

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE.

The meeting was called to order by Chairperson Senator Susan Wagle at 1:30 p.m. on February 7, 2002 in Room 231-N of the Capitol.

All members were present except: Senator Nick Jordan
Ms. Margaret Cianciarulo, Administrative Assistant

Committee staff present: Ms. Emalene Correll, Kansas Legislative Research Department
Ms. Lisa Montgomery, Revisor of Statutes
Ms. Mary Best, Administrative Assistant

Conferees appearing before the committee: Mr. Richard Morrissey, Director of the Office of
Local and Rural Health
Ms. Joye Huston, R.N. And Administrator of Jefferson
County Memorial Hospital & Geriatric Center
Mr. Tom Sipe, Director of Regulatory Activities
KS Hospital Association
Ms. Lesa Roberts, Director, Health Occupations
Credentialing, KDHE

Others attending: See attached guest list.

Hearing on SB417 - an act relating to critical access hospitals; concerning length of stay for inpatient hospitalizations

With the call to order, Chairperson Wagle announced that before the hearing, Ms. Emalene Correll, Kansas Legislative Research Department, would present a brief overview of the bill. The highlights of Ms. Correll's overview were on definition updates and the new language of "critical care hospitals" which brings Kansas into compliance.

Chairperson Wagle then introduced Mr. Richard Morrissey, Director of the Office of Local and Rural Health who stated the statute was written to reflect Medicare's more restrictive original conditions of Participation for the Critical Access Hospital Program created through the Balanced Budget Act of 1997. But it was not clear in defining the maximum number of acute care beds stipulated in the Medicare Conditions of Participation. He stated that modifying this statute will enhance access to care in rural areas without any administrative or fiscal impact to the state government. Lastly, he recommends that the statute be modified to read that facilities must maintain an annual average length of stay not to exceed 96 hours for acute care patients, and that CAH's must not exceed 15 beds at any time for acute care inpatient services. A copy of his testimony is (Attachment 1) attached hereto and incorporated into Minutes by reference.

The next proponent to testify was Ms. Joye Huston, R.N. and Administrator of Jefferson County Memorial Hospital and Geriatric Center, who provided a scenario to assist in understanding the dilemmas faced in trying to comply with the current 96-hour time line. A copy of her testimony is (Attachment 2) attached hereto and incorporated into Minutes by reference.

The last proponent was Mr. Tom Sipe, Director of Regulatory Activities, Kansas Hospital Association, who stated this modification is a significant expansion of program eligibility for small rural hospitals which are most in need of federal financial assistance provided by cost based reimbursement for their Medicare patients. A copy of his testimony is (Attachment 3) attached hereto and incorporated into Minutes by reference.

As there were no opponents or written testimony, Chairperson Wagle asked for questions or comments from the Committee. Senator Praeger felt that strong leadership is the reason Kansas has this program and stated that Kansas is one of the 7 original states to enact the program, a God-send for rural areas. Mr. Sipe's concurred. Senator Barnett asked what the average length of stay was. The response from the proponents was "not sure".

With no further discussion of the above bill, Chairperson Wagle announced that the Committee would act on this the following week if possible.

Hearing on SB418 - an act concerning adult care home administrators; relating to the board for inpatient hospitalizations

Chairperson Wagle then moved on to the hearing of SB418, an act concerning adult care home administrators. Center for Health and Environmental Statistics. Again, Chairperson Wagle asked that Ms. Correll present a brief overview of the bill. And again, the highlights covered were the technical language changes, additional fees, and how the bill will give new authority to the Board.

Chairperson Wagle then introduced the only person to testify regarding this bill. Ms. Lesa Roberts, Director, Health Occupations Credentialing, KDHE, stated this bill is the result of recommended changes at the advice of its General Counsel. She stated that the bill: amends K.S.A.65-3503 to clarify the Board's authority to assess fees for license replacements and duplicate licenses; at K.S.A. 65-3504 the added language clarifies the Board's authority to establish standards of character, training, & experience as eligibility criteria for admission to examination for licensure; and, K.S.A. is amended so that the Board's final orders will be issued in accordance with the KS Administrative Procedure Act (KAPA). A copy of her testimony is (Attachment 4) attached hereto and incorporated into the Minutes by reference.

Chairperson thanked Ms. Roberts and asked for questions or comments from the Committee. Only Senator Salmans had a question about the bill and Ms. Roberts answered. Chairperson Wagle then said that the Committee would take action next week on the bill

Adjournment

Adjournment time was at 2:00 p.m.

The next meeting is scheduled for February 12, 2002.

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Senate Public Health & Welfare HOUSE INSURANCE COMMITTEE GUEST LIST

DATE: February 7, 2002

NAME	REPRESENTING
Stephanie Neal	PPA
Verda Beckett	Bethel College
Cassandra Ransom	Bethel College
Carrie Bloedel	Southwestern College
Kristy Griestaff	Southwestern College
DeeDee & Syring	Emporia State University
Stephanie Sharp	ACS
Phyllis Kelly	Kansas Adult Care Executives Assoc. (KACE)
Brian Jahn	Baker University Nursing
Jeanne Van Ant	Baker School of Nursing
Rebecca Eakes	Baker University School of Nursing
Jennifer Underman	Baker University School of Nursing
Rich Pittman	Health Midwest
Andrew Grant	Neosho County CC - Ottawa
W. H. Weston	KSNA
Tom Sipe	KHA
Dick Morrissey	KDHE
Chris Tilden	KDHE
Josh Keow	KDHE

Chris Kamm
Sally M. Waddell
Michael Rosen - KANS

Affany Cornejo
Kristina Thunauer

KANSAS Assn. of Nursing Students
Pittsburg State University
KOHK
Sen. Brungardt's Intern
Sen. Jim Barnett

James Holzman Arthur BCBS
Barbara Ann Rower KATH
Rebecca Ismens Federico Consulting

~~Will~~ ~~Wolby~~

John Kieffhaber

Vicki Hetsel

HCA

K HCA

Division of Budget



KANSAS
DEPARTMENT OF HEALTH & ENVIRONMENT
BILL GRAVES, GOVERNOR
Clyde D. Graeber, Secretary

Testimony on Senate Bill No. 417

Senate Committee on Public Health and Welfare
by
Richard Morrissey, Director
Office of Local and Rural Health

February 7, 2002

Chairperson Wagle and members of the Senate committee on Public Health and Welfare, I am pleased to appear before you today to discuss Length-of-Stay Provisions for Critical Access Hospitals.

Kansas has been a national leader in the Critical Access Hospital program. With 46 designated Critical Access Hospitals in the state, Kansas has been able to improve the financial position of small, rural hospitals and improve access to health care services in rural areas.

Changes in the Medicare Conditions of Participation implemented upon enactment of the Balanced Budget Reconciliation Act on November 29, 1999 have eased the length-of-stay restrictions on Critical Access Hospitals under the federal program, allowing for an annual *average* length of stay of no more than 96 hours. The Kansas CAH/Rural Health Network Statute (K.S.A. 65-468) was written to reflect Medicare's more restrictive original Conditions of Participation for the Critical Access Hospital Program created through the Balanced Budget Act of 1997. The original Medicare regulations, and the Kansas statute, stipulated that the maximum length of stay for *any patient* admitted to a Critical Access Hospital was to be 96 hours, except under certain exceptional circumstances. K.S.A. 65-468 was also not clear in defining the maximum number of acute care beds stipulated in the Medicare Conditions of Participation, which is 15 beds.

Modifying this statute will enhance access to care in rural areas without any administrative or fiscal impact to the state government. We urge the committee to recommend modifying K.S.A. 65-468 to read that facilities must maintain an annual average length of stay not to exceed 96 hours for acute care patients, and that CAHs must not exceed 15 beds at any time for acute care inpatient services.

The Kansas Department of Health and Environment respectfully recommends that the Committee report Senate Bill No. 417 favorably for passage.



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February 7, 2002

S.B. 417 Critical Access Hospital Length of Stay

Senator Wagle and members of the Senate Public Health and Welfare Committee, my name is Joye Huston R.N. and I am the administrator of Jefferson County Memorial Hospital and Geriatric Center. Our Critical Access Hospital is one of 44 (2 more pending) in Kansas, located in Winchester. As a representative of the KANSAS STATE NURSES ASSOCIATION I am here to ask for your support of S.B. 417.

The bill as proposed would extend the maximum amount of time a patient may be kept in a Critical Access Hospital. The current 96 hour limit in statute is more restrictive than the federal requirement. The language is being modified to emulate the federal standard and is as follows: "provides acute inpatient care for a period that does not exceed on an annual average basis, 96 hours per patient."

I thought a patient scenario might assist in understanding the dilemmas faced in trying to comply with the current 96 hour timeline.

A patient admitted at 2 a.m. to an acute bed in a Critical Access Hospital, according to the absolute 96-hour admission regulation, they could face discharge at 1:59 a.m. Diagnostic testing results usually are returned during day time hours 7 a.m. - 5 p.m. The pending results provide data needed for the provider to know whether discharge or transfer to another facility is appropriate. The change proposed allows for some reasonable flexibility to enable timing of discharge appropriate for care, such as during waking hours for the patient, when transportation can be coordinated, etc. Many of our patients are discharged within 24-72 hours which, when averaged with ones which exceed 96 hours, still would meet the federal regulations.

Thank you for this opportunity to present before the committee. I hope that it will pass out of this committee favorably and through the Senate with approval.

The mission of the Kansas State Nurses Association is to promote professional nursing, to provide a unified voice for nursing in Kansas and to advocate for the health and well-being of all people.

Constituent of The American Nurses Association

Senate Public Health & Welfare Committee
Date: February 7, 2002
Attachment 2



Donald A. Wilson
President

**Testimony on Length-of-Stay Provisions for Critical Access Hospitals
SB 417
To the Senate Committee on Public Health and Welfare**

**Presented by Tom Sipe
Director of Regulatory Activities
Kansas Hospital Association**

Chairperson Wagle and members of the Senate Committee on Public Health and Welfare, I appreciate the opportunity to provide testimony in support of the modifications to the K.S.A. 65-468 provisions governing Critical Access Hospitals.

The Medicare Rural Hospital Flexibility Program was enacted by the Balanced Budget Act of 1997 and created the Critical Access Hospital as a distinct Medicare provider for those rural hospitals agreeing to a limit of 15 acute care inpatient beds and a 96 hour length of stay for those acute care inpatients.

In accordance with the flexibility alluded to in the program title, the Balanced Budget Reconciliation Act of 1999 eased the length of stay requirement to an **annual average** 96 hour acute care patient length of stay. This is a significant expansion of program eligibility for our small rural hospitals which are most in need of the federal financial assistance provided by cost based reimbursement for their Medicare patients. Program participation has either improved or stabilized the financial conditions of these hospitals, very often assuring their ability to continue providing health care to their communities.

On behalf of our Critical Access Hospital members and prospective Critical Access Hospitals, I urge the Committee to recommend the adoption of these modifications bringing the state statute into compliance with the federal Medicare Conditions of Participation.

We appreciate the opportunity to testify and I will gladly stand for questions.

*Senate Public Health & Welfare Committee
Date: February 7, 2002
Attachment 3*

Kansas Hospital Association

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KANSAS
DEPARTMENT OF HEALTH & ENVIRONMENT
BILL GRAVES, GOVERNOR
Clyde D. Graeber, Secretary

Testimony on Senate Bill 418
to the
Senate Public Health and Welfare Committee

Presented by
Lesa Roberts, Director, Health Occupations Credentialing
February 7, 2002

Chairman Wagle and members of the committee, I am pleased to have the opportunity to discuss the proposed amendments to the Kansas Adult Care Home Administrators Licensing law.

The 2001 legislature shifted enforcement and general counsel of the Board to the Office of the Kansas Attorney General. The bill before you is the result of recommended changes approved by the Board at the advice of its General Counsel. These changes are primarily technical, but include an additional provision that would allow the Board to deny, revoke, or suspend a license if the licensee has been disciplined by other specified licensing boards.

Senate Bill 418 amends K.S.A. 65-3503 to clarify the Board's authority to assess fees for license replacements and duplicate licenses. At K.S.A. 65-3504, the added language clarifies the Board's authority to establish standards of character, training, and experience as eligibility criteria for admission to examination for licensure. K.S.A. 65-3506 is amended so that the Board's final orders will be issued in accordance with the Kansas Administrative Procedure Act (KAPA).

The proposed amendment to the introductory paragraph in K.S.A. 65-3508 clarifies that the Board may deny licensure to an applicant who has violated the provisions of this section, and clarifies how the Board uses KAPA procedures. Proposed new section (i) established the Board's authority to discipline a licensee or applicant for misrepresentation or omission of a material fact in an application or communication to the Board. Proposed new sections (j) and (k) would allow the Board to deny, revoke, or suspend the license of an applicant or licensee who has been disciplined by the adult care administrator licensing board of another state, or by the health care, mental health care, or social worker licensing board of this state or another state. These changes would align the Board's authority and statutory language with that of other similar state licensing laws.

Thank you again for the opportunity to appear before this committee on behalf of the Board and the department and we ask that Senate Bill 418 be favorably passed by this committee. I will gladly respond to any questions the committee may have on this topic.

Senate Public Health + Welfare Committee
Date: February 7, 2002
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