

HOUSE BILL No. 2044

By Committee on Health and Human Services

1-12

1 AN ACT {concerning the department of health and environment;
2 establishing the KanCare bridge to a healthy Kansas program;}
3 concerning clubhouse-based psychosocial rehabilitation programs.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 {Section 1. Sections 1 through 13, and amendments thereto, shall
7 be known and may be cited as the KanCare bridge to a healthy
8 Kansas program, which is hereby established. The department of
9 health and environment shall administer and promote the program
10 and provide information to potential eligible individuals who live in
11 medically underserved areas of Kansas.

12 Sec. 2. For purposes of eligibility determinations under the
13 Kansas program of medical assistance on or after January 1, 2018,
14 medical assistance shall be granted to any adult under 65 years of age,
15 who is a United States citizen or legal resident and who has been a
16 resident of Kansas for at least 12 months, who is not pregnant and
17 whose income does not exceed 133% of the federal poverty level, to the
18 extent permitted under the provisions of 42 U.S.C. § 1396a, as it exists
19 on the effective date of this act, and subject to the requirements of the
20 KanCare bridge to a healthy Kansas program.

21 Sec. 3. (a) The department of health and environment shall refer
22 all non-disabled adults in the KanCare bridge to a healthy Kansas
23 program who are unemployed or working fewer than 20 hours a week,
24 as a condition of the program, to the state's existing workforce
25 training programs and work search resources, including, but not
26 limited to:

27 (1) The Kansasworks program administered by the department
28 of commerce; or

29 (2) the generating opportunities to attain lifelong success
30 program administered by the department for children and family
31 services.

32 (b) The KanCare bridge to a healthy Kansas program application
33 shall:

34 (1) Screen applicants for education status;

- 1 **(2) screen applicants for employment status; and**
- 2 **(3) require applicants to acknowledge the referral required by**
- 3 **subsection (a).**

4 **(c) Full-time students shall be exempted from the referral**
5 **required by subsection (a) for each year they are enrolled in a**
6 **postsecondary education institution or technical school.**

7 **(d) Parents with minor children in the home are exempt from the**
8 **referral required by subsection (a) at the discretion of the department**
9 **of health and environment.**

10 **Sec. 4. (a) The department of health and environment may**
11 **establish a health insurance coverage premium assistance program for**
12 **individuals who meet the following requirements:**

13 **(1) The individual has an annual household income of not more**
14 **than 133% of the federal income poverty level, based on the adjusted**
15 **gross income provisions set forth in section 2001(a)(1) of the federal**
16 **patient protection and affordable care act; or**

17 **(2) the individual is eligible for health insurance coverage**
18 **through an employer but cannot afford the health insurance coverage**
19 **premiums.**

20 **(b) A program established under this section must:**

21 **(1) Contain eligibility requirements that are similar to the**
22 **eligibility requirements of the KanCare bridge to a healthy Kansas**
23 **program; and**

24 **(2) provide that an individual's payment for a health insurance**
25 **coverage premium may not exceed 2% of the individual's annual**
26 **income.**

27 **Sec. 5. (a) A denial of federal approval and federal financial**
28 **participation that applies to any part of the KanCare bridge to a**
29 **healthy Kansas program shall not prohibit the department of health**
30 **and environment from implementing any other part of the program,**
31 **except for section 13, and amendments thereto, that:**

32 **(1) Is federally approved for federal financial participation; or**

33 **(2) does not require federal approval or federal financial**
34 **participation.**

35 **(b) The secretary may make changes to the KanCare bridge to a**
36 **healthy Kansas program if the changes are required by the United**
37 **States department of health and human services or federal statute or**
38 **regulation.**

39 **Sec. 6. The department shall produce and submit a waiver**
40 **request to the United States department of health and human services**
41 **to implement the program with services to begin on or before January**
42 **1, 2018.**

43 **Sec. 7. (a) All moneys collected or received by the secretary of**

1 health and environment from drug rebates connected to KanCare
2 bridge to a healthy Kansas program beneficiaries shall be remitted to
3 the state treasurer in accordance with the provisions of K.S.A. 75-
4 4215, and amendments thereto. Upon receipt of each such remittance,
5 the state treasurer shall deposit the entire amount in the state treasury
6 to the credit of the KanCare bridge to a healthy Kansas drug rebate
7 fund.

8 (b) There is hereby created in the state treasury the KanCare
9 bridge to a healthy Kansas program drug rebate fund as a
10 reappropriating fund. Moneys in the KanCare bridge to a healthy
11 Kansas program drug rebate fund shall be expended for the purpose
12 of medicaid medical assistance payments for KanCare bridge to a
13 healthy Kansas program beneficiaries. All expenditures from the
14 KanCare bridge to a healthy Kansas program drug rebate fund shall
15 be made in accordance with appropriation acts upon warrants of the
16 director of accounts and reports issued pursuant to vouchers
17 approved by the secretary of health and environment or the
18 secretary's designee.

19 (c) The KanCare bridge to a healthy Kansas program drug
20 rebate fund shall be used for the purposes set forth in the KanCare
21 bridge to a healthy Kansas program and for no other governmental
22 purposes. It is the intent of the legislature that the fund shall remain
23 intact and inviolate for the purposes set forth in the KanCare bridge
24 to a healthy Kansas program, and moneys in the fund shall not be
25 subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a,
26 and amendments thereto.

27 (d) On or before the 10th day of each month, the director of
28 accounts and reports shall transfer from the state general fund to the
29 KanCare bridge to a healthy Kansas program drug rebate fund
30 interest earnings based on:

31 (1) The average daily balance of moneys in the KanCare bridge
32 to a healthy Kansas program drug rebate fund for the preceding
33 month; and

34 (2) the net earnings rate of the pooled money investment portfolio
35 for the preceding month.

36 (e) On or before January 8, 2018, and on or before the first day of
37 the regular session of the legislature each year thereafter, the secretary
38 of health and environment shall prepare and deliver a report to the
39 legislature that summarizes all expenditures from the KanCare bridge
40 to a healthy Kansas program drug rebate fund, fund revenues and
41 recommendations regarding the adequacy of the fund to support
42 KanCare bridge to a healthy Kansas program expenditures.

43 Sec. 8. (a) All moneys collected or received by the secretary of

1 health and environment for privilege fees collected pursuant to K.S.A.
2 40-3213, and amendments thereto, connected to the KanCare bridge
3 to a healthy Kansas program beneficiaries shall be remitted to the
4 state treasurer in accordance with the provisions of K.S.A. 75-4215,
5 and amendments thereto. Upon receipt of each such remittance, the
6 state treasurer shall deposit the entire amount in the state treasury to
7 the credit of the KanCare bridge to a healthy Kansas program
8 privilege fee fund.

9 (b) There is hereby created in the state treasury the KanCare
10 bridge to a healthy Kansas program privilege fee fund as a
11 reappropriating fund. Moneys in the KanCare bridge to a healthy
12 Kansas program privilege fee fund shall be expended for the purpose
13 of medicaid medical assistance payments for KanCare bridge to a
14 healthy Kansas program beneficiaries. All expenditures from the
15 KanCare bridge to a healthy Kansas privilege fee fund shall be made
16 in accordance with appropriation acts upon warrants of the director
17 of accounts and reports issued pursuant to vouchers approved by the
18 secretary of health and environment or the secretary's designee.

19 (c) The KanCare bridge to a healthy Kansas privilege fee fund
20 shall be used for the purposes set forth in the KanCare bridge to a
21 healthy Kansas program and for no other governmental purposes. It is
22 the intent of the legislature that the fund shall remain intact and
23 inviolate for the purposes set forth in the KanCare bridge to a healthy
24 Kansas program, and moneys in the fund shall not be subject to the
25 provisions of K.S.A. 75-3722, 75-3725a and 75- 3726a, and
26 amendments thereto.

27 (d) On or before the 10th day of each month, the director of
28 accounts and reports shall transfer from the state general fund to the
29 KanCare bridge to a healthy Kansas privilege fee fund interest
30 earnings based on:

31 (1) The average daily balance of moneys in the KanCare bridge
32 to a healthy Kansas privilege fee fund for the preceding month; and

33 (2) the net earnings rate of the pooled money investment portfolio
34 for the preceding month.

35 (e) On or before January 8, 2018, and on or before the first day of
36 the regular session of the legislature each year thereafter, the secretary
37 of health and environment shall prepare and deliver a report to the
38 legislature that summarizes all expenditures from the KanCare bridge
39 to a healthy Kansas privilege fee fund, fund revenues and
40 recommendations regarding the adequacy of the fund to support
41 necessary KanCare bridge to a healthy Kansas program expenditures.

42 Sec. 9. (a) On or before January 8, 2018, and on or before the first
43 day of the regular session of the legislature each year thereafter, the

1 secretary of health and environment shall prepare and deliver a report
2 to the legislature that summarizes the cost savings achieved by the
3 state from the movement of beneficiaries from the KanCare program
4 to the KanCare bridge to a healthy Kansas program, including, but
5 not limited to, the MediKan program, the medically needy spend-
6 down program and the breast and cervical cancer program.

7 (b) State cost savings shall be determined by calculating the cost
8 of beneficiaries if services were provided in the KanCare program less
9 the cost of services provided to beneficiaries under the KanCare
10 bridge to a healthy Kansas program.

11 Sec. 10. On or before January 8, 2018, and on or before the first
12 day of the regular session of the legislature each year thereafter, the
13 secretary of corrections shall prepare and deliver a report to the
14 legislature that identifies cost savings to the state from the use of the
15 KanCare bridge to a healthy Kansas program to cover inmate
16 inpatient hospitalization.

17 Sec. 11. On or before February 15 of each year, the secretary of
18 health and environment shall present a report to the house committee
19 on appropriations and the senate committee on ways and means that
20 summarizes the costs for the KanCare bridge to a healthy Kansas
21 program and the cost savings and additional revenues identified in
22 sections 7 through 9, and amendments thereto.

23 Sec. 12. (a) There is hereby established the KanCare bridge to a
24 healthy Kansas working group.

25 (b) The working group is charged with identifying non-state
26 general fund sources to fund any shortfall identified by the secretary
27 of health and environment in section 11, and amendments thereto, for
28 the KanCare bridge to a healthy Kansas program.

29 (c) The working group shall be composed of the following
30 members:

31 (1) Two members of the house of representatives appointed by the
32 speaker of the house of representatives;

33 (2) one member of the house of representatives appointed by the
34 minority leader of the house of representatives;

35 (3) two members of the senate appointed by the president of the
36 senate;

37 (4) one member of the senate appointed by the minority leader of
38 the senate;

39 (5) one representative from the Kansas hospital association;

40 (6) one representative from the Kansas medical society;

41 (7) one representative from the Kansas association for the
42 medically underserved;

43 (8) one representative from the Kansas academy of family

1 **physicians;**

2 **(9) one representative from the association of community mental**
 3 **health centers of Kansas;**

4 **(10) one representative from the Kansas dental association;**

5 **(11) one representative from the Kansas emergency medical**
 6 **services association;**

7 **(12) one representative from the Kansas optometric association;**

8 **(13) one representative from the Kansas pharmacist's association;**
 9 **and**

10 **(14) one representative of KanCare bridge to a healthy Kansas**
 11 **program consumers from alliance for a healthy Kansas.**

12 **(d) The chairperson of the working group shall be elected by the**
 13 **members of the working group:**

14 **(1) From members of the working group from the house of**
 15 **representatives in even-numbered years; and**

16 **(2) from members of the working group from the senate in odd-**
 17 **numbered years.**

18 **(e) The staff of the Kansas legislative research department shall**
 19 **provide such assistance as may be requested by the working group.**

20 **(f) (1) Legislative members attending a meeting of the working**
 21 **group or a subcommittee meeting thereof shall receive compensation**
 22 **and travel expenses and subsistence expenses or allowances as**
 23 **provided in K.S.A. 75-3212, and amendments thereto.**

24 **(2) Non-legislative members shall not receive compensation,**
 25 **subsistence allowance, mileage or associated expenses from the state**
 26 **for attending a meeting or subcommittee meeting of the working**
 27 **group.**

28 **(h) The working group shall meet no fewer than two times in any**
 29 **given calendar year.**

30 **(i) A quorum of the working group shall be nine members, of**
 31 **which at least four shall be legislative members of the working group.**

32 **(j) The working group shall report to the legislature on or before**
 33 **March 15 of each year with recommendations for funding the**
 34 **KanCare bridge to a healthy Kansas program, as necessary.**

35 **Sec. 13. If, at any point, the percentages of federal medical**
 36 **assistance available to the program for coverage of program**
 37 **participants described in section 1902(a)(10)(A)(i)(VIII) of the federal**
 38 **social security act are less than the percentages provided for in section**
 39 **1201(b)(1)(A) through (E) of the federal health care and education**
 40 **reconciliation act of 2010, as it exists on the effective date of this act,**
 41 **the department of health and environment shall terminate the**
 42 **KanCare bridge to a healthy Kansas program over a 12-month period,**
 43 **beginning on the first day that the federal medical assistance**

1 **percentages fall below such amount.}**

2 ~~Section 14.~~ **{Sec. 14.}** (a) Within the limits of appropriations therefore,
3 on and after the effective date of this act, the secretary of health and
4 environment shall include within the medicaid program reimbursement for
5 clubhouse rehabilitation services. The secretary is hereby granted authority
6 to enter into contracts with certified clubhouse providers for this purpose.
7 The contracts shall be entered into by July 1, 2017, and shall expire on
8 July 1, 2020. **Reimbursement under such contracts for any one fiscal**
9 **year shall not exceed \$1,000,000.** On or before January 1, 2020, the
10 secretary shall report to the senate committee of public health and welfare
11 and to the house committee on health and human services information,
12 findings and recommendations which relate to the clubhouse rehabilitation
13 services provided under this subsection.

14 (b) As used in this section, "clubhouse" means a community-based
15 psychosocial rehabilitation program in which the member, with staff
16 assistance, is engaged in operating all aspects of the clubhouse, including
17 food service, clerical, reception, janitorial and other member services such
18 as employment training, housing assistance and educational support, and
19 which is designed to alleviate emotional or behavior problems with the
20 goal of transitioning to a less restrictive level of care, reintegrating the
21 member into the community and increasing social connectedness beyond a
22 clinical or employment setting.

23 (c) The provisions of this section shall expire on July 1, 2020.

24 ~~Sec. 15.~~ **{15.}** This act shall take effect and be in force from and after
25 its publication in the Kansas register.