Approved: February 21, 2008

Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Sharon Schwartz at 9:00 A.M. on February 11, 2008, in Room 514-S of the Capitol.

All members were present except:

Representative Pat George - excused Representative Mitch Holmes - excused Representative Tom Sawyer - excused Representative Ty Masterson - excused

Committee staff present:

Alan Conroy, Legislative Research Department J. G. Scott, Legislative Research Department Reed Holwegner, Legislative Research Departmen Cody Gorges, Legislative Research Department Jim Wilson, Revisor of Statutes Nobuko Folmsbee, Revisor of Statutes Nikki Feuerborn, Chief of Staff Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Mark Stafford, General Counsel, State Board of Healing Arts Robert Waller, Chief Administrator, Emergency Medical Services (EMS) Dr. Barbara Atkinson, Executive Vice-Chancellor of University of Kansas & Executive Dean of School of Medicine Dr. Rob Freelove

Others attending:

See attached list.

- Attachment 1 Report from State Board of Healing Arts
- Attachment 2 Report from Kansas Board of Emergency Medical Services
- Attachment 3 Report on Strategic Initiatives at University of Kansas Medical Center
- Attachment 4 Report on Wichita Center for Graduate Medical Education (WCGME)

Introduction of Legislation

<u>Representative Yoder moved to introduce legislation regarding court docket fees for non-judicial</u> salaries. The motion was seconded by Representative Watkins. Motion carried.

State Board of Healing Arts

Mark Stafford, General Counselor, State Board of Healing Arts, presented a report to the Committee pursuant to the provisions of 2007 <u>HB 2368</u> which established 39.0 FTE positions for the Board for both FY 2008 and FY 2009 (<u>Attachment 1</u>). The report includes a copy of a response to the Special Judiciary Committee addressing questions brought forth by an audit performed by the Division of Post Audit.

Emergency Medical Services (EMS)

Robert Waller, Chief Administrator, Kansas Board of Emergency Medical Services (KBEMS), presented an update on the KBEMS Revolving and Assistance Fund (KRAF) Grant Program (<u>Attachment 2</u>).

Responding to questions from the Committee, Mr. Waller indicated that the agency is in the process of writing a plan to address the rural/frontier distribution portion of the grant program. Because of the diversity of rural counties, it is the aim of the agency to write a multi-year funding stream that

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will provide flexibility in the plan. Mr. Waller stated that it has been difficult to get some counties to report on additional funding received from sources other than the state because they are "not-for-profit" organizations.

Strategic Initiatives at University of Kansas Medical Center KU Cancer Center

Dr. Barbara Atkinson, Executive Vice-Chancellor of University of Kansas and Executive Dean of School of Medicine, presented a briefing on Strategic Initiatives at the University of Kansas Medical Center (<u>Attachment 3</u>). Dr. Atkinson noted that the emphasis of her presentation today would be on the workforce component relating to the request by the Wichita Center for Graduate Medical Education (WCGME) for additional funding to support their residency program and the work at the KU Cancer Center.

Dr. Atkinson stated that the Midwest Cancer Alliance has been established to provide outreach activities of the KU Cancer Center throughout the state. The five founding partners of the Alliance include hospitals in Goodland, Pittsburg, Hutchinson, Topeka, and Kansas City, Kansas, as well as the KU Cancer Center. A number of important research projects are also ongoing at the KU Cancer Center.

Dr. Atkinson indicated that continued state funding is essential to the success of the Midwest Cancer Alliance.

Responding to questions from the Committee, Dr. Atkinson stated:

- Royalties resulting from research are divided between the researcher and the University. Dr. Atkinson noted that it is very expensive to bring a drug to the trial stage. Drug companies are reluctant to get involved unless they see substantial profit for their business.
- Funding has virtually stopped at the federal level for cancer centers. KU will need to "bump off" another facility to get in line for federal funding, meaning they need to remain very competitive. Drug development at the KU Cancer Center is a plus toward these means.
- Requirements for the founding participants in the Midwest Cancer Alliance included a desire to do cancer research at their hospital, the capability to do the research and the infrastructure to proceed with the research trials. Additional hospitals across the State will be added as they apply and qualify.
- State funding, as provided at the present time, will be used to partially fund the costs of research to hospitals in the Midwest Cancer Alliance. State funding is valuable because it has not been restricted in the past and provides flexibility to the KU Cancer Center.
- The Committee requested information on the number of patents received by the KU Cancer Center and the amount of funding generated from these patents.

Training Doctors for Rural Kansas Wichita Center for Gradual Medical School (WCGME)

Dr. Ed Dismuke, Dean, Wichita School of Medicine, joined Dr. Atkinson, in the presentation on the Wichita Center for Gradual Medical School (WCGME) (<u>Attachment 4</u>). Dr. Rob Freelove, physician from Salina and a graduate of the Wichita program, also participated in the discussion.

Dr. Atkinson explained that WCGME is a consortium of two hospitals, Via Christi and Wesley Hospitals, with the Wichita School of Medicine. Residents at the WCGME are paid by the consortium and are not state employees as are the residents at the University of Kansas Medical Center. One of the problems at WCGME pertains to the accreditation standards that are changing and becoming more difficult by requiring more oversight, more control, time and effort at the faculty level, making it more difficult to meet funding requirements. With reference to a request for additional funding at WCGME, Dr. Atkinson noted the facility has determined that it needs more state funding to meet their needs. In addition, Medicare cuts in the reimbursement rate has an affect

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on funding.

Responding to questions from the Committee, Dr. Atkinson and Dr. Dismuke responded:

- Accreditation regulations relate to the residency program and are determined at the national level.
- Clinical research was not moved from WCGME to the KU Campus. Basic science labs were closed at the WCGME campus and a decision made by WCGME.
- WCGME needs to increase clinical and translation research in all 14 courses at the Center.
- No proposal for additional funding for WCGME has been presented to the Board of Regents.
- Wichita program has been warned and put on 2-year probation. The problems need to be corrected within the time frame to be removed from probation and continue with the program.
- Wichita has room for expansion but it would need additional faculty and facilities.
- It would be very expensive to add the first two years of medical school to the Wichita program. At this time, the first two years are done at the KU Medical Center.
- The Committee requested that the Board of Regents be approached with regard to additional funding requests at WCGME.
- The Committee requested FY 2007 revenue and operating expenses for WCGME.

Referral of Bills

HB 2789 was referred to the Agriculture and Natural Resources Budget Committee.

The meeting was adjourned at 10:45 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 12, 2008.

Sharon Schwartz, Chair