

Approved: January 24, 2006  
Date

## MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairman Jim Morrison at 1:30 P.M. on January 19, 2006, in Room 526-S of the Capitol.

All members were present.

### Committee staff present:

Mary Galligan, Kansas Legislative Research Department  
Melissa Calderwood, Kansas Legislative Research Department  
Renaë Jefferies, Revisor of Statutes' Office  
Gary Deeter, Committee Secretary

### Conferees appearing before the committee:

Fred Schuster, Regional Director, U.S. Department of Health and Human Services  
Bob Florance, Administration on Aging, U.S. Department of Health and Human Services  
Linda Vogel, Office of Public Health and Science, U.S. Department of Health and Human Services  
Gary Allen, Administration for Children and Families, U.S. Department of Health and Human Services  
Rosalyn Wilson, Administration for Developmental Disabilities, U.S. Department of Health and Human Services  
James Scott, Centers for Medicare and Medicaid, U.S. Department of Health and Human Services  
Kathryn Coleman, Centers for Medicare and Medicaid, U.S. Department of Health and Human Services

### Others attending:

See attached list.

The minutes for January 18 were approved. (Motion, Representative Bethell; second, Representative Watkins)

The Chair welcomed Fred Schuster, Regional Director, U.S. Department of Health and Human Services, Region 7 (Kansas, Missouri, Iowa, and Nebraska), who outlined a comprehensive briefing of services offered by--and new federal regulations impacting--the U.S. Department of Health and Human Services (DHHS). He then introduced Bob Florance, Administration on Aging, who reviewed programs under the auspices of the Older Americans Act, which provides structure for federal services to seniors (Attachment 1). He said that 135,000 aging Kansans benefit from these services, noting that most programs focus on helping older people stay active and healthy and protecting them from exploitation. He commented on the Aging and Disability Resource Center initiative, which provides a single point of entry for access to public long-term care support programs, stating that Kansas Department on Aging recently received a

grant for \$800,000 through the program.

Answering a question, Mr. Florance said a report addressing Home and Community-Based services is due in June. Representative Bethell commented that providing HCB services without going through the waiver process would provide more independence for the disabled and be less expensive for the state.

Linda Vogel, Office of Public Health and Science, DHHS, said the goal of her agency is to decrease disparities in health services; the agency works closely with the Kansas Department of Health and Environment and with county and city health offices, focusing on minorities, low-income individuals, and remote areas to provide primarily preventive, not curative, care. She noted one program, the Medical Research Corps, which places cadres of volunteers within communities to be available in emergency situations, a service presently active in Shawnee, Reno, and Douglas counties.

Gary Allen, working with Temporary Assistance for Needy Families (TANF) and Child Support Enforcement (CSE), commented on the impact the Deficit Reduction Act of 2005 (presently working its way through the U.S. Congress) will have on states (Attachments 2, 3, 4, and 5).

Rosalyn Wilson, Administration for Developmental Disabilities, commented that child-welfare and child-care programs were administered through her agency, noting that \$4.8 billion was available to assist state funding for developmental disabilities programs.

James Scott, representing the Centers for Medicare and Medicaid Services (CMS), stated that the Deficit Reduction Act of 2005 would affect Kansas programs; in the long-term-care area, he said the asset- and income-transfer look-back will be extended from 3 years to 5 years and the spousal-impoverishment rules would be amended. Further, a provision would allow states to enact legislation regarding false claims to match federal requirements; another provision would assist states in investigating fraud and abuse. Families with disabled children would be allowed into Medicaid services. Responding to a question posed to Mr. Florance, he said one option being considered is to allow HCB services in a state plan. To another question, he said the process of resolving false claims has not yet been established.

Katherine Coleman, Campaign Manager for Medicare Part D, said the prescription drug benefit is the most significant change in Medicare in the 40 years of the program, noting that pharmacists are filling 1 million prescriptions each day and that 2.5 million seniors have signed up for the program in the last 30 days. She acknowledged problems especially for dual-eligible (Medicaid/Medicare) individuals, saying that Region 7 is committed to resolving all issues and is committed to providing prescription drugs to every senior who is eligible. She outlined the process for problem resolution, saying that the agency had added significant staff and resources to effect resolution.

Members, responding to constituent complaints, posed a variety of questions. Ms. Coleman walked through the process: signing up, choosing one of 40 stand-alone drug plans, using agency resources such as www.medicare.gov, and utilizing available community assistance. She replied that vendor WellPoint had been enlisted to provide payment for individuals who could not be matched by a pharmacist, and the state of Kansas was providing back-up payment if necessary. She replied that during the past year

Medicare had built local partnerships to assist seniors in signing up for the drug benefit, including training for pharmacists and lay people. She said dual-eligible individuals are automatically enrolled and that low-income individuals will be automatically assigned to a plan if they fail to sign up by May 15. She replied that any single-eligible person who fails to sign up by May 15 will be assessed a 1%-per-month penalty, which will be added to the monthly premium.

Nancy Schmidt, CMS, replied to a question that employers who retain drug benefits for retired employees have already identified themselves (about 6.4 million nationally) in order to receive a federal subsidy. A member commented that dual-eligible individuals whose monthly contributions are subsidized by Medicaid will create an additional drain on the State General Fund. Ms. Schmidt said data were not available as to how many plans grant exceptions for those drugs needed but are not on the plan's list of drugs covered. She said the Veterans Administration covers most drugs needed by veterans, but there are a few drugs not covered by the VA. She commented that some Advantage plans offer an integrated care program that covers Medicare supplemental insurance and the drug benefit with no increase in premium.

The Chair opened the floor for bill introductions. Representative Garcia requested the committee sponsor a bill developing a mechanism to establish a central, statewide databank of qualified language interpreters. The request was approved.

Representative Bethell requested the committee sponsor a bill designating trauma facilities statewide. The request was approved by vote of the committee.

The meeting was adjourned at 3:12 p.m. The next meeting is scheduled for Monday, January 23, 2006.

**HOUSE HEALTH AND HUMAN SERVICES COMMITTEE  
GUEST LIST**

DATE: JANUARY 19 2006

NAME	REPRESENTING
Josie Torres	SILCK
Sarah Anderson	Pro Kan Do
Linda Vogel	U.S. Dept of Health & Human Services
Robert Florence	Admin on Aging / DHHS
Luke Thompson	DHPF
Nathan Wolcott	Rep. Ed Tommer - Intern
Sharon Joseph	ADAPT
GARRETT M. O'HARA	ADAPT/TILRC
TESSA GOUPIK	TILRC
Kay Colvert	LWV
Tracey Graham	LWV
Kemie Bacon	KCDC
JASUD SMART	SMART GOVT. AFFAIRS
ROGER MARTIN	KHI
Caroleyn Muddendorf	Ks STDs Assn
Lindsey Douglas	Hein Law Firm
Ron Sauber	Hein Law Firm
<del>_____</del>	private citizen
Cornie Hueser	KFMC

**HOUSE HEALTH AND HUMAN SERVICES COMMITTEE  
GUEST LIST**

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DATE: Jan. 19, 2006

NAME	REPRESENTING
Nancy Schmidt	CMS
Kathryn Coleman	CMS
<del>Jan [unclear]</del>	CMS
Nancy Thomas Grottken	HHS - ACF
Gary Allen	HHS - ACF
Rosalyn Wilson	HHS - ACF
Beth Lyles	Hutfler Gov't Relations
Mike Hutfler	Hutfler Gov't Relations
Andy Law	Kearney + Associates
Stephanie Champagne	Perkins
Amanda McCoursey	Am. Heart Assoc.

# Health and Human Services Committee

## Kansas House of Representatives

January 19, 2006

Robert Florance

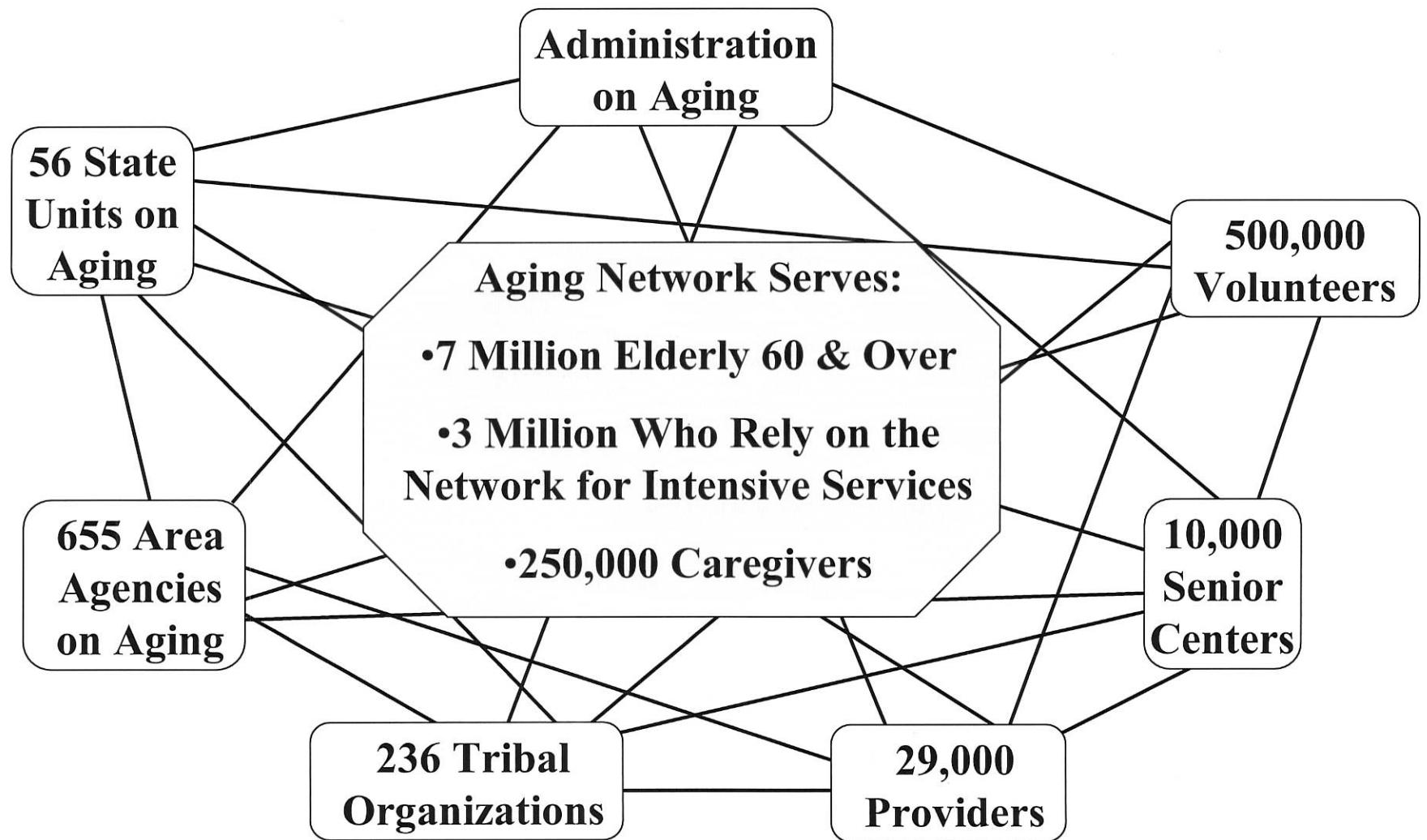
Administration on Aging

U. S. Department of Health & Human Services

*Attachment 1  
HHS 1-19-06*

# AoA is the Federal Component of the Aging Network

1-2



# AoA Programs Focus on Prevention





## Five Priorities of AoA's Strategic Plan

- Make it easier for older people to access an integrated array of health and social supports
- Help older people to stay active and healthy
- Support families in their efforts to care for their loved ones at home and in the community
- Ensure the rights of older people and prevent their abuse, neglect, and exploitation
- Promote effective and responsible management

# Administration on Aging

- Strategies for Achieving Our Mission
  - Advocacy
  - Consumer and Public Education
  - Grants to States, Territories and Tribes
  - Technical Assistances
  - Demonstrations and Model Programs
  - Partnerships

# Aging and Disability Resource Center Initiative

- CMS/AoA planning grants
- Resource Centers at the community level
- Serving people of all incomes and ages
- Providing information on the full range of long term support options
- Single point of entry for access to public long term care support programs/benefits

# ARDC Required Functions

- Awareness and Information
- Assistance
- One-Stop Access

# ARDC Key Elements

- Target private-pay individuals in addition to those eligible for publicly funded services
- Serve the elderly and at least one other target population of people with disabilities
- Assist individuals planning for future LTC needs
- Develop measurable performance objectives including visibility, consumer trust, ease of access, & responsiveness to consumer needs

## ARDC Key Elements (cont)

- Management Information System tracking client intake, needs assessment, care plans, utilization, and cost
- Plan for streamlining access to long-term care agreed upon by the State Medicaid Agency, State Unit on Aging, and the State Agencies representing the target populations of people with disabilities

# Kansas ARDC Grant

- Grantee: Kansas Department on Aging
- Project Period: 09/30/2005 – 09/30/2008
- Total Award: \$800,000
- Year 1 target population: +60 and older
- Year 2 target population: +60 and older  
plus individuals (18 – 64) who are serious  
mentally ill

# 2005 White House Conference on Aging Top 5 Resolutions

- Reauthorize the Older Americans Act
- Develop a Coordinated, Comprehensive Long-Term Care Strategy Addressing Financing, Choice, Quality, Service Delivery, and the Paid and Unpaid Workforce
- Ensure that Older Americans Have Transportation Options to Retain Their Mobility and Independence



## WHCOA Top 5 Resolutions (cont)

- Strengthen and Improve the Medicaid Program for Seniors
- Strengthen and Improve the Medicare Program

The AoA Web Site:

<http://www.aoa.gov>

The AoA Strategic Plan:

<http://www.aoa.gov/about/strategic/strategic.asp>

White House Conference on Aging:

<http://www.whcoa.gov/>

Robert Florance

HHS/Administration on Aging

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Kansas City, MO 64106

(816) 426-3514

robert.florance@aoa.hhs.gov



## **The Deficit Reduction Act of 2005 - Senate File 1932** ***Summary of Key Child Support Provisions***

This bill is pending a vote of the House of Representatives; a vote is expected on or about February 1, 2006. If the House approves, the bill will be sent to the President for his signature. The following is a summary of the child support provisions contained in S.1932.

### **Major Funding Provisions**

#### ***Child Support Incentive Payment Restrictions***

Effective October 1, 2007, states are no longer allowed to use performance incentive funds as the state share for purposes of claiming FFP. (Section 7308)

#### ***Reduction in Federal Financial Participation (FFP) in Genetic Testing Costs***

Beginning October 1, 2006, the FFP for the costs of genetic testing will be reduced from 90% to 66%. (Section 7308)

#### ***Mandatory Fees for Families Never on TANF***

Effective October 1, 2006, States are required to begin charging families that have never received TANF assistance an annual fee of \$25 if the state collects at least \$500 in support payments. (Section 7310)

### **Substantive Provisions**

#### ***Assignment and Distribution of Child Support Payments***

These provisions are intended to increase child support payments to families and simplify distribution of support. (Section 7301)

- Amends TANF assignment requirement to only those payments that accrue while the family is receiving assistance. Provides State option to discontinue certain assignments.
- Provides State option to pass through collections to families on TANF, subject to certain restrictions, and disregard those amounts in determining eligibility and benefits. Effective 2009.
- For families formerly on TANF, provides State options to distribute more or all support to families without owing the federal share. Effective 2009 or 2010 at State election.

#### ***Expansion of the Federal Tax Refund Offset Program***

Beginning October 1, 2007, this bill allows the use of the federal tax refund intercept program to collect past-due child support for families on behalf of children who are no longer minors. (Section 7301)

#### ***Mandatory Review and Adjustment of Orders for Families on TANF***

Effective October 1, 2007, States will be required to conduct reviews and adjust, if appropriate, the support amounts ordered in all TANF cases at least once every three years. (Section 7302)

**Substantive Provisions (cont.)**

*Decrease in Amount of Arrearage Triggering Passport Denial*

Starting October 1, 2006, the amount of arrearage owed that determines when a State may invoke passport denial is reduced from \$5000 to \$2,500. (Section 7303)

*Information Comparisons with Insurance Data*

This bill creates a new data match at the national level between delinquent obligors and potential insurance claims and settlements. Information is then transmitted to the State. Insurers are held harmless for revealing such information. (Section 7306)

*States Required to Seek Medical Support from Either Parent*

This bill addresses situations when health care coverage is not available to the non-custodial parent but is available to the custodial parent. The State may look to the custodial parent to provide such support, and may enforce a medical support order against either parent. (Section 7307)



**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Administration for Children and Families**  
**Region VII**  
**January 2006**

**S. 1932, Deficit Reduction Act of 2005, Conference Report**

**Major TANF Provisions**

**Sec. 7101: Basic Funding Information**

- Reauthorizes program at current funding level through 9/30/10
- Eliminates High Performance Bonus after FY 2005

**Sec. 7102: Work Requirements**

**Effective 10/01/06**

- **Caseload Reduction:**
  - Changes base comparison year from FY 1995 to 2005
  - Adds SSP cases to caseload reduction calculations
- **Participation Rate Calculations:**
  - Separate 2-Parent rate maintained at 90%
  - All-Family rate maintained at 50%
  - SSP families added to Participation Rate calculations

**Other Work-Related Provisions**

- By 6/30/06, Secretary of HHS must promulgate Regulations to ensure consistent measurement of work activities. Specific areas include:
  - Determining whether an area can be considered work
  - Uniform methods of reporting hours of work
  - Type of documentation needed to verify reported hours
  - Circumstances under which a parent should be included in rate calculations
- Federal oversight of State procedures is mandated
- States must establish verification procedures by 9/30/06. Penalties can range between 1% and 5% of State TANF grant
- Changes in work hours and definitions of work activity were not included.

Attachment 3  
HHS 1-19-06

### **Sec. 7103: Healthy Marriage Promotion and Fatherhood**

- Authorizes use of funds (\$150 million annually) for conducting and supporting research and for providing technical assistance (TA)
- Allows up to \$2 million of these funds for competitive grants to test effectiveness of coordinating the provision for Tribal child abuse and neglect services
- Allows up to \$50 million of these funds for competitive Fatherhood grants



**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Administration for Children and Families**  
**Region VII**  
**January 2006**

## The Kansas Child Support Enforcement (CSE) Program Summary of Key State and Federal Data

### **Federal Performance Incentive Indicators – 2004**

Paternity Establishment Percentage	2004
Kansas	86.61
National Average	98.73

Percent of Cases with Court Orders Established	2004
Kansas	73.00
National Average	74.37

Percent of Current Collections	2004
Kansas	54.38
National Average	58.99

Percent of Cases with an Arrears Collection	2004
Kansas	62.30
National Average	59.87

Cost Effectiveness (Total collected for every \$1 expended)	2004
Kansas	\$3.15
National Average	\$4.38

<p>Federal Performance Incentives paid to Kansas for 2004 -- \$3,306,309</p>
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### **Child Support Payments Collected and Distributed - 2005:**

\$152,580,972

### **Annual Administrative Expenditures - 2005:**

Total Kansas IV-D Costs Claimed: \$50,751,781

Federal Share: \$33,515,800

### **Caseload - 2005:**

Current Assistance: 27,324

Formerly Assistance: 63,497

Never Assistance: 40,837

**Total: 131,658**

Source: OCSE Preliminary Data Report June 2005; OCSE 157, line 1; OCSE 34A line 8; and OCSE 396A, line 9.

*Attachment 4*  
*HHS 1-19-06*



**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Administration for Children and Families**  
**Region VII**  
**January 2006**

**The Kansas Temporary Assistance for Needy Families (TANF) Program**  
**Summary of Key State and Federal Data**

**TANF Block Grant: \$101,931,061**

Maintenance of Effort	
100%	\$82,332,787
80%	\$65,866,230
75%	\$61,749,590

**Work Participation Rates**

Fiscal Year	All-Family Rate and Goal		2-Parent Rate and Goal	
2003	87.9%	41.7%	87.1%	81.7%
2004 *	88.0%	37.6%	93.7%	77.6%
2005 *	86.7%	38.8%	92.8%	78.8%

**TANF Financial Data – FY 2004**

**Federal Funds Available: \$122,971,400**

**Transfers:**

Transferred to:		
CCDF	\$21,459,991	17%
SSBG	\$4,332,070	4%

**Funds Available for TANF: \$97,179,339**

**Expenditure Breakdown:**

Assistance	\$67,639,882
Non-Assistance	\$24,357,611

**Total MOE Expenditures: \$64,065,487**

MOE Assistance	\$32,880,532
MOE Non-Assistance	\$31,185,315

\* FY 2004 and 2005 Participation Rates not yet certified by Office of Family Assistance

*Attachment 5*  
*AHS 1-19-06*