applied. Senator Strick made a motion to amend **SB 548** on page 4, line 37, after the word receive, strike the balance of the new language, and to recommend **SB 548 as amended** favorably for passage. The motion was seconded by Senator Hayden. Concerns were expressed on the fiscal note of the bill, increase in nursing home expenditures, the cap which is controlled by the federal government, and those persons in nursing homes that do not come under the grandfather clause prior to the adoption of the cap. Senator Hayden withdrew his second. Committee discussion related to sending the bill to Ways and Means Committee and adding a proviso. The Chairman stated a motion has been made on the bill. The motion was then seconded by Senator Kanan. No discussion followed. The motion carried. Senator Strick will carry the bill.

Final Action on SB 182 - Civil penalties authorized to be assessed against licensees of adult care homes.

Senator Walker distributed a copy of a balloon of **SB 182** which is a compromise between the Department of Health and Environment, Kansans for the Improvement of Nursing Homes and Kansas Association of Homes for the Aging, with additional language. (Attachment 7) After Committee discussion on the bill, Senator Hayden made a motion to accept the first amendment of the balloon of the bill with additional language relating to the violation be determined to have resulted in or posed "imminent" risk of serious physical harm, seconded by Senator Kanan. No discussion followed. The motion carried.

Senator Salisbury made a motion to insert "which shall include due process procedures" in (c) of the balloon amendment, seconded by Senator Langworthy. Committee discussion related to paragraph (b) of the balloon of the bill which may address the same issue. Due to the time frame, the Chairman announced continuation of final action on **SB 182** at the next scheduled meeting of the Committee, March 6, 1992, 10:00 a.m., Room 526-S.

The meeting was adjourned at 11:00 a.m.

SENATE
PUBLIC HEALTH AND WELFARE COMMITTEE

DATE 3-5-92

(PLEASE PRINT)
NAME AND ADDRESS

ORGANIZATION

ROGER RUPP 2101 E 12 th Winfield KS	self
R DAVID SAUER 514 HUMPHOLDT PL MANHATTAN KS	SELF
Wm. Scott Hesse 302 Sunset Ave. Manhattan, KS	Midwestern Inst. for Advanced Dental Studies
H P M Wood 915 Kaman Ave Topeka, KS 66603	Goodell Law Firm Inc Board Ks. Dent
Carol macdonald 4301 Hunstrom	Adm. Sec Kansas Dental Board
Mike Reavey 1133 Topeka Blvd	BC/BS of KANSAS
James Ryan Topeka	KAOM
Tom Bell	Ks. Hosp. Assn.
David Henzlick Topeka	KS Dental Ass'n
Carl Schmittheuer "	" " "
R Frey "	KTLA
Dick Brock "	Ius Dept
Bill Sneed TOPEKA	H I A A
Bill Cotler "	Ks Dept on Aging
Marilyn Bradt Lawrence	KINH
Tom Hitchcock Topeka	Bd. of Pharmacy
LISA Getz WICHITA	WICHITA Hospitals

Comments on S.B. 603
By Roger Rupp, D.D.S.
2107 East 12
Winfield, Kansas 67156-4198
March 5, 1992

One of the best ways to learn is by hands-on (actual patient) treatment. I have experienced hands-on education both in Kansas and in other states. It has proven to be safe and effective. I believe that it is important for the state of Kansas to allow graduates of accredited dental schools licensed in other states to be allowed to participate in courses that provide actual patient care while training as a dentist under the supervision of a qualified instructor. Kansas has no dental school, but there are two institutions in Kansas which allow the practice of dentistry by non-licensed persons under the supervision of an instructor - The Wichita State University and Johnson County Community College, both of which have dental hygiene programs. I am not aware of any problems with these programs and believe they are an advantage to consumers and through the years have caused no harm. I have served for twelve years as an examiner for the Central Regional Dental testing Service, Inc. This testing service has provided the entrance level minimal competency examination for all dentists and hygienists seeking licensure in Kansas. Most of these candidates for licensure practice on patients without holding a license. They take the licensure examination without even the aid and supervision of an instructor. This is not an unusual activity as currently eleven states accept the results of this testing agency for use in licensing. There are also other Regional testing agencies that examine non-licensed dentists using live patients. This practice has gone on for years and I am not aware of any problems associated with it. The Kansas Dental Board through its attorney H. Philip Elwood in testimony on S.B. 603 on March 2, 1992 indicated it could support the concept if the proposal could be modified to address the Kansas Dental Board's concerns. I hope that S.B.603 can be acted on favorably.

*Senate P. H. & W.
Attachment #1
3-5-92*

TESTIMONY OF DR. R. DAVID SAGER

I am Dr. David Sager and I come before the Committee seeking approval of Senate Bill 603. I am the President of the Midwestern Institute for Advanced Dental Studies. The Institute is an organization dedicated to the continuing education of dentists in Kansas and the Midwest Region.

Currently, dentists are trained at dental schools and then allowed to operate on patients. There are no dental schools in Kansas. Practicing dentists are then required to obtain continuing dental education to maintain their licenses. Dentists receive continuing dental education in hotel rooms and on cruise ships. Dentists belonging to the Institute considered this "education" inadequate to serve the needs of Kansans.

Institute dentists believe that "hands on" dental training is the best way to learn the latest dental techniques. "Hands on" training allows the dentist to touch the patient. "Hands on" training is the type of training that students receive in dental schools every day.

Under current Kansas Law a world renowned dentist licensed in Nebraska is unable to come to Manhattan to receive "hands on" dental training from another dentist. The world renowned licensed Nebraska dentist would have to watch the proceedings. If the world renowned dentist touches the patient receiving care the dentist would violate Kansas law and be charged with a misdemeanor. If convicted the world renowned Nebraska dentist could be sentenced to one year in jail and fined \$1,000.

Senate Bill 603 would allow a dentist licensed in another jurisdiction to come to Kansas to receive "hands on" dental training under the supervision of a clinician. The Kansas Dental

*Senate P.H.W.
Attachment #2
3-5-92*

Board would have regulatory authority in several ways. The KDB must approve the organization that sponsors such a seminar. The KDB also has the authority to approve the individual seminar itself. The KDB has general rule and regulatory authority which would allow the agency to establish rules and regulations to protect Kansans, and others, that participate in "hands on" dental training.

S.B. 603 is intended to provide Kansas dentists with the ability to receive superior "hands on" dental training. By allowing dentists licensed in other states to participate in educational seminars different medical opinions will be shared. Currently, it is difficult to attract top flight training programs to Kansas because of the legal consequences involved. By allowing superior dental education, Kansas consumers will benefit from dentists' superior knowledge.

S.B. 603 is legislation that will improve the educational possibilities available to Kansas dentists which will translate to superior dental service to consumers. S.B. 603 will not allow the wholesale importation of unlicensed dentists to practice dentistry in the state. S.B. 603 is a measured law which will allow Kansas dentists access to superior dental education while allowing adequate supervision by the Kansas Dental Board through its existing powers. The Midwestern Institute is for protecting the health of consumers, and the best way to protect patients' health is to allow superior education. If the legislature does not pass S.B. 603 dentists will continue to receive dental education in hotel conference rooms with clinicians showing slides to participants. The dentists will not have the benefit of having "hands on" training on the most current dental techniques.

Senate Bill 603 will benefit dentists and, most importantly, patients and we strongly support the passage of this legislation.

Post-It™ brand fax transmittal memo 7671		# of pages	3
To	Dr. Sager	From	Scott. Hesse
Co.		Co.	
Dept.		Phone #	539-4656
Fax #	537-1401	Fax #	539-1750

MEMORANDUM

TO: Senator Roy Ehrlich
Chairman, Senate Public Health and Welfare Committee

FROM: William W. Sneed
Legislative Counsel
Health Insurance Association of America

DATE: March 5, 1992

RE: Senate Bill 722

Mr. Chairman, Members of the Committee: My name is Bill Sneed and I am legislative counsel for the Health Insurance Association of American ("HIAA"). HIAA is a health insurance trade association consisting of over 325 insurance companies that write over 85% of the health insurance in the United States today. Please accept this memorandum as our testimony in support of S.B. 722.

As this Committee is aware, we have testified in front of this Committee regarding various health bills. Additionally, we have testified before both the House and Senate Insurance Committees regarding health bills that they have been reviewing. As we have stated earlier, the HIAA has aggressively supported reforms within the health insurance system. We believe the work done on the creation of a uniform claims procedure throughout the United States is another important step that the state may take in addressing health care in the State of Kansas.

S.B. 722, quite simply, requires the Commissioner of Insurance to monitor the work that is being done relative to the creation of a uniform format for filing claims electronically.

*Senate P. H&W
Attachment #3
3-5-92*

Insurers work continually to find ways to operate more efficiently. Perhaps the most important activity now under way to directly reduce operating costs -- of providers as well as insurers -- is the development of a uniform format for filing claims electronically. The result of this project should include dramatically reduced paperwork for hospitals, physicians and other providers, and more rapid claims payment to patients and providers. No longer will hospitals have to worry about different claims formats for different insurers.

Development of these uniform electronic data interchange formats and standards is being coordinated by the American National Standards Institute (ANSI), a private, non-profit organization serving both the private and public sectors. When fully effective, these standards will address not only claims filing and processing, but enrollment/eligibility information as well. ANSI has coordinated a committee of interested parties who are now working in coordination with the federal government in attempting to prepare such a program.

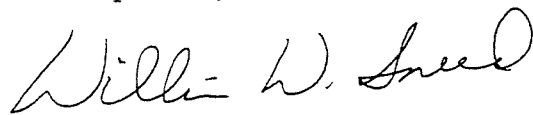
The payment and remittance segment of this effort is now being pilot tested, and Medicare is currently testing this project in four states. By the end of 1992, ANSI hopes to have the claims segment of the project in operation. The HIAA is an active participant in this effort, and is confident that it will result in a more efficient, less costly claims system.

Additionally, during this process the group is reviewing what, if any, federal laws would need to be changed to implement such a program. Generally, laws dealing

with anti-trust and privacy are being reviewed in order to ascertain what, if any, federal laws, and potentially, state laws, would need to be changed in order to implement this project throughout the country. Thus, we believe that this project can become an integral part of addressing the needs of Kansans so that the development of such a structure will meet our society's demand for efficiently delivered, quality health care.

Again, on behalf of my client, let me thank you for allowing us the opportunity to appear before this Committee. As stated at the beginning of my testimony, HIAA supports the successful passage of S.B. 722 and would be happy to work with this Committee or any other member of the legislature in regard to the successful passage of this bill.

Respectfully submitted,

A handwritten signature in cursive script that reads "William W. Sneed". The signature is written in black ink and is positioned above the printed name.

William W. Sneed



Memorandum

Donald A. Wilson
President

March 3, 1992

TO: Senate Public Health and Welfare Committee

FROM: Kansas Hospital Association

RE: **SENATE BILL 722**

The Kansas Hospital Association appreciates the opportunity to provide comments on Senate Bill 722. This bill would require the Commissioner of Insurance to report to the Governor and to the Legislature regarding the development of uniform electronic data interchange formats and standards. The Commissioner would also be required to present a proposed plan for implementing this technology, including an analysis of the cost impact. In other words, the Commissioner of Insurance would be required to study and develop a plan that would use the concept of "paperless claims" to the greatest extent feasible. We support this proposal.

Last year the Legislature passed House Bill 2216, which required the development of a uniform billing statement. The Insurance Commissioner is currently implementing this legislative initiative. The next logical step would be to create a totally computerized process involving paperless claims.

This could potentially result in cost savings in the following areas:

- Reduction in the number of personnel devoted to billing because electronic submission of information is likely to take less time than paper submission;
- Savings in the difference between the cost of postage and the cost of submitting claims electronically directly to health insurers;
- Savings in streamlining and standardizing hardware and software requirements for such a system; and
- Savings by insurers in payroll and data processing. Insurers who use electronic billing will presumably require fewer personnel to check bills for completeness

*Senate P. H&W
Attachment #4
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Senate Public Health and Welfare Committee
March 3, 1992
Page 2

and accuracy and manually re-key information from the bill into the computer system. The ability to provide accurate and timely information should improve the overall quality of our health care information, leading to an improved, more efficient system.

Thank you for your consideration of our comments.

TLB:cdc

Kansas State Board of Pharmacy

LANDON STATE OFFICE BUILDING
900 JACKSON AVENUE, ROOM 513
TOPEKA, KANSAS 66612-1220
PHONE (913) 296-4056

STATE OF KANSAS

SB 737

MEMBERS

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JOAN FINNEY
GOVERNOR

SENATE PUBLIC HEALTH
AND WELFARE COMMITTEE

MARCH 5, 1992

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, MY NAME IS TOM HITCHCOCK AND I SERVE AS EXECUTIVE SECRETARY OF THE BOARD OF PHARMACY. I APPEAR BEFORE YOU TODAY IN SUPPORT OF SB 737.

THE CHANGES MADE BY SB 737 ON PAGE 4, LINES 20 AND 26; PAGE 5, LINES 11 THROUGH 14; PAGE 8, LINES 19 AND 43; PAGE 9, LINES 1, 3, AND 31; PAGE 10, LINES 20 AND 24; PAGE 11, LINES 11, 12, 19, 25, 28, AND 32; AND PAGE 13, LINE 19 ARE ALL PROPOSED AND CHANGED TO COMPLY AND CONFORM WITH THE FEDERAL DRUG ENFORCEMENT ADMINISTRATION REGULATIONS THAT ARE KNOWN TO BE UP TO DATE.

THERE ARE THREE ERRORS IN THE PRINTING OF SB 737 AND ARE AS FOLLOWS:

1. ON PAGE 5, LINE 42 IN PARENTHESIS IT SHOULD BE (\pm) WHICH HAS TO DO WITH THE "DEXTRO/LEVO ISOMERS" OF THE CHEMICAL STRUCTURE LISTED BY NAME.
2. ON PAGE 9, LINE 3 IS THE SAME AS IN #1, THAT IS (\pm).
3. ON PAGE 11, LINES 25, 28, AND 32, THE FIRST CHEMICAL NAME PRIOR TO THE PARENTHESIS SHOULD NOT HAVE BEEN MARKED OUT.

WE WOULD REQUEST THESE ERRORS BE AMENDED BACK INTO THE BILL.

THE BOARD OF PHARMACY RESPECTFULLY REQUESTS THE FAVORABLE PASSAGE OUT OF COMMITTEE OF SB 737.

THANK YOU.

Senate P. H. W.
Attachment #5
3-5-92

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

Room 545-N – Statehouse

Phone 296-3181

February 26, 1992

TO: Senator Roy Ehrlich

Office No. 138-N

RE: Possible Benefits From Passage of S.B. 548

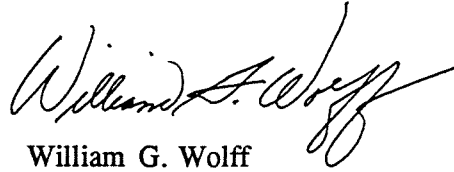
As you requested, the following is a list of possible benefits that might accrue from the passage of S.B. 548:

1. In the first year, the bill would produce a savings of \$102,799 to the State General Fund as projected by SRS. The savings would arise as federal Medicaid dollars would be used to cost share in the maintenance of some 445 persons in nursing homes currently supported by total state dollars.
2. Passage of the bill would allow persons with incomes higher than allowed by the cap to qualify for support in adult care homes. By removing the cap and allowing individuals to "spend down" into eligibility, individuals with high medical expenses are able to receive some support after they have spent a portion of their resources towards those expenses. Statistics provided by SRS indicate that while the number of Medicaid clients has remained fairly stable over the last 10 years, the cost of care for those persons has increased tremendously and the cost of care is the single largest contributor to the expanded state expenditures for adult care home services.
3. Passage of the bill may renew the confidence of the elderly in what is generally referred to as the "Division of Assets" legislation which Kansas enacted and, later, continued under the federal program. Imposition of the cap seems to have confused the public as to how assets and income may be divided and what the state/federal role is in the payment of needed services.
4. Passage of S.B. 607, a bill authorizing the Secretary of SRS to place a claim against the estate of any deceased recipient of medical assistance, will help offset the cost of that program. The Secretary may recover more from the estates of those persons who, in fact, have more resources at the time of receipt of assistance.

*Senate P. H&W
Attachment #6
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5. Finally, it is simply unfair to penalize people who have no other choice than adult care home services. In many instances, while these persons with resources above the current cap may be eligible for community-based programs, those programs are not universally available and, therefore, until such time as they are available, the state should not restrict access to the only services available.

I hope this information will be of assistance to you.



William G. Wolff
Principal Analyst

WGW/bd/92-413

SENATE BILL No. 182

By Senator Winter

2-12

8 AN ACT concerning adult care homes; authorizing the secretary of
9 health and environment to assess civil penalties against licensees
10 of such homes for certain violations.

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

12 Section 1. (a) If the secretary of health and environment deter-
13 mines that an adult care home is in violation of or has violated any
14 requirements, standards or rules and regulations established under
15 the adult care home licensure act which violation ~~placed a resident~~
16 ~~of the adult care home in substantial risk of serious physical harm~~
17 ~~or resulted in actual physical harm to a resident~~, the secretary in
18 accordance with proceedings under the Kansas administrative pro-
19 cedure act, may assess a civil penalty against the licensee of such
20 adult care home in an amount of not ~~less than \$5,000 per day for~~
21 ~~each day~~ the secretary finds that the adult care home was not in
22 compliance with such requirements, standards or rules and
23 regulations.

24
25 (d) The authority to assess civil penalties granted to the secretary
26 of health and environment under this section is in addition to any
27 other statutory authority of the secretary relating to the licensure
28 and operation of adult care homes and is not to be construed to
29 limit any of the powers and duties of the secretary under the adult
30 care home licensure act.

31 (e) This section shall be part of and supplemental to the adult
32 care home licensure act.

33 Sec. 2. This act shall take effect and be in force from and after
34 its publication in the statute book.

can reasonably be determined to have resulted in, or caused serious physical harm to a resident

to exceed \$1000 per day per violation but the maximum shall not exceed \$10,000.

(b) All civil penalties assessed shall be due and payable in accordance with K.S.A. 39-947 and within 10 days after written notice of assessment is served on the licensee, unless a longer period of time is granted by the secretary. If a civil penalty is not paid within the applicable time period, the secretary of health and environment may file a certified copy of the notice of assessment with the clerk of the district court in the county where the adult care home is located. The notice of assessment shall be enforced in the same manner as a judgement of the district court.

(c) The Kansas Department of Health and Environment may promulgate rules and regulations for the issuance of civil penalties relating to nursing facilities.

Senator P. Hill
Attachment #1
B-5-92

(which shall be made due...)
proposed...
#7