Approved: 02/12/09
Date

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman Jim Barnett at 1:30 p.m. on January 22, 2009, in Room 136-N of the Capitol.

All members were present.

Committee staff present:
Nobuko Folmsbee, Office of the Revisor of Statutes
Doug Taylor, Office of the Revisor of Statutes
Kelly Navinsky-Wenzl, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Jan Lunn, Committee Assistant

Conferees appearing before the committee:
Gina Maree, Director of Health Care Finance and Organization, Kansas Health Institute
Richard Morrissey, Interim Director, Division of Health, Kansas Department of Health and Environment

Others attending:
See attached list.

Senator Barnett moved introduction of a bill relative to tanning facilities and restriction of using that device for minors age 18 and under; Senator Schmidt seconded the motion. The motion carried.

Chairman Barnett recognized Senator Julie Lynn who requested introduction of a bill that would continue the work of the Autism Task Force for one additional year. Upon a motion by Senator Wysong and a second by Senator Kelsey to approve introduction of the autism task force bill, the motion carried.

Senator Barnett recognized Gina Maree, Director of Health Care Finance and Organization for the Kansas Health Institute, who spoke about the importance of the Safety Net system (Attachment 1). Reasons for Safety Net systems were reviewed; the Kansas Safety Net system was described. Ms. Maree indicated there are a variety of services and providers included in the Safety Net System including federally qualified health centers, private providers, hospitals, emergency rooms, rural health centers, school-based serviced, and federally funded programs such as Medicaid. Ms. Maree elaborated on the fact that not all services are guaranteed by providers and some services are not provided unless the recipient is Medicaid eligible.

Ms. Maree reported on challenges in the current safety net system, and steps to move toward a true Safety Net system including expanding network providers, increasing charity care, designing approaches to physical space limits, increasing FQHCs, and developing a strategic plan. She briefly described approaches currently utilized by other states, and concluded that issues involving medically underserved Kansans will not be solved by safety net clinics alone, Medicaid and safety net clinics are important components within the system, and it is critical to develop a "system approach."

Chairman Barnett recognized Dick Morrissey, Interim Director, Division of Health, Kansas Department of Health and Environment, who provided a historical review (Attachment 2) of the community-based primary care clinic program in Kansas. KDHE is designated as the Primary Care Office and receives federal funding to coordinate local, state, and federal resources that contribution to workforce development and service delivery to underserved populations. Mr. Morrissey provided graphics detailing the 2009 Primary Care Clinic Grant Awards, Primary Care Clinic Program Funding and Funded Clinics by Year, State-funded Clinic Sites by County, State-Funded Dental Clinics by County, Dental Hub and Spokes Projects, and Patient Demographics for State-Funded Primary Care Clinics. In addition, primary care clinic patients by percentage of federal poverty level and insurance status of primary care clinic patients were discussed.

Senator Kelly requested that information showing State-Funded Primary Care and Rural Health Clinic Sites by County would be helpful, especially when considering future growth and locations for additional facilities/resources. Mr. Morrissey indicated that information would be provided to committee members. Mr. Morrissey concluded his agency stands ready to participate in the Safety Net Clinic process.

Minutes of the Senate Public Health And Welfare Committee at 1:30 p.m. on , in Room 136-N of the Capitol.

At the meeting on January 21, 2009, Chairman Barnett had requested that Ms. Harding return on January 22nd to discuss a Kansas Access Plan - Process for Development for the Safety Net System. Ms. Harding requested that Ms. Gina Maree present the plan in her absence (due to illness). Ms. Maree distributed a short- and long-term plan (Attachment 3) which describes strategy development within the first five years and includes evaluation and sustainability from the fifth year through the tenth year. The plan includes stakeholders and work groups to develop access plans. Ms. Maree indicated that within the next several weeks, it is possible to develop recommendations for possible 2009 legislative action.

Senator Schmidt indicated her interest in developing distribution hubs for unused medications in Kansas. In addition, Senator Schmidt asked for clarification relative to KDHE budget reductions (3%) coming from safety net clinics. Ms. Kang clarified budget cuts will be performed according to the governor's direction.

Following discussion, it was the consensus of the Public Health and Welfare Committee that the Access Plan presented should be submitted to the Health Policy Oversight Committee. Senator Kelly requested that Department of Commerce Office of Rural Policy be included in any Access Plan work group/stakeholder meetings to ensure continuity as that entity discusses healthcare issues and potential actions specific to rural communities.

Senator Barnett adjourned the meeting at 2:31pm. The next meeting is scheduled for Monday, January 26, 2009.

SENATE PUBLIC HEALTH AND WELFARE COMMITTEE GUEST LIST

DATE: January 22, 2009

NAME	REPRESENTING
Sister Therese Bangert	Kansas Cath Conference
Paul Johnson	" " "
Sharon Heman	KHI
Patrick Vogelsberg	Kearney and Assoc.
Suzanne Cleveland	KHI
Gina C Marcel	KHI
Dick Morrissey	KDHE
Chris Tilden	KDHE
Robert Stiles	KDHE
Carolyn Gaudian	KAFP
Robert Mosier	KAFP
[illegible]	KDHE
Effie Swanson	KHPA
Cathy Harding	KAMU
Mike Hutfles	KAMU
Vicki Lynn Helsel	Budget
Bob Williams	Ks. Assoc. Osteopathic Med.
Derek Hein	Hein Law Firm
JEAN MILLER	Capitol Strategies
Anne Spiess	American Cancer Society

Crystal Smith SRS Health System

Kansas Safety Net System

Public Health and Welfare Committee
Topeka, Kansas • January 22, 2009

Gina C. Maree MSW, LSCSW
Director of Health Care Finance and Organization
Kansas Health Institute

Why we need a safety net system

- Many Kansans are uninsured
  - 12.5% of Kansans are uninsured which equates to approximately 340,000 people
  - Compared to 2005-06, 34,000 more Kansans are uninsured
  - 58,000 children are uninsured
  - 46% of the uninsured work fulltime, year round
  - 45% of uninsured Kansans report not seeking medical care due to costs

Why we need a safety net system -continued

- Some Kansans are underinsured
  - From 2002-2006, approximately 500,000 adult Kansans, who were insured, did not seek needed care due to cost.
  - A 2006 study showed approximately 500 of the1,000 Kansans surveyed reported having medical debt.
  - Medical debt is the primary cause of approximately half of all bankruptcies in the U.S.

Why we need a safety net system -continued

- Some Kansans live in poverty
  - Kansas moved in the national poverty ranks from 32nd in 2003 to 28th in 2006
  - 11.2% of Kansans in 2007 lived in poverty
  - 14.7 % of Kansas children lived in poverty in 2007
  - Preliminary reports show Kansas unemployment rate was 4.9% in Nov 2008

Why we need a safety net system -continued

- Medicaid alone can't ensure access
  - Generally, if you are a non-caretaker adult without a disability and under 65, you are not eligible for Medicaid
  - To be eligible for Medicaid a caretaker with two children, gross monthly salary must be $400 or less
  - Currently, children in a family of three are eligible if the household monthly income is less than $2934
  - Some providers don't accept Medicaid

Safety Net System in Kansas

- The safety net system is made up of those providers that are required to provide care regardless of the patients ability to pay
- The safety net system also includes providers that voluntarily provide charity care
- The safety net system also includes programs using public funds

Safety Net Providers –
Required to provide free care if needed

- Community Health Centers, AKA Federal Qualified Health Centers
- Primary Care Clinics
- Hospital Emergency Departments

Safety Net Providers –
Voluntarily provide some charity care

- Hospitals
- Critical Access Hospitals
- Private Providers
- Rural Health Clinics
- Non–profit organizations

Safety Net Programs – Use of Public Funds

- School Based Programs
- Local Health Departments
- Community Mental Health
- Medicaid

Safety Net Services

	FQHC	PCC	ER	Hospitals	Private Providers	RHC	Other Non-Profit	School-Based	LHD	CMH	Medicaid
Primary Care Services	X	X		some	some	X		X	some		X
Preventive care	X	X			some	some	some	X	X		X
Lab and Radiology	X	some	X	X	some	some					X
Pharmaceutical care	X	some		X	some	some	some			X	X
Disease Management	some	some		some	some	some	some				X
Behavioral Health	some	some		some	some	some	some	some		X	X
Oral Health	some	some			some		some				X
Basic Vision Care					some		some				X
Specialty Care	some	some		X	some	some	some				X
Therapeutic Services	referral			X	some						X
Acute Care	referral		X	X	some						X
Emergency Care	referral		X	X							X
In-patient rehabilitation				some							X
Home Health Services											X
Long Term Care											X

Challenges in the current safety net

- Health Care Delivery
  - Access to services
    - Geographic location
    - Specialty care
  - Workforce
    - Shortage
    - Volunteer services
  - Physical Capacity
    - Facility capacity to meet demand

Challenges in the current safety net - continued

- Financing
  - Federal Funding
    - Are we getting our share
    - Increasing FQHCs
  - State Funds
    - Budget Cuts
    - Medicaid versus Safety Net
  - Philanthropic Funds
    - Impact from the economic situation

Challenges in the current safety net - continued

- System versus Sectors
  - Wholeness
  - Interdependency
  - Chain of Influence
  - Adaptability
  - Information sharing and feedback
  - Closed versus Open

Looking Forward

- Move toward a true "system"
- Expanding the network of providers
- Develop programs to encourage more charity care
- Creative approaches to using physical space
- Increase FQHCs
- Strategic Plan

Looking Forward– Learning from other states

- Strategic Planning - Oklahoma, District of Columbia, Massachusetts
- Environmental Scanning – Maine
- Measuring the structure of the safety net – Florida, Massachusetts, Rhode Island, Washington, and Wisconsin
- Evaluating Capacity- Colorado
- Safety Net Advisory Council - Oregon

Conclusion

- The problem of the medically underserved will not be solved by safety net clinics alone
- Medicaid and safety net clinics are both important components to the safety net system
- Kansas could benefit from developing a "system" approach to address the medially underserved

Kansas Health Institute

Information for policy makers. Health for Kansans.

KANSAS

DEPARTMENT OF HEALTH
AND ENVIRONMENT

Division of Health

Kathleen Sebelius, Governor
Roderick L. Bremby, Secretary

www.kdheks.gov

Testimony on KDHE Primary Care Clinic Program

Presented to
Senate Committee on Public Health and Welfare

By
Richard Morrissey, Interim Director, Division of Health
Kansas Department of Health and Environment

January 22, 2009

Mr. Chairman and members of the committee, I am Richard Morrissey, Interim Director of the Division of Health at KDHE. I am here today to present information on the community-based primary care clinic program.

The Kansas Primary Care Office receives federal funding to coordinate local, state, and federal resources contributing to primary care workforce development and service delivery to underserved populations. A primary goal of the Kansas PCO is to support the development and sustainability of community-based efforts to provide care to underserved populations, including the uninsured and individuals with public insurance.

The Community-Based Primary Care Clinic Program first received funding from the legislature in SFY 1992 and awarded $900,000 in funding to nine clinics. By SFY 2005, the funding had increased to $1.5 million. Since then, there have been significant increases in funding to the program as well as funding in new areas. For SFY2009, total funding allocated for the Primary Care Clinic Program was $7.8 million. The governor's budget recommendations include a proposed reduction of $328,000 from this current funding level for both SFY 2009 and 2010.

Of this SFY 2009 funding, $6.2 million has been awarded in direct grants from KDHE to local clinics. This support funds primary medical and dental care services and access to pharmaceuticals at 36 clinics with sites in 30 Kansas counties. Given recent estimates that approximately 320,000 Kansans are uninsured, the 82,757 uninsured patients who received their care at a state-funded primary care clinic in 2007 made up approximately 25 percent of the uninsured population in Kansas. The 28,572 patients with Medicaid who received their care at these clinics in 2007 made up nearly ten percent of the Kansas Medicaid population.

Twelve of the current state-funded clinics are Federally Qualified Health Centers that bring more than $8.5 million in annual federal funding to the state to assist in their provision of care to underserved populations. There are initiatives underway in six additional communities in Kansas to pursue federal FQHC funding. All involve existing state-funded primary care clinics.

Access for Underserved Kansans

The Primary Care Clinic Program provides funding to clinics with the goal of making primary and preventive care services available, accessible, and affordable for all Kansans. The primary care clinics provide a broad range of services including medical, dental, and mental health services, low or no-cost pharmaceuticals, and case management. The comprehensive, accessible, and quality care these clinics provide is a result of their objective to be "medical homes" to their patients.

The legislature's increased investment in primary care clinics over the last few years has resulted in enhanced access to health care for Kansans. The number of patients receiving care at state-funded primary care clinics grew by more than fifty percent between 2005 and 2007. This growth does not include further increases due to expanded funding to the clinics in SFY 2009.

The 2005 U.S. Census Bureau Small Area Health Estimates Survey data on uninsured Kansans by county indicates that 74 percent of Kansans live in a county with a state-funded primary care clinic site. Of the 44 counties in the state with more than 1,000 uninsured individuals, only two do not have a clinic sited either in the county or in a contiguous county.

Geographic areas without access to primary care clinics remain in the state. In counties with primary care clinics, many uninsured and underserved residents do not receive their care at the local clinic. The Primary Care Office continues to work with communities interested in establishing primary care clinics and with existing clinics on issues that affect their ability to increase capacity, including workforce, physical infrastructure, and funding.

It is important to note that while clinics strive to ensure access to all of the health services a patient might need, these patients do not have the same access as they would if they were insured. While clinics collaborate closely with the medical providers in their community to obtain care for their uninsured patients, specialty care, surgery, and hospitalization are often either received on a charitable or donated basis from a local hospital or provider or are the patient's own responsibility.

The legislature's investment in the state's primary care clinics has been very effective in improving access to primary and preventive care for uninsured and other underserved Kansans. As one component of the state's broader health initiatives, primary care clinics will continue to play an important role in access for Kansans.

Thank you for the opportunity to appear before the committee today. I will now stand for questions.

State Fiscal Year 2009 Primary Care Clinic Grant Program Awards					
Clinic	Primary Care	Prescription Assistance	Dental Hub		Total State Award
			State	Foundation	
Caritas Clinics	165,000	35,000			200,000
Center for Health and Wellness	105,000	15,000			120,000
Cheyenne Cty Hospital Clinic	75,000	0			75,000
CHC of SEK	350,000	40,000	75,000	500,000	465,000
Community Health Ministry	130,000	0			130,000
E.C. Tyree Health and Dental	80,000	0			80,000
First Care Clinic	150,000	20,000	0	520,000	170,000
Flint Hills CHC	345,000	40,000	75,000	0	460,000
Good Samaritan Clinic	110,500	15,000			125,500
GraceMed Clinic	350,000	40,000	75,000	445,000	465,000
Guadalupe Clinic	75,000	20,000			95,000
Health Care Access	160,000	20,000			180,000
Health Ministries Clinic	160,000	30,000			190,000
Health Partnership of Johnson Cnty.	180,000	7,000			187,000
Healthy Options Clinic	60,000	15,000			75,000
Heartland Medical Clinic	90,000	20,000			110,000
Hunter Health Clinic	320,000	40,000	75,000	0	435,000
Kansas Statewide Farmworkers	80,000	0			80,000
Kiowa Memorial Hospital	75,000	0			75,000
Konza Prairie	180,000	40,000	125,000	345,000	345,000
Marian Clinic	125,000	20,000	0	75,000	145,000
Mercy and Truth Clinics	100,000	0			100,000
Mercy Health Systems	50,000	0			50,000
Montgomery Cty	140,000	0			140,000
PrairieStar Health Center	210,000	40,000			250,000
Rawlins Cty. Health Dept.	22,340	0			22,340
Riley-Manhattan Health Dept.	124,000	15,000			139,000
Salina Health Education Fndtn	140,000	40,000	0	249,000	180,000
Shawnee County Health Agency	200,000	30,000			230,000
Silver City Clinic	105,000	20,000			125,000
Southwest Blvd. Family Healthcare	154,000	10,000			164,000
Swope Community Health Center	210,000	40,000			250,000
Turner House Children's Clinic	100,000	15,000			115,000
UMMAM Clinic	315,000	40,000	75,000	0	430,000
Wallace/Greeley/Hamilton Family Practice	120,000	0			120,000
We Care Clinic	160,000	30,000			190,000
Total Clinic	**5,515,840**	**697,000**	**500,000**	**2,134,000**	**6,712,840**
Workforce--KAMU					75,000
Technical Assistance--KAMU					80,000
Capital Expenditures--KAMU					700,000
State Loan Repayment					150,000
Unused Medications					53,000
Total Funding					**7,770,840**

Primary Care Clinic Program Funding and Funded Clinics by Year

Primary Care Clinic Program	1992	1993-1995	1996	1997-1998	1999-2002	2003-2005	2006	2007	2008	2009
Number of Funded Clinics	9	10	10	14	16	15	21	24	31	36

Funding	1992	1993-1995	1996	1997-1998	1999-2002	2003-2005	2006	2007	2008	2009
Primary Care	886,515	980,100	966,100	1,428,000	1,520,840	1,520,840	1,520,840	2,520,840	3,870,840	5,515,840
Prescription Assistance							750,000	750,000	750,000	750,000
Dental Assistance									500,000	500,000
State Loan Repayment									150,000	150,000
Capital Expenditures (KAMU)										700,000
Technical Assistance (KAMU)										80,000
Workforce (KAMU)										75,000
Total Funding	**886,515**	**980,100**	**966,100**	**1,428,000**	**1,520,840**	**1,520,840**	**2,270,840**	**3,270,840**	**5,270,840**	**7,770,840**

2009 State-funded Clinic Sites by County

Barton: We Care Project
Cherokee: Community Health Center of Southeast Kansas
Cheyenne: Cheyenne County Hospital Clinics
Crawford: Community Health Center of Southeast Kansas
Mercy Health System
Douglas: Health Care Access
Heartland Clinic
Ellis: First Care Clinic
Finney: United Methodist Mexican-American Ministries
Ford: United Methodist Mexican-American Ministries
Geary: Konza Prairie Community Health Center
Grant: United Methodist Mexican-American Ministries
Greeley: Greeley County Family Practice

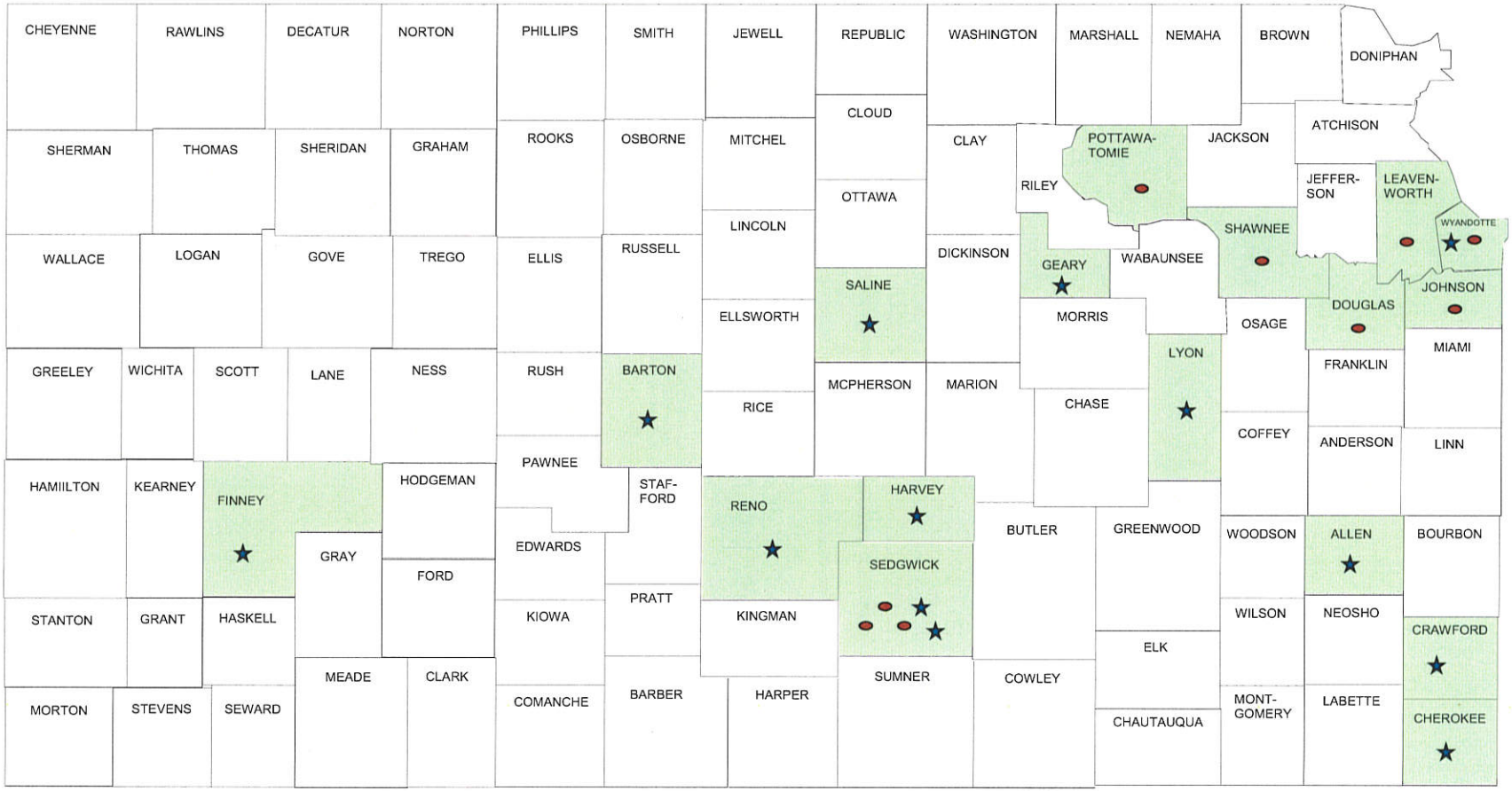
Hamilton: Hamilton County Family Practice
Harvey: Health Ministries Clinic (Look-Alike)
Johnson: Health Partnership Clinic of Johnson County
Mercy and Truth Medical Missions
Kiowa: Kiowa County Hospital Clinics
Leavenworth: St. Vincent Clinic (Caritas)
Linn: Mercy Health System
Lyon: Flint Hills Community Health Center
Montgomery: Mercy Health System
Montgomery County Community Clinic
Pawnee: We Care Project
Pottawatomie: Community Health Ministry
Rawlins: Rawlins County Health Department

Reno: PrairieStar Community Health Center
Riley: Riley County-Manhattan Health Department
Saline: Salina Family Healthcare
Sedgwick: Center for Health and Wellness
E.C. Tyree Health and Dental Clinic
Good Samaritan Clinic
GraceMed Health and Dental Clinic
Guadalupe Clinic
Healthy Options Clinic
Hunter Health Clinic
Seward: United Methodist Mexican-American Ministries
Shawnee: Marian Clinics
Shawnee County Health Agency

Wallace: Wallace County Family Practice
Wyandotte: Duchesne Clinic (Caritas)
Mercy and Truth Medical Missions
Silver City Health Center
Southwest Blvd. Family Health Care
Swope Health Services
Turner House Children's Clinic

***Statewide:** Kansas Statewide Farmworker Health Program

2009 State-funded Dental Clinic Sites by County

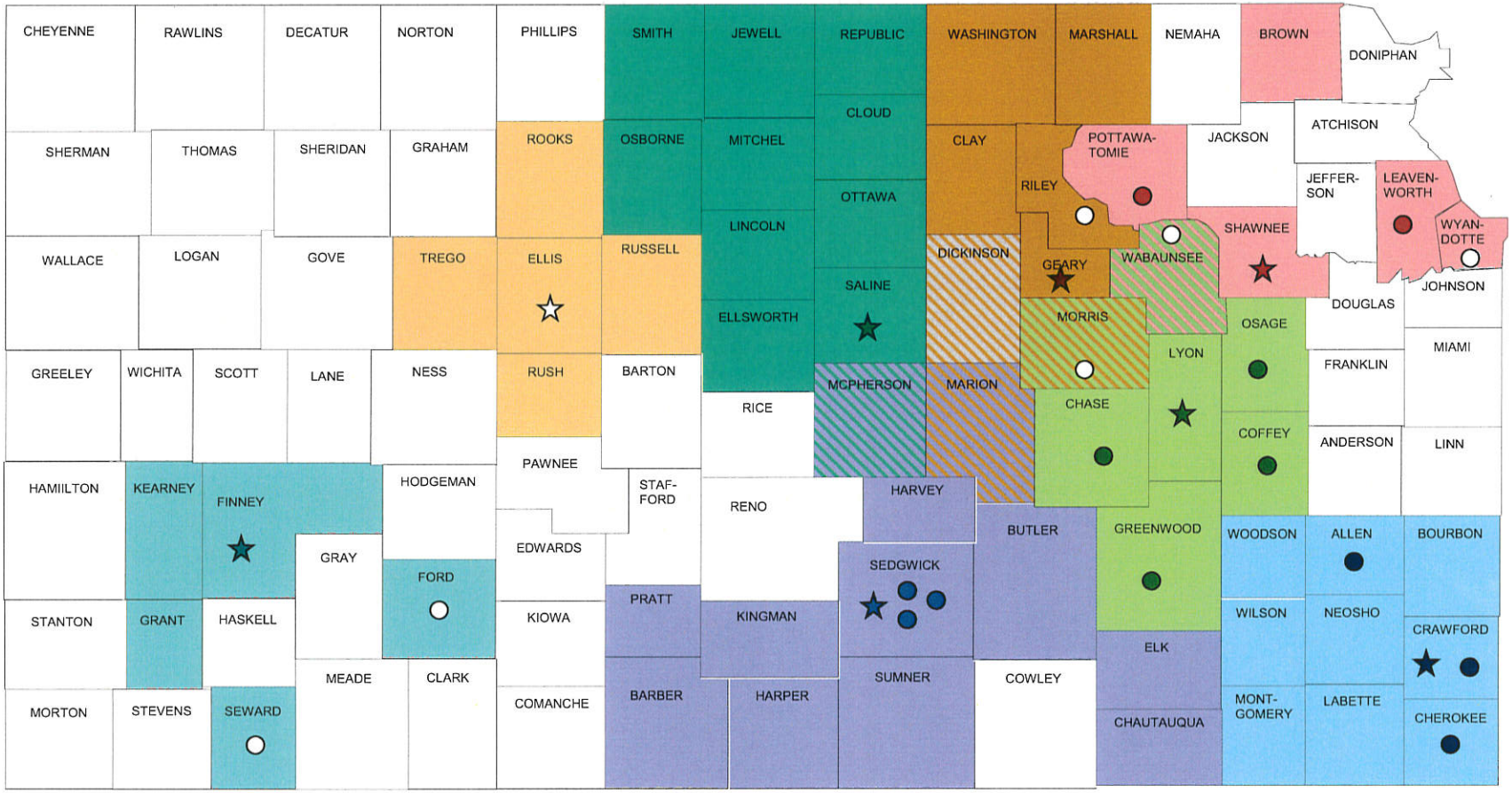


Allen: Community Health Center of Southeast Kansas
Barton: We Care Project
Cherokee: Community Health Center of Southeast Kansas
Crawford: Community Health Center of Southeast Kansas
Douglas: Health Care Access/Douglas Cty. Dental Clinic
Finney: United Methodist Mexican-American Ministries
Geary: Konza Prairie Community Health Center
Harvey: Health Ministries Clinic (Look-Alike)
Johnson: Health Partnership Clinic of Johnson County
Leavenworth: St. Vincent Clinic
Lyon: Flint Hills Community Health Center
Pottawatomie: Community Health Ministry
Reno: PrairieStar Community Health Center
Saline: Salina Family Healthcare
Sedgwick: Center for Health and Wellness
E.C. Tyree Health and Dental Clinic
GraceMed Health and Dental Clinic\
Healthy Options Clinic
Hunter Health Clinic
Shawnee: Marian Clinics
Wyandotte: Southwest Blvd. Family Health Care
Swope Health Services

★ State-Funded FQHC or Look-Alike

● State-Funded Clinic

Dental Hub and Spokes Projects



Year One (2007-8)

- Community Health Center of Southeast Kansas
- Flint Hills Community Health Center
- Marian Clinic
- UMMAM Clinic

Year Two (2008-9)

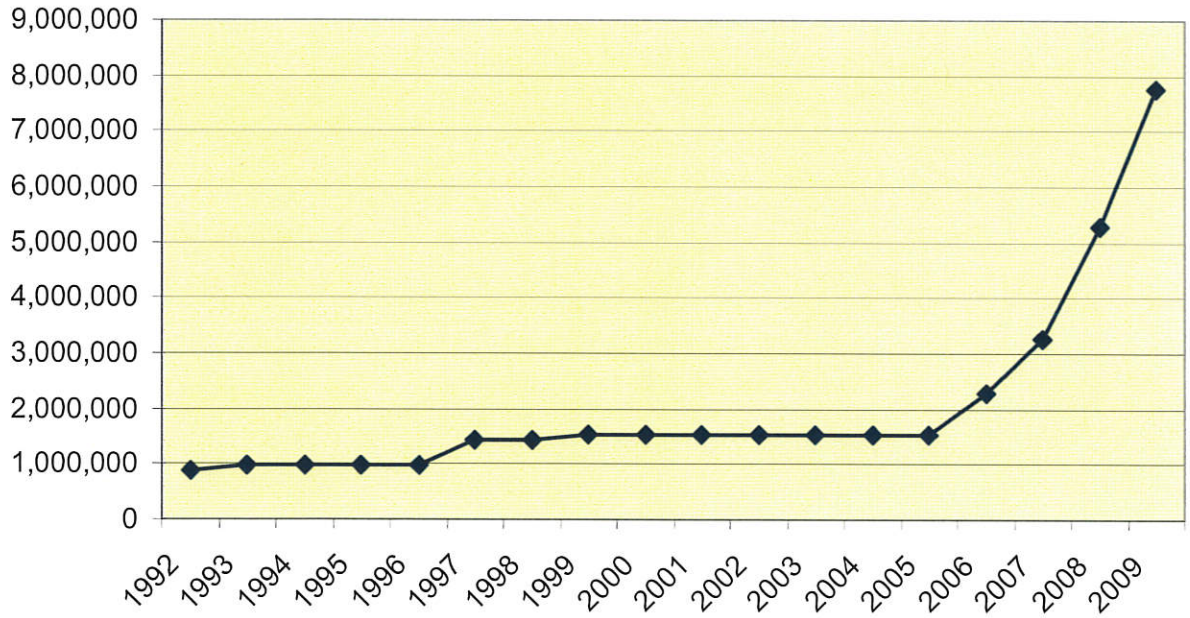
- Community Health Center of Southeast Kansas (Allen County)
- First Care Clinic
- GraceMed Health Clinic
- Konza Prairie CHC
- Salina Family Health Care

Shaded area-Service area
(Multi-color counties served by more than one grantee)

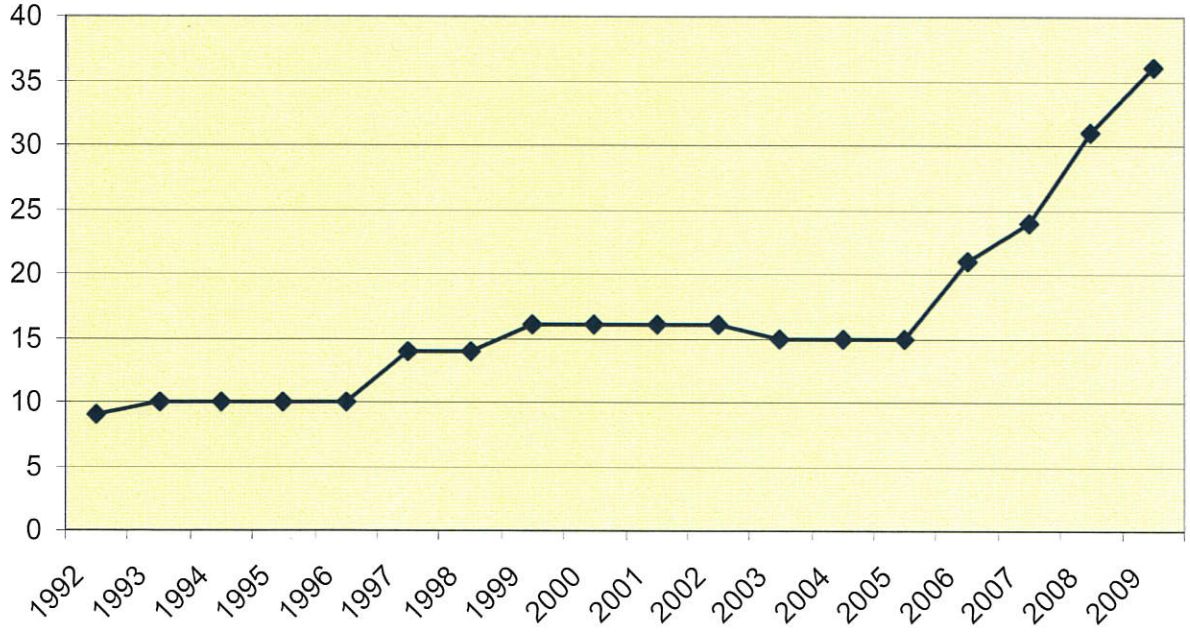
☆ Shaded-Existing hub
Not shaded-Planned hub

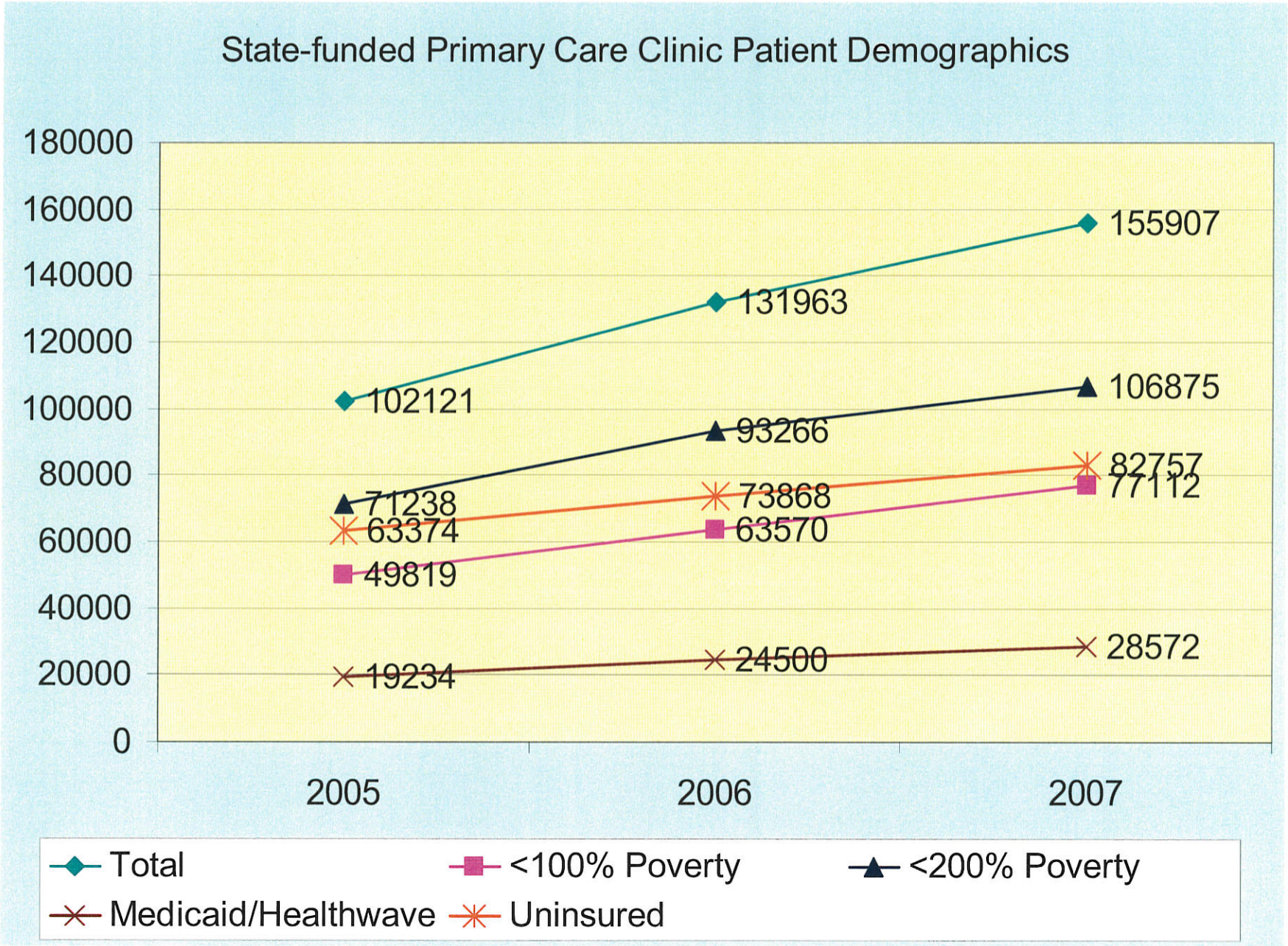
○ Shaded-Existing Spoke
Not shaded-Planned Spoke

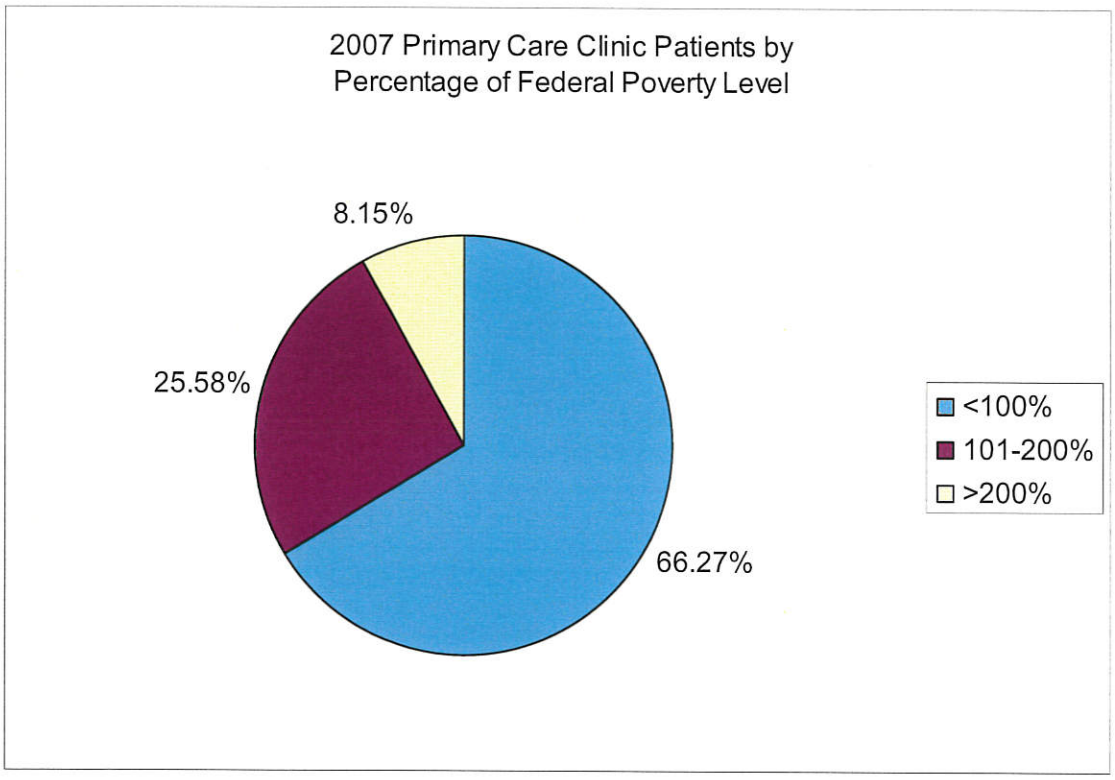
Primary Care Clinic Program Funding

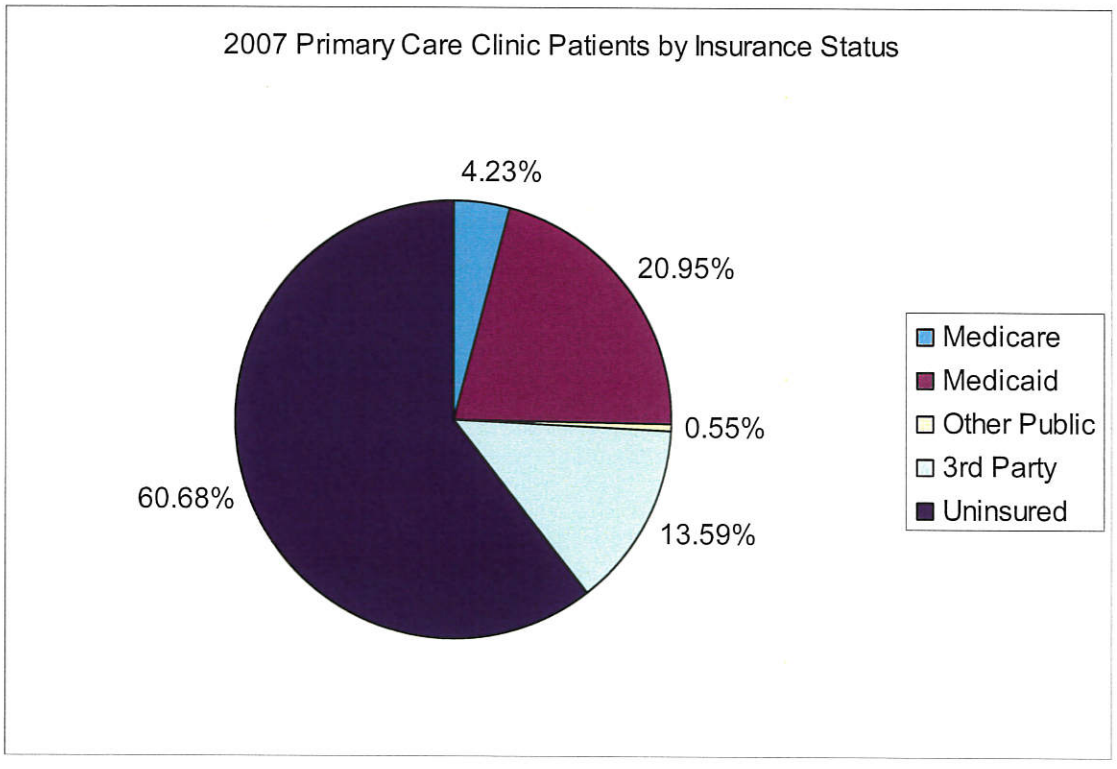


Number of Funded Primary Care Clinics




State-funded Primary Care Clinic Patient Demographics
180000
160000
140000
120000
100000
80000
60000
40000
20000
0
2005
2006
2007
102121
131963
155907
71238
93266
106875
63374
73868
82757
49819
63570
77112
19234
24500
28572
Total
<100% Poverty
<200% Poverty
Medicaid/Healthwave
Uninsured


2007 Primary Care Clinic Patients by
Percentage of Federal Poverty Level
8.15%
25.58%
66.27%
<100%
101-200%
>200%


2007 Primary Care Clinic Patients by Insurance Status
4.23%
20.95%
0.55%
13.59%
60.68%
Medicare
Medicaid
Other Public
3rd Party
Uninsured

KANSAS ASSOCIATION FOR THE MEDICALLY UNDERSERVED

The State Primary Care Association

KANSAS ACCESS PLAN
Process for Development

Year 1 (to be completed by next Legislative Session) – No fiscal note

1. Conduct a comprehensive environmental scan to include the following components:
    - Statewide assessment of current and projected need
    - Evaluation of existing infrastructure to include:
        - Determine what is working well
        - Evaluate physical and human resource capacity
        - Evaluate current financing/reimbursement
    - Define limitations
        - Services
        - Geographic
    - Evaluate best methods/practices in Kansas and other states
    - Establish a work group (to be appointed by Public Health and Welfare) to develop a 5 – 10 year plan.

2. Determine possible strategies (Work Group)

3. Establish an implementation plan (Work Group)

4. Develop an evaluation plan (Work Group)

Year 2 (2010 Legislative Session) – No fiscal note

1. Report to Public Health and Welfare specific Access Plan recommendations.

2. Introduce legislative and regulatory change recommendations (state and federal).

Years 3 – 5

Implement plan as approved by Kansas Legislature
Evaluate and re-assess (every year)

Years 5 – 10

Determine sustainability issues
Evaluate and re-assess (every year)

There may also be some legislative and/or regulatory actions that can occur to increase access to care in the immediate future. For example, legislation could be passed to include mental health providers in the Charitable Care Act, which now includes Kansas Tort Claims coverage for medical and dental clinicians (both volunteers and paid staff of clinics). Currently, this Act covers only psychiatrists in the mental health field, so creates a barrier to mental health clinicians who might otherwise volunteer at clinics, and to clinics who might otherwise employ mental health providers.

Within the next two weeks we will develop recommendations to provide this committee that could be implemented this legislative session.