

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman James Barnett at 1:38 P.M. on March 8, 2006 in Room 231-N of the Capitol.

All members were present except:

Sen. Barnett- excused

Late Arrival:

Sen. Journey 1:39

Sen. Brungardt 1:40

Committee staff present:

Emalene Correll, Kansas Legislative Research Department

Terri Weber, Kansas Legislative Research Department

Norm Furse, Office of Revisor of Statutes

Diana Lee, Office of Revisor of Statutes

Morgan Dreyer, Committee Secretary

Conferees appearing before the committee:

Stanley Langhofer, Behalf of Kansas Dialysis Services

Others attending:

See attached list.

Hearing On HB 2678—concerning renal dialysis facility pharmacies

Upon request of Chairman Barnett, Vice Chair V. Schmidt called the meeting to order, asking Norm Furse to read and give explanation of the language in **HB 2678**. The Vice Chair announced the first order of business to open the hearing on **HB 2678**. A copy of the new language from Norm Furse is (Attachment 1) attached hereto and incorporated into the Minutes as referenced.

The Vice Chair called upon proponent conferee, Stanley Langhofer, nursing administrator of Kansas Dialysis Services stated statistics on treatments for End Stage Renal Disease Patients in outpatient renal dialysis facilities, Medicare coverage, and economics preventing any new openings of a dialysis facility. A copy of his testimony is (Attachment 2) attached hereto and incorporated into the Minutes as referenced.

The Vice Chair asked for questions or comments from the Committee. Questions came from Senators Brungardt, V. Schmidt, and Emalene Correll regarding rules and regulations, past problems with legislation, prescriptions, individual offices, prescriptions in dialysis handed out with no pharmacy, and adding different categories and licensure.

With no further discussion or conferees, Vice Chair V. Schmidt closed the hearing on **HB 2678**.

The motion was made by Senator Haley to move the bill out favorably on the consent calendar. It was seconded by Senator Brungardt and the motion carried.

The Vice Chair announced that the final item on the agenda was for the Minutes to be approved for Public Health and Welfare Committee on March 1, 2006, and March 2, 2006.

The motion was made by Senator Jordan to approve the Minutes for March 1, 2006, and March 2, 2006. It was seconded by Senator Palmer and the motion carried.

Adjournment

As there was no further business, the meeting was adjourned at 1:50 p.m.

The next meeting is scheduled for Thursday March 9, 2006.

PH&W Com.

Sign In March 8, 2006

Bill Albens

Stan Langhofer

Sheila Kocher

Michelle Peterson

Deid Hein

65-1661. Renal dialysis facility pharmacy; registration; fees; pharmacist consultant; rules and regulations. (a) A medicare approved renal dialysis facility which keeps prescription drugs as a part of the services provided by such facility shall obtain a registration from the board as a renal dialysis facility pharmacy. Application for such registration shall be made in accordance with procedures established by the board. All fees applicable to registration of a pharmacy, and the renewal of such registration, shall apply to the registration of a renal dialysis facility pharmacy.

(b) A registered renal dialysis facility pharmacy shall be supervised by a pharmacist consultant. The pharmacist consultant shall act as the pharmacist in charge. If a pharmacist consultant is not available to a registered renal dialysis facility pharmacy, the board shall provide or make arrangements for a pharmacist to act as a pharmacist consultant for such pharmacy and in the interim shall assist such pharmacy in locating a suitable pharmacist consultant.

(c) A renal dialysis facility pharmacy which is part of a medicare approved renal dialysis facility shall be deemed to be in compliance with rules and regulations of the state board of pharmacy, except that the board may adopt rules and regulations applicable to such pharmacy which establish labeling requirements for prescription medications delivered by such pharmacy.

(d) This section shall be part of and supplemental to the pharmacy act of the state of Kansas.

Senate Public Health &
Welfare Committee
Date: March 8, 2006
Attachment #1

Testimony concerning HB 2678: Repeal of 65-1661 (Renal dialysis facility pharmacy)

Senate Public Health and Welfare Committee

Presented by Stan Langhofer

On behalf of

Kansas Dialysis Services

March 8, 2006

Chairman Barnett, Vice Chair Schmidt and members of the Committee, my name is Stanley Langhofer and I am the nursing administrator of Kansas Dialysis Services (KDS). KDS is a provider of kidney dialysis treatments for patients in Northeast Kansas with clinics in Topeka, Lawrence, Manhattan, Ottawa and Sabetha.

There are approximately 2,200 patients with End Stage Renal Disease (ESRD) in Kansas whose unstable health requires 4-hour, life-sustaining dialysis treatments, three times per week. Unlike other patient populations, the point of treatment for ESRD patients is the outpatient renal dialysis facility.

There are 42 free standing kidney dialysis facilities that are Medicare approved and have Medicare contracts with the State Department of Health and Environment. We have been in contact with representatives of each of these facilities to discuss the repeal legislation and they support my comments here today.

The Medicare program is the primary payor for ESRD patients, therefore renal dialysis facilities have to meet the Medicare conditions for coverage. Compliance with these conditions is monitored through the detailed Medicare survey and certification process in Kansas. Unannounced 3 day survey, very thorough, includes medication storage, admin, documentation etc.

One of the conditions that Medicare requires is that renal dialysis facilities have a medical director, as well as a multidisciplinary health care team, all of whom specialize in the care of ESRD patients. These health care teams consist of physicians, nurses, dietitians, social workers and specially-trained patient care technicians.

they require a multidisciplinary health care team consisting of

In 1998, the Kansas legislature passed K.S.A. 65-1661 requiring Medicare-approved renal dialysis facilities in Kansas to be supervised by a pharmacist consultant. The Board of Pharmacy has never promulgated regulations to implement this law and until recently had never taken steps to enforce it.

Medicare does not require renal dialysis facilities to staff, or be supervised by, pharmacists or pharmacist consultants and, to date, there has never been a complaint filed

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with the Board of Pharmacy pertaining to the quality of care provided to ESRD patients by renal dialysis facilities.

This requirement, in our view, adds unneeded expense to dialysis facilities that are struggling to provide care to Medicare and Medicaid patients amidst shrinking reimbursement. For example, the State of Kansas Medicaid program currently pays \$83.95 for a four-hour dialysis treatment while our costs average about \$152.00 per treatment. To add additional expense now would be economically devastating for dialysis patients as well as dialysis providers.

This is also an access to health care issue. Due to the economics that we face, KDS has not opened a new dialysis facility in 7 years although we have been asked repeatedly to do so. Rural access to kidney dialysis treatment is already severely limited and if 65-1661 is implemented, then this situation will worsen.

Marjorie
Burlington
Kirkwood, Mo.

Hence, we feel that this requirement would add an extra layer of bureaucracy on an already struggling segment of health care providers. Given the close supervision provided by ESRD health care professionals, the quality monitoring provided by Medicare, the ESRD Network for Kansas, and the reasons provided above, we ask for your support on the repeal of 65-1661.

Thank You, I'd be happy to answer any questions.