

MINUTES OF THE COMMITTEE ON SENATE WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:40 a.m. on March 25, 2002 in Room 123-S of the Capitol.

All members were present except: Senator David Adkins - excused
Senator Tim Huelskamp - excused
Senator Nick Jordan - excused

Committee staff present:

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

Conferees appearing before the committee:

Laurel Murdie, Audit Supervisor, Division of Legislative Post Audit

Others attending: See attached list

Chairman Morris welcomed Laurel Murdie, Audit Supervisor, Performance Audit Report on Medicaid Cost Containment: Controlling Costs of Medical Services, Legislative Division of Post Audit (Attachment 1). Ms. Murdie mentioned that two questions were addressed in the audit:

1. Why Has the Cost of Medical Services in the State's Medicaid Program Increased? Ms. Murdie noted that three factors – the number of people getting services, the frequency with which they use services, and the amount paid per service – determine how much the State spends on its medical assistance program.
2. What Steps Can Be Taken to Control Increasing Medicaid Costs? Ms. Murdie noted that the options they identified fell into three major categories:
 - Limiting enrollment by eliminating “optional” populations, and reducing the length of time specific populations can keep their benefits
 - Reduce or limit coverage of non-mandatory services
 - Ensuring the State pays less for services

Committee questions and discussion followed. Details are found in the Audit Report attached to this set of minutes. Chairman Morris thanked Ms. Murdie for her presentation.

The meeting adjourned at 11:55 a.m. The next meeting is scheduled for March 26, 2002.