Approved: 2-5-09
Date

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairman Brenda Landwehr at 1:30 p.m. on January 22, 2009 , in Room 784 of the Docking State Office Building.

All members were present except Representatives Hermanson and Schwab, excused.

Committee staff present:
Norm Furse, Office of the Revisor of Statutes
Melissa Calderwood, Kansas Legislative Research Department
Reed Holwegner, Kansas Legislative Research Department
Janet Grace, Committee Assistant

Conferees appearing before the committee:
Dr. Marcia Nielsen, Executive Director, Kansas Health Policy Authority

Others attending:
See attached list.

Chairman Landwehr called the meeting to order. The committee was informed of a delay in the hard wiring of 784 Docking. It will be done by February 2, 2009.

Dr. Marcia Nielsen, Executive Director, Kansas Health Policy Authority (KHPA), briefed the Committee on the KHPA (Attachments 1, 2, 3, 4). The general charge is to improve the health of Kansans and to develop and maintain a coordinated health policy agenda. This is done by combining effective purchasing and administration of health care with health promotion oriented public health strategies. The public health strategies include:

- Access to Care
- Quality and Efficiency in Health Care
- Affordable and Sustainable Health Care
- Promoting Health and Wellness
- Stewardship
- Education and Engagement of the Public

Dr. Nielsen explained the KHPA's duties, responsibilities, and expectations. KHPA administers medical portions of:

- Medicaid
- State Children's Health Insurance Program (SCIP)
- HealthWave
- State Employee Health Plan
- State Self-Insurance fund (SSIF)/workers compensation

Other KHPA responsibilities:

- Data Policy and Evaluation
- Initiatives

Effective Purchasing and Administration of Health Care:

- Developed the Medical Home Model of Delivery
- Improved Payments for Hospitals which Treat Low Income Patients
- Implemented a Health Information Exchange Pilot Program - implement the electronic medical records system

Health Promotion Oriented Public Health Strategies:

- Provided Wellness Programs for State Employees - provides a $40 discount/month for non-smokers
- Launched Online Health Consumer Search Tool - 90 indicators in system to look at health
- Honored by the Institute for Health and Productivity Management

Medicaid:

- Cost drivers - home health care; custodial vs. nursing care

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- Spending increases particularly with Hospice
- Cost Containment - brought down for home health care
- Recommendations for cost savings; out-source transportation
- Promote efficiencies
- Medicaid Transformation recommendations - need to hold costs down

Kansas vs. other states:
- Spend more than other states - program is reviewing this
- Per person in every group is above average in cost-reviewing
- Lowest in country for persons on Medicaid

14 program reviews presented to the 2009 Legislature:
- Medicaid and SCHIP Dental programs
- Durable Medical Equipment
- Medicaid Fee-for-Service Home Health Benefits
- Hospice Services
- Acute Care Inpatient/Outpatient Hospital Services
- Independent Laboratory and Radiology
- Medicaid Pharmacy Fee-for-Service
- Medicaid Fee-for-Service Transportation
- HealthWave
- HealthConnect Kansas
- Medical Services for the Aged and Disabled
- Emergency Health Care for Undocumented Person (SOBRA)
- Eligibility Policy and Operations and Public Insurance Programs
- Quality Improvement in KHPA's Health Care Programs

Coordinating Statewide Health Policy Agenda:
- Advancing a Statewide Clean Indoor Air Law
- Increasing Tobacco user Fees
- Expanding Access to Affordable Health Care and Public Health

Governor's recommendation and the impact:
- FY 2009 a 6.6% reduction
- FY 2010 a 12.3% reduction

Dr. Nielsen explained that the medical model targets everyone with a focus on the Medicaid patient and the state health plan. She explained different pilot programs will need to be done to address rural Kansas and the larger populated areas. The safety net system needs more dollars, needs to grow and become more efficient. Dr. Nielsen discussed the gaps with health electronic technology for our medical records. The durable medical equipment problem is one of not having the data necessary to know if there is an overpayment. It is a problem we need to fix. Dr. Nielsen will check and report back to the committee on the issue of providers not providing essential equipment (oxygen) due to the length of time for reimbursement.

KHPA is reviewing their goal of a healthy outcome, what they provide, what they need, and their cost efficiencies. One of their highest costs is lack of electronic medical records. Another concern is the amount spent on preventive care (5%) vs. cure (95%). This has not changed over time. KHPA and employers tend to overlook the long term benefits by investing in prevention. This provides benefits for the present and the future. The HealthWave program has rigorous prevention programs. A suggestion would be to move the cost of staffing to preventative care from cure.

KHPA have providers deciding who they treat, how they treat, and if they will treat them due to the high cost of malpractice insurance. A Care and Trust program is offered, you need to opt in and decide which providers you want to share your information.

Legislature suggests they need to review the contracts they have, where they are collecting funds and what

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will help with saving costs.

There were no bill introductions today.

The next meeting is scheduled for January 26, 2009.

The meeting was adjourned at 2:47 p.m.

HOUSE HEALTH & HUMAN SERVICES COMMITTEE

DATE: 1/22/09

NAME	REPRESENTING
Susan Zalenski	J+J
Berend Koops	Hein Law Firm
Chris Gigstad	Federico Consulting
KEITH PANGBURN	KEARNY & ASSOC.
Michelle Butler	Capitol Strategies
DAVE HEINEMANN	ACS
Carolyn Middendorf	Ks St Nurses Assn
Larry Pitman	KFMC
Sarah Tidwell	KSNA
Kerri Spielman	KAIA
Connie Hubbell	KFMC
Matt Casey	GBA
LARRY MAGILL	KAIA
Mike Hammond	Aramark
ERNIE Lutzley	AARP
Katelyn Lutgen	KGC
Rachel Smith	KLHI

Please use black ink

Coordinating health & health care
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KANSAS HEALTH POLICY AUTHORITY

KHPA Agency Overview
House Health and Human Services Committee
January 22, 2009
Marcia Nielsen, PhD, MPH Executive Director

Good morning Madame Chairman, Mr. Vice Chairman, and members of the Committee. I am Marcia Nielsen, and I serve as the Executive Director of the Kansas Health Policy Authority Board. I also served as the first KHPA Board Chair from fall 2005 to July 2006. Today I will provide the House Health and Human Services Committee an overview of our agency and share excerpts from the 2008 KHPA Annual Report which was approved by our Board on Tuesday (and electronically submitted to the legislature and provided publicly at our website www.khpa.ks.gov). I will also provide some additional information on our health reform priorities, and a brief overview of our early assessment of the Governor's budget.

Agency Overview

KHPA History: The Kansas Health Policy Authority was established in 2005 with passage of S.B. 272 in the Kansas legislature. That bill established KHPA as a state agency within the executive branch of state government (K.S.A. 75-7401, et seq.). The general charge is to improve the health of Kansans and to develop and maintain a coordinated health policy agenda that combines effective purchasing and administration of health care with health promotion oriented public health strategies.

Before 2005, the state of Kansas purchased health care and health coverage for state employees and various other populations through a myriad of different programs and agencies. One of the primary reasons for consolidating those programs into a single agency was to leverage the combined purchasing power of the state to achieve greater efficiency and cost savings.

The bill called for forming a 16-member Board of Directors to govern the agency, including nine voting members appointed by the Governor, Speaker of the House and Senate President, as well as seven non-voting, ex-officio members. The seven ex-officio members include the secretaries of Health and Environment, Social and Rehabilitation Services, Administration and Aging; the director of health of the Department of Health and Environment, the state Insurance Commissioner and the Executive Director. In 2008, the Kansas legislature passed legislation designating the state Education Commissioner as an eighth ex-officio member. The board provides independent oversight and policymaking decisions for the management and operation of KHPA.

Vision Principles: The KHPA Board of Directors adopted the following vision principles to serve as the guiding framework for the agency and the board. They reflect the board's application of their statutory mission to the full range of health policies within their purview.

Access to Care – Every Kansan should have access to patient-centered health care and public health services

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www.khpa.ks.gov

Medicaid and HealthWave:
Phone: 785-296-3981
Fax: 785-296-4813

State Employee Health Plan:
Phone: 785-368-6361
Fax: 785-368-7180

ensuring the right care, at the right place, at the right price. Health promotion and disease prevention should be integrated directly into these services.

Quality and Efficiency in Health Care – The delivery of care in Kansas should emphasize positive outcomes, safety and efficiency, and be based on best practices and evidence-based medicine.

Affordable and Sustainable Health Care – The financing of health care and health promotion in Kansas should be equitable, seamless and sustainable for consumers, providers, purchasers and government.

Promoting Health and Wellness – Kansans should pursue healthy lifestyles with a focus on wellness to include physical activity, proper nutrition and refraining from tobacco use as well as a focus on the informed use of health services over their life course.

Stewardship – The Kansas Health Policy Authority will administer the resources entrusted to us by the citizens of the state of Kansas with the highest level of integrity, responsibility and transparency.

Education and Engagement of the Public – Kansans should be educated about health and health care delivery to encourage public engagement in developing an improved health system for all.

KHPA Programs: The Executive Director of KHPA has responsibility and statutory authority for the oversight of the Medicaid and SCHIP programs, the State Employees Health Benefits Program, State Workers Compensation, and the health care data responsibilities of the former Health Care Data Governing Board.

Medicaid: In 1965, Congress amended the Social Security Act by adding Title XIX (Medicaid) which provides medical coverage for individuals of all ages based on financial eligibility. Medicaid is a joint federal-state health insurance program for low income individuals, the aged, and people with disabilities. In Kansas, the federal government pays approximately 60 percent of the cost of the program, with the state paying the remaining 40 percent.

SCHIP: In 1997, Congress amended the Social Security Act further by adding Title XXI establishing SCHIP – the State Children's Health Insurance Program. The aim was to insure children whose families earned too much to qualify for Medicaid but too little to afford private insurance. Like Medicaid, SCHIP is a joint federal-state program. However, unlike Medicaid, which is an entitlement program, SCHIP is a block grant program that is subject to federal reauthorization. In 2007 Congress passed a reauthorization bill that expires on March 31, 2009.

In Kansas, the federal government pays approximately 72 percent of SCHIP costs. The state pays the remaining 28 percent as well as any excess above the federal allotment. SCHIP is administered by the state within federal guidelines. Currently, the Kansas program insures children in families with income below 200 percent of the federal poverty level. In 2008, the legislature approved expanding eligibility up to 225 percent of the poverty level, subject to the availability of increased federal funding which has not yet been forthcoming.

HealthWave: The word "HealthWave" originated as the state of Kansas' brand name for the SCHIP program in Kansas. In 2001, Kansas blended SCHIP and Medicaid so that families who are eligible for both programs can have seamless coverage, with the same plan and same providers for all family members. The term now applies to the blended program serving families with members in each of the two programs.

Last month (December) through the Medicaid and HealthWave programs, we provided medical coverage to more than 300,000 people, which included more than 125,000 infants and children and nearly 88,000 elderly and disabled Kansans. Certain Medicaid-funded long-term care services, including nursing facilities and Home and Community Based Services (HCBS) are managed on a day-to-day basis by the Kansas Department of Aging (KDOA) and the Kansas Department of Social Rehabilitation Services (SRS). These agencies also set policy for the Medicaid programs under their jurisdictions.

W ers Compensation: KHPA administers the workers compensation program for state of Kansas employees. Officially known as the State Self Insurance Fund (SSIF), it was established in 1972 and eventually consolidated into KHPA in 2006. It is a self insured, self-administered program. The SSIF is funded by agencies based on experience rating. The rates are developed by an actuarial service using claims experience, payroll history, and caps on expenses. Rates are currently approved by the Department of Administration and published by the Division of Budget.

State Employee Health Benefits Plan: As an employer, the state of Kansas offers health coverage benefits to its employees and their dependents. In 1984 the legislature established the Kansas State Employees Health Care Commission (HCC) to, "develop and provide for the implementation and administration of a state healthcare benefits program." (K.S.A. 75-6501.) The HCC is chaired by the Secretary of Administration. It determines the benefits provided under the plan and the allocation of costs between the employer and employee. The HCC receives input from a 21-member Employee Advisory Committee that was established in 1995.

Over the years, the State Employee Health Plan has been expanded to include other employee groups. In 1999 the HCC approved inclusion of employees in Kansas public school districts, community colleges, technical colleges and vocational technical schools into the plan. In 2000, certain units of local government were allowed to join, including cities, counties, townships, public libraries, public hospitals and extension councils.

Underwriting guidelines were developed to assure that state employees would not be adversely affected by those additions. Non-state entities pay different composite rates and premiums to reflect the cost of administering those benefits.

For most of its history, SEHP was administered through the Department of Administration which contracted out with third-party administrators. In 2006, the function was shifted to the newly-created Kansas Health Policy Authority.

Data Policy and Evaluation: The Data Policy and Evaluation Division was established to consolidate data management and analysis with policy evaluation. All program data for Medicaid, SCHIP, and the State Employees Health Plan are available to analysts to assess the impact of proposed policies, forecast utilization and expenditures, and provide information to the KHPA Board, staff, and other stakeholders.

KHPA is charged with the responsibility of collecting a wide range of health and health care information that includes programmatic and administrative data as well as market-generated data. These data come from Medicaid and SCHIP, the State Employees Health Benefits Plan, State Workers Compensation Self-Insurance Fund, inpatient hospital claims information, heath care provider licensure databases, and private insurance data from the Kansas Health Insurance Information System (KHIIS).

House Substitute for SB 272, the enabling legislation for KHPA, transferred the responsibility for collection and management of a wide range of data once managed by the Health Care Data Governing Board (HCDGB). In addition, House Substitute for SB 577 transferred to KHPA responsibility for collection of data from insurance carriers on behalf of the Commissioner of Insurance. KHPA is further charged with using and reporting those data to increase the quality, efficiency and effectiveness of health services and public health programs. KHPA is required specifically to adopt health indicators and include baseline and trend data on health costs and indicators in each annual report submitted to the Kansas Legislature.

Initiatives: Although 2008 was a year of a faltering economy across the country, Kansas fared better than some other states. As 2009 begins, Kansas finds itself facing steep budget deficits and a growing number of Kansans in need. Despite the budget challenges facing the state, KHPA was able to make progress on a number of key initiatives, advancing the statutory mission of the KHPA to "develop and maintain a coordinated health policy agenda that combines effective purchasing and administration of health care with health promotion oriented public health strategies." The Board of Directors (the governing body for the agency) and staff also made significant progress with our statutory mandate regarding the "development of a statewide health policy

agenda including health care and health promotion components." These are described in the annual report which also includes as required, "recommendations for implementation of the health policy agenda recommended by the authority." I would like to underscore a few of those key initiatives.

Effective Purchasing and Administration of Health Care:

- **Developed the Medical Home Model of Delivery:** KHPA convened a stakeholder group to begin implementing the medical home model that was enacted by the legislature in 2008. This process included a broad array of providers, consumers, health plans and businesses. The goal is to create a medical home model – or possible models – for Kansas, with incentives for payment reform that will promote improved health outcomes and lower health care costs. *Transforming the health care system requires a significant change in the ways we coordinate care and reimburse providers for primary care and prevention.*

- **Improved Payments for Hospitals which Treat Low Income Patients:** The Centers for Medicare and Medicaid Services (CMS) approved a plan submitted by KHPA to pay hospitals for treating indigent patients. The former Disproportionate Share Hospital (DSH) payment method resulted in Kansas hospitals receiving $22.2 million of available federal funding for Medicaid DSH payments in Fiscal Year 2007. With the reforms, the DSH program will provide at least an additional $4.3 million in federal matching funds annually. *Legislators have asked us to maximize the use of federal dollars; this is a noteworthy priority in Kansas Medicaid and we have made several State Plan changes this year to do just that.*

- **Implemented a Health Information Exchange Pilot Program:** The CareEntrust program was implemented in May 2008 for state employees who live in 15 counties in the Kansas City metropolitan area. This innovative employer-driven community health record gives consumers access to their health information and authority to share this information with providers of their choosing. We have an existing Medicaid community health record pilot on-going in Sedgwick County. *Expanding Health Information Technology is one of the most substantial ways to improve patient safety, health outcomes, and control rising health care costs.*

Regarding our focus on health promotion oriented public health strategies, the KHPA made progress on our goal to improve the overall health status of Kansans and ultimately lower health care costs. Achievements include:

Health Promotion Oriented Public Health Strategies:

- **Provided Wellness Programs for State Employees:** More than 76,000 employees and dependents are now eligible to participate in the wellness programs. Approximately 16,300 members took a personal health assessment and more than 9,000 individuals participated in health screening events held across the state. *In order to control health care costs in the long term, we need to better manage our own health through improved health and wellness, and disease/care management. This will be an increased priority for Kansas Medicaid in the 2009.*

- **Launched Online Health Consumer Search Tool:** The Kansas Health Online Consumer Transparency Portal (www.kansashealthonline.org) was launched in January 2008. It is dedicated to informing health consumers by empowering them with resources to stay healthy, manage their medical conditions, navigate the health system, improve their health literacy, purchase health care, compare provider quality and understand health policy. *Legislators have us to promote personal responsibility for health behaviors and providing education is the first step.*

- **Honored by the Institute for Health and Productivity Management:** KHPA was named a winner of the 2008 *Value-Based Health (VBH) Award* by the Institute of Heath and Productivity Management. The Institute recognized KHPA for innovative strategies in the 2009 state employee health plan that were designed to control costs by promoting healthy lifestyles and personal responsibility. *Lawmakers expect us to integrate appropriate health promotion and disease prevention in all of the programs we manage – and to use best practices management to help control health care costs.*

The KHPA made impressive progress on advancing data driven health policy, particularly with the exhaustive review of the Kansas Medicaid program through the Medicaid Transformation process. In addition, the KHPA succeeded in the requirement to "develop and adopt health indicators and shall include baseline and trend data on the health costs and indicators in each annual report to the legislature."

Data Driven Health Policy:

Completed the 2008 Medicaid Transformation Process to reform Kansas Medicaid: Since assuming responsibility for the Kansas Medicaid system on July 1, 2006, KHPA has engaged in a sweeping process of reviewing all the programs and services within Medicaid to improve their efficiency and effectiveness. This process, which we have called "Medicaid Transformation," seeks to make sure that every dollar is spent wisely and produces the best possible result for Medicaid beneficiaries.

The first 14 of those program reviews will be presented to the 2009 legislature. They include

- Medicaid and SCHIP Dental Programs
- Durable Medical Equipment
- Medicaid Fee-for-Service Home Health Benefits
- Hospice Services
- Acute Care Inpatient/Outpatient Hospital Services
- Independent Laboratory and Radiology
- Medicaid Pharmacy Fee-for-Service
- Medicaid Fee-for-Service Transportation
- HealthWave
- HealthConnect Kansas
- Medical Services for the Aged and Disabled
- Emergency Health Care for Undocumented Persons (SOBRA)
- Eligibility Policy and Operations of Public Insurance Programs
- Quality Improvement in KHPA's Health Care Programs

Key Findings: The program reviews completed provide an overall picture of Medicaid in Kansas. They show that while children and families account for most of Medicaid enrollment, much of the increase in expenditures is driven by the cost of serving elderly and disabled beneficiaries. The reviews show increases in spending for hospital and hospice services, durable medical equipment and pharmaceuticals. The reviews also indicate that efforts by KHPA to reduce costs are meeting with some success. The cost savings derived through the recommendations from the Medicaid transformation process and other implemented Medicaid cost efficiency measures are described in the Medicaid Transformation Process fact sheet.

Those 14 reviews will be presented to the Kansas legislature. An additional 12 program reviews are scheduled for completion in early 2010. The overall purpose of the program reviews is to provide a regular and transparent format to monitor, assess, diagnose, and address policy issues in each major program area within Medicaid. The preparation of these reviews is designed to serve as the basis for KHPA budget initiatives in the Medicaid program on an ongoing basis, providing a concrete mechanism for professional Medicaid staff within the KHPA to actively recommend new policies. *Our goal is that well-founded, data-driven, and operationally sound Medicaid reform proposals may be advanced to the Board, the Governor, and the Legislature.*

- **Finalized and published Health Indicators:** The KHPA Board adopted a list of nearly 90 different measures which had been recommended by the Data Consortium, divided into four categories that are aligned with the KHPA Board's vision principles: Access to Care; Health and Wellness; Quality and Efficiency; and Affordability and Sustainability. These measures are presented as concise graphics and tables that show baseline and historical trends along with benchmark information for comparison to national and peer state data (see end of testimony for an example). In addition, statistical indicators are included which provide intuitive alerts

ıaling either the achievement of policy objectives or the need for policy intervention. *Our statute exp ly requires the KHPA to adopt health indicators and include baseline and trend data on health costs and indicators in each annual report submitted to the Kansas Legislature.*

- **Completed Plans to Implement Data Analysis Infrastructure:** This ambitious technology infrastructure development initiative aims to consolidate and manage health care data for several state programs managed by KHPA, including the Medicaid Management Information System, the State Employee Health Benefit Program, and the Kansas Health Insurance Information System, and allow analysis of health care based on episodes of treatment, disease management, predictive modeling, and the measure of cost and outcome effectiveness. This web-based tool is being designed to use public and private data to compare the health care service and utilization patterns, identify trends and areas for focus and improvement. *KHPA is charged with using and reporting data to increase the quality, efficiency and effectiveness of health services and public health programs.*

Finally, the Board and staff also made significant progress with our statutory mandate regarding the "development of a statewide health policy agenda including health care and health promotion components." Last year, the KHPA advanced a set of health reform recommendations that met with limited progress. Legislators asked us to prioritize our reform recommendations for 2009, and requested that we complete 20 studies on a variety of different topics; on 7 studies we worked in collaboration with other agencies. Those studies have been completed and delivered to the Legislative Coordinating Council. In order to prepare our 2009 health reform priorities, we met with Kansans in 54 meetings across the state this summer to discuss their recommendations for moving a health agenda during these difficult budget times. Our reform recommendations are:

Coordinating Statewide Health Policy Agenda

- **Advancing a Statewide Clean Indoor Air Law:** An overwhelming number of studies confirm that smoking is the number-one preventable cause of death and illness in Kansas. Without such a ban, even those who wisely choose not to smoke are made to suffer from exposure to secondhand smoke. This is especially true for people who work in restaurants, bars and other establishments where smoking is allowed, as well as the customers who patronize those establishments. A statewide ban would protect the public from these harmful effects and send a strong social message that smoking in public is unacceptable. We strongly support the clean indoor air legislation being proposed by Senator David Wysong and the Senate Public Health Committee and stand ready to work with you on this common sense legislation that helps control care costs without spending scarce state general fund dollars.

- **Increasing Tobacco User Fees:** KHPA is proposing a 95-percent increase in the state excise tax on tobacco. That would increase cigarette taxes by $.75 per pack – from $.79 to $1.54. This is based on findings that show a large amount of health care expense in the United States is directly attributable to smoking. The purpose of the tax is twofold: to make smoking more expensive, thus encouraging smokers to quit and discouraging non-smokers from ever starting; and to generate revenue to fund expansion of health insurance coverage. The budget impact will add $87.4 million in new revenue for FY 2010.

- **Expanding Access to Affordable Health Care and Public Health**: Using the tobacco user fee as funding, the KPHA is proposing to expanding Medicaid to cover all parents and caregivers with incomes below the federal poverty level; as well as other reform measures aimed at expanding access to cancer screening for low-income Kansans, implementing a statewide Community Health Record CHR) and providing tobacco cessation programs for Medicaid recipients.

Governor's Budget: The FY 2009 Governor's Recommendation for KHPA is $1.8 billion (including $503.2 million from the State General Fund). Excluding Medicaid, HealthWave, and other assistance programs, the Governor's recommendation for program administration totals $88.0 million (including $23.2 million from the State General Fund). The recommendation reflects a 6.6% reduction in administrative spending compared to

th PA approved budget. We made some of those reductions through administrative belt-tightening ai contract reductions in the fall in order to meet the budget restrictions imposed during the budget development process as requested by the Governor. However, the Governor's budget recommends $11.2 million in additional reductions to FY 2009 State General Fund expenditures.

For FY 2010, the Governor recommends $1.9 billion (including $515.0 million from the State General Fund). For program administration, the budget recommends $82.6 million (including $22.3 million from the State General Fund). This is a 12.3% reduction compared to the approved FY 2009 administration budget.

These reductions are described in the table below:

Selected Budget Reduction Items in Governor's Budget

	FY 2009		FY 2010	
	SGF	All Funds	SGF	All Funds
Reduce Contractual Service Expenditures	$1,111,749	$5,734,123	$1,321,175	$5,525,000
Reduce Salary and Wage expenditures	$383,595	$1,153,866	$440,430	$1,246,706
Administrative reductions in travel, printing, supplies, communications, equipment replacement	$67,249	$399,000	$53,642	$359,100
Implement Employer Sponsored Insurance for SCHIP - Supplemental request	$125,000	$250,000		
Citizenship Paperwork Requirement for SCHIP - Supplemental request	$280,000	$560,000		
Switch Health Care Access Improvement Fee Fund for State General Fund	$6,000,000			
Switch Medical Programs Fee Fund for State General Fund	$2,500,000		$5,700,000	
Correct SCHIP expenditures to match caseload estimate	$689,687	$2,518,481		
Return unspent Children's Initiative Fund for Immunizations		$222,123		
Return unspent State General Fund from Regular Medicaid appropriation	$997,907	$997,907		
Move Children's Initiative Fund for immunization to KDHE				$500,000
Medical Assistance program recommendations and Transformation savings.			$9,500,000	$23,900,000
18 month time limit for Medikan Enrollment			$6,700,000	$6,700,000
Expand Preferred Drug List to include mental health drugs			$800,000	$2,000,000
	$12,155,187	$11,835,500	$24,515,247	$40,230,806

That concludes my testimony. Looking ahead to the coming year, we acknowledge that Kansas faces serious economic and fiscal challenges. We also acknowledge that these challenges present a kind of double-edged sword for the state: increased demand for publicly-funded health services; and fewer resources available to pay for them. Because of that, we believe now it is more important than ever to leverage the resources we have to provide the best possible service to Kansans in the most effective and cost-efficient manner possible.

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KANSAS HEALTH POLICY AUTHORITY

Medicaid Transformation Fact Sheet

KHPA has been engaged for the past two years in a comprehensive effort to review and improve each major component of Medicaid and SCHIP. The overall purpose of the Medicaid Transformation Process is to provide a regular and transparent program reviews to monitor, assess, diagnose, and address policy issues in each major program area within Medicaid. The preparation of these reviews is designed to serve as the basis for KHPA budget initiatives in the Medicaid program on an ongoing basis. The following recommendations are based on findings from 14 program reviews completed in 2008; they address issues related to decreasing expenditures, addressing reimbursement, expanding coverage, and enhancing program oversight. An additional 12 reviews will be completed for 2009.

KANSAS HEALTH POLICY AUTHORITY (KHPA) BACKGROUND:

■ **Medical Services:** In 2006, KHPA was designated as single state agency responsible for Medicaid and SCHIP. However, KHPA only directly administers public insurance programs that provide medical care services, or $1.2 billion of the 2.2 billion spent on Medicaid - SCHIP in fiscal year 2007. HealthWave (managed care) and HealthConnect (fee-for-service with additional $2 per beneficiary per month to provide managed care services) are KHPA's two primary public insurance programs. On a monthly basis, we provide medical coverage to over 300,000 people, including more than 125,000 infants and children, and nearly 88,000 elderly and disabled Kansans.

■ **Long Term Care & Mental Health:** The Kansas Department of Social and Rehabilitation Services (SRS) and the Kansas Department on Aging (KDOA) administer programs that provide long-term care and mental health services, accounting for the remaining $1 billion in FY2007 Medicaid/SCHIP spending.

MEDICAID TRANSFORMATION KEY FINDINGS

- **Cost drivers:** While children and families account for most of Medicaid enrollment, much of the increase in expenditures is driven by aged and disabled beneficiaries.
- **Spending increases:** Reviews demonstrate increases in spending for hospital and hospice services, durable medical equipment, and prescription drugs.
- **Cost Containment:** Reviews indicate that KHPA efforts to reduce costs are meeting with some success. For example, recent changes resulted in a significant slowdown in the escalation of costs for transportation services. KHPA also had success in reducing the cost of home health services, saving over $16 million.
- **Recommendations:** Program reviews demonstrate significant opportunities for Medicaid cost containment and health improvement.

MEDICAID TRANSFORMATION RECOMMENDATIONS:

HealthConnect – Review this program's model as a primary care gatekeeper and work with stakeholders to develop plans to implement a medical home in order to reduce the rising costs of chronic disease.

HealthWave – In order to increase transparency, make comparative health plan performance and health status quality data available for consumers, policymakers, and other stakeholders in 2009. Highlight wellness and prevention efforts for families.

Medical Services for the Aged and Disabled – Convene stakeholders to help evaluate and design a statewide care management program for the aged and disabled aimed at slowing the growth of health care costs through improved health status.

Emergency Health Care for Undocumented Persons – Monitor changes in border state policies regarding immigrants and assess the impact on Kansas.

Dental – Extend prevention and restorative coverage to adults enrolled in Medicaid.

Durable Medical Equipment – Require DME suppliers to show actual costs of all manually priced DME items, ensuring reimbursement is no greater than 135% of cost. Review potential overpayments and coverage usage issues, specifically for oxygen services.

Home Health – Limit home health aide visits. Develop separate acute and long-term home health care benefits with differential rates that reflect the intensity of services over time.

Hospital – Adopt severity adjustment payment system for inpatient services (MS-DRG), review outpatient reimbursement, and emergency room use. Follow Medicare rules on refusing to pay for "never-events" in order to improve patient safety.

Hospice – Enhance scrutiny of retroactive authorizations for hospice services. Review concurrent Home and Community Based Service (HCBS) stays. Increase scrutiny of pharmaceutical coverage and spending. Review extended patient stays.

Lab/Radiology – Review coverage of new procedures and explore adoption of the Medicare payment system as a starting point for reimbursement of all new procedures, and to ensure appropriate payment over time.

Pharmacy – Revise Kansas law to allow for the use of direct management techniques, such as safety edits and the Medicaid Preferred Drug List (PDL) and Prior Authorization (PA) lists, for selected mental health medications. To inform these decisions, use a newly established, specialized mental health advisory committee. Purchase an automated PA system to ease and expand use of PA, and to ensure timely dispensing of medications.

Transportation – Issue a request for proposal to outsource management and direct contracting for Medicaid transportation benefits to a private broker in order to increase scrutiny, right-size reimbursement, and generate modest net savings for the state.

Eligibility – Promote community-based outreach by placing state eligibility workers on-site at high-volume community health clinics around the state. Expand access to care for needy parents by increasing the income limit to 100 percent FPL ($1,467 per month for a family of three). Increase eligibility limits for the medically needy (primarily elderly and disabled people who do not yet qualify the Medicare) so that it is tied to the federal poverty level. Increase the number of people who have access to full Medicare coverage.

Quality Improvement – Publish quality and performance information that is already collected and published for the HealthWave and HealthConnect programs in order to increase transparency. Obtain funding for the new collection of data from beneficiaries and providers in fee-for-service programs to evaluate performance, identify opportunities for improvements, and facilitate comparability across programs.

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SELECTED MEDICAID COST EFFICIENCIES UNDER KHPA TO DATE:

■ **Increased Managed Care to Control Costs.** Agency has transitioned to new, more comprehensive program of managed care, adding 50,000 members and choice of health plans within HealthWave; adding competition to HealthWave is estimated to *save between $10 - $15 million annually.*

■ **Resolved Federal Disputes and Improved Program Integrity.** KHPA spearheaded resolution of significant liabilities with the federal government, settling in 2007 a number of outstanding audits with potential financial deferrals and/or disallowances of federal Medicaid payments *saving Kansas potentially hundreds of millions of dollars.*

■ **Better Targeted Payments for Hospitals who serve Low Income.** KHPA implemented reform of disproportionate share hospital (DSH) program to target these payments to hospitals in Kansas that have the greatest burden of uncompensated care. The former DSH payment method resulted in hospitals receiving $22.2 million of federal funding in Fiscal Year 2007. With the reforms, the DSH program will provide *at least an additional $4.3 million in federal matching funds annually.*

■ **More Federal Funding for Physicians Who Train Medical Students.** KHPA obtained an *additional $8.8 million in federal Medicaid funding* to pay for care provided by physicians who teach at the KU School of Medicine campuses in Kansas and Wichita who serve a high volume of Medicaid patients.

■ **More Federal Funding for Safety Net Clinics.** KHPA obtained more federal funding for critical safety net providers that provide health care to low income Kansans to improve and expand coverage for Medicaid consumers as well as offer better reimbursement for qualified clinics that accept Medicaid. This will result in an *additional $575,000 in federal Medicaid funds in FY 2009* alone.

■ **Increased Efficiencies by Using Standard Medical Identification Cards:** In September 2008, KHPA discontinued the production and mailing of monthly paper medical ID cards and implemented a permanent medical ID card using recently developed national standards. Kansas is first State to make card information conform with national advanced ID card technology standards, *estimated savings of $210,000 in the first year alone.*

■ **Increased Enrollment in the *Working Healthy Program*:** An increasing number of people with severe developmental and physical disabilities are now enrolled in *Working Healthy*, a program that offers people with disabilities who are working or interested in working the opportunity to keep their Medicaid coverage while on the job. *Working Healthy* was also *awarded a $910,000 Medicaid Infrastructure Grant* to support the competitive employment of individuals with disabilities for 2009.

■ **Proposal to Manage Medicaid Mental Health Pharmaceuticals.** As part of our reduced resource budget, KHPA proposes to use a preferred drug list (PDL) for Medicaid mental health drugs (under the guidance of a panel of mental health experts) in order to improve safety and control costs; *expected savings of $2 million including $800,000 from the SGF in FY 2010.*

■ **Proposal toTime limit MediKan.** As part of our reduced resource budget, KHPA proposes to place a firm "lifetime limit" of 18 months on the receipt of MediKan benefits (from current of 24 months) and would redirect a portion of current expenditures to offer basic health care and employment services aimed at re-entry into the workforce. Under the Governor's budget recommendations, the *expected savings are $6.7 million in SGF in FY 2010.*

Medicaid Savings for FY 2010 included in Governor's Budget Recommendations: In addition to the Medicaid Transformation recommendations and our reduced resource budget recommendations, KHPA was asked by the Governor to suggest more ways to reduce Medicaid expenditures without eliminating programs or reducing provider reimbursement. Recommendations from the Medicaid Transformation process, coupled with additional administrative savings and efficiencies in pharmacy are included in the following table:

How does Kansas Medicaid compare to other states?

- ***Total spending.*** Overall Medicaid spending per beneficiary is relatively high in Kansas: $5,902 per beneficiary in FY 2005, compared to the national average of $4,662. Per-person spending is higher than average for each major population group (aged, disabled, adults, and children), with the aged and disabled ranking highest among those three populations.
- ***Spending on Aged and Disabled is above average.*** Compared to other states, Medicaid spending in Kansas is somewhat concentrated among the aged and disabled populations. Kansas ranks above-average in spending per-person for both the aged (16th highest) and the disabled (also 16th highest), and ranks 14th highest in the percentage of the Medicaid population who are disabled.
- ***Spending on poor adults in far below average.*** While coverage of children is typical at 200% of the poverty level, coverage for non-disabled adults is very low. Kansas ranks 39th in the percentage of Medicaid eligibles who are low-income, non-disabled, working-age adults, and is ranked between the 41st and 46th in income threshold for adults in this category. Partly as a result, Kansas ranks near the bottom (43rd) in the percentage of its population covered by Medicaid (13%).

Medicaid Savings in FY 2010 (Governor's Recommendation); excludes Fee Fund proposals	FY 2010 SGF	FY 2010 All Funds
Manage Medicaid Mental Health Pharmaceuticals through an expanded Medicaid preferred drug list ; reduced resource item	800,000	2,000,000
Time Limit Medikan to 18 months with additional employment supports; reduced resource item	6,700,000	6,700,000
Pharmacy Changes: Cost reimbursement for physician office administered drugs; Improve cost avoidance and third party liability in pharmacy claims; Accelerate review of generic drug price limits ; other administrative savings	$4,400,000	$11,000,000
Ensure Medicare pays its share of hospital charges for beneficiaries with dual eligibility; other administrative savings	$4,000,000	$10,000,000
Home Health Reforms; Medicaid Transformation recommendation	$200,000	$500,000
Durable Medical Equipment pricing reforms; Medicaid Transformation recommendation	$160,000	$400,000
Transportation Brokerage; Medicaid Transformation recommendation	$200,000	$500,000
Tighten payment rules for Hospice Services; Medicaid Transformation recommendation	$300,000	$750,000
Automate and expand pharmacy prior authorization; Medicaid Transformation recommendation	$300,000	$750,000
Total	$ 17,060,000	$32,600,000

Kansas Health Policy Authority (KHPA) At-A-Glance:

- KHPA is a quasi-independent unclassified agency created by legislature in 2005, and led by a Board of Directors appointed by the Governor and legislative leadership.
- KHPA administers medical portions of Medicaid, State Children's Health Insurance Program (SCHIP), HealthWave, the State Employee Health Plan, and the State Self-Insurance Fund (SSIF), which provides workers compensation coverage for state employees.
- Funds for our public insurance programs – Medicaid, SCHIP -- are matched by federal government at 60% and 72%, respectively. On a monthly basis, we provide medical coverage to over 300,000 people, including more than 125,000 infants and children, and nearly 88,000 elderly and disabled Kansans.
- Certain Medicaid-funded long-term care services, including nursing facilities and Home and Community Based Services (HCBS) are managed on a day-to-day basis by the Kansas Department of Aging (KDOA) and the Kansas Department of Social Rehabilitation Services (SRS). These agencies also set policy for the Medicaid programs under their jurisdictions.
- KHPA is charged in statute with gathering and compiling a wide array of Kansas health-related data that is used to guide policy development and inform the public. As an example, the legislature requested that we complete 20 studies on various health policy topics by the beginning of the 2009 legislative session. Those studies are complete and have been sent to the Legislative Coordinating Council.
- KHPA is also charged in statute with providing development of a statewide health policy agenda including health care and health promotion components (see next page).

KHPA™
KANSAS HEALTH POLICY AUTHORITY

Governor's Budget Recommendations Fact Sheet

KHPA FY 2009 Budget:

- Governor's Recommendation for KHPA is $1.8 billion All Funds; $503.2 million SGF
- Governor's recommendation for administration is $88.0 million All Funds; $23.2 million SGF
- Budget reflects a 6.6% reduction in administrative spending; $11.2 million cut in SGF

KHPA FY 2010 Budget:

- Governor's Recommendation for KHPA is $1.9 billion All Funds; $515.0 million SGF
- Governor's Recommendation for administration is $82.6 million All Funds; $22.3 million SGF
- Budget reflects a 12.3% reduction in administrative spending

Selected Budget Reduction Items in Governor's Budget

	FY 2009		FY 2010	
	SGF	All Funds	SGF	All Funds
Reduce Contractual Service Expenditures	$1,111,749	$5,734,123	$1,321,175	$5,525,000
Reduce Salary and Wage expenditures	$383,595	$1,153,866	$440,430	$1,246,706
Administrative reductions in travel, printing, supplies, communications, equipment replacement	$67,249	$399,000	$53,642	$359,100
Switch Health Care Access Improvement Fee Fund for State General Fund	$6,000,000			
Switch Medical Programs Fee Fund for State General Fund	$2,500,000		$5,700,000	
Move Children's Initiative Fund for immunization to KDHE				$500,000
Medical Assistance program recommendations and Transformation savings.			$9,500,000	$23,900,000
18 month time limit for Medikan Enrollment			$6,700,000	$6,700,000
Expand Preferred Drug List to include mental health drugs			$800,000	$2,000,000

Agency Impact:

- Governor's budget requires a $1.2 million reduction in salary and wage expenditures in FY 2009 and FY 2010
- The Governor's budget requires KHPA to hold 26 positions vacant during FY 2009 and an additional 9 positions vacant during FY 2010 -- total of 35 – or more than 10% of our workforce.
- To meet salary and wage budget recommendations, we will evaluate whether key programs can continue or if staff will need to be reassigned to cover critical shortages.
- Reductions in contractual service expenditures total $5.7 million in FY 2009 and $5.5 million in FY 2010; KHPA notifying contractors of need to cancel or renegotiate contract terms
- Given only 6 months of fiscal year remain, achieving $5.7 million in contractual savings will mean harsher reductions this year across the agency to meet budget targets.
- KHPA has already begun our administrative belt-tightening, including instituting a hiring freeze; banning out-of-state travel, limiting printing and communications, and restricting staff training.
- Governor's budget does not recommend eliminating programs for beneficiaries or reducing provider reimbursement, however, it reduces Medicaid caseload estimate by $32.6 million All Funds; 17.1 million SGF.
- Governor's budget recommendation includes a $58.37 million reduction to the State Employee Health Plan (SEHP) by suspending agency contributions to the plan for seven pay periods; we are currently analyzing the impact on SEHP insurance premiums and the long term stability of the fund.

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The Governor's budget did include many of the KHPA Medicaid Transformation recommendations as well as two proposed program changes aimed at meeting our reduced resource budget targets for FY 2010.

Expansion of the preferred drug list. State law prohibits management of mental health prescription drugs dispensed under Medicaid. Under this proposal, that prohibition would be rescinded. KHPA will use the newly created Medicaid Mental Health Prescription Drug (PDL) Advisory Committee to recommend appropriate medically-indicated management of mental health drugs. Using a PDL together with an automated prior authorization process, we can directly manage the safety and effectiveness of mental health prescription drugs.

- **Expense:** Mental health drugs have been highest drug expenditure by class of medications and most-prescribed drugs by volume in Medicaid; cost growth in pharmacy exceeds growth in other services. Expenditures for mental health drugs increased from previous fiscal year by more than $4 million in FY 2007.
- **Safety**: Serious concerns about the safety of some mental health drugs have arisen, especially in children. KHPA claims data reveal 6,179 Kansas children under age 18 on Medicaid received a prescription for an atypical antipsychotic; 214 children under 18 were prescribed 5 or more different antipsychotics within a 90 day period
- **Efficacy**: Many of these newer drugs have recently been associated with negative side effects. A large scale meta-analysis of 150 scientific trials found that the newer generation of anti-psychotics carried no clear advantage in effectiveness in the treatment of schizophrenia, were associated with significant new risks, and in comparison to the older drugs did not improve on the pattern of side effects observed in older drugs.
- **Cost Savings:** KHPA proposal would begin using mental health PDL in January of 2010 with an expected savings of $2,000,000 All Funds; $800,000 SGF in FY 2010.

Time limited MediKan. MediKan currently provides health care to persons with significant impairments who do not meet the level of disability necessary to receive Medicaid and are unlikely to meet Social Security Disability criteria. However, people eligible for MediKan are required to pursue Social Security benefits as a condition of eligibility. The reduced resource proposal would place a firm "lifetime limit" on the receipt of MediKan benefits with no exceptions or hardship criteria. Also, using Working Healthy as a model, MediKan would be modernized by redirecting a portion of current expenditures to offer a package of services consisting of basic health care and employment services aimed at re-entry into the workforce and achieving self-sufficiency. The KHPA proposal estimated that applying the time limit and developing the modified services package would result in savings of $1.5 million from the State General Fund during FY 2010. The Governor increased the savings estimate to $6.7 million from the State General Fund. The Governor's recommendation includes using $5.0 million of the program savings to provide limited health care and workplace training services. This is roughly half of what the KHPA had proposed to offer the limited health benefits and workplace training.

2009 KHPA Reform Recommendations

- **Advancing a Statewide Clean Indoor Air Law:** An overwhelming number of studies confirm that smoking is the number-one preventable cause of death and illness in Kansas. Without such a ban, even those who choose not to smoke are made to suffer from exposure to secondhand smoke. According to KDHE, a statewide ban in Kansas would protect the public from these harmful effects, result in 2,160 fewer heart attacks, and save $21 million in health care costs.
- **Increasing Tobacco User Fees:** KHPA is proposing increase cigarette taxes by $.75 per pack – from $.79 to $1.54. The purpose of the tax is twofold: to make smoking more expensive, thus encouraging smokers to quit and discouraging non-smokers from ever starting; and to generate revenue to fund expansion of health insurance coverage. The budget impact will add $87.4 million in new revenue for FY 2010.
- **Expanding Access to Affordable Health Care and Public Health:** Using the tobacco user fee as funding, the KPHA is proposing to expanding Medicaid to cover all parents and caregivers with incomes below the federal poverty level and expanding access to cancer screening for low-income Kansans and providing tobacco cessation programs for Medicaid recipients.

Medicaid Transformation Process: In addition to these reductions submitted in the budget, KHPA was asked to suggest additional ways of reducing Medicaid expenditures. KHPA has engaged in the process of reorganizing and refocusing the agency to expand capacity for data analysis and management, and to adopt data-driven processes in the management of our programs. The Medicaid Transformation and program reviews identified several administrative changes and efficiencies that could be implemented in the Medicaid program without reducing the number of people served. Recommendations from the Medicaid Transformation process, coupled with additional administrative savings and efficiencies in pharmacy requested by the Governor are included in the following table:

Medicaid Savings in FY 2010 (Governor's Recommendation); excludes Fee Fund proposals	FY 2010 SGF	FY 2010 All Funds
Manage Medicaid Mental Health Pharmaceuticals through an expanded Medicaid preferred drug list ; reduced resource item	800,000	2,000,000
Time Limit Medikan to 18 months with additional employment supports; reduced resource item	6,700,000	6,700,000
Pharmacy Changes: Cost reimbursement for physician office administered drugs; Improve cost avoidance and third party liability in pharmacy claims; Accelerate review of generic drug price limits ; other administrative savings	$4,400,000	$11,000,000
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Automate and expand pharmacy prior authorization; Medicaid Transformation recommendation	$300,000	$750,000
Total	$ 17,060,000	$32,600,000

Coordinating health & health care for a thriving Kansas

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KANSAS HEALTH POLICY AUTHORITY

ABBREVIATIONS AND ACRONYMS
Used by Kansas Health Policy Authority
January 2009

AF	All Funds
ACH	Adult Care Home; Any nursing facility, intermediate personal care home, one to five bed adult care home, or any boarding care home. All such classifications of adult care homes are required to be licensed by the Secretary of Health and Environment. Adult care home does not mean adult family home.
ADA	American Dental Association
AE	Automated Eligibility
APD	Advanced Planning Document
BCBSKS	Blue Cross/Blue Shield of Kansas
BCV	Base Claim Volume as it relates to claims-based pricing.
BOHA	Board of Healing Arts
CAP	Corrective Action Plan
CDC	Centers for Disease Control and Prevention
CMS	Centers for Medicare and Medicaid
COBRA	Consolidated Omnibus Budget Reconciliation Act
DD	Developmentally Disabled
DISC	Division of Information Systems and Communications (Dept of Administration)
DME	Durable Medical Equipment
DRA	Deficit Reduction Act
DRG	Diagnostic Related Groups
DSH	Disproportionate Share for Hospitals Program
DSS	Decision Support System
EDS	Electronic Data Systems
EPSDT	Early and Periodic Screening, Diagnosis, and Treatment (as described in Title XIX of the Social Security Act, EPSDT is now call KAN Be Healthy)
ERU	Estate Recovery Unit
FE	Frail Elderly
FFS	Fee for Service
FFY	Federal Fiscal Year
FPL	Federal Poverty Level
FY	Fiscal Year
GBR	Governor's Budget Recommendations
HCBS	Home and Community Based Services; Programs designed to provide long-term care services to beneficiaries living outside of an institution who would be institutionalized without them.
HCBS/DD	HCBS/Developmentally Disabled
HCBS/FE	HCBS/Frail Elderly
HCBS/TBI	HCBS/Traumatic Brain Injury

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State Employee Health Plan:
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State Self Insurance Fund:
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HC PD	HCBS/Physically Disabled
HCBS/SED	HCBS/Severe Emotional Disturbance
HCBS/TA	HCBS/Technology Assisted
HEDIS	Health Plan Employer Data & Information Set
HIPPA	Health Insurance Portability and Accountability Act
HIT/HIE	Health Information Technology/Health Information Exchange
HMO	Health Maintenance Organization
HSA	Health Savings Account
HW	HealthWave
JJA	Juvenile Justice Authority
KAR	Kansas Administrative Regulation
KBH	KAN Be Healthy
KDHE	Kansas Dept of Health and Environment
KDOA	Kansas Dept of Administration
KDoA	Kansas Dept on Aging
KDOC	Kansas Dept on Corrections
KDOL	Kansas Dept on Labor
KFMC	Kansas Foundation for Medical Care
KHPA	Kansas Health Policy Authority
KPERS	Kansas Public Employee Retirement System
KUMC	Kansas University Medical Center
LEA	Local Education Agencies
LPA	Legislative Post Audit
LTC	Long Term Care; This term refers to beneficiary care, including room, board, and all routine services and supplies.
MCO	Managed Care Organization
MFCU	Medicaid Fraud Control Unit
MITA	Medical Information Technology Access
MMA	Medicare Modernization Act
MMIS	Medical Management Information System
MOU	Memorandum of Understanding
NCQA	National Committee for Quality Assurance
OIG	Office of Inspector General
PA	Prior Authorization
PACE	Program of All-Inclusive Care for the Elderly- A capitated program providing primary, acute, and long-term care services for the frail, elderly, and physically disabled population who are eligible for nursing facility care.
PCCM	Primary Care Case Manager or PCC Management Programs
PCP	Primary Care Physician
PDL	Preferred Drug List
PE	Presumptive Eligibility
PERM	Payment Error Rate Management
PHI	Protected Health Information
PMDD	Presumptive Medical Disability Determination
PRTF	Psychiatric Residential Treatment Facility
RHC	Rural Health Clinic
SCHIP	State Childrens Health Insurance Program
SEHBP	State Employees Health Benefit Plan
SSIF	State Self Insurance Fund
SRS	Dept of Social and Rehabilitation
TANF	Temporary Assistance to Needy Families
TPL	Third Party Liability
UMKC	University of Missouri-Kansas City
UPL	Upper Payment Level
VA	Veterans Administration
WIC	Women, Infants and Children