

MINUTES OF THE SENATE HEALTH CARE STRATEGIES COMMITTEE

The meeting was called to order by Chairman Susan Wagle at 1:30 P.M. on March 13, 2007 in Room 231-N of the Capitol.

Committee members absent: Senator Haley - excused

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

Conferees appearing before the committee:

Others in attendance: Please see attached Guest List

**Continued hearing, discussion and possible final action on SB309 - An act enacting the Kansas Health Care Connector Act**

Upon calling the meeting to order the Chair announced in follow up to their hearing on SB309, insurance company asked that we seek our own actuarial studies. Since that time she and Senator Barnett have met with numerous interested parties about the Health Care Connector and have met regularly with Dr. Nielsen, Executive Director of the Kansas Healthcare Policy Authority (KHPA). We are thinking about a possible "substitute bill" for SB309 that would ask KHPA to study some healthcare reform options, including the connector, over the interim and come back with a proposal in 2008.

She went on to say they certainly do not need legislation to study healthcare finance reform but Dr. Nielson has indicated that if she had a bill that showed Kansas was serious, it would help her as she seeks to draw down some additional federal dollars to supplement Medicaid and private insurance and that something like this would be a good step forward. Dr. Nielsen did help draft parts of this proposed "substitute bill."

What the Chair is proposing today is just give the Committee the opportunity to look at this proposal, study and think about it, then meet next week. She realizes this proposed "substitute bill" is in no way SB309, but it moves the connector forward in that we try to study it. She then asked for comments from Senator Barnett who said this is an effort that is moving through the Senate, with a similar effort moving through the House and the Kansas Health Policy Authority and all efforts will converge with many other interested parties overseeing the process.

Senator Barnett went on to say he feels the more they move it along the better. He wanted to thank all concerned as the response was very helpful to us, particularly to the insurance industry that stepped forward and said here are some things that we have concerns about. He mentioned another concern they have received from an individual about a voluntary connector which is in part of the language in this proposed "substitute bill" and which he thinks might help the state transition into the connector more easily than a package full of mandates.

The Chair mentioned that they had met with Mr. Marlon Donner, who is the Executive Director of Preferred Health and he seems to have worked for a long time on the concept of a voluntary healthcare connector and he offered wonderful ideas along with Mrs. Sandy Praeger, the Kansas Insurance Commissioner and the lawyers in the insurance department. He seems to believe that a voluntary connector would work very well and could be written so that there is incentive for employers to join and for people to go there to get a policy that would be inexpensive with a high deductible.

The Chair then asked if there were questions or comments from the Committee which came from Senators Schmidt and Palmer including:

## CONTINUATION SHEET

MINUTES OF THE Senate Health Care Strategies Committee at 1:30 P.M. on March 13, 2007 in Room 231-N of the Capitol.

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- A.) In Ways and Means, the KHPA is trying to gear FTE's and they are in definite conflict with the House as to what that might look like at this juncture and certainly they had a lot of discussion about the issue, does the KHPA feel that with the extra bump, for extra federal funding for actuarial study will they be able to do the rest of this in house or will we be needing to hire an FTE to do the study?

(The Chair mentioned that Dr. Nielsen has not had an opportunity to look over the proposed "substitute bill" so we will ask her to come to the meeting next Monday and ask her these questions.)

- B.) When the KHPA was originally set up there were going to be shifts, not additions, and would like to have a clear picture of that;
- C.) One of the things Ways and Means asked the KHPA to do was to delineate for them all of the extra things that they have handed over to them that were not included in that original legislation and feels it is important that while they may be seeking more FTE's than we might have originally anticipated we have also as a legislature asked for significant things to be done by them and we need to know that to fund those initiatives require FTE's;
- D.) Did sufficient employees move to other agencies that were handling some of those duties?

### **Adjournment**

As there was no further questions or comments the Chair asked if it was OK with the Committee, she would like to ask them to study the proposed "substitute bill" and then meet again on Monday to which they agreed. Chairperson Wagle then adjourned the meeting. The time was 2:25 p.m.

The next meeting is scheduled for March 19, 2007.

# SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

## GUEST LIST

DATE: Tuesday, March 13, 2007

| NAME                    | REPRESENTING                       |
|-------------------------|------------------------------------|
| Dan Murray              | Federico Consulting                |
| <del>Amy Campbell</del> | <del>KMHC</del>                    |
| Cynthia Smith           | JCE Health System                  |
| Chad Austin             | KS Hosp Assoc                      |
| Sheldon Weisgram        | KHI                                |
| <del>Tom Franke</del>   | <del>self</del>                    |
| Matthew Goddard         | Heartland Community Bankers Assoc. |
| Emily Mueller           | Kansas Chamber                     |
| Kerri Spielman          | KAIA                               |
| Larry Magill            | KAIA                               |
| Tom Bruno               | EDS                                |
| <del>Pat Eames</del>    | <del>KCC</del>                     |
| Karen Nations           | self                               |
| Ron Seiber              | Her Law Firm                       |
| Austin Hayden           | Sen. Brungardt                     |
| John Meetz              | KI O                               |
| M. MATH                 | NIA CARUSI HEALTH SYSTEM           |
| Carolyn Smith           | VCHS                               |
| LISA BENLON             | AMERICAN CANCER SOCIETY            |

SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

GUEST LIST

DATE: Tuesday, ~~Monday~~ 8-13-07

| NAME          | REPRESENTING      |
|---------------|-------------------|
| Luke Thompson | KHPA              |
| Cara Deane    | KAMEL             |
| Sandy Braden  | NAIFA KS          |
| Paul Forbes   | United Healthcare |
| Bred Smoot    | BCBS              |
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