

SENATE BILL No. 38

By Committee on Ways and Means

1-18

1 AN ACT establishing the KanCare bridge to a healthy Kansas program.

2

3 *Be it enacted by the Legislature of the State of Kansas:*

4 Section 1. Sections 1 through 13, and amendments thereto, shall be
5 known and may be cited as the KanCare bridge to a healthy Kansas
6 program, which is hereby established. The department of health and
7 environment shall administer and promote the program and provide
8 information to potential eligible individuals who live in medically
9 underserved areas of Kansas.

10 Sec. 2. For purposes of eligibility determinations under the Kansas
11 program of medical assistance on or after January 1, ~~2018~~ 2019, medical
12 assistance shall be granted to any adult under 65 years of age, who is not
13 pregnant and whose income does not exceed 133% of the federal poverty
14 level, to the extent permitted under the provisions of 42 U.S.C. § 1396a, as
15 it exists on the effective date of this act, and subject to the requirements of
16 the KanCare bridge to a healthy Kansas program.

17 Sec. 3. (a) The department of health and environment shall refer all
18 non-disabled adults in the KanCare bridge to a healthy Kansas program
19 who are unemployed or working fewer than 20 hours a week, as a
20 condition of the program, to the state's existing workforce training
21 programs and work search resources, including, but not limited to:

22 (1) The Kansasworks program administered by the department of
23 commerce; or

24 (2) the generating opportunities to attain lifelong success program
25 administered by the department for children and family services.

26 (b) The KanCare bridge to a healthy Kansas program application
27 shall:

28 (1) Screen applicants for education status;

29 (2) screen applicants for employment status; and

30 (3) require applicants to acknowledge the referral required by
31 subsection (a).

32 (c) Full-time students shall be exempted from the referral required by
33 subsection (a) for each year they are enrolled in a postsecondary education
34 institution or technical school.

35 (d) Parents with minor children in the home are exempt from the
36 referral required by subsection (a) at the discretion of the department of

1 health and environment.

2 Sec. 4. (a) The department of health and environment may establish a
3 health insurance coverage premium assistance program for individuals
4 who meet the following requirements:

5 (1) The individual has an annual household income of not more than
6 133% of the federal income poverty level, based on the adjusted gross
7 income provisions set forth in section 2001(a)(1) of the federal patient
8 protection and affordable care act; or

9 (2) the individual is eligible for health insurance coverage through an
10 employer but cannot afford the health insurance coverage premiums.

11 (b) A program established under this section must:

12 (1) Contain eligibility requirements that are similar to the eligibility
13 requirements of the KanCare bridge to a healthy Kansas program; and

14 (2) provide that an individual's payment for a health insurance
15 coverage premium may not exceed 2% of the individual's annual income.

16 Sec. 5. (a) A denial of federal approval and federal financial
17 participation that applies to any part of the KanCare bridge to a healthy
18 Kansas program shall not prohibit the department of health and
19 environment from implementing any other part of the program, except for
20 section 13, and amendments thereto, that:

21 (1) Is federally approved for federal financial participation; or

22 (2) does not require federal approval or federal financial participation.

23 (b) The secretary may make changes to the KanCare bridge to a
24 healthy Kansas program if the changes are required by the United States
25 department of health and human services or federal statute or regulation.

26 Sec. 6. The department shall produce and submit a waiver request to
27 the United States department of health and human services to implement
28 the program with services to begin on or before January 1, ~~2018~~ **2019**.

29 Sec. 7. (a) All moneys collected or received by the secretary of health
30 and environment from drug rebates connected to KanCare bridge to a
31 healthy Kansas program beneficiaries shall be remitted to the state
32 treasurer in accordance with the provisions of K.S.A. 75-4215, and
33 amendments thereto. Upon receipt of each such remittance, the state
34 treasurer shall deposit the entire amount in the state treasury to the credit
35 of the KanCare bridge to a healthy Kansas drug rebate fund.

36 (b) There is hereby created in the state treasury the KanCare bridge to
37 a healthy Kansas program drug rebate fund as a reappropriating fund.
38 Moneys in the KanCare bridge to a healthy Kansas program drug rebate
39 fund shall be expended for the purpose of medicaid medical assistance
40 payments for KanCare bridge to a healthy Kansas program beneficiaries.
41 All expenditures from the KanCare bridge to a healthy Kansas program
42 drug rebate fund shall be made in accordance with appropriation acts upon
43 warrants of the director of accounts and reports issued pursuant to

1 vouchers approved by the secretary of health and environment or the
2 secretary's designee.

3 (c) The KanCare bridge to a healthy Kansas program drug rebate
4 fund shall be used for the purposes set forth in this act and for no other
5 governmental purposes. It is the intent of the legislature that the fund shall
6 remain intact and inviolate for the purposes set forth in this act, and
7 moneys in the fund shall not be subject to the provisions of K.S.A. 75-
8 3722, 75-3725a and 75-3726a, and amendments thereto.

9 (d) On or before the 10th day of each month, the director of accounts
10 and reports shall transfer from the state general fund to the KanCare bridge
11 to a healthy Kansas program drug rebate fund interest earnings based on:

12 (1) The average daily balance of moneys in the KanCare bridge to a
13 healthy Kansas program drug rebate fund for the preceding month; and

14 (2) the net earnings rate of the pooled money investment portfolio for
15 the preceding month.

16 (e) On or before January ~~8, 2018~~ **14, 2019**, and on or before the first
17 day of the regular session of the legislature each year thereafter, the
18 secretary of health and environment shall prepare and deliver a report to
19 the legislature that summarizes all expenditures from the KanCare bridge
20 to a healthy Kansas program drug rebate fund, fund revenues and
21 recommendations regarding the adequacy of the fund to support KanCare
22 bridge to a healthy Kansas program expenditures.

23 Sec. 8. (a) All moneys collected or received by the secretary of health
24 and environment for privilege fees collected pursuant to K.S.A. 40-3213,
25 and amendments thereto, connected to the KanCare bridge to a healthy
26 Kansas program beneficiaries shall be remitted to the state treasurer in
27 accordance with the provisions of K.S.A. 75-4215, and amendments
28 thereto. Upon receipt of each such remittance, the state treasurer shall
29 deposit the entire amount in the state treasury to the credit of the KanCare
30 bridge to a healthy Kansas program privilege fee fund.

31 (b) There is hereby created in the state treasury the KanCare bridge to
32 a healthy Kansas program privilege fee fund as a reappropriating fund.
33 Moneys in the KanCare bridge to a healthy Kansas program privilege fee
34 fund shall be expended for the purpose of medicaid medical assistance
35 payments for KanCare bridge to a healthy Kansas program beneficiaries.
36 All expenditures from the KanCare bridge to a healthy Kansas privilege
37 fee fund shall be made in accordance with appropriation acts upon
38 warrants of the director of accounts and reports issued pursuant to
39 vouchers approved by the secretary of health and environment or the
40 secretary's designee.

41 (c) The KanCare bridge to a healthy Kansas privilege fee fund shall
42 be used for the purposes set forth in this act and for no other governmental
43 purposes. It is the intent of the legislature that the fund shall remain intact

1 and inviolate for the purposes set forth in this act, and moneys in the fund
2 shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-
3 3726a, and amendments thereto.

4 (d) On or before the 10th day of each month, the director of accounts
5 and reports shall transfer from the state general fund to the KanCare bridge
6 to a healthy Kansas privilege fee fund interest earnings based on:

7 (1) The average daily balance of moneys in the KanCare bridge to a
8 healthy Kansas privilege fee fund for the preceding month; and

9 (2) the net earnings rate of the pooled money investment portfolio for
10 the preceding month.

11 (e) On or before January-~~8, 2018~~ **14, 2019**, and on or before the first
12 day of the regular session of the legislature each year thereafter, the
13 secretary of health and environment shall prepare and deliver a report to
14 the legislature that summarizes all expenditures from the KanCare bridge
15 to a healthy Kansas privilege fee fund, fund revenues and
16 recommendations regarding the adequacy of the fund to support necessary
17 KanCare bridge to a healthy Kansas program expenditures.

18 Sec. 9. (a) On or before January-~~8, 2018~~ **14, 2019**, and on or before
19 the first day of the regular session of the legislature each year thereafter,
20 the secretary of health and environment shall prepare and deliver a report
21 to the legislature that summarizes the cost savings achieved by the state
22 from the movement of beneficiaries from the KanCare program to the
23 KanCare bridge to a healthy Kansas program, including, but not limited to,
24 the MediKan program, the medically needy spend-down program and the
25 breast and cervical cancer program.

26 (b) State cost savings shall be determined by calculating the cost of
27 beneficiaries if services were provided in the KanCare program less the
28 cost of services provided to beneficiaries under the KanCare bridge to a
29 healthy Kansas program.

30 Sec. 10. On or before January-~~8, 2018~~ **14, 2019**, and on or before the
31 first day of the regular session of the legislature each year thereafter, the
32 secretary of corrections shall prepare and deliver a report to the legislature
33 that identifies cost savings to the state from the use of the KanCare bridge
34 to a healthy Kansas program to cover inmate inpatient hospitalization.

35 Sec. 11. On or before February 15 of each year, the secretary of
36 health and environment shall present a report to the house committee on
37 appropriations and the senate committee on ways and means that
38 summarizes the costs for the KanCare bridge to a healthy Kansas program
39 and the cost savings and additional revenues identified in sections 7
40 through 9, and amendments thereto.

41 Sec. 12. (a) There is hereby established the KanCare bridge to a
42 healthy Kansas working group.

43 (b) The working group is charged with identifying non-state general

1 fund sources to fund any shortfall identified by the secretary of health and
2 environment in section 11, and amendments thereto, for the KanCare
3 bridge to a healthy Kansas program.

4 (c) The working group shall be composed of the following members:

5 (1) Two members of the house of representatives appointed by the
6 speaker of the house of representatives;

7 (2) one member of the house of representatives appointed by the
8 minority leader of the house of representatives;

9 (3) two members of the senate appointed by the president of the
10 senate;

11 (4) one member of the senate appointed by the minority leader of the
12 senate;

13 (5) one representative from the Kansas hospital association;

14 (6) one representative from the Kansas medical society;

15 (7) one representative from the Kansas association for the medically
16 underserved;

17 (8) one representative from the Kansas academy of family physicians;

18 (9) one representative from the association of community mental
19 health centers of Kansas;

20 (10) one representative from the Kansas dental association;

21 (11) one representative from the Kansas emergency medical services
22 association;

23 (12) one representative from the Kansas optometric association;

24 (13) one representative from the Kansas pharmacist's association; and

25 (14) one representative of KanCare bridge to a healthy Kansas
26 program consumers from alliance for a healthy Kansas.

27 (d) The chairperson of the working group shall be elected by the
28 members of the working group:

29 (1) From members of the working group from the house of
30 representatives in even-numbered years; and

31 (2) from members of the working group from the senate in odd-
32 numbered years.

33 (e) The staff of the Kansas legislative research department shall
34 provide such assistance as may be requested by the working group.

35 (f) (1) Legislative members attending a meeting of the working group
36 or a subcommittee meeting thereof shall receive compensation and travel
37 expenses and subsistence expenses or allowances as provided in K.S.A.
38 75-3212, and amendments thereto.

39 (2) Non-legislative members shall not receive compensation,
40 subsistence allowance, mileage or associated expenses from the state for
41 attending a meeting or subcommittee meeting of the working group.

42 (h) The working group shall meet no fewer than two times in any
43 given calendar year.

1 (i) A quorum of the working group shall be nine members, of which
2 at least four shall be legislative members of the working group.

3 (j) The working group shall report to the legislature on or before
4 March 15 of each year with recommendations for funding the KanCare
5 bridge to a healthy Kansas program, as necessary.

6 Sec. 13. If, at any point, the percentages of federal medical assistance
7 available to the program for coverage of program participants described in
8 section 1902(a)(10)(A)(i)(VIII) of the federal social security act are less
9 than the percentages provided for in section 1201(b)(1)(A) through (E) of
10 the federal health care and education reconciliation act of 2010, as it exists
11 on the effective date of this act, the department of health and environment
12 shall terminate the KanCare bridge to a healthy Kansas program over a 12-
13 month period, beginning on the first day that the federal medical assistance
14 percentages fall below such amount.

15 Sec. 14. This act shall take effect and be in force from and after its
16 publication in the Kansas register.