Approved: March 9, 2009
Date

MINUTES OF THE HOUSE GOVERNMENT EFFICIENCY AND FISCAL OVERSIGHT COMMITTEE

The meeting was called to order by Vice-Chairman Mike Burgess at 3:30 p.m. on March 3, 2009, in Room 535-N of the Capitol.

All members were present except:
Representative Sean Gatewood- excused
Representative Brenda Landwehr- excused
Representative Jim Morrison- excused
Representative Louis Ruiz- excused

Committee staff present:
Renae Jefferies, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
Hank Avila, Kansas Legislative Research Department
Mary Galligan, Kansas Legislative Research Department
Gary Deeter, Committee Assistant

Conferees appearing before the committee:
Monte Coffman, Executive Director, Windsor Place
Bill McDaniel, Commissioner, Program and Policy, Kansas Department on Aging

Others attending:
See attached list.

The Vice-Chair welcomed Bill McDaniel, Commissioner, Program and Policy, Kansas Department on Aging (KDOA), who reviewed the agency's focus and services, saying that primary attention is given to long-term care and supports (Attachment 1). He noted that recent marketing trends are emphasizing telehealth and telemedicine to assist seniors in living independently; however, what is lacking is accurate information to enable the agency to assess which approaches can assure successful outcomes financially and medically. He stated that chronic-care management is a major impediment for meeting the needs of individuals eligible for home-and-community-based services (HCBS).

Monte Coffman, Executive Director, Windsor Place, commenting that Windsor Place is a long-term-care company in Coffeyville, outlined a pilot program that extends the Windsor At-Home Care to provide telemedicine to a select group of at-risk older adults (Attachment 2). He explained that hospitals and long-term-care facilities have comprehensive clinical care for residents; HCBS, however, does not offer these services, and the pilot program attempts to address that void. Through a KDOA grant, he said the telehealth program has provided access to medical care; the program has improved client health and has lowered medical costs significantly. After installing simple touch-screen monitoring equipment in each home and, by telephone, linking the client with caregivers, KDOA case managers, family members, and physicians, the daily monitoring and feedback process dramatically reduced health-care costs. Mr. Coffman suggested that wider use of this process could significantly lower the state's health-care costs; he estimated $12 million in savings

could be effected if 500 seniors eligible for HCBS adopted the telehealth monitoring paradigm. He commented that the University of Kansas is presently evaluating the data from the pilot program.

Mr. Coffman responded to members' questions:

- The KAN-Ed program focuses on broadband connectivity; the pilot program uses a simple telephone connection.
- About 70 clients are involved in the pilot program. The program can deliver a telehealth solution for about $7 per day.
- Each day's monitoring information provides mental as well as physical health data;
- CMS (Centers for Medicare and Medicaid Services) charges $100 per home visit to check vital signs.
- During the first year of the program, three clients went to a nursing facility; the second year only one person went to a nursing facility.
- The program is Medicaid-eligible but at present is not reimbursable through Medicaid; it could be expanded to serve about 500 clients state-wide at a cost of about $1.5 million, $500,000 of which would come from the State General Fund.
- The program could be adapted to monitor corrections parolees required to submit daily medical information to a parole supervisor.

Representative Sloan responded to members' questions. He said the Kansas Health Policy Authority (KHPA) is considering ways to expand HCBS programs through data management and make them eligible for the $2 billion federal stimulus package targeting medical data-driven health care. He commended the pilot program as effectively enhancing medical services to seniors.

Mr. McDaniel, responding to a member's question, replied that KDOA would not add the home monitoring services to the HCBS waiver unless funding were allocated to cover the services, but if the fiscal impact could be shown, a budget amendment might be considered. He replied that the program would result more in Medicare savings than Medicaid, savings which would reduce federal expenditures but not necessarily state Medicaid expenses. He recommended ascertaining funding before seeking CMS approval. The member suggested that the legislature could develop standards for the program.

Another member suggested setting up six regions in the state similar to those established by Kansas Department of Social and Rehabilitation Services. He encouraged the Secretary of KDOA, in collaboration with the KHPA, to move forward in adopting the program statewide.

Cindy Luxem, Executive Director, Kansas Health Care Association, responding to a member's question, agreed that the numbers seemed to show a positive trend and might also be useful to improve nursing home care.

Mr. Coffman answered further questions, saying that compliance rates were good and have been validated by the University of Kansas evaluation. He replied that the monitoring units are portable, enabling a client to

visit family members. He said the baseline for the project was the previous year's CMS data. He replied that the most serious impediment to wider implementation is the reluctance of physicians to embrace new technology.

The meeting was adjourned at 4:36 p.m. The next meeting is scheduled for March 4, 2009.

HOUSE GOVERNMENT EFFICIENCY AND FISCAL OVERSIGHT COMMITTEE

GUEST LIST

DATE: MARCH 3 2009

NAME	REPRESENTING
[illegible signature]	Windsor Place
Bill McDaniel	KDOA
Cindy Luxem	Kansas Health Care Assoc./KCAL
Joe Ewert	KAHSA
Denny Burgess	B&A

Attachment 1
GEFO 3-3-09

House Government Efficiency
& Fiscal Oversight
March 3, 2009
Bill McDaniel
Commissioner, Program & Policy

A Divided World

- For seniors, health care is delivered through the acute care system and long term care system.
- These are very different worlds:
  - Hospitals and doctors' offices
  - Nursing homes and home and community based (HCBS) services.

Long Term Care & Telemedicine

- At Dept. on Aging, we focus primarily on long term services and supports.
- Goals:
  - Support health
  - Support independence
  - Manage chronic diseases
  - Minimize risks
  - Access across care settings

- An increasing number of providers are marketing telehealth and telemedicine products as way of maintaining independence.
- Products range from motion sensors to incontinence devices and medication dispensers.
- Nearly all levels of activity can be monitored.

Marketing Angle

- Concerned family member and seniors themselves are being presented with telehealth options as a way of staying at home longer.
- The marketing is successful because of a real desire to remain independent and prevent nursing home care.
- However, this is a market driven, not data driven approach.

Telemedicine LTC Payor Options

- Medicare
  - Hospitals, doctors, skilled rehab
- Medicaid
  - Remote monitoring
  - Chronic care management
  - Assistive technology
- Long Term Care insurance
  - HCBS Services definitions

Telemedicine Payers

- Private pay
  - Not a third party reimbursement issue
  - Direct product marketing to consumers
  - Promises of greater independence

1-7

The Missing Link: Data

- What devices help seniors remain at home?
- What devices help manage chronic disease?
- Which devices perform better than others?
- What level of staff are needed to support the technology?
- What money can be saved?
- Who are the most suitable product users?

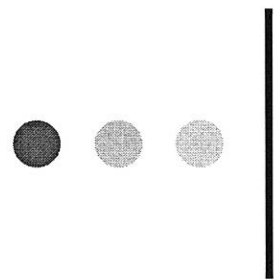
Experiments and Outcomes

1-9

- From the private market experiments, we need data and outcomes.
- Public sector support may be an option but must be data driven.
- Medicaid is a possible funding source for telemedicine devices, but must be outcome-based.

Things to Consider

- Add long term care services to the conversation and your mental check list.
- Insurance companies are not the main payors in the world of long term care and telemedicine.
  - Medicare, a little
  - Medicaid, a lot
  - Private funds, a lot



Things to consider

- How to get this paid for.
  - Seniors are already buying, without support from data and outcomes
  - Medicaid is an option but is short on data.
  - Medicare interventions must include acute and long term care.
- Demonstration pilots are crucial.
  - Data from any source is helpful.

Location, Location

- The senior needing to see the doctor may be living in a long term care setting.
- Skilled rehab may be provided at the nursing home.
- Chronic care management is a huge unmet HCBS need.
- The most complete records about the "patient" may be at the nursing home.
- Electronic health records impact all provider types.

House Government Efficiency and Fiscal Oversight Committee

Attachment 2
GEFO 3-3-09

Home Telehealth Presentation
March 3, 2009

Monte Coffman
Executive Director
Windsor Place
Coffeyville, KS

Windsor Place is a long-term care company located in Coffeyville.

The continuum of long-term care operations include:
*A home health agency serving over 1,300 clients
*2 assisted living facilities, and
*3 nursing facilities.

In addition to these core services, additional services provided to aged and disabled clients involve:

- *transportation programs
- *adult day care
- *outpatient therapy
- *respite care
- *2 monthly support groups
- *weekend Meals on Wheels
- *The Age to Age Kindergarten classroom (only the second such project in the nation)
- *In 1996, Windsor Place At-Home Care was formed and currently serves 1,300 clients in their homes.

2-2

Kansas Medicaid LTC Services

	Nursing Facilities
Medical Clinical Care	RN's ---------------- LPN's
ADL and Personal Care	CNA's ---------------- RA's ---------------- Other Staff
Social Needs	Activity Directors Social Workers

2-3

Kansas Medicaid LTC Services

Home and Community Based Services

2-4

Medical Clinical Care	VOID
ADL and Personal Care	Attendant Care Workers ----------------- Homemaker Staff
Social Needs	Companion Services (added October 2008)

Kansas Medicaid LTC Services

	Nursing Facilities	Home and Community Based Services
Medical Clinical Care	RN's -------- LPN's	VOID
ADL and Personal Care	CNA's -------- RA's -------- Other Staff	Attendant Care Workers ---------------- Homemaker Staff
Social Needs	Activity directors/Social workers	Companion Services (added October 2008)

2-5

In 2006, Windsor Place met with and proposed to KDOA Secretary Greenlee and her staff the application of home telehealth and remote monitoring for the purpose of managing chronic diseases more effectively in the home.

In Feb 2007, a KDOA grant funded our pilot project. On August 1, 2007, the pilot program was operational. Extremely promising results were realized during the pilot's first year.

An extension of this grant was awarded last summer. Results continue to be quite exciting in this paradigm shift.

2-6

3 Benefits of Telehealth

-Access to care

-Quality improvement

-Efficiency and lower cost of care

Four Key Elements to Telehealth

-Accurate physiological information

-Shared data with patient

-Data-driven coaching/patient education

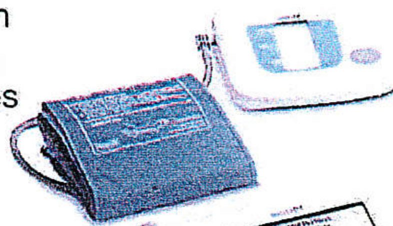
-Optimized provider involvement

Award-winning Measurement Technologies
Accurate, Reliable, Unobtrusive and Easy to Use

2-9

Blood Pressure & Pulse

Takes readings when patient slides cuff up the arm, then presses "Start" button.

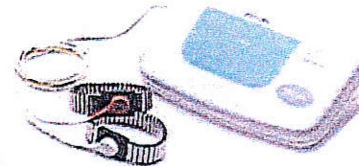


Standard Scale

Low step, a wide, steady platform, a large digital display and voice announcement.

TeleStation

Asks simple health questions. Responses are communicated to the clinical software.



ECG/Rhythm strip

Simple wristbands with snap-on connectors.

Pulse Oximeter

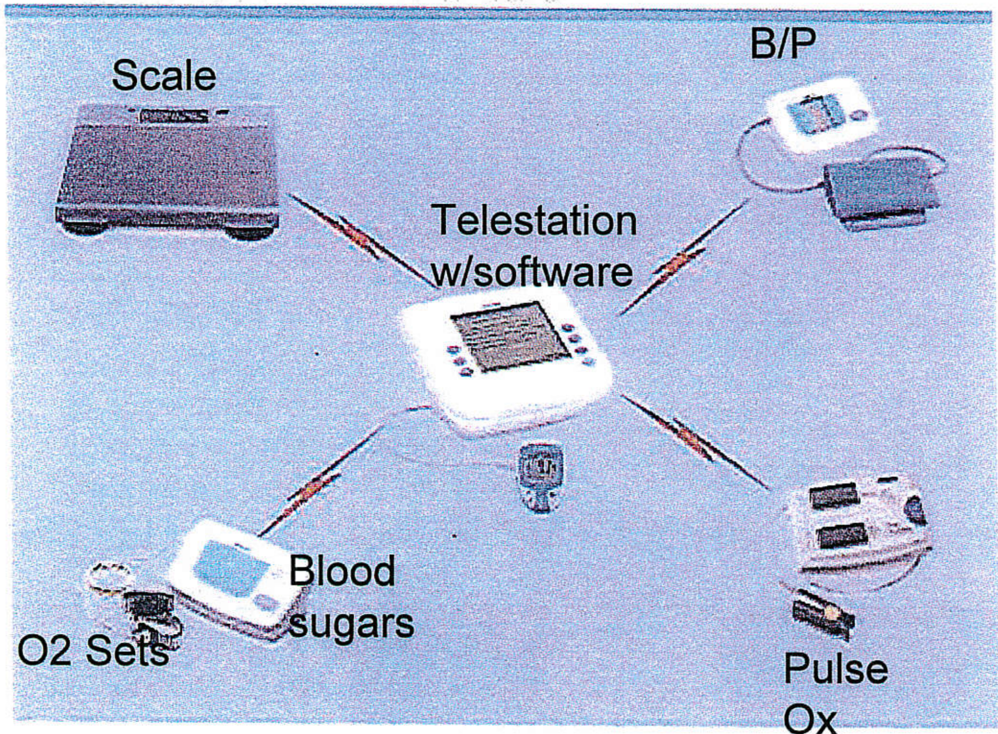
Spot checks oxygen saturation and pulse within seconds.

Glucose meter connection

Bayer Ascensia Contour 7151B

Wireless or Manually-Entered Measurements

2-10

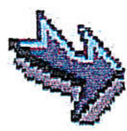


Plus any of these Manual Measurements

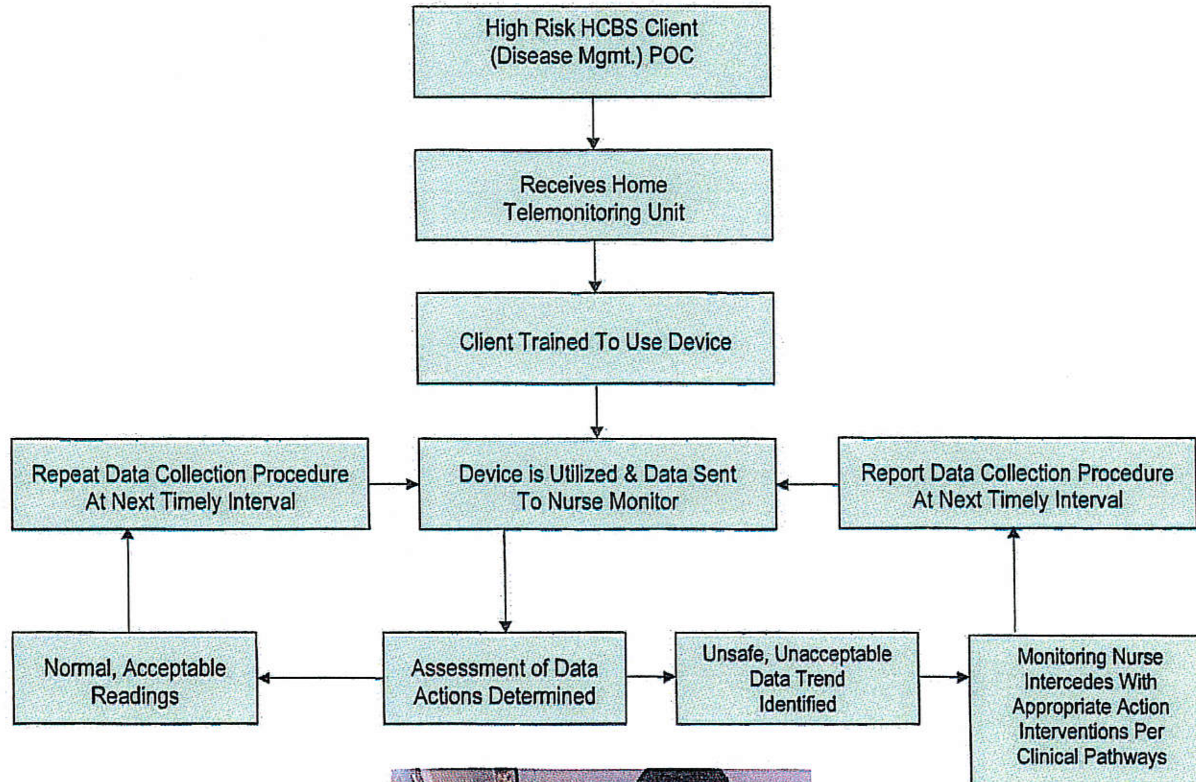
- Glucose (blood sugar)
- Peak Flow
- Spirometry (FEV 1)
- Clotting Time
- Temperature
- Hemoglobin A1c
- Respiration Rate
- Zo

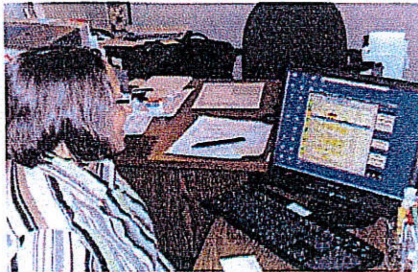
Wireless Measurements

- Weight
- Blood Pressure, Pulse
- SpO2, Pulse
- Rhythm Strip



KDOA-HCBS PILOT PROJECT
Monitoring Process High Risk HCBS Client





Client's begin Telehealth session

Session Data Transmission

Sent to Nurse's Computer

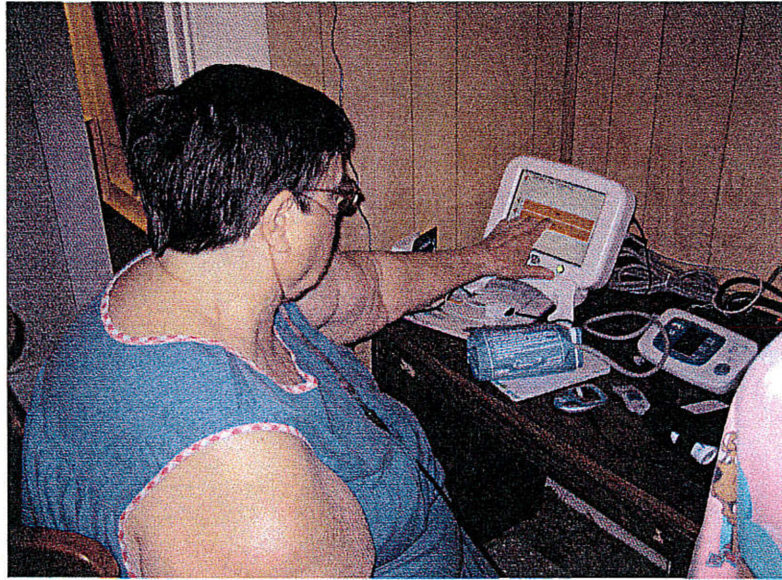
Data Reports Analyzed/Assessed

Communications Back to Client

Education Tips

Intervention Actions

Retake Measurements



2-12

2-13

MARY's DAY

Mary uses Telehealth equipment to measure her Weight, Blood Pressure, Pulse Oxygen and Blood Glucose readings. A typical day for Mary is as follows:

07:30am Mary wakes, walks into her dining room and sitting relaxed, places the **Blood Pressure** cuff on her arm and presses the START button on the B/P meter. Her B/P is automatically transferred to the TeleStation (main monitor).

07:32 Mary places the **Pulse Oxygen** clip on her finger, presses start and the meter measures the oxygen in her blood. This is transferred to the TS.

07:34 Mary checks her **Blood Sugar.** Once the measurement is taken, she will plug a cable from the TeleStation into the glucose meter. This transmits that reading to the TS.

07:37 Next, Mary gets up to do her **Weight.** In about 10 seconds, this measurement will automatically go to the TS.

07:40 Taking all these measurements in the comfort of her home, Mary has used about **10 minutes** of her day.

The **TeleStation will transmit** the readings it has received from each device via a **TOLL FREE** number and send them to a **secure, password protected website** so that the **TeleHealth nurse can see them.** This transfer happens about 15 – 20 min after the first measurement was taken, giving Mary ample time to do all measurements.

On occasion, Mary will have assessment questions, information or education, or a simple Birthday greeting. She will answer these in a matter of minutes and the TeleStation, as with the measurements, will transmit the answers to the secure website.

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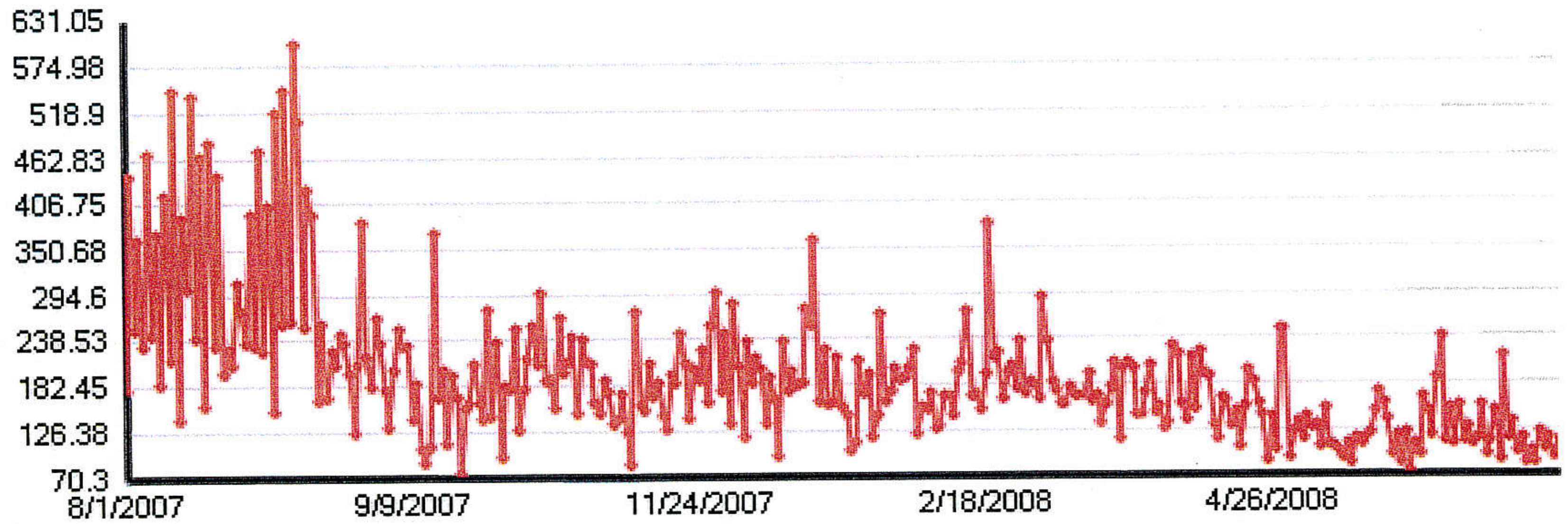
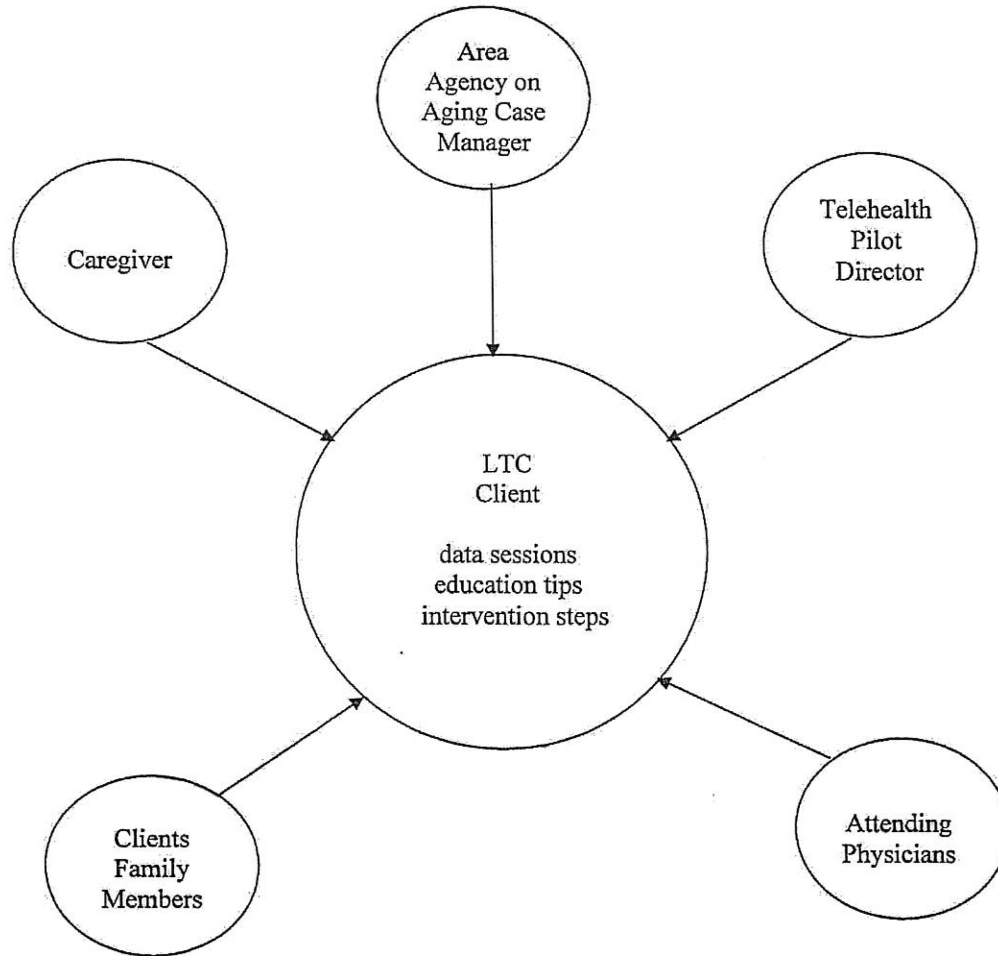


Care Coordination and Integration Expansion

2-15



Kansas

Coffeyville – 8
Dearing – 2
Independence – 4
Cherryvale – 1
Neodesha – 3
Yates Center – 1
Iola – 1
Fall River – 1

Chanute – 7
Erie – 2
Parsons – 1
Galena – 4
Baxter Springs – 3
West Mineral – 2
Scammon – 1
Pittsburg – 4

Frontenac – 2
Arma – 2
Mulberry – 2
Englevale – 1
Arcadia – 1
Ft. Scott – 4
Girard – 1
Edgerton – 1

Olathe – 2
Roeland Park – 1
DeSoto – 1
McLouth – 1
Lawrence – 1
Topeka – 2

Variable	Baseline Mean	Intervention Mean
Hospital Visits	1.10	.63
Hospital Days	12.60	7.70
Hospital Costs	$45,554.02	$15,700.14
UAI Scores	46.56	46.56
ER Visits	.43	.23
ER Costs	$1,234.48	$424.92

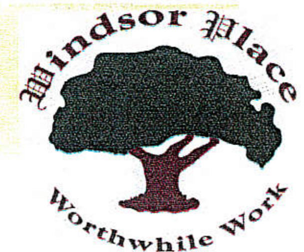
Table 2: Comparison of baseline and intervention means of pilot variables.

Long Term Care

2-18

	NF	HCBS
	approx 10,500 people are here approx cost $2950 per month →	approx 5800 frail elders are here approx cost $950 per month
	seniors/funding source want to move this trend from NF to HCBS	
medical/clinical needs	RN/LPN's provide care here.	**There is a void of care here.** Telehealth would fill this need and allow seniors to stay in their homes longer.
Personal/ADL needs	CNA/RA's provide care here.	Attendant care and homemakers provide care here.
Social Needs	Activity directors/Social workers	Companion services added Oct 2008

Cost savings opportunities -The monthly cost difference between HCBS and NF is approx $2,000
-If 500 Kansas elders could be deferred from NF placement,
the annual savings would be $12,000,000.
(500 x $2,000 x 12 months)



2-19

Long Term Care

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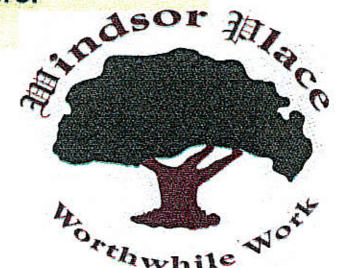
Cost savings opportunities 1372 PD consumers incurred $24M in Medicaid hospital costs in FY 2008.
Projected FY2009 Medicaid hospital cost for PD consumers is $28M.
If 500 consumers could be averted, savings could be $8.7M annually or more.



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