

MINUTES OF THE SENATE HEALTH CARE STRATEGIES COMMITTEE

The meeting was called to order by Chairman Susan Wagle at 1:30 P.M. on February 2, 2005 in Room 231-N of the Capitol.

Committee members absent:

Committee staff present: Ms. Emalene Correll, Kansas Legislative Research Department
Ms. Terri Weber, Kansas Legislative Research Department
Mr. Jim Wilson, Revisor of Statutes Office
Ms. Margaret Cianciarulo, Committee Secretary

Conferees appearing before the committee: Mr. Chad Austin, Senior Director of Health Policy & Data
Kansas Hospital Association
Mr. Larry Pitman, MPA, President & CEO
Kansas Foundation for Medical Care

Introduction of bills

Upon calling the meeting to order, Chairperson Wagle introduced Mr. Chad Austin, Senior Director of Health Policy & Data, Kansas Hospital Association, who requested the Committee introduce legislation dealing with limited service providers. The purpose of the bill would amend Kansas laws (K.S.A. 65-451 and 65-452) and reinstitute a moratorium on the establishment of any new hospitals until July 1, 2006. A copy of his memorandum to the Committee and an attachment are ([Attachment 1](#)) attached hereto and incorporated into the Minutes as referenced. Senator Jordan made a motion the Committee introduce the proposed legislation. It was seconded by Senator Palmer and the motion carried.

Presentation on "Mission, Data Collections and Quality Improvement"

The next order of business was a presentation from Mr. Larry Pitman, MPA, President & CEO of the Kansas Foundation for Medical Care (KFMC), who presented Public Reported Data and its impact on quality of care in Kansas nursing homes, home health agencies, and hospitals. A copy of his presentation is ([Attachment 2](#)) attached hereto and incorporated into the Minutes as referenced. Highlights included:

Background

- KFMC's history;
 - incorporated in 1972 by the KS Medical Society
 - originally formed to provide a mechanism for physician peer review process addressing questions of utilization and quality
- Works directly with:
 - Kansas healthcare providers
 - Medicare beneficiaries (KFMC also has several contracts with state agencies)

Public Reported Data

- Centers for Medicare & Medicaid Services, three National Quality Initiatives providing access to new objective quality information about how nursing homes, home health agencies, and hospitals are doing in Kansas. A similar launch for physicians may occur sometime in the future, possibly 2008.

Mr. Pitman then stood for questions and comments which came from Senators Schmidt, Wagle, Palmer, and Journey and Ms. Correll including: how would a consumer access this information besides the web, is there someone to walk the consumer through the process or do it for them, how does the consumer know this information is available, on page 5 of handout regarding heart failure - how do you receive this information from the hospitals, what kind of time line does this have by the time you get this information, data collection regarding prescription drugs, why are we limited to cardiac control, any initiatives for infection prevention, has factoring been included in this raw data being reported (ex. types of hospitals, patients, etc.) is there distinction between teaching and practicing hospitals, the website, do you coordinate with the Department of Aging or are any other agencies coming to you asking to share information, and what can we do to get this information out?

CONTINUATION SHEET

MINUTES OF THE Senate Health Care Strategies Committee at 1:30 P.M. on February 2, 2005 in Room 231-N of the Capitol.

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As there were no further questions or discussions, Chairperson Wagle thanked Mr. Pitman for his presentation.

Adjournment

As there was no further business, the meeting was adjourned. The time was 2:30 p.m.

The next meeting is scheduled for February 3, 2005.

GUEST LIST

DATE: Tuesday, February 2, 2005

NAME	REPRESENTING
Harry W. Proppin	KFMC
Fred Lucke	KHA
Chad Austin	KHA
Carolyn Muddendoy	Ks. St. No. Area
Katie Gonzales	Federico Consulting
Sarah Marshall	KFMC
Mike Rees	Yasbas Braden
Linda Mitchell	
Debbie Luper	
Ronald Liebman	Kansas Health Institute
LARRY MAGILL	Ks Assn of Ins Agents
Chip Wheelen	Asn of Osteopathic Med.
Shweta Shura	Ks Governor's Fellow / KDHE
Kim Heade	KDHE
Judy Eyerly	KAMU
Janet	KID
John Peterson	Ks Govemtd Consulting
Cindy Lash	Leg. Post Audit
Janelle Nuessen	Hein Law Firm

GUEST LIST

DATE: February 2, 2005

NAME	REPRESENTING
JAREN HOLROYD	
Tanya Dorf	KACIL



Thomas L. Bell
President

February 2, 2005

TO: Senate Committee on Health Care Strategies

FROM: Kansas Hospital Association
Chad Austin, Senior Director of Health Policy and Data
John Peterson, Governmental Affairs Consultant

RE: REQUEST FOR BILL INTRODUCTION

The Kansas Hospital Association requests the introduction of the attached hospital moratorium bill by the Senate Committee on Health Care Strategies.

The proposed bill would amend Kansas laws (K.S.A. 65-451 and 65-452) and would reinstitute a moratorium on the establishment of any new hospitals until July 1, 2006. This moratorium would allow sufficient time for completion and review of all state and national studies evaluating the impact limited service hospitals have upon the health care system. The current federal licensure moratorium is expected to sunset in June 2005.

Thank you for your consideration of our request.

*Senate Health Care Strategies Committee
Date: February 2, 2005
Attachment 1-0*

Kansas Hospital Association

215 SE 8th Ave. • P.O. Box 2308 • Topeka, KS • 66601 • 785/233-7436 • Fax: 785/233-6955 • www.kha-net.org

An Act concerning hospitals; reinstating a moratorium on establishment of hospitals prior to July 1, 2006; amending K.S.A. 65-451 and 65-452 and repealing the existing sections; also repealing K.S.A. 65-453.

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

Section 1. K.S.A. 65-451 is hereby amended to read as follows: K.S.A. 65-451. The following construction or modifications shall not be commenced prior to July 1, 1986 2006:

~~(a) Any erections, building, alteration, reconstruction, modernization, improvement, extension, lease or other acquisition by or on behalf of a hospital that increases the licensed bed capacity of a hospital or relocates hospital beds from one physical facility or site to another; or~~

~~(b) a~~ the establishment of a new hospital.

Sec. 2. 65-452. Same; exceptions. K.S.A. 65-452 is hereby amended to read as follows: 65-452. This act shall not apply to the following:

(a) The total relocation of a hospital's licensed beds from one physical facility or site within the community to another physical facility or site within the same community if the relocating hospital is the only hospital in the community;

(b) consolidation of two or more hospitals located within the same community, if the maximum licensed bed capacity after consolidation is set at a level which would accommodate a 70% rate of occupancy based on the aggregate average daily census of the consolidating hospitals during the previous fiscal year of each hospital;

~~(c) the relocation or redistribution of hospital beds within a hospital building or identifiable complex of buildings on the same site if the relocation or redistribution does not result in an increase in the overall licensed bed capacity at that site a critical access hospital as defined in K.S.A. 65-425(i) and amendments thereto or the conversion of any general hospital to a critical access hospital; or~~

~~(d) a project for which a hospital holds a valid certificate of need under K.S.A. 65-4801 et seq., and amendments thereto, and which project is not yet completed; or~~

~~(e) d~~ a hospital which is owned or operated by the federal or state government.

Sec. 3. K.S.A. 65-451, 65-452 and 65-453 are hereby repealed.

Sec. 4. This Act shall take effect and be in force from and after its publication in the statute book.

Kansas Foundation for Medical Care, Inc.



Larry W. Pitman, MPA
President and CEO

Senate Health Care Strategies Committee
February 2, 2005

Testimony: Public Reported Data and Quality Improvement

Kansas Foundation for Medical Care, Inc.
Larry W. Pitman
President and CEO
785.273.2552

*Senate Health Care Strategies Committee
Date: February 2, 2005
Attachment 1*

SENATE HEALTH CARE STRATEGIES COMMITTEE

Chairperson, Senator Susan Wagle

Madam Chairperson and members of the Committee. I am Larry Pitman, President and CEO of the Kansas Foundation for Medical Care, Inc. (KFMC). Thank you for this opportunity to visit with you about KFMC and public reported healthcare data.

KFMC was incorporated in 1972 by the Kansas Medical Society. We were originally formed to provide a mechanism for physician peer review process addressing questions of utilization and quality.

The Kansas Foundation for Medical Care has been designated the Quality Improvement Organization (QIO) for Kansas since 1974. KFMC is a not-for-profit organization that receives funding from the Centers for Medicare & Medicaid Services (CMS), an agency of the U.S. Department of Health and Human Services (HHS), and other contracts such as state government.

A 15-member Board of Trustees governs KFMC. Eight of the Board members are physicians and the others are members of professional organizations, businesses, and consumers with whom KFMC works. I have been with KFMC for almost 30 years.

KFMC's mission is "to facilitate the improvement of healthcare." Since the beginning, KFMC has focused on quality improvement and quality assurance through a number of programs, projects, and contracts.

Currently, KFMC is completing its seventh three-year contract with CMS. As the Quality Improvement Organization for Kansas, KFMC works directly with Kansas healthcare providers to improve the quality of care they provide, focusing on care processes known to improve patient outcomes and specific preventive services. KFMC currently works directly with physicians, hospitals, nursing homes, and home health agencies, and in rural/underserved areas.

KFMC also works directly with Medicare beneficiaries to help ensure they receive healthcare that is necessary, appropriate, and of high quality. KFMC monitors quality of care to make sure the medical care provided to Medicare Beneficiaries meets professionally recognized standards of care, is medically necessary, and is delivered in the most appropriate setting. We also monitor protection through hospital discharge review to make sure Medicare Beneficiaries are not being sent home before it is medically appropriate.

KFMC also has several contracts with state agencies. They include contracts with the Kansas Department of Social and Rehabilitation Services (SRS) – one of which is the Utilization Review Contract and Quality of Care Oversight Contract. KFMC is also designated as the External Quality Review Organization (EQRO) for the Kansas

Medicaid Managed Care Program and Children and Families Services' Foster Care and Adoption Program. Other contracts held by KFMC are with the Kansas Insurance Department, the Kansas Department of Human Resources in the area of Workers Compensation Case Review, the SRS traumatic brain injury program, and the Kansas Department of Health and Environment Trauma Program.

KFMC also partners with a large number of state healthcare organizations including the Kansas Medical Society, Kansas Hospital Association, Kansas Association of Osteopathic Medicine, Kansas Academy of Family Physicians, KaMMCO, Kansas Association of Homes and Services for the Aging, Kansas Health Care Association, Kansas Home Care Association, Kansas State Nurses Association, among others.

Now that you have some background about KFMC, I will now visit with you about Public Reported Data and its impact on quality of care in Kansas nursing homes, home health agencies, and hospitals.

Public reporting of healthcare quality information is a valuable resource for consumers and families and helps professionals in their ongoing efforts to monitor and improve the quality of care that is being provided.

The Centers for Medicare & Medicaid Services has launched three National Quality Initiatives that provide access to new, objective quality information about how nursing homes, home health agencies, and hospitals are doing in our state. This quality data is a

tool to help consumers make more informed decisions when selecting a nursing home, a home health agency, and now a hospital.

The first federal launch of Public Reported Data was in the nursing home arena in November 2002. Nursing homes currently have Public Reported Data on 15 quality measures. This data shows the percentage of residents in each facility experiencing certain conditions, such as pain and pressure ulcers (bed sores) and compares it to the state and national averages. Consumers are encouraged to use this data to make decisions about nursing homes in conjunction with other criteria, including level of care, the patient's needs and special services provided by a particular nursing home.

Public Reported Data on quality of care in home health agencies was launched one year later, November 2003. Once again this data provides consumers, families, and home health professionals with specific data on how each home health agency in Kansas is doing on a set of public reported measures. There are 11 outcome measures that are being publicly reported in the home health arena.

The third area of Public Reported Data involves hospitals. CMS has identified 10 quality measures that will be publicly reported for all acute care hospitals in Kansas, as well as many of the Critical Access Hospitals in Kansas. Ten measures will be made public on or about March 31, 2005:

For heart attack (Acute Myocardial Infarction) patients, where appropriate

- Was aspirin given to the patient within 24 hours of arrival at the hospital?
- Was aspirin prescribed when the patient was discharged?
- Was a beta blocker given to the patient within 24 hours after arrival at the hospital?
- Was a beta-blocker prescribed when the patient was discharged?
- Was an ACEI Inhibitor prescribed for the patient at the time of discharge?

Heart failure

- Did the patient get or recently have a documented assessment of his or her heart function?
- Was an ACEI Inhibitor prescribed for the patient at the time of discharge?

Community-Acquired Pneumonia

- Was an antibiotic given to the patient in a timely way at admission?
- Was the patient assessed for a pneumococcal vaccination status, and if needed, did they receive a vaccination?
- Was the patient's arterial oxygen level assessed within 24 hours of arrival at the hospital?

These 10 evidenced-based quality measures are consistent with recommendations in guidelines published by the American College of Cardiology, American Heart Association, American Thoracic Society, Infectious Disease Society of American, and the Advisory Committee on Immunization Practices.

Hospitals benefit from publicly reporting quality of care information in several ways. Hospitals gain experience monitoring their performance and responding with system changes, where needed, as well as using national and local benchmarks to assess performance. Participation also helps hospitals highlight their successes and to identify and focus on areas for improvement in quality of care. Hospitals also have the opportunity to give consumers important information about quality of care to help them compare care.

Publicly reporting hospital quality data gives consumers and payers information about three medical conditions that are common among Medicare beneficiaries and helps them compare the quality of care provided by the hospital. Once again, it is important to remember that this is only one tool that the consumer should use when selecting a hospital. It is also important for consumers to talk to their healthcare professionals, their family, and to contact local consumer organizations for references.

The quality measures for all three of these healthcare settings mentioned are available at www.medicare.gov. The link for each one is unique:

- “Compare Nursing Homes in Your Area”
- “Compare Home Health in Your Area”
- “Compare Hospitals In Your Area” will be available to the public on or about March 31, 2005.

So far, Medicare's Quality Initiatives are designed to improve the quality of care provided in nursing homes, home health agencies, and hospitals. We anticipate that a similar launch for physicians may occur sometime in the future (possibly 2008).

At the direction and support of the Kansas Health Care Quality Stakeholders Group, KFMC has partnered with the Kansas Hospital Association, Kansas Medical Society, KaMMCO, Kansas Academy of Family Physicians, Preferred Health Systems, and Blue Cross Blue Shield of Kansas to assist hospitals in implementing the Hospital Quality Initiative in Kansas. The stakeholders are approximately 35 healthcare leaders from throughout Kansas. Their purpose is to help assure the right care for every person every time.

KFMC also has provided outreach and education to hospitals throughout Kansas regarding Hospital Public Reported Data.

KFMC coordinated five regional meetings throughout the state in late October and early November 2004 to educate hospital administrators, medical directors, and boards of directors about public reported data. The "Quest for Quality" conferences, as they were called, featured presentations by Dr. Markello and Dr. Robert Cox, a quality improvement leader, KFMC Associate Medical Director, and Medical Director at Hays Medical Center. Each attendee was provided with a Video introducing them to hospital quality data and public reporting.

Information has been distributed to all hospitals in Kansas, all hospital medical directors, all hospital quality improvement directors, and many others.

KFMC staff are available to assist Hospitals in educating their staffs, interpreting the data, working with consumers and raising the public's awareness of hospital public reported data.

KFMC is pleased to provide you with information on public reported data and its impact on quality of care of Kansas citizens.

I will be glad to answer any questions you might have at this time.

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