

Summary of House Substitute for SB 11

Medicaid Reform Goals: Encourages the Kansas Health Policy Authority with consultation of the Joint Health Policy Oversight Committee to consider as part of health reform in Kansas various Medicaid reform options provided through the Deficit Reduction Act. Medicaid reforms should result in improved health outcomes for beneficiaries and encourage primary and preventive care which will result in cost savings for the State.

KHPA enabling legislation – Part of consensus package by the Health for All Kansans Steering Committee, this language allows for a study of various health reform options, including a health insurance connector, to be provided to the Legislature and Governor in November, 2007.

Health Insurance Studies – (A) Request for the Insurance Commissioner to conduct a study to extend from 6 months to 18 months the state COBRA plan. Study is to be delivered to the KHPA and the Joint Health Policy Oversight Committee; and (B) Interim study appointed by the Legislative Coordinating Committee during the interim committee to examine tax policies including Health Earned Income Tax Credit for uninsured, deductibility of cobra policies, and other tax policies.

Establishes a Premium Assistance program – Provides assistance to low income uninsured families, up to 100% of the federal poverty level, to purchase health insurance through the private sector, which would be phased in over four years and subject to appropriations. Premium assistance would be provided, when available, through existing employer plans or through state procured private health insurance plans that will be the actuarial equivalent of the State Employee Health Benefit Plan.

Safety Net Clinic Capital Loan Guarantee Act – Authorizes the Secretary of Health and Environment to provide capitol loan guarantees against risk of default for eligible primary care safety net clinics in Kansas. The aggregate outstanding principal amount for any single borrowing organization cannot exceed \$ 3 million with the total aggregate outstanding amount for all loan guarantees not exceeding \$15 million.

Third Party Liability legislation for compliance with Deficit Reduction Act mandate –Required by CMS for Kansas to be in compliance with federal law, this provision puts Kansas in compliance with the federal requirements set out in the Deficit Reduction Act of 2005 which requires states to enact laws that require third party payers to comply with federal law.

Encourage Section 125 Plans – Establishes the Small Employer Cafeteria Plan Development Program to encourage and expand the use of cafeteria plans authorized by 26 U.S.C. 125.

Agency Website: www.khpa.ks.gov
Address: Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

Medicaid and HealthWave:
Phone: 785-296-3981
Fax: 785-296-4813

State Employee Health
Benefits and Plan Purchasing:
Phone: 785-296-6280
Fax: 785-368-7180

State Self Insurance Fund:
Phone: 785-296-2364
Fax: 785-296-6995

Encourage Small Businesses to Purchase Health Insurance – Provides grants and loans through a fund of \$500,000 to startup association plans (subject to all state health insurance mandates) targeted to specific groups, such as small business.

Creation of Inspector General for the Kansas Medicaid Program – Creates an Inspector General within the KHPA to prevent waste, fraud, and abuse within the Medicaid program.

Additional Provisions added through Conference Committee Agreement

Cancer Registry & Umbilical Cord Donation Act – Gives new authority to the Secretary of Health and Environment to authorize the use of confidential data in the Cancer Registry for the State of Kansas to conduct follow-up of cases for public health purposes. Also establishes the Umbilical Cord Donation Information Act, which among other things, would require health care providers who deliver services to pregnant women in their last trimester to advise those women on the options available to donate an umbilical cord following the delivery of their child.

Establish a Dispute Resolution Process for State Fire Marshall for medical care facilities, adult care homes, assisted living facilities or special hospitals – Establishes a two-tiered informal dispute resolution process for deficiencies cited in a medical care facility, adult care home, assisted living facility, or special hospital by an officer of the State Fire Marshal during an inspection for compliance with federal law pursuant to oversight by the Centers for Medicaid and Medicare Services.

Adult Care Home Administrator Licensing – Allows the Board of Adult Care Home Administrators to grant a license to an individual already licensed as an adult care home administrator in another state if the following conditions are met:

- The licensure requirements of the other state are substantially equivalent to the Kansas requirements; or
- The applicant has been continuously licensed as an adult care home administrator for the five years immediately preceding the application with the minimum professional experience established by the Board; and
- The applicant has not had disciplinary actions of a serious nature brought by the licensing board or agency; and
- The applicant pays a reciprocity application fee and a reciprocity license fee, neither of which may exceed \$200.

Physical Therapy Referral Requirement & Newborn Screening –Amends statutes that govern the practice of physical therapy and statutes that relate to the newborn screening program:

- **Physical Therapy:** Enable physical therapists to initiate treatment without approval of a person licensed to practice medicine and surgery or other specified provider under certain circumstances. The existing requirement for a referral from a licensed physician, podiatrist, physician assistant, chiropractor, dentist, optometrist, or advanced registered nurse practitioner in all other circumstances would not be changed by the bill.
- **Physical Therapy:** Create a new statute that would authorize physical therapists to evaluate and treat a patient for a maximum of 30 consecutive days without a referral on certain conditions. It would authorize physical therapists to provide therapy services that do not constitute treatment for a specific condition, disease or injury without a referral to certain individuals outlined in statute.
- **Newborn Screening:** Amends the law regarding the newborn screening program. KDHE would be directed to adopt rules and regulations no later than July 1, 2008, to require newborn screening tests for the disorders recommended in the 2005 report by the American College of Medical Genetics entitled “Newborn Screening: Toward a Uniform Screening Panel and System.” The Secretary of Health and Environment would be required to appoint an advisory committee regarding the implementation of the expanded screening program. The number of disorders screened for would increase from four to twenty-nine. The Secretary also would be directed to periodically review the newborn screening program, including program efficacy, cost effectiveness, and whether program adjustments need to be made. The bill would allow a designee of the agency to conduct the initial laboratory screening tests and would eliminate language requiring the Department of Health and Environment and the Kansas Health Policy Authority to combine resources for the purchase of treatment products.

Durable Medical Equipment Distribution & Vaccination by Pharmacists –Amends the Pharmacy Act to create new requirements for wholesale drug registrants and to separate registration requirements for wholesale drug distributors from requirements for durable medical equipment distributors. The bill also would amend the Pharmacy Act in regard to pharmacists’ authorization to administer vaccines to persons 18 years of age or older. Finally, the bill would authorize certain pharmacy students and interns to administer vaccines.