MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairperson Brenda Landwehr at 1:30 P.M. on January 29, 2008 in Room 526-S of the Capitol.

All members were present except:

Representative Cindy Neighbor, Excused Representative Clark Schultz, Excused

Committee staff present:

Norman Furse, Revisor of Statutes Office Dianne Rosell, Revisor of Statutes Office Melissa Calderwood, Kansas Legislative Research Department Cindy Lash, Kansas Legislative Research Department Chris Haug, Committee Assistant

Conferees appearing before the committee:

Gina Maree, Director of Health Care Finance & Organization, Kansas Health Institute

Rachel Smit, Kansas Health Institute

Shelly Gehshan, National Academy for State Health Policy

Andrew Snyder, National Academy for State Health Policy

Cathy Harding, Executive Director of the Kansas Assoc. For the Medically Underserved (KAMU)

Others Attending:

See Attached List.

Gina Maree, Director of Health Care Finance and Organization from the Kansas Health Institute talked about the Health Insurance bills from the 2007 legislature in Missouri. (Attachment 1)

Vice Chair Mast asked how Missouri was out of compliance with HIPPA. Ms. Maree stated that Missouri was simply the last to become compliant with the Federal HIPPA guidelines. Rep. Mast asked if high deductible pools accept pre-existing conditions. Ms. Maree said she didn't know.

Representative Storm asked if she knew how Kansas Ranks for high deductible pools. Ms. Maree said she would get back to us.

Representative Colyer wondered about the 75 million and wondered if Kansas qualified for similar funds. Ms. Maree said it was a federal component of HIPPA and she could find out. She hated to say whether Kansas qualified or not, she said she could find out.

Representative Schroeder asked about the standard rate and how it was arrived at. Ms. Maree said they look at an average of the individual plans and get a distributed average rate.

Representative Flaharty said that Kansas was having trouble defining "Medical Home" and wondered if we could borrow Missouri's definition. Ms. Maree said there are a couple of states working on this and she can provide some additional information.

Vice Chair Mast asked about premium offset programs and wondered if they had a fiscal note. Ms. Maree said yes.

Representative Rhoades wondered if this was a mandated program. In Kansas, we have approximately 10 % of people who have been offered insurance, but refuse to get it. Is this mandated in Missouri and if so, how will they get 250,000 to sign up. Ms. Maree said that it was not mandated. It hasn't been defined how they plan to do this.

Representative Kiegerl had a funding question. The income funds through 2012 is 8 million dollars. Are funds being shifted from one program to another? Ms. Maree said there has been a lot of unrest in Missouri. There are some people coming off of programs and moving to others. Representative Kiegerl said that in looking at this as a model, it would be important to understand all of this. If we were to remove some people from one medicaid and move them to another program, he would want to look at this more closely.

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Ms. Maree said she can look into this further.

Representative Garcia asked about the pilot program that both the employee and employer pay there respective shares. How do they decide what their respective shares are? Ms. Maree is not sure and didn't think this has been defined yet.

Representative Trimmer asked if they have made any estimates of what the savings will be for not using emergency rooms. Ms. Maree said she didn't know if there had been any actual savings yet. She can check into it. There is so much that is evolving now.

Rachel Smit, MPA with Kansas Health Institute answered questions that had been asked at the January 23, 2008 meeting. (Attachment 2)

Representative Ward asked if there was trend data on employer based insurance. Ms. Smit said employment based insurance remains stable. It is tracking with national figures. Children's figures are lower than adults.

Vice Chairperson Mast said we were talking about the cost of health care and she gathered that sometimes the over-insurance actually contributes to added health care costs. Those with good coverage tends to overuse. Maybe we need something more in the middle.

Chairperson Landwehr stated we aren't seeing huge spikes or dips in the data for the 18-34 age group. Ms. Smit said we might see something different with the 19-24 age group. Chair Landwehr said it appears the younger people are not purchasing the insurance due to feeling invincible.

Representative Holland was curious about how age 18-24 compare with the through age 34 group. Do you see a shift of more uninsured for middle and older Americans over time from what we currently have. Ms. Smit said she thought what we are seeing is the younger people are entering the labor market in lower paying jobs that don't offer health benefits and as they age and get better jobs they have a better chance of getting health insurance.

Representative Schroeder asked if she had any information on the demand of insurance for these age groups? Ms. Smit did not have anything with her, but thought some of the later slides might cover this.

Representative Colyer was interested in those who do have access and are in the 100% poverty level. Are you supposing that 45% of Kansan's have access through other family members. Ms. Smit said, "yes". Rep. Colyer wondered how that was reflected in the uninsured rate for federal poverty level of 100% or below. You had shown that number was higher. Is a significant number of people receiving health insurance from another family member or not? Ms. Smit said she wasn't sure she could answer that. She said she was going to show a slide in a little bit that might help with that. Rep. Colyer said related to that there is a new premium assistance program that is being started in Kansas in which they are now projecting that less than 5 percent of those under 100% federal poverty level would actually sign up.. Why are we saying 5 percent where your data is saying 45%.

Shelly Gehshan and Andrew Snyder from the National Academy for State Health Policy gave a hand out on Kansas Health Reform: Options for Adding Dental Benefits. (<u>Attachment 3</u>) Ms. Gehshan gave a presentation on Oral Health Care in Health Care Reform. (<u>Attachment 4</u>) Mr. Snyder gave a presentation on Options for Adding Dental Benefits. (<u>Attachment 5</u>)

Representative Tietz had a question about page 7, slide 21, it talks about only 550 of 1,350 Kansas dentists participate in Medicaid. Am I correct in assuming that is because of not covering cost of medicaid reimbursement? Mr. Snyder stated he would suspect that is the case. There are about 200 dentists that provide 95 percent of the care. Representative Tietz wondered about Medicaid reimbursement. Are the rates about the same for dentists as it is for doctors. Mr Snyder said the full commercial charge that doctors charge is distorted, so they are only reimbursed about 25 %, where dentists are reimbursed at a higher percent (40-50%) because there charges are not as distorted. Their charges are more in line with what their actual costs are.

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Representative Trimmer stated that lately anytime I go into any kind of meeting where we are discussing federal funds, they redefine the rules. Have you seen that as a trend for dental services in these other states. The reason I ask is I'm leery about working with the federal government at this point because in every case we've had to make up differences where they haven't fulfilled their obligation. Mr. Snyder said CMS understands that dental services are in acute need in terms of access. So they haven't gone after anyone on trying to be better on increasing dental access.

Cathy Harding, Executive Director for the Kansas Association for the Medically Underserved, gave a presentation on The Dental Hub Program. (<u>Attachment 6</u>) Ms. Harding said they are working with private agencies and public agencies for additional funding again this year.

Vice Chairperson Mast adjourned the meeting at 2:55 p.m.