

MINUTES OF THE COMMITTEE ON SENATE WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:30 a.m. on February 4, 2002 in Room 123-S of the Capitol.

All members were present except: All present

Committee staff present:

Deb Hollon, Kansas Legislative Research Department  
Audrey Nogle, Kansas Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Assistant Revisor of Statutes  
Judy Bromich, Assistant to the Chairman  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Janet Schalansky, Secretary, Department of Social and Rehabilitation Services  
Sara Adams, Director of Information Systems, Keys for Networking, Inc., and Lori Ellis, parent of a child with SED  
Paul Klotz, Executive Director, Association of Community Mental Health Centers of Kansas, Inc.  
Josie Torrez, self  
Tom Laing, Executive Director, InterHab  
Robert Day, Director of Medical Policy, Department of Social and Rehabilitation Services  
Chris Collins, Director of Government Affairs, Kansas Medical Society

Others attending: See attached list

**Bill Introduction**

Senator Jordan moved, with a second by Senator Schodorf, to introduce a bill concerning establishing the e-technology communication fee fund (1rs1892). Motion carried on a voice vote.

Chairman Morris referred the following bill to the KPERS Issues Subcommittee:

**SB 484 – KPERS accidental death benefit coverage, certain employees of state board of regents or its institutions or of state board of education institutions**

Two letters were distributed to the Committee from Janet Schalansky, Secretary, Department of Social and Rehabilitation Services as follows:

- Report on Plans for Maximizing Federal Financial Participation and Community Capacity Building Plans, as required by **Senate Substitute for HB 2067** (Attachment 1) and
- Report on Nursing Facilities/Mental Health Facilities (NF/MH) Proviso Workgroup Report to determine the number of individuals currently in care who are candidates for community-based services (Attachment 2) as required by **HB 2283**.

Chairman Morris opened the public hearing on:

**SB 421 – Social and Rehabilitation Services; fixing of certain fees and disposition thereof**

Staff briefed the Committee on the bill.

Janet Schalansky, Secretary, Department of Social and Rehabilitation Services, spoke in favor of **SB 421** (Attachment 3). Secretary Schalansky mentioned that SRS believes that **SB 421** is a reasoned, equitable approach to continuing critical services to children while requiring families, who are able, to contribute

CONTINUATION SHEET

toward the cost of these services. She noted that the fees would be reasonable, and directly related to the cost of services and parental income. Committee questions and discussion followed.

Chairman Morris requested, upon a question by Senator Barone, that Secretary Schalansky visit with the Revisor to get an amendment drafted regarding the fees from parents on line 16 and there is nothing in the bill in regard to parental income. Secretary Schalansky noted that they would not recommend setting this at a level that would deter families from using the service. Senator Barone also requested a list of programs where fees are or are not charged.

Sara Adams, Director of Information Systems, Keys for Networking, Inc., spoke in opposition to **SB 421** (Attachment 4). Ms. Adams testified that she represents families whose children have mental illness, who are affected by the bill. She also mentioned that spending state monies early for mental health services saves the state money and the best “deal” for the family and for the state is still community services.

Lori Ellis, Circleville, spoke in opposition to **SB 421** (testimony is found in the testimony of Sara Adams, Keys for Networking, Inc., Attachment 4). Ms. Ellis explained that she opposes **SB 421** because she would have to choose between medications and services, the costs involved with these problems and children are kept out of institutions by these services.

Josie Torrez, self, submitted written testimony in opposition to **SB 421** (Attachment 5).

Paul Klotz, Executive Director, Association of Community Mental Health Centers of Kansas, Inc., submitted written testimony in opposition to **SB 421** (Attachment 6).

Tom Laing, Executive Director, InterHab, submitted written testimony in opposition to **SB 421** (Attachment 7).

Committee questions and discussion followed. Chairman Morris thanked the conferees for their appearance before the Committee. The Chairman closed the public hearing on **SB 421**.

Chairman Morris opened the public hearing on:

**SB 422 – Social and rehabilitation services; reimbursement for certain drugs; rules and regulation requirements changed**

Staff briefed the Committee on the bill.

Robert Day, Director of Medical Policy, Department of Social and Rehabilitation Services, spoke in favor of **SB 422** (Attachment 8). It was explained that this is one of the Department’s legislative proposals and the purpose is to provide the Department with the ability to better manage its pharmacy program, so that they may be able to reduce the growth in that area of their budget. Mr. Day addressed dispensing of generic drugs and an expedited prior authorization process.

Chris Collins, Director of Governmental Affairs, Kansas Medical Society (KMS), spoke in favor of **SB 422** (Attachment 9). Ms. Collins mentioned that the KMS supports the Department of Social and Rehabilitation Services (SRS) in its efforts to ensure that maximum value is received for every dollar spent within the escalating Kansas Medicaid budget. In regard to the philosophy behind SRS’ proposed amendments to the prior authorization rules and regulation process, the KMS is in support of it.

Committee questions and discussion followed. Chairman Morris thanked the conferees for their appearance before the Committee. The Chairman closed the public hearing on **SB 422**.

The meeting adjourned at 11:40 a.m. The next meeting is scheduled for February 5, 2002.