

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 9:00 A.M. on January 16, 2008, in Room 514-S of the Capitol.

All members were present.

### Committee staff present:

Alan Conroy, Legislative Research Department  
J. G. Scott, Legislative Research Department  
Reed Holwegner, Legislative Research Department  
Cody Gorges, Legislative Research Department  
Amy Deckard, Legislative Research Department  
Audrey Dunkel, Legislative Research Department  
Julian Efird, Legislative Research Department  
Kimbra Caywood McCarthy, Legislative Research Department  
Leah Robinson, Legislative Research Department  
Aaron Klaassen, Legislative Research Department  
Heather O'Hara, Legislative Research Department  
Michael Steiner, Legislative Research Department  
Amy VanHouse, Legislative Research Department  
Jarold Waltner, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Nobuko Folmsbee, Revisor of Statutes  
Nikki Feuerborn, Chief of Staff  
Shirley Jepson, Committee Assistant

### Conferees appearing before the committee:

Dr. Marci Nielsen, Executive Director, Kansas Health Policy Authority (KHPA)  
Andy Allison, Kansas Health Policy Authority  
Scott Brunner, Kansas Health Policy Authority

### Others attending:

See attached list.

- Attachment 1 Testimony from Kansas Health Policy Authority
- Attachment 2 Listing of Fiscal Analyst, Legislative Research Department
- Attachment 3 Committee Rules
- Attachment 4 Listing of Committee Members
- Attachment 5 Listing of Budget Committee Members

Chair Schwartz welcomed the Committee to the first meeting of the 2008 Session. The fiscal analyst staff of the Legislative Research Department and the staff of the Office of the Revisor of Statutes who will be working with the Committee and the Budget Committees were introduced.

### Introduction of Legislation

Representative Wolf moved to introduce legislation that would allow geriatric doctors to participate in a program established by the State for reimbursement of medical school loan expense for physicians. The motion was seconded by Representative Feuerborn. Motion carried.

### Kansas Health Policy Authority

Chair Schwartz recognized Dr. Marci Nielsen, Executive Director, Kansas Health Policy Authority (KHPA), who presented an agency overview and update on agency activities (Attachment 1). Dr. Nielsen noted that the agency's annual report will be approved by the governing body at a meeting on Tuesday, January 22<sup>nd</sup>, after which time copies will be made available to legislators. The Committee voiced several concerns and requested additional information on how prescription drug prices are set; regulation of the disbursement of drugs relating to the issuance of a 90-day supply; and possible waiver of monthly service charges assessed by some financial institutions to employees who participate in the Health Savings Account Program (HSAP). Responding to another

## CONTINUATION SHEET

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question from the Committee with regard to the Data Analytic Interface program, Dr. Nielsen stated that the agency will be contracting with an outside vendor to facilitate this program.

Andy Allison, KHPA, provided an overview of the State Employee Health Plan (SEHP) ([Attachment 1](#)). Mr. Allison stated that approximately 92 percent of the state employees participate in the plan.

Scott Brunner, KHPA, provided an overview on the financial aspect of the State Employee Health Plan (SEHP) ([Attachment 1](#)). Mr. Brunner noted that all budgeting and expenditures for SEHP are "off budget." Mr. Brunner indicated that the Plan operates on a calendar year basis as opposed to the state budget which is on a fiscal year basis. The Committee stated that it might be beneficial to provide an incentive to make the high deductible plan more attractive to state employees. Mr. Brunner explained that the difference in administration costs between FY 2004 and FY 2006 can be attributed to the establishment of KHPA and move of programs to KHPA from other agencies. Mr. Brunner noted that the State Health Care Commission sets coverage for SEHP including cost, premiums, and benefits.

### Other Business

Other materials distributed to the Committee:

- A listing of Legislative Research Fiscal Analyst staff was distributed to the Committee ([Attachment 2](#)).
- Committee Rules ([Attachment 3](#)).
- Listings of Committee members ([Attachment 4](#)).
- Listing of the members of the Budget Committees ([Attachment 5](#)).
- A booklet on the "Critical Analysis of the State & Federal Definitions of Commercial Motor Vehicle" was distributed to the Committee ([copy available from the Kansas Corporation Commission](#)).

The meeting was adjourned at 10:55 a.m. The next meeting of the Committee will be held at 9:00 a.m. on January 17, 2008.

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Representative Sharon Schwartz, Chair