

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:30 A.M. on January 18, 2005 in Room 123-S of the Capitol.

All members present.

Committee staff present:

Norman Furse, Revisor of Statutes
Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Judy Bromich, Administrative Analyst
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Reginald "Reggie" Robinson, President and CEO, Kansas Board of Regents
Dr. James Roberts, Vice Provost for Research and President, University of Kansas Center for Research
Carol Pangborn, Account Executive, and Tripp Fulton, Presenter, Electronic Data Systems

Others attending: See attached list

Chairman Umbarger mentioned that following the January 19th committee meeting members were invited to attend the Legislator Health Policy Orientation sponsored by the Kansas Legislative Research Department and the Kansas Health Institute, to be held in Room 313-S, from 11:00 a.m. to 3:00 p.m. (Attachment 1).

Copies of a schedule for the Members of the Senate Ways and Means Committee as an aid in scheduling subcommittee meetings (Attachment 2).

The Chairman opened the public hearing on:

SB 8--Research foundation capital improvement projects; limitation on amount

Staff briefed the committee on the bill.

Reginald "Reggie" Robinson, President and CEO, Kansas Board of Regents, testified in support of the bill (Attachment 3). Mr. Robinson explained that the bill would eliminate the \$1 million Research Foundation capital improvement project cap. He noted that the bill was considered and endorsed by the Legislative Educational Planning Committee in November 2004. Mr. Robinson expressed concern of the Board of Regents that the existence of the limitation could impair the ability of universities to respond to federal research opportunities. Committee questions and discussion followed.

Dr. James Roberts, Vice Provost for Research and President, University of Kansas Center for Research, testified in support of the bill (Attachment 4). Dr. Roberts addressed the issue of timing as to why this bill is just now being introduced, which was in regard to a question asked by Senator Morris earlier in the meeting. He explained that up until about the last two to three years the University of Kansas Center for Research has not been actively engaged in building, but recently they have become more aggressive in terms of supporting the research mission of the university. This has been done both in terms of money that the foundation itself has as well as applying for federal grants to build or remodel research facilities. Additional committee questions and discussion followed.

There being no further conferees to come before the committee, the Chairman closed the public hearing on **SB 8**.

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 18, 2005 in Room 123-S of the Capitol.

Chairman Umbarger welcomed Carol Pangborn, Account Executive, Electronic Data Systems (EDS), the fiscal agent for the State of Kansas, who presented a briefing of EDS, the Medicaid Fiscal Agent for the State of Kansas (Attachment 5). In order to view the system and the EDS presentation, all present in the meeting were asked to comply with HIPPA regulations and signed the EDS Privacy and Security Agreement for the Kansas MMIS. Ms. Pangborn introduced those attending the meeting from EDS. Committee questions and discussion followed.

Ms. Pangborn turned the presentation over to Tripp Fulton, Customer Service Manager, EDS. Mr. Fulton provided statistical information in his presentation which is detailed in the written testimony that was provided. He addressed the interChange MMIS Advantages; MMIS comparison to the Mainframe MMIS; interChange MMIS Web Technology; interChange MMIS - KMAP policy; their provider communication and customer service. Committee questions and discussion followed.

The meeting adjourned at 11:45 a.m. The next meeting is scheduled for January 19, 2005.

**SENATE WAYS AND MEANS
GUEST LIST**

Date January 18, 2005

NAME	REPRESENTING
FRED Luckey	Kenn. Hosp. Assn
Ruth Cornwall	KMS
Rebecca Bailey	KMS
Reggie Robinson	Board of Regents
Theresa Klinkenberg	KU
Jim Roberts	KU
Kathy Dun	---
Hola Jordan	EDS
Carol Pangborn	EDS
Trupp Fulton	EDS
Kris Atluri	EDS
Jared Holoyd	SES / Medicaid
Natalie Bingle	Condee Consulting Group, Inc.
Casey Kemp	Ember Intern
Julie Thomas	DOR
Johnny Fitzgibbon	KMC
Tom Brew	EDS
Dodie Wellshear Johnson	Patrice Hurley & Co.

KANSAS LEGISLATIVE RESEARCH DEPARTMENT

Rm. 545N-Statehouse, 300 SW 10th Ave.
Topeka, Kansas 66612-1504
(785) 296-3181 ♦ FAX (785) 296-3824
<http://www.kslegislature.org/klrd>

kslegres@klrd.state.ks.us

December 14, 2004

To: Legislative Coordinating Council
From: Alan D. Conroy, Director
Re: Legislator Health Policy Orientation

I would like to inform the Council that the Legislative Research Department and the Kansas Health Institute will sponsor a Legislator Health Policy Orientation on Wednesday, January 19, 2004, from 11:00 a.m. to 3:00 p.m., here in the Statehouse.

The purpose of the orientation is to provide basic health policy information for legislators through presentations by nationally recognized experts in the field of health policy, and through panel discussions involving Kansas health experts. The orientation will be provided without any direct legislative costs. The topics will include:

- Health Care Affordability and Accessibility;
- Overview of Trends in Health Care Costs and Insurance Coverage;
- Health Savings Accounts;
- State Perspectives on the Medicaid Program; and
- Prescription Drugs 101: State Roles in Expanding Drug Benefits for Seniors and Others.

Any interested legislator may attend, but the specific committees that have been or will be invited to attend the orientation include the following:

- House Appropriations;
- Senate Ways and Means;
- House Insurance;
- Senate Financial Institutions and Insurance;
- House Health and Human Services; and
- Senate Public Health and Welfare.

I believe this information will be helpful to the 2005 Legislature as it deals with health issues this session. If you have any questions, please let me know.

Schedule for the Members of the Ways and Means

Name	Office	Phone	8:30-9:30am	8:30-9:30am Th/F	9:30-10:30am	10:30-11:30am	1:30-2:30pm
Umbarger, Dwayne	120-S	7389			Judic. 123-S	W & M 123-S, CH	
Barone, Jim	504-N	7370	Comm 123-S		Fin. Ins. 234-N	W & M 123-S, RM	
Betts, Donald, Jr.	404-N	7387			Judic. 123-S	W & M 123-S	Elect. 423-S, RM
Emler, Jay	449-N	7354	Comm 123-S		Utilities 526-S CH	W & M 123-S, V-CH	
Kelly, Laura	126-S	7365	Comm 123-S, RM			W & M 123-S	
McGinn, Carolyn	513B-S	7377		Nat Res 423-S CH		W & M 123-S	Ed 123-S
Morris, Steve	359-E	2419	Ag** 423-S			W & M 123-S	
Schmidt, Vicki	513A-S	7374	Trans* 527-S		Fin. Ins. 234-N	W & M 123-S	Pub. Health*** 231-N, V-CH
Schodorf, Jean	503-N	7391	Comm 123-S			W & M 123-S	Ed 123-S, CH
Steineger, Chris	523-S	7375			Fin. Ins. 234-N RM	W & M 123-S	Ed 123-S
Taddiken, Mark	422-S	7371	Ag** 423-S, CH	Nat Res 423-S	Utilities 526-S	W & M 123-S	
Teichman, Ruth	521-S	7394		Nat Res 423-S	Fin. Ins. 234-N CH	W & M 123-S	Ed 123-S
Wysong, David	143-N	7369	Comm 123-S		Fin. Ins. 234-N V-CH	W & M 123-S	

* Transportation meets Tue- Fri

** Agriculture meets Tue- Wed

*** Public Health and Welfare Mon/Tue & Health Care Initiatives Wed/Thur

RM Ranking Minority Member

V-CH Committee Vice-Chair

CH Committee Chair

Senate Ways and Means
1-18-05
Attachment 2



KANSAS BOARD OF REGENTS

1000 SW JACKSON • SUITE 520 • TOPEKA, KS 66612-1368

TELEPHONE – 785-296-3421
FAX – 785-296-0983
www.kansasregents.org

Testimony before the Senate Ways and Means Committee

**Reginald L. Robinson, President and CEO
Kansas Board of Regents**

January 18, 2005

Good morning Chairman Umbarger and Members of the Committee. Thank you for the opportunity to appear before your Committee. I am here this morning to speak on behalf of Senate Bill 8, a bill that would eliminate the \$1 million Research Foundation capital improvement project cap.

As you may know, Senate Bill 8 was considered and endorsed by the Legislative Educational Planning Committee in November. This bill was also endorsed by the Board of Regents.

In 2000, the Kansas Legislature adopted a statute (K.S.A. 76-759) allowing for research foundations of state colleges and universities to initiate and complete capital improvement projects on state-owned property. This statute was enacted for the purpose of encouraging and facilitating the construction of these projects, and to encourage the growth of sponsored research at these universities. The statute, as originally enacted, contains a cap of \$1 million.

The Board's concern is that the existence of this limitation could impair the ability of universities to respond to Federal research opportunities. A competitive grant awarded for over one million dollars to remodel bioscience laboratory facilities, for example, could be slowed by as much as a year because of this limitation.

This authority would be limited to those projects financed entirely by non-state moneys. Consultation with the Joint Committee on State Building Construction would be required and approval of the Kansas Board of Regents would also be necessary.

Again, Mr. Chairman, thank you for the opportunity to appear before your Committee this morning. I appreciate your time and consideration and would be pleased to address your questions.

*Senate Ways and Means
1-18-05
Attachment 3*

Testimony on Senate Bill 8
Dr. James Roberts
Vice Provost for Research and President, KU Center for Research
University of Kansas
Senate Ways and Means Committee

Tuesday, January 18, 2005

Mr. Chairman, members of the committee.

Thank you for your scheduling of this issue and for this quick hearing regarding SB 8, an act concerning certain capital improvements for research foundations. Although I appear today on behalf of the University of Kansas, I can report that this legislation was requested through the Board of Regents on behalf of both KU and Kansas State University.

First I want to thank this committee for its past support on issues similar to this one. As you know, the Board of Regents, the Chancellor and Presidents, our business officers, and the state Department of Administration in recent years have worked to identify areas where administrative processes can be improved. At the same time, this committee and others have expressed the desire and support for our state universities to grow our collective research enterprise.

K.S.A. 76-759 was first introduced and enacted in 2000 as part of this effort, and in furtherance of this intent. I thank this committee specifically for its past support in these issues.

76-759 was enacted to facilitate our need to respond quickly to capital improvement needs involving research facilities. To be competitive nationally, we must be nimble in responding to federal research opportunities. We believe this new policy has worked well, but it does retain a \$1 million project maximum, thus requiring us to seek specific legislative authority for these projects. Although there is not currently a project which is being slowed by this limitation, it certainly could easily occur in the future.

Senate Ways and Means
1-18-05
Attachment 4

Without the relief afforded by 76-759, projects can take up to a year of additional time to complete because all such projects must receive specific approval in legislation. Under 76-759, we believe that the state retains sufficient oversight authority through the required review process of the Joint Committee on State Building Construction and the approval process of the Kansas Board of Regents.

The bill in front of you simply removes the \$ 1 million cap on the existing statute, thus allowing us, to proceed more quickly on these projects, should be successful in garnering the necessary federal or private support.

Again, I thank this committee for its past support, and I would be glad to respond to any questions.

Kansas Medical Assistance Program



interChange MMIS Overview

Senate Ways and Means
1-18-05
Attachment 5

The title slide features a grey, textured background. On the left side, there is a logo consisting of three small circles arranged in a triangular pattern. To the right of the logo, the text "interChange MMIS Overview" is displayed in a white, sans-serif font.

- Designed jointly with SRS and EDS staff
- “Go-live” date of 10/16/2003
- Successfully processed all claim types and paid \$12,951,479 to providers on first payment cycle
- Since 10/16/2003, interChange has processed over 21 million claims and paid over \$2.1 billion to providers.

The section header is located within a grey, textured rectangular box. It features a logo on the left consisting of three small circles arranged in a slight arc, followed by the text "interChange MMIS Advantages" in a sans-serif font. The word "interChange" is in a lighter weight than "MMIS Advantages".

- Significantly improved daily throughput of claims processing
- Implemented web technology for participating Kansas providers
- Reduced the amount of technical time required to implement new policies
- Maintains instant communication with provider community
- Improved customer service

The graphic features a grey, textured background with a decorative icon of three circles on the left. The text "interChange MMIS Comparison" is centered in a white, sans-serif font.

interChange MMIS Comparison

Mainframe MMIS

- 60,000 – 70,000 claims processed per night*
- Available 7:00 a.m. – 7:00 p.m.*
- Daily electronic claims batch submission cut-off of 7:00 p.m.*

InterChange MMIS

- *240,000 claims processed per night*
- *Available 24 hours daily with only a few hours of down time each weekend for maintenance*
- *Continually receive electronic claims via batch and internet 24 hours daily.*

The logo for interChange MMIS - Web Technology features a stylized globe icon on the left, followed by the text "interChange MMIS - Web Technology" in a bold, sans-serif font.

- Real-time Claims Adjudication
 - 221,000 claims received via the web in December, 2004
 - 3,008 providers submitted claims via the web in December, 2004.
 - Medicare Crossovers on web – implemented 10/8/2004
 - Claim corrections and adjustments
- Eligibility Verification
- Prior Authorization Requests and Inquiries
- Download Electronic Remittance Advices
- Weekly Payment Inquiries – implemented 12/10/2004

The logo features a stylized graphic of three overlapping circles on the left, followed by the text "interChange MMIS - KMAP Policy" in a bold, sans-serif font.

- Mainframe MMIS – Policy logic administered by actual coding changes conducted by technical staff.
- interChange MMIS – Table-driven system allows most policy to be administered through table updates made by Policy Analysts. Technical staff involvement is limited to testing.
- Mainframe MMIS – Approximately 50 policies implemented in 1 year.
- interChange MMIS – 88 policies implemented in the first year since “Go-Live”.

InterChange MMIS - Provider Communication

- Web messaging
- KMAP Bulletins
- KMAP Provider Manuals
- Provider Claims Issue Document
- Remittance Advice Messaging
- Claim inquiries on the KMAP website
- Printable RAs on the KMAP website

The logo for interChange MMIS - Customer Service features a stylized graphic of three dots on the left, followed by the text "interChange MMIS - Customer Service" in a sans-serif font.

- 37,000 calls – December, 2004
 - Average hold time for Automated Attendant: 0 seconds
 - Average hold time for an Agent: 28 seconds
 - Highest hold time for an Agent: 11 minutes 25 seconds
 - Zero callers received a busy signal
- Provider Training - Educate providers on “self-service”