

Approved: April 2, 2007
Date

MINUTES OF THE HOUSE SOCIAL SERVICES BUDGET COMMITTEE

The meeting was called to order by Chairman Bob Bethell, at 3:30 P.M. on March 22, 2007 in Room 231-N of the Capitol.

All members were present except:
Pat George- excused

Committee staff present:
Susan Kannarr, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Emalene Correll, Kansas Legislative Research Department
Jim Wilson, Office of Revisor of Statutes
Kay Dick, Committee Assistant

Conferees appearing before the committee:
Karla Finnell, Exe. Director KS Assoc. For the Medically Underserved (KAMU)
Representative Jeff Colyer
Gregory Schneider, Flint Hills Center for Public Policy
Brad Harrelson, Kansas Farm Bureau
Jerry Slaughter, Kansas Medical Society (KMS)
Dr. Marcie Nielsen, Exe. Director, Kansas Health Policy Authority (KHPA)
Representative Jeff King
Larry Ann Lower, Kansas Assoc. Of Health Plan
Callie Benton-Walter, KTLA

Others attending:
See attached list.

Chairman Bethell called the meeting to order at 3:30 p.m. Drawing the Committee's attention to the report on **HB 2236** - Geriatric mental health act, which the Committee is going to ask for an Interim. (Attachment 1)

Discussion and Action on HB 2144 - Nursing facility reimbursement rates, rolling base year.

Chairman Bethell pointed out that each member had information from the Kansas Department of Aging that answers the question that he asked of them which is "the cost coverage of nursing reimbursement rates." (Attachment 2) He goes on to indicate that the Committee had similar information from the Kansas Health Care Association. (Attachment 3).

Representative Kelsey made a motion to move **HB 2144** out of Committee. Representative Ballard seconded the motion. The motion carried.

Discussion and Action on HB 2547 - Primary care safety net clinic capital loan guarantee act.

Representative Kelsey made a motion to report **HB 2547** out favorably. Representative Mast seconded the motion. Karla Finnell, (KAMU), presented purposed amendments before the Committee with Nine (9) Comments to be added or changed. (Attachment 4) Following discussion of the different amendments and with the help on wording from Jim Wilson, Office of Revisor's Statutes, Representative Mast moved to accept the amendments. It was seconded by Representative Henry. The amendments were accepted.

Representative Mast moved to pass **HB 2547** favorably as amended. Representative Ballard seconded the motion. Motion passed to send **HB 2547** back to the Appropriations Committee as a whole.

Hearing on: HB 2591 - Enacting the foundations of health reform act of 2007, including

CONTINUATION SHEET

MINUTES OF THE House Social Services Budget Committee at 3:30 P.M. on in Room231-N of the Capitol.

medicaid reform and insurance reform.

Chairman Bethell opened the hearing, asking Susan Kannarr, Legislative Research Department, to give the Committee an overview of **HB 2591**. She stated that this is a lengthy bill (58 pages) and would try and give the high points of **HB 2591**. Susan explain the new sections to the committee.

The Chair recognized Representative Jeff Colyer. The Representative testified in favor of **HB 2591** which begins serious health reform this year. He stated that there are several groups which are considering aspects of health reform. This bill should be viewed as foundational and complimentary to the efforts of the Senate, KHPA and elsewhere. Representative Colyer pointed out that the bill sets in motion foundational reforms in 4 areas: 1) Making commercial insurance more available and affordable. 2) Expediting the transformation of government financed health care. 3) Creating methods to help Medicaid and uninsured to obtain stable private insurance. 4) Help the safety net for the uninsured.

(Attachment 5) Representative Colyer also introduced a proposed amendment adding a new section and renumbering the other. (Attachment 6)

The Chairman welcomed Gregory Schnieder, Flint Hills Center for Public Policy, who testified as a proponent for **HB 2591**. Mr. Schneider stated that this is the most comprehensive reform of Medicaid among several proposal in the legislature this year. **HB 2591** contains several features which Flint Hills endorses. He goes on to say the most innovative and important part of the bill concerns the establishment of a nonprofit Kansas Insurance Exchange Association. (Attachment 7)

Chairman Bethell recognized Karla Finnell, KAMU, a proponent for **HB 2591**. Ms. Finnell encouraged stakeholders and advocates to seek compromise to obtain the effective reforms for the most people. She commented on the programs for the uninsured. The use of technology. Incentive-based systems. Maintaining cost-based reimbursements. Sustaining effective programs for Native American populations. And charitable health care facilities. (Attachment 8)

Brad Harrelson, Kansas Farm Bureau, testified as a proponent replacing scheduled Terry Holdren, who had other commitments. Mr. Harrelson stated that KFB supports rational, market based solutions that would provide options and enhance convenience for Kansas citizens. He also spoke in favor of **HB 2591** emphasizing that it would provide immediate help fore KFB members and others who are currently not able to pool their risk in an association or limit their cost by shopping for alternatives to traditional insurance products. (Attachment 9)

The Chair recognized Jerry Slaughter, Kansas Medical Society. Mr. Slaughter testified in support of the health care reform foundation of **HB 2591**. (No written testimony)

Dr. Marcie Nielsen, KHPA, shared some of the concerns she had with **HB 2591**. Dr. Nielsen stated that she was very pleased that significant attention is being paid to the importance of providing affordable access to health care in Kansas, she does not support this legislation in its existing form. She pointed out that the bill contained 58 pages, assuming that the committee, like themselves and others have not had proper time to read nor digest the contents of **HB 2591**. Dr. Nielsen went on to say that it would be very difficult, after only nine months of being in operation, for KHPA to implement all of the requirements as the legislation is surprisingly broad in nature and convoluted in approach. In closing she asked the Committee to oppose this legislation. (Attachment 10)

The Chairman recognized Representative Jeff King who testified in support of **HB 2591** sighting special interest in the new Sec. 21. (No written testimony)

Larry Ann Lower, offered assistance in support of **HB 2591** (No written testimony)

Callie Benton-Walter spoke in support of **HB 2591** pointing out Section 17 - Limitations on liabilities. (No written testimony)

Chairman Bethell closed hearing on HB 2591.

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MINUTES OF THE House Social Services Budget Committee at 3:30 P.M. on in Room231-N of the Capitol.

Discussion and Action on HB 2591 - Enacting the foundations of health reform act of 2007, including medicaid reform and insurance reform.

Representative Mast moved to pass **HB 2591** out of committee. Representative Rhoades seconded the motion.

Representative Mast made a motion to put proposed amendment with new section into **HB 2591**. Representative Crum seconded the motion. Motion passed.

Representative Mast made a motion to strike everything in **SB 11** and replace it with **HB 2591**. Representative Kelsey seconded the motion.

Following discussion **House Substitute for SB 11** passed.

Representative Ballard and Representative Henry asked to be recorded as a "NO" vote.

Meeting was adjourned.