

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:40 A.M. on March 19, 2007, in Room 123-S of the Capitol.

All members were present except:

Senator Vicki Schmidt- excused
Senator Jean Schodorf- excused
Senator Chris Steineger- excused

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes
Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Kansas Legislative Research Department
Michele Alishahi, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Audrey Dunkel, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Melinda Gaul, Chief of Staff, Senate Ways & Means
Mary Shaw, Committee Assistant

Conferees appearing before the committee:

Chris Tilden, Kansas Department of Health and Environment
Cara Greve, on behalf of Carla Finnell, Executive Director, Kansas Association for Medically Underserved
Patti Spencer, Shawnee County Health Agency
Stephen Albrecht, Regional Director of Governmental Relations, Golden Ventures
Jami Colson, Director, Sales Manager - Kansas, Golden Ventures
John Peterson on behalf of Debra Zehr, Kansas Association of Homes and Services for the Aging
Tom Williams, Asbury Park, Newton
Randall Sipe, Director of Medicaid Research Fundamental Administrative Services, LLC Sparks, MD (written)
Garen Cox, President & CEO, Mediacalodges, Inc., Coffeyville (written)
Cindy Luxem, CEO/President, Kansas Health Care Association (written)
Tom Church, Catholic Care Center (written)
Pam Bachman, Eastridge Skills Center, Centralia (written)

Others attending:

See attached list.

Chairman Umbarger opened the public hearing on:

SB 365--Primary care safety net clinic capital loan guarantee act

Staff briefed the committee on the bill.

The Chairman welcomed the following conferees on the bill:

Chris Tilden, PhD, Director, Office of Local and Rural Health, Kansas Department of Health and Environment, testified as a proponent on the **SB 365** (Attachment 1). Mr. Tilden explained that **SB 365** provides for loan guarantees allowing clinics to borrow for such purposes as purchasing land or buildings, development costs, consultant fees, renovation or new construction, equipment, and “limited working capital during a start-up phase.” He noted that the bill authorizes up to \$25,000,000 in loan guarantees and they do not know how quickly the clinics will take advantage of the program or amount of funds that might be borrowed.

Cara Cramer-Greve, JD, MHSA, Health Policy Analyst, Kansas Association for the Medically Underserved,

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spoke in support of **SB 365** (Attachment 2). Ms. Cramer-Greve explained that safety net clinics are facing tremendously escalating requirements for immediate increased capacity to deliver services to vulnerable Kansans in need of care. She explained that the purpose is to promote the availability of long-term, low-cost conventional financing for the development and renovation of safety net primary care clinics, thus allowing primary care clinic capacity to expand and provide more comprehensive care services.

Patti Spencer, Grants and Projects Officer, Shawnee County Health Agency, testified as a proponent on **SB 365** (Attachment 3). Ms. Spencer provided background information on the impact that **SB 365**, the Capital Loan Guarantee Program, would have on the safety net clinics across Kansas. She noted that the existence of this program would result in increased access to services and more providers in the community to meet the needs of the most vulnerable residents.

Rebecca Floyd, Kansas Development Finance Authority, was present and answered questions from the committee. Copies of information were distributed to the Committee regarding the Fundamentals of Municipal Bonds, Kansas Development Finance Authority, Rebecca Floyd, General Counsel (Attachment 4).

Written testimony was submitted by:

Diane Gjerstad, Wichita Public Schools (Attachment 5)

Dave Sanford, Executive Director, GraceMed Health Clinic, Wichita (Attachment 6)

Douglas Stuckey, Chief Financial Officer, Community Health Center of Southeast Kansas (Attachment 7)

There being no further conferees to come before the committee, Chairman Umbarger closed the public hearing on **SB 365**.

Chairman Umbarger opened the public hearing on:

SB 352--Assessments on nursing facilities; quality assurance assessment fund; initiatives for nursing care improvements

Staff briefed the committee on the bill.

The Chairman welcomed Steve Albrecht, Regional Director of Government Relations, Golden Ventures, who testified in support of **SB 352** (Attachment 8). Mr. Albrecht explained that the nursing home provider assessment is a means by which new revenue can be generated to the State of Kansas through additional federal financial participation without requiring the commitment of additional general revenue funds that could impact the state budget. He noted that it would give Kansas an opportunity to address its Medicaid funding gap by passing **SB 352**.

Chairman Umbarger recognized Jami Colson, LPN/DSM, Director of Sales Manager- Kansas, Golden Ventures, who testified in favor of **SB 352** (Attachment 9). Ms. Colson mentioned that with the rising cost in providing services for the elderly in Kansas, passing **SB 352** will give the opportunity to provide the Kansas elderly receiving Medicaid funding with the much needed revenue to provide services.

The Chairman acknowledged John Peterson, who provided testimony on behalf of Debra Zehr, President, Kansas Association of Homes and Services for the Aging, in opposition to **SB 352** (Attachment 10). Mr. Peterson explained that **SB 352** would create a new system that would unfairly target Kansas frail, vulnerable nursing home residents who manage to pay for their own long term care and provided the reasons why in the written testimony.

Chairman Umbarger welcomed Tom Williams, Chief Executive Officer, Asbury Park, Newton, who testified as an opponent on **SB 352** (Attachment 11). Mr. Williams expressed concern regarding starting nursing home bed tax in Kansas. He referred to his experience in Oklahoma where their private pay residents were very upset that they had to pay this extra cost. It also had accelerated the speed of spend-down among private pay nursing residents, creating a larger population of Medicaid recipients in Oklahoma.

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Written testimony was submitted by:

Randall J. Sipe, Director of Medicaid Research, Fundamental Administrative Services, Sparks, Maryland (Attachment 12).

Garen Cox, President and CEO, Medicalodges, Inc., (Attachment 13)

Cindy Luxem, President, Kansas Health Care Association (Attachment 14)

Tom Church, CEO, Catholic Center, Wichita (Attachment 15)

Pam Bachman, Eastridge Skills Center, Centralia (Attachment 16)

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **SB 352**.

Chairman Umbarger turned the committee's attention to discussion of:

SB 338--Kansas state schools for the blind and the deaf, rates of compensation for teachers

A balloon amendment was provided to the committee for discussion by Senator Wysong that would amend the bill to include other professional service providers requiring professional licensure or certification who are paid on the teacher salary scale. KNEA helped in drafting the bill and in forming the definition of teacher. Senator Kelly moved, with a second by Senator Barone, to adopt the balloon amendment on **SB 338** (Attachment 17). Motion carried on a voice vote.

Senator Wysong moved, with a second by Senator Betts, to recommend **SB 338** favorable for passage as amended. Motion carried on a roll call vote.

The meeting adjourned at 12:10 p.m. The next meeting is scheduled for March 20, 2007.