

## 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.

Committee members: All members were present except Representatives: Hermanson and Schwab, all of whom were 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 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 (Attachments 1, 3):

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

Other KHPA responsibilities (Attachment 1, 3)

- Data Policy and Evaluation
- Initiatives

Effective Purchasing and Administration of Health Care (Attachment 1)

- 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 (Attachment 1)

- 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 (Attachment 2)

- Cost drivers - home health care; custodial vs nursing care
- Spending increases particularly with Hospice

## CONTINUATION SHEET

Minutes of the House Health And Human Services Committee at 1:30 p.m. on January 22, 2009 , in Room 784 of the Docking State Office Building.

- 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 (Attachment 1)

- 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 (Attachment 1)

- 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 (Attachment 1, 3)

- 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 cost 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 are they collecting funds and what will help with saving costs.

## CONTINUATION SHEET

Minutes of the House Health And Human Services Committee at 1:30 p.m. on January 22, 2009 , in Room 784 of the Docking State Office Building.

No bill introductions today.

The next meeting is scheduled for January 26, 2009.

The meeting was adjourned at 02:47 p.m.