

## MINUTES OF THE SENATE HEALTH CARE STRATEGIES COMMITTEE

The meeting was called to order by Chairman Susan Wagle at 1:30 P.M. on January 22, 2007 in Room 231-N of the Capitol.

Committee members absent: Senator Jim Barnett (EA)  
Ms. Emalene Correll, Kansas Legislative Research Department (EA)

Committee staff present: Ms. Terri Weber, Kansas Legislative Research Department  
Ms. Nobuko Folmsbee, Revisor of Statutes Office  
Mr. Jim Wilcox, Revisor of Statutes Office  
Ms. Margaret Cianciarulo, Committee Secretary

Conferees appearing before the committee: Mr. Fred Schuster, Regional Director, US Department of Health and Human Services  
Mr. Robert Epps, Health Care Specialist, Centers for Medicare & Medicaid Services

Others in attendance: Please see attached Guest List

### Recognitions

Upon calling the meeting to order, Chairperson Wagle introduced the newest member of the Committee Staff, Ms. Nobuko Folmsbee, who will be the primary Revisor as she is for the Senate Public Health & Welfare Committee. Mr. Jim Wilson will still be available to help her out. The chair also recognized returning staff members. She then went on to state that she is waiting to see what recommendations the Senate Public Health and Welfare Task Force Committee will make regarding a portability initiative, for the Senate Health Care Strategies Committee to consider.

### Overview

The Chair then introduced Mr. Fred Schuster, Regional Director, US Department of Health and Human Services, who offered a brief overview of Value Based Health Care (VDHC) and 4 cornerstones:

1. Interoperable Health IT system or Electronic Health Records,
2. Quality Measures,
3. Price Standards, and
4. Properly Placed Incentives

He also offered a brochure stating that at the bottom of page 13 is the website to see what others are saying and what businesses have signed the pledge. A copy of his testimony and brochure is ([Attachment 1](#)) attached hereto and incorporated into the Minutes by reference.

Mr. Schuster then introduced Mr. Robert Epps, Health Care Specialist, Centers for Medicare and Medicaid Services (CMMS), who stated that they used to be known as the Health Care Financing Administration. He stated their Center administers the Medicare and Medicaid and the relatively new children's health insurance and until recently, have been a passive bill payer. However, with the cost increases, they are trying change and become a prudent value driven purchaser of health care services. (He cited that 16.3% of our gross domestic products is spent on health care, projecting 20% spending by 2015, and the 2 closest countries are Sweden and Germany, both barely over 10%.)

As an overview of what the Centers for Medicare and Medicaid are doing that relates to the new transparency initiatives, Mr. Epps stated, over the last 4-5 years they have been involved in a number of demonstration projects, ex. Long term care facilities and hospitals, trying out methods of making quality transparent with relative success at this point. They now have primitive information on the website named "Cms.hhs.gov" (Ex. Of what it is offering: Information that indicates the Medicaid payments for different types of service; a hospital comparison (reports on a limited number of quality indicators for approximately 4,000 hospitals across the country) and preventive services (Ex. a "Welcome To Medicare"

## CONTINUATION SHEET

MINUTES OF THE Senate Health Care Strategies Committee at 1:30 P.M. on January 22, 2007 in Room 231-N of the Capitol.

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screening that is available to beneficiaries as they enter the program, along with cardiac, diabetes, mammogram screens as a result of the MMA 2003 legislation that passed that gave them the prescription drug benefit.)

The Chairperson then thanked the conferees and asked the Committee for questions or comments, Senators Schmidt, Palmer, and Wagle asked a range of questions including:

- a) regarding transparencies -where are the guidelines for guardians/recipients being put on a list and are these names published, and could a state, if they chose, put the names of those Healthwave beneficiaries on a web page;
- b) concerns regarding privacy in general;
- c) regarding the hospital comparison- there can be a lot of differences in the state of a patient that is admitted to the hospital with other issues that come into play & this chart does not seem to address those (Ex. , KU Med center probably takes patient that are much sicker than a hospital in Dodge City and therefor would expect their patient satisfaction might be less and their outcomes would be markedly different because of the state of the patient on the way in.) is there any way to ascertain that in your website;
- d) regarding Medicare Part D, still some kinks (have been working with some constituents for over a year) do you see any help for this;
- e) regarding the autism act, millions of dollars have been allocated for that, do you know when the funding will be available; was it an absolute mandate that if you do business with the federal government you have to abide by these principles and publish your cost;
- f) requesting clarification - you have this information (sign up sheets)from about 40% of your companies and is it just for businesses; (reply - their goal is at some point, where there is enough people being covered nationally, that insurance companies and providers will just do it for everybody, with the tipping point is maybe 60-70% coverage point);

On the same subject:

- 1) are you asking people to request their providers to comply;
- 2) have you heard of any initiatives from Kansas that are asking for compliance; and,
- 3) do we have an Executive Order and are there any states who have participated?

### **Adjournment**

As there was no further questions or discussion, Chairperson Wagle asked if there were any bill introductions. As there were none, the meeting was adjourned. The time was 2:25 p.m.

The next meeting is scheduled for January 30, 2007.