

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman Jim Barnett at 1:30 p.m. on January 19, 2010, in Room 546-S of the Capitol.

All members were present.

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes
Renae Jefferies, Office of the Revisor of Statutes
Iraida Orr, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Jan Lunn, Committee Assistant

Conferees appearing before the Committee:

William A. Reed, MD, The University of Kansas Hospital
Andrew Allison, PhD, Kansas Health Policy Authority

Others attending:

See attached list.

Senator Barnett opened the Confirmation Hearing for Dr. William Reed to the Board of Kansas Health Policy Authority (Attachment 1). Dr. Reed, in his opening comments, referenced his early childhood and events which led to his desire to contribute in the provision of quality healthcare for Kansas residents who may not be able to afford it. He indicated that goal could be realized in serving on the Kansas Health Policy Authority Board to assist in the maintenance of coordinated health policy that positively impacts Kansas residents.

Questions from legislators included information about the current status of cardiovascular stem cell research, what expectations or issues relative to the current economic environment will result in healthcare, what critical issues (apart from Medicaid) will come forward in the next 5-7 years, and what cooperation has occurred between Kansas and Missouri in terms of funding across state borders.

Dr. Reed reported cardiovascular (CV) stem cell research is a bright, exciting area and with the recruitment of Buddhadeb Dawn, MD, director of the Division of Cardiovascular Disease, KU is positioned to further enhance its ability to impact care and research. Dr. Reed indicated the largest issue resulting from the current economic environment relates to funding Medicaid for the growing number of Kansas residents who have become eligible for benefits. In upcoming years, the critical issue will be the burgeoning number of eligible beneficiaries, and the possibility of a unfunded Medicaid mandate. Dr. Reed indicated little has happened since the initial agreement of funding from St. Luke's and the impact on resident education was reached. Kansas University Hospital continues to perform well, and a monumental achievement for the State will result should KU succeed in achieving National Cancer Institute designation.

Senator Barnett closed the public confirmation hearing for Dr. William Reed.

Chairperson Barnett introduced Dr. Andrew Allison who is currently serving as acting executive director of the Kansas Health Policy Authority, and opened the public hearing on Dr. Allison's confirmation (Attachment 2).

Dr. Allison introduced his family and commented on the opportunity to use his education in economics, his background in public policy, and his career experience in research to face the challenges and opportunities the State will encounter in future years.

Questions for Dr. Allison centered on the current Kansas fiscal budget crisis, what is being done in other states, and what impact and alternatives currently exist. Dr. Allison responded by distributing testimony recently delivered to the House Appropriations Committee (Attachment 3). He reviewed four opportunities for fiscal Medicaid management that include reducing Medicaid

CONTINUATION SHEET

Minutes of the Senate Public Health and Welfare Committee at 1:30 p.m. on January 19, 2010, in Room 546-S of the Capitol.

spending, reducing the number of covered beneficiaries, reducing services provided, or increasing the management of programs (utilization) and quality improvement initiatives. The fourth option focuses on improved management of care for the high-cost populations. Dr. Allison concluded by stating his commitment to initiatives that will advance health in Kansas.

Senator Barnett closed Dr. Allison's confirmation hearing. Chairperson Barnett indicated the next confirmation hearing is scheduled for January 20, 2010, and at the conclusion of the hearing, a vote will be taken on all appointees.

The meeting was adjourned at 2:10 p.m.

PUBLIC HEALTH AND WELFARE
GUEST LIST
January 19, 2010

NAME	AFFILIATION
Julia Mowers	KS BHA
Lindsey Scott	W.U.
Robert FALLISON	KHPA
John Allison	
Mark Allison	
Trish Allison	
Hannah Allison	
Bob Williams	Ks Society of Osteopathic Medicine
Marlee Carpenter	KAHP
Susan D. Zalender	OTG
Carl A. Curtis	AstraZeneca
Justin Mayer	KHPA
Rob Mealy	Kenney & Assoc.
Dan Morin	ICS Medical Society
Berend Hoops	Hein Law Firm
Agnes Suss	Sci Health Syst
Nancy Zogelman	Polsinelli
Mike Stield	KHI NEWS
John Kiefhaber	Ks. Chiropractic Assn.

Beed

Kansas Health Policy Authority

Members:		Appointed by	Number of Appointments	Number of Senate Confirmations
Legislators:	0	Governor	3	3
House:	0	House Minority Leader	1	1
Senate:	0	Senate Minority Leader	1	1
Non-Legislative:	17	Senate President	2	2
Total Members:	17	Speaker of the House	2	2

Ex officio(s)

Commissioner of Education

Commissioner of Insurance

Director of Health of the Department of Health and Environment

Executive Director of the Kansas Health Policy Authority

Secretary of Administration

Secretary of Aging

Secretary of Health and Environment

Secretary of Social and Rehabilitation Services

Entity Description

KSA 75-7401 *et seq.* created the Kansas Health Policy Authority on July 1, 2005. The general charge of the Authority is to develop and maintain a coordinated health policy agenda that combines effective purchasing and administration of health care with health promotion oriented public health strategies, and to improve the health of Kansans by increasing the quality, efficiency, and effectiveness of health services and public health programs.

The Kansas Health Policy Authority is composed of 17 members, nine voting members and eight nonvoting, *ex officio* members. The nine voting members are appointed, and confirmed by the Senate, as follows:

- Three members appointed by the Governor;
- Two members appointed by the Speaker of the House of Representatives;
- One member appointed by the Minority Leader of the House of Representatives;
- Two members appointed by the President of the Senate; and
- One member appointed by the Minority Leader of the Senate.

These members are members of the general public who have knowledge and demonstrated leadership in fields including, but not limited to, health care delivery, health promotion, public health improvement, evidence-based medicine, insurance, information systems, data analysis, health care finance, economics, government and business. A majority of the voting members must be Kansas residents.

The eight nonvoting, *ex officio* members of the Kansas Health Policy Authority are:

Senate Public Health and Welfare

Date: 1/19/10

Attachment:

1

- The Director of Health of the Department of Health and Environment;
- Secretary of Health and Environment;
- Secretary of Social and Rehabilitation Services;
- Commissioner of Insurance;
- Secretary of Administration;
- Secretary of Aging;
- Commissioner of Education; and
- The Executive Director of the Authority, appointed pursuant to KSA 2006 Supp. 75-7402.

The seven nonvoting, *ex officio* members of the Kansas Health Policy Authority shall act as a resource and support for the voting members of the Authority and shall not be entitled to vote or to make or second motions in any meeting of the Authority.

Members will receive subsistence allowances, mileage, and other expenses for attendance at meetings. The Authority is required to meet at least quarterly. Annual reports are required to be made to the Legislature, along with recommendations and implementation plans. Beginning with the report to the 2007 Legislature, the annual report is required to contain, in addition to other information, cost comparisons on transferred programs using FY 2005 expenditures as the base and comparisons to national health care cost information. The Kansas Health Policy Authority will be abolished on July 1, 2013.

Budget Information

The FY 2009 appropriation for the Kansas Health Policy Authority was \$1,413,330,663; the FY 2010, \$1,453,474,949.

Contact Information

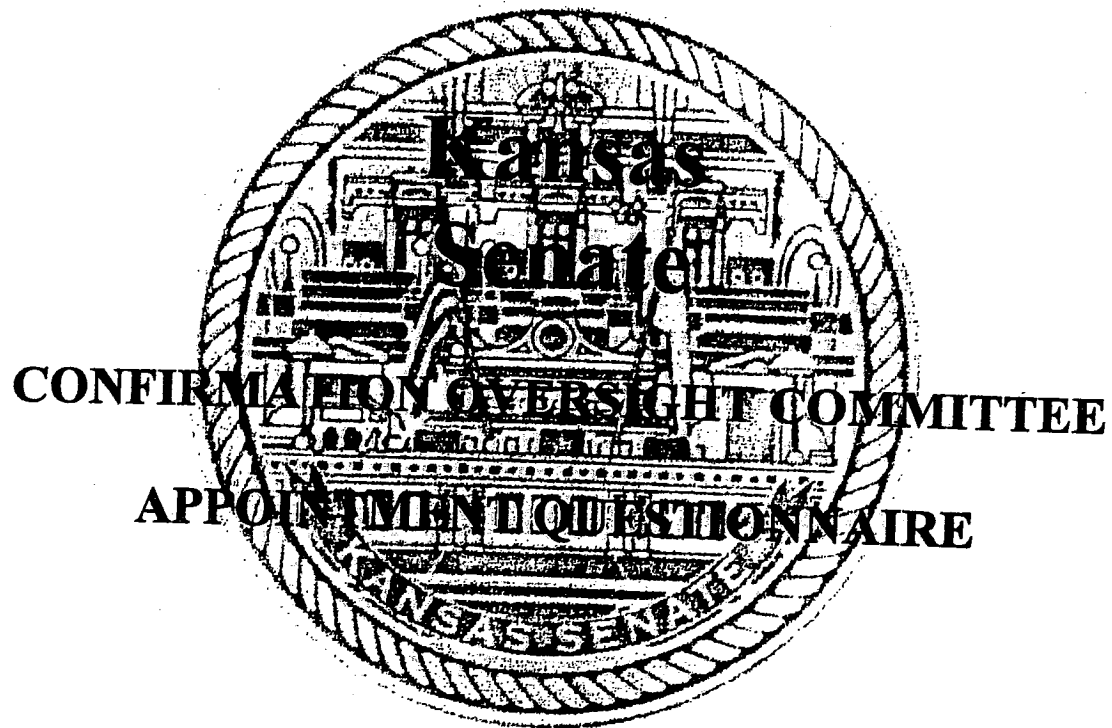
Director of Executive Operations
Marlene Shellenberger
Kansas Health Policy Authority
Room 900 N, Landon State Office Bldg
Topeka, KS 66612
296-4767
Marlene.Shellenberger@khp.a.ks.gov

Kansas Health Policy Authority

Powers and Duties

The Kansas Health Policy Authority (KHPA) has the power to:

- Submit to the Legislature recommendations for implementation of the health policy agenda recommended by the KHPA;
- Assume the functions of the Health Care Data Governing Board and the functions of the Department of Social and Rehabilitation Services as assigned under the Kansas Business Health Partnership Act;
- Submit a plan with recommendations for funding and any recommended legislation for the powers, duties, and functions transferred to the KHPA for the operational and purchasing responsibility for the following programs:
 - Regular medical portion of the state Medicaid program;
 - MediKan program;
 - Children's health insurance program;
 - The working healthy portion of the Ticket to Work Program under the federal Work Incentive Improvement Act;
 - Medicaid infrastructure grants for the working healthy portion of the Ticket to Work Program;
 - Medicaid Management Information System (MMIS);
 - Restrictive drug formulary;
 - Drug utilization review program, including oversight of the Medicaid drug utilization review board and the electronic claims management system;
 - State health care benefits program; and
 - State Workers' Compensation Self-insurance Fund and Program.
- Submit to the Legislature recommendations and an implementation plan for the transfer of additional Medicaid-funded programs to the KHPA which may include:
 - Mental health services;
 - Home and community-based services waiver programs;
 - Nursing facilities; and
 - Substance abuse prevention and treatment programs.
- Submit to the Legislature recommendations and an implementation plan for the KHPA to assume responsibility for health care purchasing functions within additional state agencies, which may include:
 - The Department on Aging;
 - The Department of Education for local education agencies;
 - The Juvenile Justice Authority and the juvenile correctional institutions and facilities thereunder; and
 - The Department of Corrections and the correctional institutions and facilities thereunder;
- Analyze and develop health care finance reform options and make recommendations to the Governor and the Legislature;
- Advise the Governor and the Legislature on all health programs, policies and plans for which the KHPA is responsible and, when requested, assist other departments, agencies, and institutions of the state and federal government and of other states under interstate agreements;
- Make grants of funds for the promotion of health programs in the state of Kansas; and
- Appoint an Executive Director of the KHPA.



Full Name: William Allen Reed, M.D.
(please include title and middle name along with any names previously used)

Home Address: 14300 Holmes Road, Kansas City, MO 64145
(Street Address) (City, State, Zip)

Driver's License Number: _____ Social Security Number: _____

Position to which Appointed: Board of Kansas Health Policy Authority

Appointing Authority: Kansas Senate President, Steve Morris

* Information on this page will not be made public but is used by the KBI and Department of Revenue.

(for Committee use only)

KBI Check: N/A In-Process Complete

DOR Check: N/A In-Process Complete

This Questionnaire is to be fully completed by each appointee appearing before the Senate Confirmation Oversight Committee (Committee) and returned to the Committee Chairman's Office. A meeting of the Committee to consider an appointee will not be scheduled until a completed questionnaire and other forms are received by the Chairman. Please answer each question completely to the best of your knowledge. Should a question not be applicable, please so state. Hand-written responses are strongly discouraged. If filling out this form electronically, "" should be replaced with "X" by the appropriate response on the form. Please contact your appointing authority if you have questions when completing the form.

Full Name: William Allen Reed MD
(please include title and middle name along with any names previously used)

Position to which Appointed: Kansas Health Policy Authority

Appointing Authority: Kansas Senate President - Steve Morris

Home Address: 14300 Holmes Road, Kansas City, MO 64145
(Street Address) (City, State, Zip)

Business Name: The University of Kansas Hospital

Business Address: 3901 Rainbow Blvd., MS. 4035 Kansas City, KS 661
(Street Address) (City, State, Zip)

Position Title: Chairman, Department of Cardiovascular Diseases

Home Phone: 816 943-9063 Business Phone: 913 588-2846 Cell Phone: 816 674-1027

Fax Number: 913 588-2870 E-Mail Address: wreed2@kumc.edu

Kansas resident? Yes / No Date of Birth: 7/18/1917 Place of Birth: Kokomo, Indiana

Registered Voter? yes Party Affiliation: Republican

Congressional District: _____ Kansas Senate District: _____ Kansas Representative District: _____

Do you have the legal right to live and work in the United States? Yes / No

Please answer the following questions numbered 1 - 43. Each question **MUST BE ANSWERED ON THIS ORIGINAL FORM**. If the answers the question are provided on your resume, please state "See Resume" or if you supply additional attachment(s) with answers, please state "See Attachment(s)" on this form.

1. What is your educational background? See curriculum vitae
2. Describe your employment experience. Include any expertise related to the position to which you were appointed.
See Attachment

3. List any professional licenses that you have obtained and include the number for each license.
See curriculum vitae
4. Why do you feel you are a good candidate for the position to which you have been appointed?
See Attachment
5. What do you see as the purpose or mission of the role to which you have been appointed?
See Attachment
6. **Military Service:** List rank, date and type of discharge from active service.
 None *See Attachment*
7. **Government Experience:** List any experience or association with local, state or federal government (exclusive of elective public office but including advisory, consulting, honorary, appointed or other part-time service or positions) and include dates of service.
 None *See Attachment*
8. **Elective Public Office:** List all elective public offices sought and/or held with dates of service.
 None
9. **Campaigns:** Have you ever played a role or held a position in a political campaign? If so, please identify the candidate(s), the dates of the campaign and describe your involvement.
 No Yes
10. **Honors and Awards:** List all scholarships, fellowships, honorary degrees, honorary society memberships and any other special recognition for outstanding service or achievements.
 None *See curriculum vitae*
11. **Organization Affiliations:** List all civic, cultural, educational, charitable, or work-related organizations that you have been associated with in the past ten years. Include any position held in the organization and the dates of service.
 None *See Attachment*
12. **Organization Restrictions:** To your knowledge, is any organization listed above restricted on the basis of race, color, religion, sex, national origin, disability, marital status or veteran status? If so, please describe.
 No Yes
13. **Issues:** Have you ever been publicly identified, in person or by organizational membership, with a particularly controversial national or local issue? If so, please describe.
 No Yes
14. **Submission of Views:** Have you ever submitted oral or written views to any governmental authority, whether executive or legislative, or to the news media on any particularly controversial issue other than in an official governmental capacity? If so, please describe.
 No Yes *See Attachment*
15. **Associations:** Have you ever had any association with any person, group or business venture that could be used, even unfairly, to impugn or attack your character and qualifications for the position to which you seek to be appointed? If so, please describe.
 No Yes

16. **Opposition:** Do you know of any person or group who might take overt or covert steps to attack, even unfairly, your appointment? If so, please identify and explain the basis for the potential attack.
 No Yes
17. **Miscellaneous:** List any factors, other than the information provided above, which particularly qualifies you or is relevant to the position to which you are seeking appointment? Include any special skills.
 None *See Attachment*
18. **Relationship to Governmental Employees:** Are you or your spouse or other close family members related to any state governmental official or employee? If so, please provide details.
 No Yes
19. **Compensation:** During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with the State of Kansas? If so, please explain.
 No Yes
20. **Business Relationships:** Describe any business relationship, dealing or financial transaction which you have had during the last five years, whether for yourself, on behalf of a client or acting as an agent, which you believe may constitute an appearance of impropriety or result in a potential conflict of interest in the position to which you want to be appointed. If none, please so state.
 None
21. **Transactions with Officials:** During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with any state government official? If so, please explain.
 No Yes
22. **Spouse or Other Family Members:** If the nature of employment for your spouse or other close family member is related in any way to the position to which you have been appointed, please indicate the employer, the position and the length of time it has been held. If not, please so state.
 No Yes
23. **Lobbying Activities:** Describe any lobbying activity during the past ten years in which you and/or your spouse have engaged for the purpose of influencing the passage, defeat or modification of any legislative or administrative action. Lobbying activity includes any activity performed as an individual or agent of another individual, or of any organization that involves direct communication with an official in the executive branch of state government or any official of the legislative branch. If none, please so state.
 None *See Attachment*
24. **Regulated Activities:** Describe any interest that you, your spouse or other close family member may have (whether as an officer, owner, director, trustee, or partner) in any corporation, firm, partnership or other business enterprise and any non-profit organization or other institution that is regulated by or receives direct financial benefits from any department or agency of the State of Kansas. If none, please so state.
 None

25. **Other:** Please describe any other matter in which you are involved that is or may be incompatible or in conflict with the discharge of the duties of the position to which you have been appointed or which may impair or tend to impair your independence of judgment or action in the performance of the duties of that position. If none, please so state.
 None
26. **Conflict of Interest:** How would you resolve any potential conflicts of interest that, while maybe unforeseen at this point in time, could arise? *See Attachment*
27. **Citations:** Have you ever been cited for a breach of ethics for unprofessional conduct, or been named in a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please provide details.
 No Yes
28. **Convictions:** Have you ever been convicted of or entered a plea of guilty or nolo contendere or forfeited collateral for any criminal violation other than a traffic infraction? (Please include any offenses of driving under the influence, operating while impaired, reckless driving, or the equivalent offenses in other states.) If so, please explain.
 No Yes
29. **U.S. Military Convictions:** Have you ever been convicted by any military court? If so, please provide details.
 No Yes
30. **Imprisonment:** Have you ever been imprisoned, been on probation or been on parole? If so, please provide details.
 No Yes
31. **Agency Proceedings/Civil Litigation:** Are you presently, or have you ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If so, please provide details.
 No Yes
32. **Agency Proceedings and Civil Litigation of Affiliates and Family:** a.) Is your spouse or other close family member currently, or ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If so, please provide details.
 No Yes
- b.) Has any business in which you, your spouse, close family member or business associate are or were an officer, director or partner been a party to any administrative agency proceeding or civil litigation relevant to the position to which you are seeking appointment? If so, please provide details. (With respect to this question, you need only consider proceedings and litigation that occurred while you, your spouse, close family member, or business associate were an officer of that business.)
 No Yes

33. **Other Litigation:** a.) Other than the litigation described in question 32, have you or any business in which you are or were an officer, director, or partner been a plaintiff or a defendant in a civil lawsuit? If so, please describe. *See Attachment*
 No Yes
- b.) Are you aware of any pending or anticipated litigation against you or any business in which you are an officer, director, or partner? If so, please describe.
 No Yes
34. **Drivers License:** Has your driver's license ever been suspended or revoked? If so, please describe.
 No Yes
35. **Parking Tickets:** Do you have outstanding parking tickets from any jurisdiction that have remained unpaid for more than 60 days? If so, please explain.
 No Yes
36. **Security Clearance Denial:** Have you ever been denied a military or other governmental clearance? If so, please explain.
 No Yes
37. **Firings:** a.) During the past ten years, have you been fired from a job for any reason? If so, please explain.
 No Yes
- b.) During the past ten years, have you quit a job after being told that you would be fired? If so, please explain.
 No Yes
- c.) During the past ten years, did you leave a job by mutual agreement because of specific problems? If so, please explain.
 No Yes
38. **Alimony and Child Support:** Are you now, or have you ever been, delinquent in the payment of alimony or child support? If so, please explain.
 No Yes
39. **Consumption of Alcohol:** Have you ever or are you currently abusing alcohol? If so, please explain.
 No Yes
40. **Controlled Substances:** Have you ever or are you currently engaged in the illegal use of a controlled substance or abusing the use of a prescribed controlled substance? If so, please explain.
 No Yes
41. **Physical Examination:** If you receive a conditional offer of appointment or employment, would you be willing to take a physical examination, which may include a drug test?
 No Yes

42. **Governmental Delinquencies:** Are you delinquent in the payment of any obligation owed to the federal or state government or any political or taxing subdivision or any instrumentality thereof? (Include delinquencies in the payment of: Income, property, or other taxes; exactions, fees or special assessments; loans, including any defaults, on or under loans which are or were made by, guaranteed, insured or subsidized by any unit of government or instrumentality thereof; overpayment of benefits; required payments into or under governmental programs; payments under a diversion arrangement or other repayment schedule.) If applicable, please state whether such delinquency is under formal appeal.
 No Yes

43. **Other:** Please provide any additional information, favorable or unfavorable, which you feel should be considered in connection with your appointment. If none, please so state.
 None

Please include resume and completed Statement of Substantial Interest not more than twelve months old.

REFERENCES

Name: Bob Page Knows you how?: President & CEO of
The University of Kansas Hospital
Address: 3901 Rainbow Blvd, M.S. 3011, Kansas City, KS 66160
(City, State, Zip)
Home Phone: _____ Business Phone: (913) 588-7332

Name: Tammy Peterman Knows you how?: Exec. VP & COO of
The University of Kansas Hospital
Address: 3901 Rainbow Blvd, M.S. 3011, Kansas City, KS 66160
(City, State, Zip)
Home Phone: _____ Business Phone: (913) 588-7823

Name: H. William Bartleman, Jr., MD Knows you how?: Chief of Staff
The University of Kansas Hospital
Address: 3901 Rainbow Blvd, M.S. 3023, Kansas City, KS 66160
(City, State, Zip)
Home Phone: _____ Business Phone: (913) 588-1200

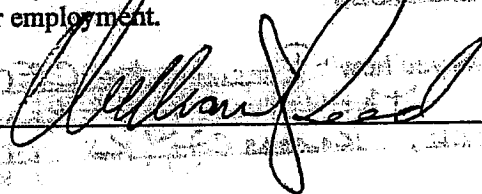
Name: Randall Genton, MD Knows you how?: President, Mid America Cardiology
The University of Kansas Hospital
Address: 3901 Rainbow Blvd, M.S. 4023, Kansas City, Kansas 66160
(City, State, Zip)
Home Phone: _____ Business Phone: (913) 588-9601

AUTHORIZATION AND CERTIFICATION:

The facts set forth in my application are true and complete. False statements, answers, or omissions on this application shall be sufficient cause for nonconsideration or for dismissal after appointment or employment. I also recognize that my selection is based on receipt of satisfactory information from former employers and references, and upon my ability to perform the essential elements, with or without reasonable accommodations, for the position for which I am applying. I herein authorize investigation, without liability, of the information supplied by me in this application for employment or appointment including academic, occupational, health, law enforcement, and government records. I also authorize listed employers and references, without liability, to make full response to any inquiries in connection with this application for appointment or employment. I understand and agree that the terms, conditions, compensation, benefits, hours, schedule, and duration of my appointment or employment may be determined, changed, or modified from time to time at the will of the appointing authority or designee without limitation or condition. I FURTHER CERTIFY THAT I HAVE READ THE FOREGOING PARAGRAPH AND KNOWINGLY MAKE THIS AUTHORIZATION BY SETTING FORTH MY SIGNATURE.

I understand that if I am required to be registered, licensed, or certified by federal or state law or regulation for the position I seek, I will notify the appointing authority immediately if any investigation, limitation, or cancellation of my registration, licensure, or certification occurs. If any investigation, probation, limitation, or cancellation occurs, I understand that my failure to notify my appointing authority as described above will result in the termination of my appointment or employment.

Signature



Date

9/10/09

Attachment

Confirmation Oversight Committee Appointment Questionnaire
William A. Reed, M.D. - 2009

2. I actively practiced medicine for over 45 years. I have had the opportunity to work with the Kansas legislators on healthcare issue in recent years which should enhance my role in making contributions in the resolution of KHPA issues.
4. I have had extensive experience in the practice of medicine over a period of 45 years. I believe this experience in the practice of medicine, as well as the experience initiating organized medical specialties programs, should be complimentary to the my responsibilities as a member of the Board of KHPA.
5. As a board member of KHPA, I believe our primary mission is to address the healthcare needs of our constituents. We should also be sensitive to opportunities to partner with and accept direction from our elected representatives.
6. August 4, 1945 to August 6, 1946 - I served as Motor Machinist Petty Officer Third Class in the United States Navy and received an honorable discharge from service on August 6, 1946.
7. I became more actively involved with members of the Kansas legislature during the negotiations between the Dean of the School of Medicine and St. Luke's Hospital of Kansas City, Missouri. This involvement occurred over the last two years and has included personal meetings with many members of the Kansas House and Senate. I have served as a consultant to the leadership of the University of Kansas Hospital in establishing a closer working relationship with the Kansas legislature. I have been particularly active in these activities over the last two years.
11. The Reed Family Foundation was established in 1998. I have served as the President of the Board since then.
14. Refer to answer for Question #7.
17. Refer to answer for Question #4.
23. I was involved with providing information regarding a proposed affiliation between the University of Kansas School of Medicine and St. Luke's Hospital of Kansas City, Missouri, as well as supporting the passage of a proviso both in the House and the Senate regarding the proposed affiliation. These activities occurred primarily in 2007 with some activity in 2008.
26. I would resolve any possible conflicts of interest that might arise by resolving the conflict. If this was not possible, I would resign my position on the Board of KHPA.
33. a) In 45 years of active medical practice I have experienced 3 malpractice suits. The 1st occurred approximately 35 years ago, the 2nd approximately 17 years ago, and the 3rd approximately 10 years ago. Approximately 28 years ago I was involved in a contract dispute which was ultimately dropped by the plaintiff.

CURRICULUM VITAE

William A. Reed, M.D.

Date of Birth: July 18, 1927
Place of Birth: Kokomo, Indiana

Marital Status: Married – Mary J. Reed

Home Address: 14300 Holmes Road
Kansas City, MO 64145
Home Phone: (816) 943-9063

Office Address: KU Medical Center
3901 Rainbow Blvd., Bell #1232
Kansas City, KS 66160

Mailing Address: P.O. Box 3156
Kansas City, KS 66103-0156

Office Phone: (913) 588-2846
Office Fax#: (913) 588-2870

Education: Kokomo High School
Kokomo, Indiana
1945

Indiana University,
Bloomington, Indiana
B.A. – 1950

Indiana University School of Medicine
Bloomington, Indiana
M.D. – 1954

Post Graduate Internship
Medical Training: University of Kansas Medical Center
Kansas City, KS
1954-1955

Residency, General Surgery
University of Kansas Medical Center
Kansas City, KS
1955 – 1959

Residency, Thoracic Surgery
University of Kansas Medical Center
Kansas City, KS
1959 – 1960

Other Training:

Clinical Fellowship
American Cancer Society
1959 – 1960

Murdock Scholarship in Medical Science
June 1959 – June 1960

Special Research Fellowship
National Institute of Health
September 1960

**Professional
Appointments &
Experience:**

Appointed in 2003 by University of Kansas Hospital Authority
Chairman, Department of Cardiovascular Diseases
University of Kansas Hospital
Clinical Professor of Surgery

December 2000 – December 2002
Director of Cardiac Surgery
Clinical Professor of Surgery
Division of Thoracic & Cardiovascular Surgery
University of Kansas Medical Center

1988 – December 2000
Medical Director, Cardiovascular Surgery Program
St. Luke's Hospital
Kansas City, MO

1971 – 1988
Program Director Thoracic Surgery Residency Program
St. Luke's Hospital
Kansas City, MO

1971 - 2000
Clinical Professor of Surgery
University of Missouri
Kansas City, MO

1971 – 1980
Clinical Professor of Surgery
University of Kansas Medical Center
Kansas City, KS

Professional Appointments & Experience: (Cont'd)

President, Mid America Thoracic & Cardiovascular Surgeons, Inc.
Private Practice Group
St. Luke's Hospital
Kansas City, Missouri
1971 - 2001

July 1970 - December 1970
Professor of Surgery
Head of Division of Thoracic Surgery
University of Kansas Medical Center
Kansas City, KS

July 1961 - June 1970
Associate Professor Surgery
University of Kansas Medical Center
Kansas City, KS

July 1960 - June 1961
Associate in Surgery
University of Kansas Medical Center
Kansas City, KS

July 1959 - June 1960
Instructor in Surgery
University of Kansas Medical Center
Kansas City, KS

Board Certifications:

American Board of Surgery - May 1960
American Board of Thoracic Surgery - October 1960

Licensure:

Missouri - R4150 (not renewed after January 2004)
Kansas - 04-12482 (exempt status now - retired from clinical practice)
Indiana - 17122 (8/25/54 - to 8/31/59)

Professional Activities:

American Association for Thoracic Surgery
Fellow, American College of Cardiology
Fellow, American College of Surgeons
Society of Thoracic Surgeons
Kansas City Metropolitan Medical Society
Society of Sigma Xi
Society of Vascular Surgery
Society of University Surgeons
International Cardiovascular Society
Southwestern Surgical Congress

Awards or Honors:

Awarded Lifetime Service Award by Ingram's Magazine
Heroes In Healthcare 2007
Markel Award for Outstanding House Officer
The University of Kansas Medical School, 1959 & 1960



Sec. of St. bar code

KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. **IDENTIFICATION:**

PLEASE TYPE OR PRINT

Reed Last Name William First Name A MI

Reed Spouse's Name Mary J

14300 Holmes Road
Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

Kansas City, MO 64145
City, State, Zip Code

816 943-9063 Home Phone Number (include area code) 913 588-2846 Business Phone Number (include area code)

B. **THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:**

(check one or more of the following)

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education, or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for State Office;
6. Candidate for State Office;
7. Other (Contractor / Member of Compact).

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

Kansas Health Policy Authority Board
Agency Division if applicable (May use acronyms) Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

7498

C. OWNERSHIP INTERESTS: List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here

BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	PERCENT OF OWNERSHIP INTERESTS	HELD BY WHOM
1. Stonecrest Farm 14300 Holmes Rd. KC, MO 64145	Thoroughbred breeding and racing	ownership	50%	Wm Reed
2. Fidelity Investments New York (USA)	Financial Investments	IRA mutual fund Stock Fund	50% 100%	Mary Reed Wm Reed
3. Medical Plaza Partners Kansas City, MO	Medical Office Building	Stock	2%	Wm Reed
4. Kemper Money Market Fund KC, MO & National	Financial	Money market Fund	over \$5000	Wm Reed
5. Putnam Investments National	Financial	Mutual Fund	over \$5000	Wm Reed
6. Municipal Bonds City - MO and KS	Financial	Various city banks	over \$5000	Wm Reed
7. Trailridge Apartments Lawrence, KS	rental property	Limited partner	25%	Wm Reed
8. Manor Vail Condominium Vail Colorado	rental property	ownership	50% 50%	Wm Reed Mary Reed
9. Univ. of KS Retirement Fund Kansas City, KS VALIC	Financial	Various Stocks	100%	Wm Reed
10. Bankers Management Stock Mutual Fund	Financial	Stocks and Bonds	100%	Wm Reed

D. GIFTS OR HONORARIA: List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here

NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.		
2.		
3.		

E. **RECEIPT OF COMPENSATION:** List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____.
If you have nothing to report in Section "E"1, check here ____.

NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1. Univ. of Kansas Hospital	3901 Rainbow Blvd. Kansas City, KS 64160	Medical Management
2. Stonecrest Farm	14300 Holmes Rd., KCMO 64145	Thoroughbred breeding and racing

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here ____.

NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1. Stonecrest Farm	14300 Holmes Rd., KCMO 64145	Thoroughbred breeding and racing
2.		

F. **OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS:** List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here ____.

BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1. Stonecrest Farm 14300 Holmes Rd., KCMO 64145	Partner	Wm. Reed
2. Stonecrest Farm 14300 Holmes Rd., KCMO 64145	Partner	Mary J. Reed
3. Reed Family Foundation 14300 Holmes Rd., KCMO 64145	Director and President	Wm. Reed
4. Reed Family Foundation 14300 Holmes Rd., KCMO 64145	Director	Mary J. Reed
5.		
6.		
7.		
8.		

- G. **RECEIPT OF FEES AND COMMISSIONS:** List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.
- If you have nothing to report in Section "G", check here

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

H. **DECLARATION:**

I, William A. Reed declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

9/10/09
Date

William A. Reed
Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES 1

Return your completed statement to the Secretary of State, Elections Division, Memorial Hall, First Floor, 120 SW-10th, Topeka, Kansas 66612-1594.

Attachment
Statement of Substantial Interests Form
William A. Reed, M.D.

C. OWNERSHIP INTERESTS:

Business name & address	Type of Business	Description of interests held	Percent of Ownership Interests	Held by whom
11. Exxon Mobile stock	Oil	7200 shares	100%	Wm. Reed
12. Wisconsin Energy	Electricity	500 shares	100%	Wm. Reed

Allison

Kansas Health Policy Authority, Executive Director

Members:		Appointed by	Number of Appointments	Number of Senate Confirmations
Legislators:	0	Kansas Health Policy Authority Board	1	1
House:	0			
Senate:	0			
Non-Legislative:	1			
Total Members:	1			

Entity Description

KSA 75-7402 established the Executive Director of Kansas Health Policy Authority.

Budget Information

The FY 2009 appropriation for the Kansas Health Policy Authority was \$1,413,330,663; the FY 2010, \$1,453,474,949.

Contact Information

Director of Executive Operations
Marlene Shellenberger
Kansas Health Policy Authority
Room 900N, Landon State Office Building
Topeka, KS 66612
785-296-4767
Marlene.Shellenberger@khp.a.ks.gov

Senate Public Health and Welfare
Date: 1/19/10
Attachment: 2

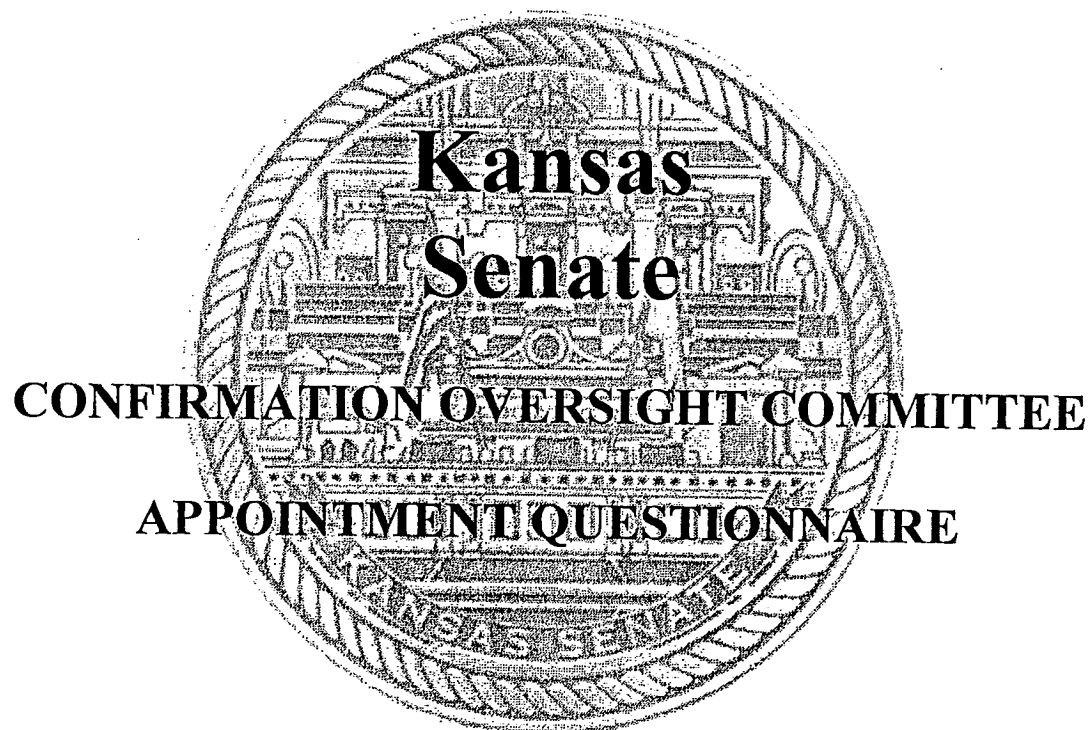
Kansas Health Policy Authority - Executive Director

Powers and Duties

The Kansas Health Policy Authority is the principal health care agency for Kansas. The Authority serves as the single state Medicaid agency in Kansas. The Authority administers: The medical portion of the Kansas Medicaid program; The State Children's Health Insurance Program; MediKan, which provides coverage for certain low-income, disabled Kansans; The State Employee Health Program; and The State Self-Insurance Fund (SSIF), which provides workers compensation coverage to state employees.

The Executive Director has the power to:

- Hire and supervise personnel of the Kansas Health Policy Authority;
- Prepare the budget for the Authority;
- Direct and supervise all purchasing and related management functions of the Authority Office of Inspector General; and
- Serve as a nonvoting, *ex officio* member of the Authority.



Full Name: Dr. Robert Andrew Allison
(please include title and middle name along with any names previously used)

Home Address: 2734 SW Berkshire Drive Topeka, KS 66614
(Street Address) (City, State, Zip)

Driver's License Number: _____ Social Security Number: _____

Position to which Appointed: Executive Director of KHPA

Appointing Authority: Kansas Health Policy Authority Board of Directors

* Information on this page will not be made public but is used by the KBI and Department of Revenue.

(for Committee use only)

KBI Check: N/A ___ In-Process ___ Complete ___

DOR Check: N/A ___ In-Process ___ Complete ___

This Questionnaire is to be fully completed by each appointee appearing before the Senate Confirmation Oversight Committee (Committee) and returned to the Committee Chairman's Office. A meeting of the Committee to consider an appointee will not be scheduled until a completed questionnaire and other forms are received by the Chairman. Please answer each question completely to the best of your knowledge. Should a question not be applicable, please so state. Hand-written responses are strongly discouraged. If filling out this form electronically, "☐" should be replaced with "X" by the appropriate response on the form. Please contact your appointing authority if you have questions when completing the form.

Full Name: Dr. Robert Andrew Allison
(please include title and middle name along with any names previously used)

Position to which Appointed: Executive Director of the KS Health Policy Authority

Appointing Authority: Kansas Health Policy Authority Board of Directors

Home Address: 2734 SW Berkshire Drive Topeka, KS 66614
(Street Address) (City, State, Zip)

Business Name: Kansas Health Policy Authority

Business Address: 900 SW Jackson, Suite 900 Topeka, KS 66612
(Street Address) (City, State, Zip)

Position Title: Acting Executive Director

Home Phone: (785) 478-4380 Business Phone: (785) 368-8162 Cell Phone: (785) 925-1320

Fax Number: (785) 296-3468 E-Mail Address: andrew.allison@khpa.ks.gov

Kansas resident? Yes / No Date of Birth: 8/30/66 Place of Birth: Seminole, OK

Registered Voter? Yes Party Affiliation: Republican

Congressional District: 2 Kansas Senate District: 20 Kansas Representative District: 52

Do you have the legal right to live and work in the United States? Yes / No

Please answer the following questions numbered 1 – 43. Each question **MUST BE ANSWERED ON THIS ORIGINAL FORM.** If the answers the question are provided on your resume, please state "See Resume" or if you supply additional attachment(s) with answers, please state "See Attachment(s)" on this form.

1. What is your educational background? See Resume
2. Describe your employment experience. Include any expertise related to the position to which you were appointed. See Resume

3. List any professional licenses that you have obtained and include the number for each license.
N/A
4. Why do you feel you are a good candidate for the position to which you have been appointed?
See attachment
5. What do you see as the purpose or mission of the role to which you have been appointed?
To head and represent the Kansas Health Policy Authority and to fulfill the Agency's statutory obligations according to the direction and guidance of the Board of Directors of the KHPA.
6. **Military Service:** List rank, date and type of discharge from active service.
None
7. **Government Experience:** List any experience or association with local, state or federal government (exclusive of elective public office but including advisory, consulting, honorary, appointed or other part-time service or positions) and include dates of service.
None See Resume
8. **Elective Public Office:** List all elective public offices sought and/or held with dates of service.
None
9. **Campaigns:** Have you ever played a role or held a position in a political campaign? If so, please identify the candidate(s), the dates of the campaign and describe your involvement.
No Yes
10. **Honors and Awards:** List all scholarships, fellowships, honorary degrees, honorary society memberships and any other special recognition for outstanding service or achievements.
None See Resume
11. **Organization Affiliations:** List all civic, cultural, educational, charitable, or work-related organizations that you have been associated with in the past ten years. Include any position held in the organization and the dates of service.
None See Attachment
12. **Organization Restrictions:** To your knowledge, is any organization listed above restricted on the basis of race, color, religion, sex, national origin, disability, marital status or veteran status? If so, please describe.
No Yes
13. **Issues:** Have you ever been publicly identified, in person or by organizational membership, with a particularly controversial national or local issue? If so, please describe.
No Yes
14. **Submission of Views:** Have you ever submitted oral or written views to any governmental authority, whether executive or legislative, or to the news media on any particularly controversial issue other than in an official governmental capacity? If so, please describe.
No Yes I wrote a letter to the editor of the Duke student newspaper on the topic of abortion in about 1991. Copy available upon request.
15. **Associations:** Have you ever had any association with any person, group or business venture that could be used, even unfairly, to impugn or attack your character and qualifications for the position to which you seek to be appointed? If so, please describe.
No Yes It is conceivable that my investment and participation in a failed business venture, Catalyst Corporation, could be used to attack or impugn my judgment. The venture failed and total losses were at least \$1 million. The venture was funded and directed by Carl Carlson, a local entrepreneur who was on the Leadership Team at my church. My family lost \$50,000. Our pastor and other local businesses were also investors and sat on the Board of Directors with me. The venture was known to be risky and, to my knowledge, no impropriety has been either alleged or investigated.

16. **Opposition:** Do you know of any person or group who might take overt or covert steps to attack, even unfairly, your appointment? If so, please identify and explain the basis for the potential attack.
No Yes
17. **Miscellaneous:** List any factors, other than the information provided above, which particularly qualifies you or is relevant to the position to which you are seeking appointment? Include any special skills. See Resume
None
18. **Relationship to Governmental Employees:** Are you or your spouse or other close family members related to any state governmental official or employee? If so, please provide details.
No Yes
19. **Compensation:** During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with the State of Kansas? If so, please explain.
No Yes I have been employed by the state since December 2005.
20. **Business Relationships:** Describe any business relationship, dealing or financial transaction which you have had during the last five years, whether for yourself, on behalf of a client or acting as an agent, which you believe may constitute an appearance of impropriety or result in a potential conflict of interest in the position to which you want to be appointed. If none, please so state.
None
21. **Transactions with Officials:** During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with any state government official? If so, please explain.
No Yes
22. **Spouse or Other Family Members:** If the nature of employment for your spouse or other close family member is related in any way to the position to which you have been appointed, please indicate the employer, the position and the length of time it has been held. If not, please so state.
No Yes
23. **Lobbying Activities:** Describe any lobbying activity during the past ten years in which you and/or your spouse have engaged for the purpose of influencing the passage, defeat or modification of any legislative or administrative action. Lobbying activity includes any activity performed as an individual or agent of another individual, or of any organization that involves direct communication with an official in the executive branch of state government or any official of the legislative branch. If none, please so state.
None
24. **Regulated Activities:** Describe any interest that you, your spouse or other close family member may have (whether as an officer, owner, director, trustee, or partner) in any corporation, firm, partnership or other business enterprise and any non-profit organization or other institution that is regulated by or receives direct financial benefits from any department or agency of the State of Kansas. If none, please so state.
None

25. **Other:** Please describe any other matter in which you are involved that is or may be incompatible or in conflict with the discharge of the duties of the position to which you have been appointed or which may impair or tend to impair your independence of judgment or action in the performance of the duties of that position. If none, please so state.
None
26. **Conflict of Interest:** How would you resolve any potential conflicts of interest that, while maybe unforeseen at this point in time, could arise? I would recuse myself from key decisions and defer them to staff or the KHPA Board, as appropriate.
27. **Citations:** Have you ever been cited for a breach of ethics for unprofessional conduct, or been named in a complaint to any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, please provide details.
No Yes
28. **Convictions:** Have you ever been convicted of or entered a plea of guilty or nolo contendere or forfeited collateral for any criminal violation other than a traffic infraction? (Please include any offenses of driving under the influence, operating while impaired, reckless driving, or the equivalent offenses in other states.) If so, please explain.
No Yes
29. **U.S. Military Convictions:** Have you ever been convicted by any military court? If so, please provide details.
No Yes
30. **Imprisonment:** Have you ever been imprisoned, been on probation or been on parole? If so, please provide details.
No Yes
31. **Agency Proceedings/Civil Litigation:** Are you presently, or have you ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If so, please provide details.
No Yes First Guard Health Plan of Kansas, Inc v. KHPA. Named along with Marcia Nielsen, Shawnee County Case #06C1408 - 12/15/06; Interhab Inc, et al. v. Secretary Don Jordan et. al. Being substituted for Marcia Nielsen in this case - Shawnee Co. #02C1335 - 10/4/2002.
32. **Agency Proceedings and Civil Litigation of Affiliates and Family:** a.) Is your spouse or other close family member currently, or ever been, a party in interest in any administrative agency proceeding or civil litigation that is related in any way to the position to which you are seeking appointment? If so, please provide details.
No Yes
- b.) Has any business in which you, your spouse, close family member or business associate are or were an officer, director or partner been a party to any administrative agency proceeding or civil litigation relevant to the position to which you are seeking appointment? If so, please provide details. (With respect to this question, you need only consider proceedings and litigation that occurred while you, your spouse, close family member, or business associate were an officer of that business.)
No Yes

33. **Other Litigation:** a.) Other than the litigation described in question 32, have you or any business in which you are or were an officer, director, or partner been a plaintiff or a defendant in a civil lawsuit? If so, please describe.
 No Yes
b.) Are you aware of any pending or anticipated litigation against you or any business in which you are an officer, director, or partner? If so, please describe.
 No Yes
34. **Drivers License:** Has your driver's license ever been suspended or revoked? If so, please describe.
 No Yes
35. **Parking Tickets:** Do you have outstanding parking tickets from any jurisdiction that have remained unpaid for more than 60 days? If so, please explain.
 No Yes
36. **Security Clearance Denial:** Have you ever been denied a military or other governmental clearance? If so, please explain.
 No Yes
37. **Firings:** a.) During the past ten years, have you been fired from a job for any reason? If so, please explain.
 No Yes
b.) During the past ten years, have you quit a job after being told that you would be fired? If so, please explain.
 No Yes
c.) During the past ten years, did you leave a job by mutual agreement because of specific problems? If so, please explain.
 No Yes
38. **Alimony and Child Support:** Are you now, or have you ever been, delinquent in the payment of alimony or child support? If so, please explain
 No Yes
39. **Consumption of Alcohol:** Have you ever or are you currently abusing alcohol? If so, please explain.
 No Yes
40. **Controlled Substances:** Have you ever or are you currently engaged in the illegal use of a controlled substance or abusing the use of a prescribed controlled substance? If so, please explain.
 No Yes
41. **Physical Examination:** If you receive a conditional offer of appointment or employment, would you be willing to take a physical examination, which may include a drug test?
 No Yes

42. **Governmental Delinquencies:** Are you delinquent in the payment of any obligation owed to the federal or state government or any political or taxing subdivision or any instrumentality thereof? (Include delinquencies in the payment of: Income, property, or other taxes; exactions, fees or special assessments; loans, including any defaults, on or under loans which are or were made by, guaranteed, insured or subsidized by any unit of government or instrumentality thereof; overpayment of benefits; required payments into or under governmental programs; payments under a diversion arrangement or other repayment schedule.) If applicable, please state whether such delinquency is under formal appeal.
 No Yes

43. **Other:** Please provide any additional information, favorable or unfavorable, which you feel should be considered in connection with your appointment. If none, please so state.
 None

Please include resume and completed Statement of Substantial Interest not more than twelve months old.

REFERENCES

Name: Ron Smeltzer Knows you how?: Friend and fellow church member
Address: 2748 SW Lagito Drive Topeka, KS 66614
(City, State, Zip)
Home Phone: (785) 478-0965 Business Phone: (785) 228-2884

Name: Dave Walter Knows you how?: Neighbor and fellow parent at school and sports activities
Address: 2744 Berkshire Drive Topeka, KS 66614
(City, State, Zip)
Home Phone: (785) 478-4528 Business Phone: (785) 575-6300

Name: Chad Austin Knows you how?: Fellow parent at school activities; Colleague at provider association with relationship pre-dating employment at KHPA
Address: 2736 SW Lagito Drive Topeka, KS 66614
(City, State, Zip)
Home Phone: (785) 478-9947 Business Phone: (785) 233-7436

Name: Robert St. Peter Knows you how?: Former employer and now a colleague/business associate
Address: 5527 East Mission Drive Shawnee Mission, KS 66208
(City, State, Zip)
Home Phone: (913) 722-7244 Business Phone: (785) 233-5446

AUTHORIZATION AND CERTIFICATION:

The facts set forth in my application are true and complete. False statements, answers, or omissions on this application shall be sufficient cause for nonconsideration or for dismissal after appointment or employment. I also recognize that my selection is based on receipt of satisfactory information from former employers and references, and upon my ability to perform the essential elements, with or without reasonable accommodations, for the position for which I am applying. I herein authorize investigation, without liability, of the information supplied by me in this application for employment or appointment including academic, occupational, health, law enforcement, and government records. I also authorize listed employers and references, without liability, to make full response to any inquiries in connection with this application for appointment or employment. I understand and agree that the terms, conditions, compensation, benefits, hours, schedule, and duration of my appointment or employment may be determined, changed, or modified from time to time at the will of the appointing authority or designee without limitation or condition. I FURTHER CERTIFY THAT I HAVE READ THE FOREGOING PARAGRAPH AND KNOWINGLY MAKE THIS AUTHORIZATION BY SETTING FORTH MY SIGNATURE.

I understand that if I am required to be registered, licensed, or certified by federal or state law or regulation for the position I seek, I will notify the appointing authority immediately if any investigation, limitation, or cancellation of my registration, licensure, or certification occurs. If any investigation, probation, limitation, or cancellation occurs, I understand that my failure to notify my appointing authority as described above will result in the termination of my appointment or employment.

Signature

Andy Allison

Date

9/11/09

Andy Allison, Ph.D.

4.) Why do you feel you are a good candidate for the position to which you have been appointed?

The role of Executive Director of the Kansas Health Policy Authority (KHPA) requires a mature understanding of healthcare, leadership ability, a practical vision for state health policy, the ability to engage in public decision making, and the ability to communicate complex information to a wide range of stakeholders, staff, policymakers, public officials and the press. The Executive Director must be able to successfully lead the KHPA Board towards the adoption of a coordinated health policy agenda, and must be able to manage a large agency with direct responsibility for purchasing more than \$1.7 billion in health care services each year. A wide variety of training and experience could be brought to bear in meeting these challenges. My background in public service, research, and program management, including more than three years service in leadership at the KHPA, have prepared me for many of the challenges the Executive Director will need to address in the coming years. Ten year's experience addressing health policy issues in Kansas, and three year's experience in Washington, D.C., addressing similar programs and policies, have left me with a network of experts and office holders who can help me overcome new and unforeseen challenges.

ORGANIZATION AFFILIATIONS

- 2006-present** ***National Association of State Medicaid Directors***
1133 19th Street, NW, Suite 400, Washington, DC 20036
(202) 682-0100
Disseminates information and recommendations of federal laws and regulations to state Medicaid Directors
- 2004-2007** ***Catalyst Capital Corporation (now defunct)***
4101 SW Marlboro Road, Topeka, KS 66610
Unlisted Phone Number
Bank venture capital firm
Board member and shareholder
- 2004-2006** Treasurer
- 1999-2005** ***AcademyHealth (formerly Academy for Health Services Research)***
1150 17th Street NW, Suite 600, Washington, DC 20036
(202) 292-6700
Professional association for research, conferences and networking
- 1999-2005** ***Kansas Public Health Association***
PO Box 67085, Topeka, KS 66667
(785) 233-3103
Organization seeks to unify and promote public health activities by the various agencies and organizations statewide
While never holding a position, service included coordinating selection of research papers and judging student research competition
- 1998-2005** ***American Economic Association***
2014 Broadway, Suite 305, Nashville, TN 37203
(615) 322-2595
Devoted to economic research and publication
- 1999-2008** ***First Southern Baptist Church***
1912 SW Gage, Topeka, KS 66603
(785) 272-0443
- 1999-2008 Member of Sunday morning Praise Choir
2002-2004 Director of Young Adult Sunday School
2000-2008 Deacon
2004-2005 Chairman of Deacons
2005-2008 Director of 3rd-6th grade choir

Andy Allison, Ph.D.
Medicaid Director and Deputy Director,
Kansas Health Policy Authority

CONTACT INFORMATION

Work Address: 900 SW Jackson
Suite 900
Topeka, KS 66612
Telephone: 785-368-8162
E-mail: andrew.allison@khpa.ks.gov
Agency website: www.khpa.ks.gov

EDUCATION

1999 Ph.D., Economics, Vanderbilt University
1992 M.A., Public Policy, Duke University
1989 B.A., History, Ouachita Baptist University

WORK HISTORY

2009-present Acting Executive Director, Kansas Health Policy Authority
2005-2009 Deputy Director, Kansas Health Policy Authority
2006-2009 Director, Kansas Medicaid and SCHIP programs
2003-2005 Director, Health Care Finance and Organization, Kansas Health Institute, Topeka, KS
1999-2005 Researcher, Kansas Health Institute, Topeka, KS
1996-1999 Teaching Assistant, Department of Economics, Vanderbilt University, Nashville, TN
1996 Software Support Personnel, Primus Automotive, Brentwood, TN
1992-1995 Budget Examiner, Office of Management and Budget (OMB), Executive Office of the President, Washington, D.C.
1991-1992 Teaching Assistant, Institute for Policy Sciences and Public Affairs, Duke University, Durham, NC
1991 Data analyst, Duke University Medical Center, Clinical Services Development, Durham, NC
1991 Intern, Arkansas Attorney General's Office, Little Rock, AR
1990 Junior Accountant/Bookkeeper, Meridian Savings/Resolution Trust Corporation, Dallas, TX
1989 Lifeguard, Assistant Swim Coach and Instructor, Duke University Faculty Club, Durham, NC
1988 Temporary Laborer, Ouachita Baptist University Maintenance Department, Arkadelphia, AR
1985-1987 Livery Assistant 2, City of Ann Arbor Parks and Recreation Department, Ann Arbor, MI
1984-1985 Food Service Preparation and Customer Service, Burger King, Ann Arbor, MI

EXPERIENCE

Kansas Health Policy Authority

Strategic leadership of state health care programs

- Provided interim direction of state employee health plan for approximately one year, initiating and designing comprehensive financial reporting of health plan fund balances and projections.
- Led agency effort to rewrite payment methodology for Medicaid disproportionate share hospital (DSH) payments in Kansas. Convened workgroup, led discussions, devised and successfully implemented a new formula relating payments to proportional losses to Medicaid and uncompensated care.
- Re-organized Medicaid program to emphasize outreach and eligibility to support a shift in focus on participation in Medicaid, rather than expansion. New staff and stakeholder collaboration culminated in a September 2009 Federal grant totaling \$40 million to address outreach and modernize enrollment.
- Conceived and advocated a project to consolidate debts and potential liabilities with CMS for compliance issues in three types of Medicaid services: targeted case management, school-based services, and mental health services. Led successful negotiation with CMS, leading to state policy reforms in each area and \$200-400 million in debt relief beginning July 2007.
- Redesigned Medicaid program management to center on comprehensive, written and published reviews of each programmatic area. Recommendations included significant cost savings and prepared the agency months in advance of a recession-induced focus on spending reductions.

State and national policy leadership

- Developed a leading voice for Kansas in the national policy discussion over federal citizenship and identity verification requirements imposed in 2006. Used research experience with Medicaid enrollment data and eligibility process to effectively attribute negative enrollment trends to the law.
- Provided analytic and policy leadership for multi-state effort to rebalance supplemental payments to states under the American Recovery and Reinvestment Act of 2009. Provided states with the first state-specific estimates of the comparative impact of House and Senate versions of the bill in January 2009. Identified for other states the concentration of unemployment-related aid to richer states in the House formula, helping to set the stage for a key Senate debate. The Senate and Conference (final) bill were more favorable to Kansas, increasing total payments by a minimum of several million dollars.
- Designed and oversaw implementation of a comprehensive data policy and management program to satisfy new agency's legislative mandate in this area. Wrote charter and convened a new statewide consortium of health data stakeholders, assumed management responsibilities for state health care database, and have nearly completed implementation of a new agency-wide decision support system and data warehouse that will allow comparison of Medicaid, state employee health plan, and private health insurance information.

Kansas Health Institute

Management and leadership

- Developed new business through extramural funding and grants.
- Supervised professional analysts.
- Initiated, designed, and conducted research and health policy analysis on topics with local relevance.

Health care policy research

- Project Manager and co-investigator for a \$1.3 million package of grants from the Agency for Healthcare Research and Quality and the Packard Foundation to evaluate the Title XXI State Children's Health Insurance Program (SCHIP) in Kansas. Author on numerous multi-state comparative analyses of Medicaid and SCHIP programs through this collaborative.

Kansas Health Institute, continued

- Principal investigator or lead researcher on projects to:
 - assess the supply of dental services in the State of Kansas, and assess public policy options.
 - analyze administrative enrollment data to assess the extent and potential causes of disenrollment and re-enrollment among children in Medicaid and SCHIP.
 - describe uninsured children in Kansas using data from the 2001 Kansas Health Insurance Survey (a Kansas Insurance Department project)..
- Participated in or initiated projects to:
 - assess the capacity of the state's comprehensive private insurance dataset to support state policy decisions (a Kansas Insurance Department project).
 - assess the impact of specialty hospitals in the state of Kansas. (completed after my departure)

Policy analysis and decision support

- Provided information and analysis to state leaders in support of health policy initiatives.
- Provided legislative testimony and public talks on economic and policy issues at the forefront of state health policy, including health spending, insurance, and Medicaid.
- Served as a resource to the health policy community in the state and region through public speaking opportunities and interviews with the local and national press.

Vanderbilt University

Teaching Assistant, Department of Economics (1996-1999)

- Assisted Introductory and Intermediate Microeconomics, Introductory Macroeconomics and Public Finance. Lectured, led review sessions, held office hours, and formulated and graded tests, quizzes, and problem sets.

Primus Automotive

Software Support Personnel (Summer, 1996)

- Provided support for Excel and WordPerfect software programs in the Lease Administration division. Performed and then automated manual clerical functions by developing computerized forms, spreadsheets, and database search and match programs.

Executive Office of the President (OMB)

Budget and policy analysis of the Medicaid program (1992-1995)

- Worked with Health Care Financing Administration actuaries and staff to formulate Federal budget estimates. Reviewed regulatory guidance, and provided policy and budget analysis to OMB and White House officials on issues related to the Medicaid program.
- Provided analytical support for President Clinton's health care reform initiative and served as OMB representative on the reform task force's Pharmaceutical Working Group. Supported White House staff (e.g., Chris Jennings, Jeanne Lambrew) and OMB health reform team (Len Nichols) by assessing programmatic and budgetary impact of Administration and Congressional reform proposals on the Medicaid program.
- Advised OMB Program Associate Director (Nancy Ann Min-DeParle) and Deputy Directors (Jack Lew and Alice Rivlin) and led staff-level financial negotiations for statewide health reform waiver requests to the Health Care Financing Administration. Led reviews and negotiations for states including Ohio, Florida, Massachusetts, Vermont and others. Initiated policies to apply consistent and sustainable financial review criteria.
- Reviewed Medicaid regulations proposed and developed by the Health Care Financing Administration, including those implementing transitional Medicaid assistance, Medicaid voluntary contributions and provider specific tax amendments of 1991, and Medicaid drug rebates and drug utilization review.

Duke University

Teaching Assistant, Institute for Policy Sciences and Public Affairs (1991-1992)

- Assisted Introduction to Public Policy (undergraduate). Led review and discussion sessions and graded all work for a section of students.

Duke University Medical Center

Data Analyst, Clinical Services Development (1991)

- Analyzed inpatient, outpatient and market data for various clinical services.

Arkansas Attorney General's Office

Intern (1991)

- Worked with legislative team tracking legislation for the Attorney General. Also studied and aided in decennial reapportionment process.

Meridian Savings/Resolution Trust Corporation

Junior Accountant/Bookkeeper (1990)

- Maintained site's computer equipment, operated computerized accounting system, prepared weekly and monthly financial statements.

Duke University Faculty Club

Lifeguard, Assistant Swim Coach and Instructor (1989)

- Lifeguard, maintenance of grounds, kid's swim coach, preschool swim instructor.

Ouachita Baptist University Maintenance Department

Temporary Laborer for Grounds and Facility Maintenance Department (1988)

- Paint interior and exterior of school facilities.

City of Ann Arbor Parks and Recreation Department

Livery Assistant 2 (Summers, 1985-1987)

- Transported canoes and customers to and from points of departure/arrival on river. Also performed various duties at livery.

Burger King

Food service preparation and customer service (1984-1985)

SELECTED PUBLICATIONS

Allison RA, Manski R. "The Supply of Dentists and Access to Care in Rural Areas," Journal of Rural Health 23:3 (Summer 2007), pp. 198-206.

Kenney G, Allison RA, Costich J, Marton J and McFeeters J. "The Effects of Premium Increases on Enrollment in SCHIP Programs: Findings from Three States." Inquiry 43:4 (Winter 2007/2007), pp. 345-361.

Allison RA, Bryan D. "The Declining Supply of Dental Services in Kansas: Implications for Access and Options for Reform." Kansas Health Institute Report KHI/R04-10, January 2005.

PUBLICATIONS continued

Dick AW, Brach C, Allison RA, Shenkman E, Shone LP, Szilagyi PG, Klein JD, Lewit EM. "SCHIP in Three States: how do the most vulnerable children fare?" Health Affairs 23:3 (Sept./Oct. 2004), pp. 63-75.

Allison RA, Foster JE. "Measuring health inequality using qualitative data," Journal of Health Economics 23:3 (May 2004), pp. 505-524.

Reichard A, Allison RA. "The Medicare Reform Act: what are the consequences for Kansas?" Kansas Health Institute Health Policy Forum Brief No. 8, March 2004.

Allison RA. "The impact of local welfare offices on children's enrollment in Medicaid and SCHIP," Inquiry 40 (Winter 2003/2004), pp. 390-400.

Allison RA, Huang CC. "Uninsured children in Kansas: who are they and how could they be reached?" Kansas Health Institute Report 03-1, October 2003.

Allison RA, Betley CL. "Health care spending growth and state policy options." Kansas Health Institute Health Policy Forum Brief No. 6, January 2003.

Dick AW, Allison RA, Haber SG, Brach C, Shenkman E. "Consequences of states' policies for SCHIP disenrollment," Health Care Financing Review 23:3 (Spring 2002), pp. 65-88.

Allison RA, LaClair BJ, and St. Peter RF, "Children's Enrollment in Kansas Public Health Insurance Programs Since the Introduction of HealthWave," Kansas Health Institute Issue Brief No. 10, March, 2001.

Allison RA, LaClair BJ, and St. Peter RF, "Dynamics of HealthWave and Medicaid Enrollment: Into, Out of, and Between Two State Programs," Kansas Health Institute Issue Brief No. 11, March, 2001.

SELECTED ACADEMIC AND RESEARCH PRESENTATIONS

Haber SG, Allison RA, Shenkman E. "Dynamics of Children's Enrollment in Public Health Insurance: A Three-State Comparison." Presented at the AcademyHealth Annual Research Meetings in Boston, MA on June 26, 2005.

Kenney GM, Allison RA, Costich JF, Marton JH, McFeeters J. "The Effects of Premium Increases in SCHIP Programs: The Experience of Three States." Presented at the AcademyHealth Annual Research Meetings in Boston, MA on June 26, 2005.

Allison RA. "Medicaid Reform: a Kansas Perspective." Presented at the Kansas Association for the Medically Underserved Annual Primary Care Conference in Wichita, Kansas on June 7, 2005.

Allison RA. "Children's access to health insurance in Kansas." Presented at the 7th Annual Child Advocacy Day conference in Topeka, KS on February 22, 2005.

Allison RA. "The declining supply of dental services in Kansas." Presented at the Oral Health Workforce Summit in Topeka, KS on January 21, 2005.

Allison RA. "Economics, politics, and modern health care." Presented at the 29th Annual Midwest Regional Primary Health Care Conference in Kansas City, MO on December 6, 2004.

Allison RA. "The state of health insurance coverage in Kansas." Presented at the Kansas Public Health Conference in Topeka, KS on September 29, 2004.

Dick AW, Allison RA, Szilagyi PG, Shenkman E. "What role does SCHIP play in the patchwork insurance system for children?" Presented at the AcademyHealth Annual Research Meetings in San Diego, CA on June 6, 2004.

PRESENTATIONS continued.

- Allison RA.** "Rising health costs and state policy: what can states do?" Presented to legislators, staff, and agency personnel at the Nebraska Family Impact Seminar in Lincoln, NE, on February 25, 2004.
- Allison RA, Dick AW, Shenkman B.** "Pathways through SCHIP: a longitudinal analysis of enrollment and coverage patterns." Presented at the AcademyHealth Annual Research Meetings in Nashville, TN, on June 27, 2003.
- Allison RA.** "States' policies and children's insurance status." Presented to legislators, staff, and agency personnel at the Nebraska Family Impact Seminar in Lincoln, NE, on February 27, 2003.
- Allison RA, Huang CC.** "Uninsured children in Kansas: who are they and how could they be reached?" Presented at the Kansas Public Health Conference in Wichita, KS, on September 25, 2002.
- Allison RA, LaClair BJ.** "The impact of local welfare offices on children's enrollment in Medicaid and SCHIP." Presented at the Academy for Health Services Research and Health Policy meetings in Washington, D.C., on June 23, 2002.
- Allison RA, LaClair BJ, St. Peter RF.** "Children's enrollment in Kansas public health insurance programs after implementing SCHIP." Presented at the Academy for Health Services Research and Health Policy meetings in Atlanta, June 10, 2001.
- Allison RA, Foster JE.** "Measuring Health Inequality Using Qualitative Data." Presented at the Global Health Equity Initiative Workshop on Measuring Inequalities in Health, University of Oxford, October 1998.

HONORS

- | | |
|-----------|---|
| 2001 | Outstanding abstract recognized by the Academy for Health Services Research and Health Policy |
| 1999 | HCFA Dissertation Fellowship Program grantee (30-P-91026/4-01) |
| 1995-1999 | Vanderbilt University Graduate Fellowship Award (tuition, assistantship and stipend) |
| 1995 | Office of Management and Budget Health Division Award |
| 1994 | Office of Management and Budget Professional Achievement Award |
| 1987-1989 | Academic Valedictorian of NAIA All-American Swimmers |

STATE OF KANSAS



KANSAS GOVERNMENTAL ETHICS COMMISSION

ELECTRONIC STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS: This statement must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION:

Allison

Last Name

Robert

First Name

A

MI

Susan

Spouse's Name

2734 SW Berkshire

Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

Topeka, KS 66614

City, State, Zip Code

(785) 478-4380

Home Phone Number

(785) 368-8162

Business Phone Number

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:*(check one or more of the following)*

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.
7. Other (Contractor / Member of Compact)

Kansas Health Policy Authority

List the Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

Deputy Director and Medicaid Director

Division if applicable (May use acronyms)

Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional. *

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C. OWNERSHIP INTERESTS: List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here

	BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	PERCENT OF OWNERSHIP INTERESTS	HELD BY WHOM
1.	Southerland Family Limited Partnership Batesville, AR	Banking and other financial assets	Limited Liability Partnership	5.7%	spouse
2.	Carolyn Southerland Shell Testamentary Trust Batesville, AR	Financial and land holdings	Testamentary Trust	25%	spouse
3.	Shell Living Trust Batesville, AR	Banking and other financial holdings	Living Trust	25%	spouse
4.	TIAA-CREF PO Box 1259, Charlotte, NC 28201	Stocks, bonds and real estate funds	Tax Deferred Retirement Funds	0%	self
5.	Thrift Savings Plan PO Box 385021, Birmingham, AL 35238	Stock fund	Tax Deferred Retirement	0%	self
6.	Citizen's Bank of Batesville Arkansas PO Box 2156, Batesville, AR 72503	Shares of bank stock	Corporation	0%	spouse
7.	ING Deferred Compensation 212 Southwest 8th Ave, Ste 100, Topeka, KS 66603	Deferred compensation	Tax Deferred Retirement	0%	self
8.	Fidelity Funds PO Box 770001, Cincinnati, OH 45277	Traditional IRA with stock withholding	Tax Deferred Retirement	0%	self
9.	American Funds PO Box 65951, San Antonio, TX 78265	Stock and bond funds	Stock and bond mutual funds	0%	spouse
10.	KPERS 611 S. Kansas Ave, Ste 100, Topeka, KS 66603	Retirement funds	Retirement Funds	0%	self
11.	KPERS 611 S. Kansas Ave, Ste 100, Topeka, KS 66603	Retirement funds	Retirement Funds	0%	spouse

D. GIFTS OR HONORARIA: List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here

	NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY
1.			

E. RECEIPT OF COMPENSATION: (Part 1) List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

1. YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE

If you have nothing to report in Section "E"1, check here

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.			

2. SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.

If you have nothing to report in Section "E"2, check here

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.			

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "F", check here

	BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1.			

G. RECEIPT OF FEES AND COMMISSIONS: List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			

H. DECLARATION: I declare that this statement of substantial interests (including any accompanying pages and statements)

has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

Date Electronically Filed: 09/11/2009

Name of Person Making Statement: Andrew Allison



Kansas Health Policy Authority

Impact of Budget Reductions in Medicaid and Alternative Sources of Savings

**Testimony before the House Appropriations Committee
January 13, 2010**

Dr. Andrew Allison, KHPA Acting Executive Director

1



Overview

- **KHPA Budget Summary**
- **FY 2010 Governor's Allotments**
- **Expected impact of 10% reduction in provider payments**
- **Alternative sources of savings**

2



Brief Overview of KHPA's Budget

- KHPA's FY 2009 budget was about \$2.6 billion
 - \$1.36 billion was non-SGF funding for KHPA medical programs
 - \$800 million was federal funds passed through to other Medicaid service agencies (SRS, KDOA, JJA, KDHE)
 - \$450 million was SGF funding for services and operations
- KHPA programs and operations are funded separately
 - FY 2009 operational funding was \$23 million SGF
 - Caseload costs are about 20 times larger than operational costs
 - Caseload savings cannot be credited to cost-saving operations
 - The federal government matches Medicaid operations at 50-90%
 - Operational costs for the state employee plan are funded off-budget through standard charges to agencies for each participating employee
- KHPA FY 2010 budget reductions concentrated on operations
 - Medicaid caseload protected due to Federal stimulus dollars
 - KHPA operational funding reduced 15.5% versus FY 2009

3



FY 2010 Governor's State General Fund Allotments *July 2009*

- FY 2009 Caseload Savings (\$5,300,000)
- Expansions to Pregnant Women (\$524,000)
- Increased FMAP Rate (\$6,300,000)
- No impact on current services

4



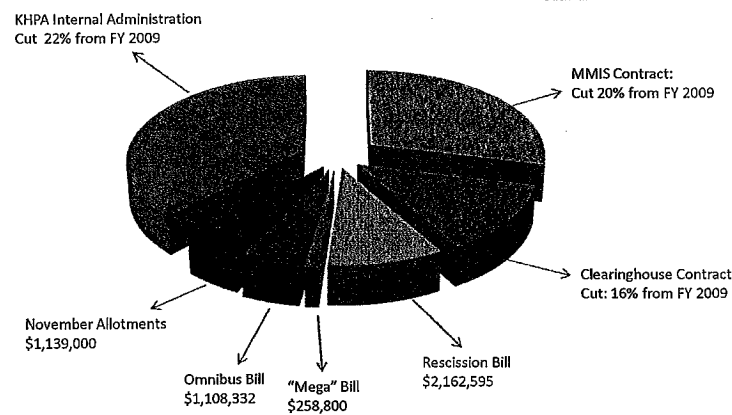
FY 2010 Governor's State General Fund Allotments November 2009

- Caseload reductions
 - Across-the-board 10% reduction in Medicaid provider rates
 - Limitation on MediKan benefits to 12 months
- Administrative reduction of \$1.13 million SGF
 - Total impact is \$2.5 million all-funds
 - Cumulative 20.5% reduction since approved FY 2009
 - Allotment represents 5% reduction on FY 2009 base
- SCHIP reduction of \$1 million SGF
 - Growing backlog may reduce pressure on funding
 - Waiting to see the impact of the January 1st expansion in coverage to children between 200% of the FY 2009 poverty level and 250% of the 2008 poverty level

5

FY 2010 Operating Budget After Allotments

FY 2009:	\$22,814,018
Rev. FY 2010:	\$18,145,291
Total Cuts:	\$4,668,727 (20.5%)





Summary of November 2009 Allotment for KHPA Operations

- Freeze KHPA staff overtime and reduce KHPA staff through attrition (109,000) SGF
- Eliminate extra contract funding dedicated to the Clearinghouse eligibility backlog (140,000)SGF
- Cut State staff overtime dedicated to the Clearinghouse eligibility backlog (60,000) SGF
- Reduce scope of services in the Clearinghouse contract (197,000) SGF
- Amend verification policies and reduce call center capacity at the eligibility Clearinghouse (233,000) SGF
- Lapse funds from FY 2009 (150,000) SGF
- Eliminate the call center for Medicaid providers and significantly reduce call center capacity for Medicaid beneficiaries (250,000) SGF

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Focus: Eliminate Added Capacity at the Eligibility Clearinghouse

- Extra contract funding and state staff overtime dedicated to the eligibility Clearinghouse backlog
- Loss of funding will lead directly to growth in the backlog of applications, estimated backlog in June 2011 of 33,000
- Growing backlog will result in delayed or foregone medical care for beneficiaries and a loss of revenue for providers
- Created the potential violation of federal 45 day processing time requirements
- Threatens compliance linked to ARRA funding
- Potential loss of up to \$11 million in CHIPRA bonus payments
- Potential threat to \$40 million HRSA grant for improved eligibility operations

8



Focus: Examples of Simplifications to Medicaid/SCHIP Applications

- Self declaration of child support
- Eliminate trust test for “Caretaker Medical” (low-income parents)
- Self declaration of pregnancy
- Eliminate mid-year reporting for Transitional Medical recipients
- Continuous 12-month eligibility for caretaker medical (parents)
- Change income calculation for new applicants with new jobs
- Focus state workers on oversight and processing, not duplication
- Rely on Department of Labor wage information
- Pre-populate review form with lessened verification requirements
- New HW application designed to get questions answered accurately and to obtain necessary information

9



Focus: Eliminate Provider Call Center and Reduce Customer Service

- Option eliminates all Medicaid provider service and reduces customer service at the fiscal agent (HP)
- Fiscal agent receives 250,000 calls per year from providers and beneficiaries, those callers will now be directed to a web portal for information
- Call volume may divert to KHPA staff, but we have no capacity to manage the increase
- Payment accuracy likely to decline, resulting in higher caseload costs
- No in-person training for new providers or changes in billing without the Provider liaisons
- Strain in relationships with Medicaid Providers
- Increase in payment appeals

10



Implementing the 10% Rate Reduction

- The “Budget Shortfall” payment reduction applies to the Medicaid paid amount (net reimbursement amount)
- Reductions are effective with dates of service on and after January 1, 2010
- The reduction applies to all providers as indicated in the public notice, published in the Kansas Register, December 17, 2009
 - HealthWave MCOs will pass the reductions through beginning in March or April, following mandatory advance CMS approval of the reduced capitation payments
 - The reduction will apply to paid claims, Medicaid disproportionate share payments, graduate medical education payments, critical access hospital settlements, Rural Health Clinic (RHC) cost settlements, Federally Qualified Health Center (FQHC) cost settlements, payments for Home and Community Based Services (HCBS) waivers, targeted case management, psychiatric residential treatment facility (PRTF), nursing facility for mental health (NF/MH), community mental health center (CMHC), substance abuse, head injury rehabilitation, and other payments.
 - The reduction does not apply to state institutions (University of Kansas hospital, state psychiatric institutions), nor to payments set by Federal regulation (i.e., through Medicare)

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Financial Impact of the 10% Reduction

- At least \$18 million in savings to the state expected in FY 2010
 - About \$8 million SGF for payment reductions to fee for service medical care providers
 - More than \$10 million in expected savings through Medicaid services overseen by SRA and KDOA
 - Additional savings through managed care plans to be implemented following CMS approval
- The current federal matching rate is approximately 69%
- Providers experience the all funds reduction
 - Impact on providers is more than three times the savings to the state ($1/.31 = 3.2$)
 - Providers will experience a \$58 million reduction in payments in FY 2010
- Foregone Federal matching payments will total approximately \$40 million in FY 2010
- The impact in FY 2011 will be at least twice as great if the reductions continue
 - Full year impact on providers (all funds) would be around \$150 million
 - Up to \$25-30 million additional impact through HealthWave MCOs, pending CMS approval
 - ARRA stimulus payments expire in December 2010, after which the state match reverts to about 60%
 - State savings in FY 2011 would be around \$50-55 million
 - Foregone Federal matching payments would be around \$95-100 million

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Provider Response to Medicaid Budget Reductions

- Rate reduction has prompted a strong reaction from a wide spectrum of providers
 - Impact is likely to vary by type of provider
 - Impact of rate cuts different if providers view it as permanent
 - Many have expressed concerns about the impact reductions will have on access to providers for Medicaid and SCHIP recipients
- Providers have expressed some of their deepest concerns over the latest reductions in customer service
 - A majority of KHPA administrative costs are outsourced through competitively bid contracts (fiscal agent; eligibility clearinghouse)
 - Alternatives are limited and reduce capacity for effective management of caseload costs

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Alternative Savings in Medicaid

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Reducing Medicaid Spending: Overview

- Medicaid spending is determined by four key factors
 - People covered, e.g., elderly, disabled, children and families, MediKan, foster care, etc.
 - Services provided, e.g., hospital services, pharmacy, mental health, nursing homes, community-based care, home health, hospice, etc.
 - Rates paid to each type of provider
 - Utilization of each service by each beneficiary
- Opportunities for reductions in spending differ
 - People covered
 - ARRA requires states to maintain eligibility through January 1, 2011
 - House and Senate health reform bills would extend that requirement indefinitely
 - Services provided
 - Some of the most expensive services are mandated by Federal statute
 - Optional services are not protected in ARRA
 - Rates
 - Rates are set, by and large, by fee schedule
 - Current ten percent reduction is at the upper end of imposed cuts nationally
 - Utilization of services
 - Health care management is intended to reduce unnecessary care and improve quality prevention

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Reducing Medicaid Spending: People Covered

- Distribution of spending across all populations varies widely
 - Low income families and children comprise about half of Medicaid enrollment (52% in FY 2009) and account for one-fifth of spending (21%)
 - Aged beneficiaries comprise about one tenth of Medicaid enrollment and account for nearly one-quarter of spending (23%)
 - Disabled beneficiaries comprise about one fifth of enrollment (18%) and account for nearly half of spending (47%)
- Spending for optional covered populations is concentrated among the elderly and disabled
 - SCHIP coverage of Children above 100% to 150% of poverty, depending on age, totals approximately \$64 million AF (FY 2009)
 - Medicaid coverage of Newborns aged 0-1 between 133% and 150% of poverty could not be reduced without first eliminating SCHIP (no current estimate)
 - Spending on optional Aged and Disabled populations totals approximately \$163 million (FY 2009)

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Reducing Medicaid Spending: Services Provided

- Optional services comprise about 31% of total Medicaid spending
- No medical services are optional for children
- Largest optional services for adults
 - Home and community based service waivers (\$577 million AF; \$175 million SGF)
 - Prescription drugs (\$116 million AF; \$38 million SGF)
 - Hospice services (\$27 million AF; \$8 million SGF)
 - Targeted case management for the MR/DD population and ICFs/MR (each about \$13 million AF; \$4 million SGF)
- Largest optional services are preferred substitutes for mandatory services
 - Eliminating optional services would cause harm to beneficiaries
 - A significant percentage of spending on optional services would shift to other, more intensive services
 - pharmacy, hospice, mental health → inpatient hospital
 - HCBS → nursing facilities

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Reducing Medicaid Spending: Health Care Management and Quality Improvement

- Recent KHPA initiatives
 - Health Promotion for Kansans with Disabilities Transformation Grant
 - Enhanced Care Management Pilot Project
 - Community Health Care Record Pilot Project
 - Commonwealth State Quality Institute Phase I & II
 - Vermont Medical Home Technical Assistance Initiative
 - National Academy of State Health Policy State Consortium to Advance the Medical Home for Medicaid and CHIP Programs
- KHPA Board request to review the net impact of HealthWave managed care

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Reducing Medicaid Spending: Health Care Management and Quality Improvement

- Recent Measures Taken by Administrative Action
 - Transformation Recommendations Implemented
 - Reasonable pricing requirements for durable medical equipment
 - Outsourced management of non-emergency transportation
 - Developed diabetes management initiative for home health
 - (Pricing reforms in home health are in process)
 - Published performance and quality data for HealthWave
 - Established the Mental Health Advisory Committee
 - Automated Prior Authorization for Select Pharmaceuticals
 - Increased Presumptive Eligibility Sites

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Reducing Medicaid Spending: Health Care Management and Quality Improvement

- Reduction Options Included in FY 2011 Budget Submission
 - Streamline Prior Authorization in Medicaid
 - \$243,000 SGF/ \$952,000 AF
 - Mental Health Pharmacy Management
 - \$800,000SGF/ \$2.0M AF
 - Align Professional Rates in Medicaid
 - \$ 1 M SGF/ \$ 2.8 M AF (Corrected)

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Cost-Saving Measures Taken by Other States

- Options Kansas Medicaid has already taken
 - Reductions in provider rates
 - Placing limits on community based long term care services, home health services, and private duty nursing
 - Intensifying prescription drug utilization and cost control initiatives
 - Chronic care management
 - Behavioral health utilization review
 - Post payment and hospital outlier review
 - Reduction in MCO administrative reimbursement

- Other options
 - Long term care managed care
 - 30 day no-readmit hospital policy for the same diagnosis
 - Coordination of behavioral health with physical health care
 - Incorporation of durable medical equipment costs into Home Health Nursing Home per diems
 - Eliminating optional services, e.g., hospice
 - Imposing new or higher copayment requirements, e.g., for pharmaceuticals

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*Coordinating health & health care
for a thriving Kansas*



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