

## MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairperson Brenda Landwehr at 1:40 P.M. on March 13, 2008 in Room 526-S of the Capitol.

All members were present except:

Committee staff present:

Norman Furse, Revisor of Statutes Office  
Dianne Rosell, Revisor of Statutes Office  
Melissa Calderwood, Kansas Legislative Research Department  
Cindy Lash, Kansas Legislative Research Department  
Chris Haug, Committee Assistant

Conferees appearing before the committee:

Marcia Nielson, PhD, Executive Director Kansas Health Policy Authority

Others Attending:

See Attached List.

### **HB2934 - Health Care Reform Act of 2008**

There was discussion about the proposed amendment in Sec. 4 on Section 125 plans requiring the employee to pay for their premium with pre-tax dollars and mandating businesses to offer the cafeteria plan. It requires the employer to offer the employee the opportunity to participate in a section 125 and make it easier for the employee to afford the premium. This is only for businesses that are currently offering a health care plan for their employees. There was additional discussion on the cost to the employer and employee. Discussion occurred on premium only or POP plans, whatever premium the employee is paying would come from pre-tax money. Not all 125 plans offer everything.

The Proposed Amendments to **HB 2934** were passed out. New Sec. 3, is a proposal of a legislative study committee. This proposal will insert the proposed amendment that creates a joint statutory committee that would have the ability to meet on the call of the chair. The language was fashioned from the children's issue statute. The difference between this proposal and the children's issue statute is this one does not mandate the members of the committee come from specific committees. One of the things the children's issues committee has been charged with is the review of SCHIP, our Healthwave program. For this new committee, if they are going to be looking at health issues, it is important for SCHIP to be in this committee and not in Children's Issues. The Children's Issues committee is not being abolished, it is just moving the SCHIP responsibility into this new committee. The name of the committee will be Kansas Health Futures Committee. This will be an amendment that will be proposed. There was discussion about why this committee is doing this and not KHPA. The committee puts the responsibility more on the legislature and gives the committee the opportunity to work with the KHPA. This committee will not be in opposition of the KHPA, they will study different things. This would not be an oversight committee, this committee would report to the oversight committee.

Chairperson Landwehr asked staff to brief the committee on **HB2934** and the balloon the sub-committee left with yesterday. Melissa Calderwood, Legislative Research Department covered the changes to the balloon, using the handout, "Subcommittee Report **HB2934 – Health Reform Act of 2008**". (Attachment 1) There was discussion about the Mandatory offer of POPS. New section 4 will incorporate new section 1. It was decided to make the amendments as we go.

The Revisors office passed out the balloon amendments for **HB2934**. Representative Crum made the motion to accept the amendment with the balloons in New Section 1, starting on line 31. Seconded by Representative Kiegerl. There was discussion on the Mandatory POP, and the premium only cafeteria plan. It was noted the motion needed to be withdrawn. Representative Crum withdrew his motion and Representative Kiegerl withdrew his second. Chairperson Landwehr stated, "New Section 1 starting on 16 to line 30 was struck, do I have a motion". The motion was made by Representative Mast. Seconded by Representative Schroeder. The motion carried.

Chairperson Landwehr stated, now we are on New section 1 lines 31 to 37, with 3 balloons. Representative

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Crum moved that we pass amended new section 1. Representative Kiegerl seconded. There was discussion that this new section 1 pertained to insurers and not employees. The Motion Carried.

Representative Ward asked to make an amendment to take all of the language in **HB2934** and put in **SB 540-Health insurance; Kansas small business health policy committee act health insurance clearinghouse, age of dependents, very small employers. & SB541-Powers and duties of the Kansas Health Policy Authority; relating to a medical home, premium assistance and small business wellness grant program; establishing a health reform fund.** The chairperson stated she would be happy to entertain his motion. Representative Ward outlined what these amendments would do. These amendments have been fully vetted by experts in health care delivery. Representative Ward moved we amend HB2934 by taking all the contents currently therein and substitute the contents therein of original SB540 and SB541 and add a new section with cost of premium assistance only being for 1 year. Seconded by Representative Tietze. There was discussion about the KHPA making a conscious decision to run through the Senate and not the House. The House decided something had to occur in order for the House to have a position. Chair Landwehr would be opposed to the amendment. Discussion occurred on the benefits in **SB 540 & SB541** versus what is not included in **HB2934** and on premium assistance. Also discussion on how do the working poor benefit from the senate bills. Representative Ward clarified what his amendment covered.

Dr. Nielson explained the Premium Assistance Program. There was additional discussion about the enhanced premium assistance program and the possible shortfall with this proposal. Representative Ward clarified it would only be for one year.

Representative Mast stated we are taking two bill that came out of the senate damaged and a lot of people have given their support of the house bill, she will not be supporting amendment. Representative Neighbor felt this was a complicated issue and felt the committee did not finish the job. She said she would support the amendment. Representative Hill will be supporting Representative Ward's amendment

Chairperson Landwehr stated it has been moved and seconded to remove all language in **HB2934** as introduced. and insert the original **SB540** and **SB541**. After the vote, a division was requested. The vote was ten yes and ten no. The chair voted no. The Motion failed. Yes votes recorded - Representative's Ward, Storm, Trimmer, Neighbor, Garcia, Tietze, Flaharty, Quigley.

Back on the bill. Section 3, Strike current language regarding an LCC appointed Legislative committee and inserting the language that would create a joint statutory language into that which was presented to you on the legal size sheets as an amendment. The chair would entertain a motion to accept proposed amendment to HB2934 which establishes a committee of legislative branch of state government. Representative Mast made the motion, Representative Colyer seconded. There was discussion about the committees that currently exist and Representative Ward said he would not be for creating an additional committee, he will be voting against this. There was further discussion about what type of committee it would be. Representative Holland stated he would not be supporting this.

There was a recess at 3:20 p.m. and the meeting began again at 5:20 p.m.

Chairperson Landwehr entertained a motion to adopt the amendment. After the vote, a division was requested. The vote was 10 yes and 9 no. The motion carried.

Chairperson Landwehr entertained a motion to adopt remaining balloons in HB2934 that staff put together. Representative Mast made the motion to adopt. Seconded by Representative Rhoades Chairperson Landwehr said we would not be advancing the bill tonight we will do that tomorrow. Division was requested. In favor 10, 8 against. The no votes, wishing to be recorded: Representative's Ward, Storm, Trimmer, Neighbor, Quigley, Tietze, Flaharty.

Representative Crum made a motion to reinstate new section 4 back into HB2934, replacing the words "such employer" with "an employee shall" striking "not provide such coverage unless the employer has" shall also and remove "established" and replace with "offer". Representative Mast Seconded. The motion carried. Record of no votes: Representative's Ward, Neighbor and Tietze.

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Motion to have new committee Kansas Health Futures examine health care. Representative Landwehr made the motion to adopt. Representative Mast seconded. The motion carried.

Chairperson Landwehr said we are not making a motion on the bill tonight. Staff will work to get bill together.

The meeting was adjourned at 6:00 p.m. The next meeting will be March 14, 2008 at first adjournment of the House.