

SESSION OF 2008

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE BILL NO. 2672**

As Agreed to April 1, 2008

Brief*

HB 2672, as amended, would require the Kansas Health Policy Authority (KHPA) to conduct a study on the topic of bariatric surgery for the morbidly obese and other insurance issues. The bill would identify issues associated with the topic: emerging research evidence of the positive health impact (of the surgery) for the morbidly obese; qualifications of the patients and surgeons when the surgery is appropriate or necessary; and cost analysis with insurance and Medicaid reimbursement.

The bill also would require the Kansas Health Policy Authority, in collaboration with the Insurance Commissioner, to conduct a study on: the impact of extending coverage for bariatric surgery in the State Employee Health Benefit Program, the affordability of coverage in the small business employer group and the high risk pool; and the possibility of reinsurance or state subsidies for reinsurance. The Kansas Health Policy Authority would be required to submit a report on its findings to the Joint Committee on Health Policy Oversight on or before November 1, 2008. The report also would be required to be submitted to the Senate Financial Institutions and Insurance Committee and the House Insurance and Financial Institutions Committee on or before February 1, 2009. The Joint Committee, the bill states, may introduce bills based on the study findings. All departments, boards, agencies, officers and institutions of the state would be required to cooperate with KHPA in carrying out the duties outlined in the bill.

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/klrd>

The bill also would make technical amendments to replace references to the Health Care Data Governing Board (HCDGB) with references to the Kansas Health Policy Authority (KHPA) in several statutes. In addition, the rules and regulations of the HCDGB related to the client assessment, referral and evaluation (CARE) data entry form would be deemed to be rules and regulations of KHPA until revised, revoked or nullified pursuant to law.

Conference Committee Action

The Conference Committee agreed to the Senate version of the bill, with technical changes.

Background

HB 2672, as introduced, would have made technical amendments to replace references to the HCDGB with references to KHPA, and would have deemed certain rules and regulations of the HCDGB to be rules and regulations of KHPA. In addition, the bill would have transferred survey and certification activities related to long-term care units attached to acute-care hospitals from the Kansas Department of Health and Environment (KDHE) to the Kansas Department on Aging (KDOA).

Representatives of KDHE and KDOA testified that the agencies were in the process of finalizing a memorandum of understanding to shift positions and financial resources, and requested that language in the bill regarding the transfer be deleted. Representative Bob Bethell spoke in support of the agencies' position. Representatives of Kansas Advocates for Better Care and the Kansas Hospital Association provided written testimony in opposition to aspects of the introduced version of the bill.

The House Committee adopted amendments proposed by KDHE and KDOA that delete reference to the transfer of survey and certification activities for long-term care units attached to acute-care hospitals, leaving the technical amendments concerning the Kansas Health Policy as the only subject matter of the bill.

The House Committee of the Whole made a technical amendment to the bill.

The Senate Public Health and Welfare Committee made one technical amendment to the bill.

The Senate Committee of the Whole further amended HB 2672 by inserting the provisions of SB 511 concerning the study of bariatric surgery as it was amended by the Senate Committee on Financial Institutions and Insurance.

SB 511 was introduced by the Senate Committee on Public Health and Welfare at the request of Senator Barnett. In testimony before the Committee on Financial Institutions and Insurance, Senator Barnett testified about the medical conditions related to morbid obesity and noted recent studies from the New England Journal of Medicine and the Journal of the American Medical Association that demonstrated long-term cost savings and a 73 percent cure rate of Type 2 diabetes from bariatric surgery. Other proponents of the bill included the Kansas Health Policy Authority, the Sisters of Charity of Leavenworth Health System and the Kansas Association of Health Plans.

The Senate Committee on Financial Institutions and Insurance recommended an amendment to the bill to specify that the report required to be submitted by the Kansas Health Policy Authority to the Joint Committee on Health Policy Oversight also be submitted to the Senate Committee and the House Committee on Insurance and Financial Institutions on or before February 1, 2009. The other amendments are technical in nature.

The House Committee on Insurance and Financial Institutions amended SB 511 to include a study by the Kansas Health Policy Authority, in conjunction with the Insurance Commissioner, of the impact of providing insurance coverage for hearing aids and related expenses.

The fiscal note prepared by the Division of the Budget on HB 2672 would not apply to the amended bill.

The fiscal note prepared by the Division of the Budget for SB 511 indicates that the Kansas Health Policy Authority states the studies required by the bill could be completed with existing staff and within current resources. However, the fiscal note continues, there would be significant new expenditures if bariatric surgeries were covered in Medicaid or the State Employee Health Benefits Plan. The extent of those expenditures cannot be estimated. The Kansas Insurance Department states that the bill would not cause the need for additional personnel. However, an expenditure limitation increase of \$20,000 (All Funds) would be necessary to cover the cost of new software and additional actuarial services.

bariatric surgery; kansas health policy authority