Approved: <u>2-4-03</u>

Date

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE.

The joint meeting with the Senate Public Health and Welfare was called to order by Chairperson Susan Wagle1:38 p.m. on January 30, 2003, in Room 231-N of the Capitol.

All members were present except Representatives Landwehr, Neighbor, DeCastro, Holland, Patterson, and Bethell, all of whom were excused.

Committee staff present:

Bill Wolff, Legislative Research Department Emalene Correll, Legislative Research Department Renae Jefferies, Revisor of Statutes' Office Gary Deeter, Committee Secretary

Conferees appearing before the committee:

Dr. Rick Kellerman, Director, Wichita Center for Graduate Medical Education, University of Kansas School of Medicine Donald Hagen, M.D., Executive Vice Chancellor, University of Kansas Medical Center Glendon Cox, M.D., Vice Dean and Senior Associate Dean for Educational and Academic Affairs, University of Kansas School of Medicine.

The Chair introduced Dr. Rick Kellerman, Wichita Center for Graduate Medical Education, who directs the Kansas University School of Medicine's Wichita residency program. Begun in 1989, the program has graduated 900 doctors, 60% of whom now practice in Kansas. (Attachments 1 and 2)

Dr. Kellerman listed the advantages of the program:

- 13 separate residency programs train 250 residents in all the major hospitals in Wichita and Salina;
- care is provided to the underinsured and the indigent;
- emergency, trauma and clinic services are available 24/7;
- the economic ripple effect includes 300 dependents, faculty members, and a regional medical hub, all of which were calculated in 2001 to bring \$38.1 million to the Wichita area.

Dr. Kellerman stated that the recent funding reductions were seriously compromising the program's future, noting that the state reduction of \$1.5 million automatically reduced the Medicaid revenue-sharing by \$2.2 million and ultimately reduce the program revenue by \$5.6 million.

Members questioned the funding process. Donald Hagan, MD, Executive Vice Chancellor, University of Kansas Medical Center, said Medicaid and Medicare funding formulas are different and affect Wichita differently than they do KU Med Center. Members expressed concern that Social and Rehabilitative Services had ordered state cuts that also reduced federal revenue.

Glendon Cox, MD, Vice Dean and Senior Associate Dean for Educational and Academic Affairs, KU Medical School, appeared before the joint committees to praise the partnership between KU Medical School and the Wichita Center for Graduate Medical Education, noting that the funding cuts jeopardized

CONTINUATION SHEET

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an excellent program. (Attachment 3)

Answer questions, Dr. Cox said since Kansas' tort reform act, the costs of malpractice insurance have been minimized and do not dissuade physicians from practicing in the state. He said punitive damages had statutory limits of \$5 million. Jerry Slaughter, Director, Kansas Medical Society, said that Kansas has never had a punitive damage claim.

Members expressed further dismay at the funding cuts for the Wichita program, especially when Dr. Hagen said the cuts will be carried over to the FY 2004 budget. The meeting was adjourned at 2:42 p.m. The next meeting is scheduled for Monday, February 3, 2003.