

**Testimony on:**  
SB 323: Kansas Health Policy Authority Technical Corrections Bill

**presented to:**  
Senate Health Care Strategies Committee

**by:**  
Marta Fisher-Linenberger  
General Counsel

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**For additional information contact:**

Luke Thompson  
Kansas Health Policy Authority

Landon State Office Building  
900 SW Jackson Street, Suite 900  
Topeka, KS 66612  
Phone: 785-296-3981  
Fax: 785-296-4813

Agency Website: [www.khpa.ks.gov](http://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

**Senate Health Care Strategies Committee**  
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**SB 323: Kansas Health Policy Authority Technical Corrections Bill**

Good afternoon, Madame Chair. I am Marta Fisher-Linenberger, General Counsel for the Kansas Health Policy Authority. Thank you for the opportunity to address the Senate Health Care Strategies Committee on the Kansas Health Policy Authority's technical corrections bill, SB 323. On behalf of the Authority, I would like to express support for passage of the bill and also provide a brief summary on each section of the bill.

The bill in Sections 1, 2, and 9 through 17 proposes changes to various laws to authorize the Kansas Health Policy Authority's executive director to approve regulations. It is an addition to the Health Policy Authority statute governing rules and regulations. It functionally provides an exception from another statute (K.S.A. 77-421) requiring a roll call vote by the Board for the approval of regulatory enactments.

New Section 3 is a new statute. It sets forth investigative powers and a fair hearing process. This statute is based upon a similar statute for SRS (K.S.A. 75-3306). It eliminates any potential confusion between that statute and the KHPA.

Section 4 amends a provision of the administrative procedures act (K.S.A. 77-529). It would permit the Kansas Health Policy Authority's executive director to be the "agency head" for the purposes of reviewing and deciding motions for reconsideration of hearing officers' decisions.

Section 5 amends a provision of the probate laws dealing with guardians and conservators (K.S.A. 59-3080) to add the Kansas Health Policy Authority as an agency that must be notified when a guardian or conservator seeks to establish an irrevocable trust in order to preserve a ward's or conservatee's eligibility for public benefits.

Section 6 deals with the substitution of the Kansas Health Policy Authority for the Department of Health and Environment as the entity that is empowered to jointly propose rules and regulations with the Insurance Commissioner related to the health care database. In 2006, similar technical amendments were made to these statutes, but this correction was not included (K.S.A. 40-2252; 60-5801 *et seq.*). In relation to the database, there have been discussions related to defining terms; however, due to the complexity of the topic, staff is still evaluating the potential issues raised by developing definitions of this type.

New Section 7 is a new statute that is mandated by the Deficit Reduction Act and is related to recovery from other third party payors. The DRA added parties who could fall into this category; required states to assure that its laws require health insurers provide eligibility and claims information about individuals who qualify for Medicaid to the appropriate agency; that companies accept assignment of rights to the state; required that companies respond to state requests for payment of items and services provided within three years; and that companies agree not to deny a claim submitted by the state solely on the basis of the date of submission or claim form if the claim is submitted within three years and action by the state to enforce its rights is within six years. Implicit in this enactment is the repeal of K.S.A. 39-719d that formerly provided a shorter time frame for exercise of the state's rights. It is contemplated that KHPA will work with the Insurance Commissioner's office and other agencies on this issue.

Section 18 lists the statutes that should be repealed if the bill is enacted.

Section 19 lists the effective date for laws enacted under this bill.

Thank you for this opportunity to provide background information. I would be happy to stand for any questions.

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