



*Joint Committee
on Health Policy Oversight:
June 2007 Update*

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Updates Today

- 2007 Legislative Report Card
- KHPA: "Health Reform" update
- House Subs. For SB 11
- Health for All Kansans Steering Committee
- Advisory Councils
- KHPA Budget
- Medicaid Update
- Additional Resources

KHPA Legislative Report Card (Tab 1)

- Significant support this year by the legislature:
 - To fund operations – 31 new positions
 - To fund Eligibility Clearinghouse and resolve backlog created by federal requirements
 - To support payment reforms required by CMS
 - To support SB 11: Premium Assistance and analysis of health insurance reforms

Health Reform: Coordinating health and health care

- 2005 and 2006: Creation of Authority (KHPA)
 - Appointment of Board
 - Creation of vision principles and framework
- 2007: Creation of Health for All Kansans Steering Committee
 - Passage of SB 11:
 - Creates premium assistance program
 - Outlines development of health reform options
- 2008: Debate Health Reform Options
 - Legislative debate
 - Passage contingent on community participation

*2005 – 2006: Laying the
Framework for Health
Reform*



- KHPA created in 2005 Legislative Session
- Built on Governor Sebelius' "Executive Reorganization Order"
- Modified by State Legislature to:
 - Create a nine member Board to govern health policy
 - Executive Director reports to Board
 - Added a specific focus on health promotion and data driven policy making

KHPA Board Members

- **Nine voting board members**
 - Three members appointed by the Governor
 - Six members appointed by legislative leaders.
- **Seven nonvoting, *ex officio* members include:**
 - Secretaries of Health and Environment, Social and Rehabilitation Services, Administration, and Aging; the Director of Health in the Department of Health and Environment; the Commissioner of Insurance; and the Executive Director of the Authority.



Vision Principles & Health Indicators

- Adopted by the Board in 2006
- Provides governance and operational direction to the Board
- Provides guiding framework to analyze health reform options
- Provides “yardstick” to measure over time improved health in Kansas

Quality and Efficiency

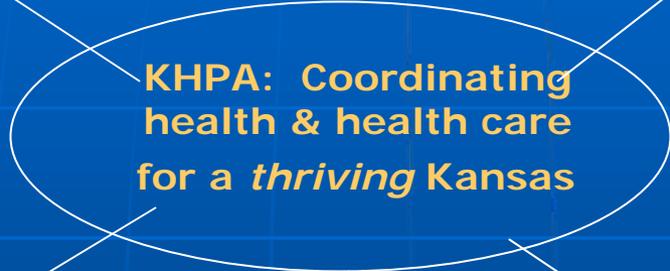
Affordable, Sustainable Health Care

Access to Care

- Use of HIT/HIE
- Patient Safety
- Evidence based care
- Quality of Care
- Transparency (Cost, Quality, etc.)

- Health insurance premiums
- Cost-sharing
- Uncompensated Care
- Medicaid/SCHIP Enrollment
- Health and health care spending

- Health Insurance Status
- Health Professions Workforce
- Safety Net Stability
- Medicaid Eligibility
- Health Disparities



- Physical Fitness
- Nutrition
- Age appropriate screening
- Tobacco control
- Injury control

- Open Decision Making
- Responsible Spending
- Financial Reporting
- Accessibility of Information
- CMS Cooperation

- Council Participation
- Data Consortium
- Public Communication Partnership
- Community/Advocacy
- Foundation Engagement

Health and Wellness

Stewardship

Public Engagement

SRS

- Mental Health
- LTC for Disabled
- Substance Abuse

KDHE

- Health Promotion
- Child, Youth & Families
- Consumer Health
- Health & Envir. Statistics
- Local & Rural Health

KDOA

- Aged
- Institutional Care
- Community Care

KID

- Private Health Insurance
- Business Health Partnership

*2007: Health for All
Kansans Steering
Committee and SB 11*

Consensus Process: HFAK (Tab 2)

- 50,000 Feet:
 - KHPA January Board Retreat – Meeting the Governor’s challenge to develop “Health for All Kansans” Steering Committee (HFAK)
 - KHPA Board Members and four legislators, appointed by House and Senate leadership
- 40,000 Feet:
 - HFAK Steering Committee embraces short term and long term health reform package
 - Passed by legislature – specific requirements
- 30,000 Feet:
 - KHPA Board, HFAK, and Advisory Councils narrowing health reform priorities

Defining Health Reform Process

- **Coordination of current reform initiatives**
 - *Existing initiatives within the KHPA*
 - *In Partnership with other agencies*
- **Economic analyses** required by SB 11
- Input from **Advisory Councils**
- Final **health reform options** developed by KHPA Board and Health for All Kansans Steering Committee

Current reforms within the KHPA

- **Medicaid Reform:**
 - Premium Assistance
 - Fraud and Abuse: Inspector General
 - Enhanced Care Management Pilot
 - Community Health Record Pilot
 - Disproportionate Share for Hospitals (DSH) Reform
- **State Employee Health Plan (SEHBP) Reforms:**
 - Health and Wellness Incentives
 - Self-Insurance
 - Actuarial Analyses
- **System Reforms**
 - Health Information Technology/Exchange (HIT/HIE) in collaboration with HIE Commission
 - Transparency and quality information for consumers

Concurrent Reform Priorities in Sister Agencies

- **Kansas Department on Health and Environment (KDHE):**
 - Obesity and tobacco control policy
- **Social and Rehabilitation Services (SRS):**
 - Mental health, substance abuse, child welfare reforms
- **Kansas Department on Aging (KDOA):**
 - Long term care reforms
- **Kansas Department on Insurance (KID)**
 - Reinsurance
 - Long Term Care Partnership

Reforms agreed to in SB 11 (Tab 3)

- **Premium Assistance**, other health policy provisions
- **Enabling legislation** requires economic analysis of:
 - health care insurance connector including a model for a voluntary insurance connector;
 - Policies designed to increase portability, individual ownership of health care policies, utilize pre-tax dollars for health insurance, expand consumer responsibility for making health care decisions;
 - Reinsurance; and
 - Financing methods (such as federal funding, etc).

Premium Assistance (Tab 4)

- **What is it and who is it for?**
 - A phased-in plan to assist eligible low income uninsured Kansas families with the purchase of private insurance, leveraging state, federal and employer funding.
- **What kind of assistance will it provide?**
 - Low income families will choose between their employer plan (if offered and sufficient) or be offered private health plan choices that are actuarially equivalent to the Kansas state employee health plan, which will be procured through the state.

Goals of Premium Assistance

- Ensures access to affordable healthcare for families living in poverty
- Protects benefits currently offered to those children
- Brings parents and children into the same private health plans
- Increases participation by eligible children
- Increases health plan choices available to low-income families
- Prepares the way for further reforms
- Draws in Federal funds and takes advantage of DRA flexibilities

Premium Assistance: Design Phase

■ Who can participate?

- The plan extends private coverage to parents (“caretakers”) living in poverty.
- Currently, only parents below 25-36% of the Federal poverty level are eligible.
- Children’s eligibility for Medicaid and HealthWave would not be affected.
- Children in poverty are already eligible for Medicaid.

■ How will it work?

- Design will use best practices and lessons learned from other states

2008: Health Reform Options

Stakeholder Input (Tab 5)

- **Advisory Council Participation**
 - Charter
 - Membership
 - Summary of meetings
 - "Growing the grid"
 - Updating the councils
- **State Outreach Efforts**
- **Utilizing Technology:** Updating our website and creating list-serve

KHPA Board Priority Discussion

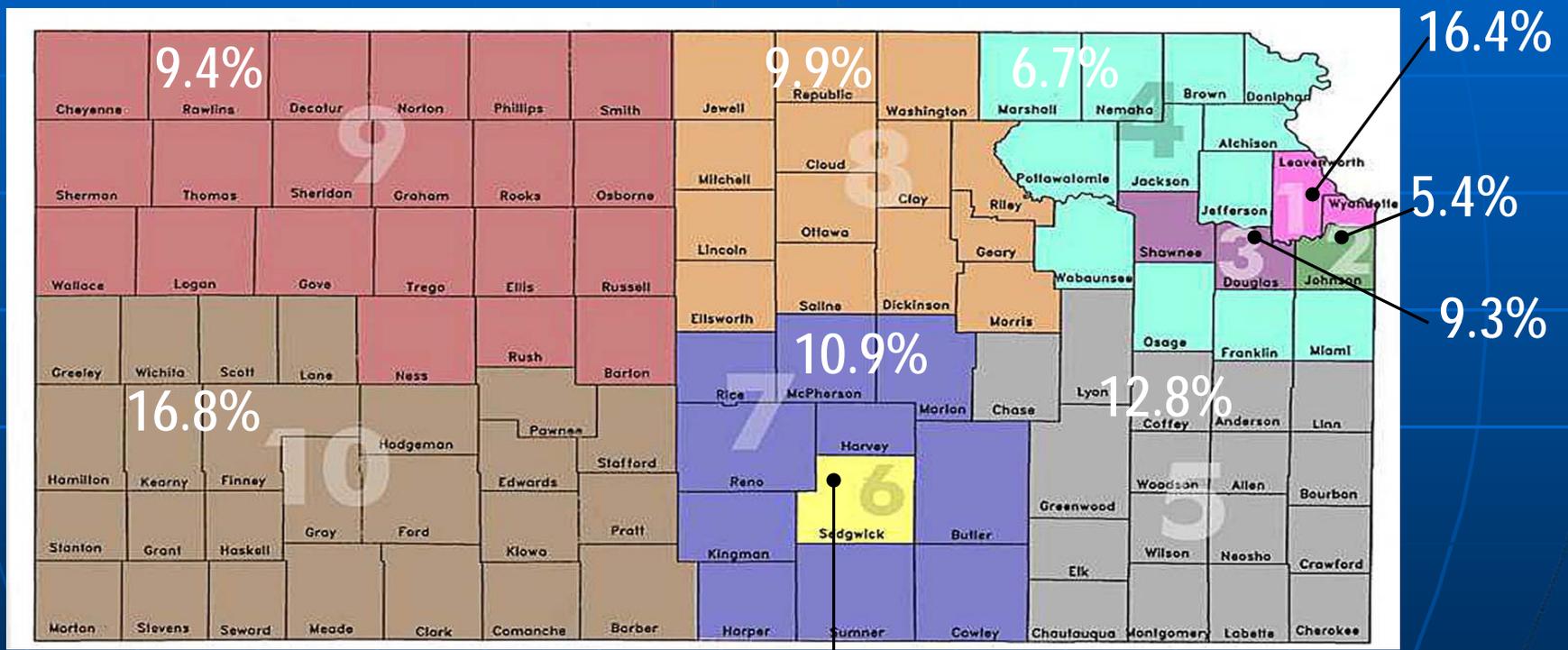
- June meeting to narrow priorities, initial discussion to focus on:
 - Providing and protecting affordable health insurance
 - Focus on small business and portability
 - Prevention and primary care
 - Focus on obesity, tobacco control, incentives for primary care
 - Promoting personal responsibility
 - For responsible health behaviors
 - Contributing to the cost of health insurance, based on sliding scale

Providing and Protecting Affordable Health Insurance

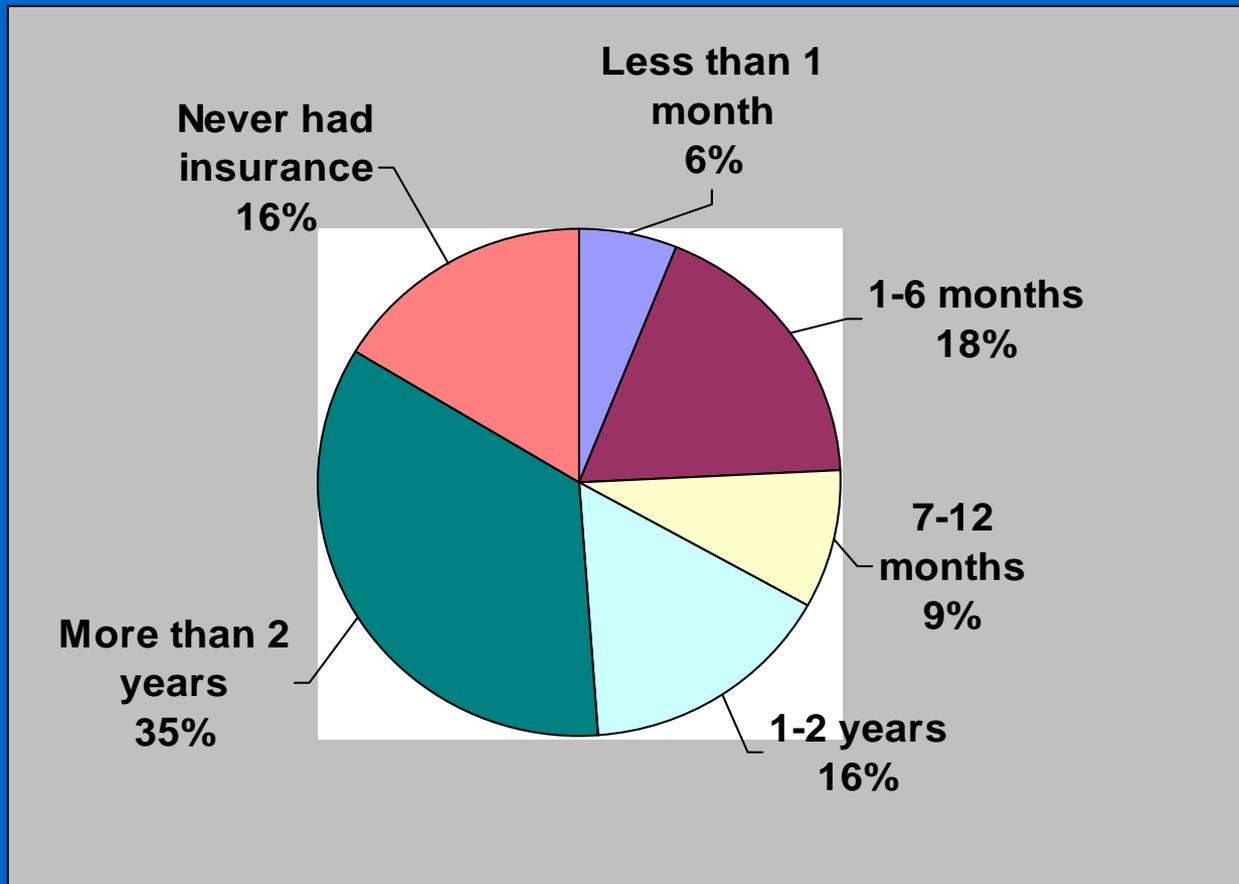
A look at the Uninsured in
Kansas

Uninsured Kansans under Age 65, by Region

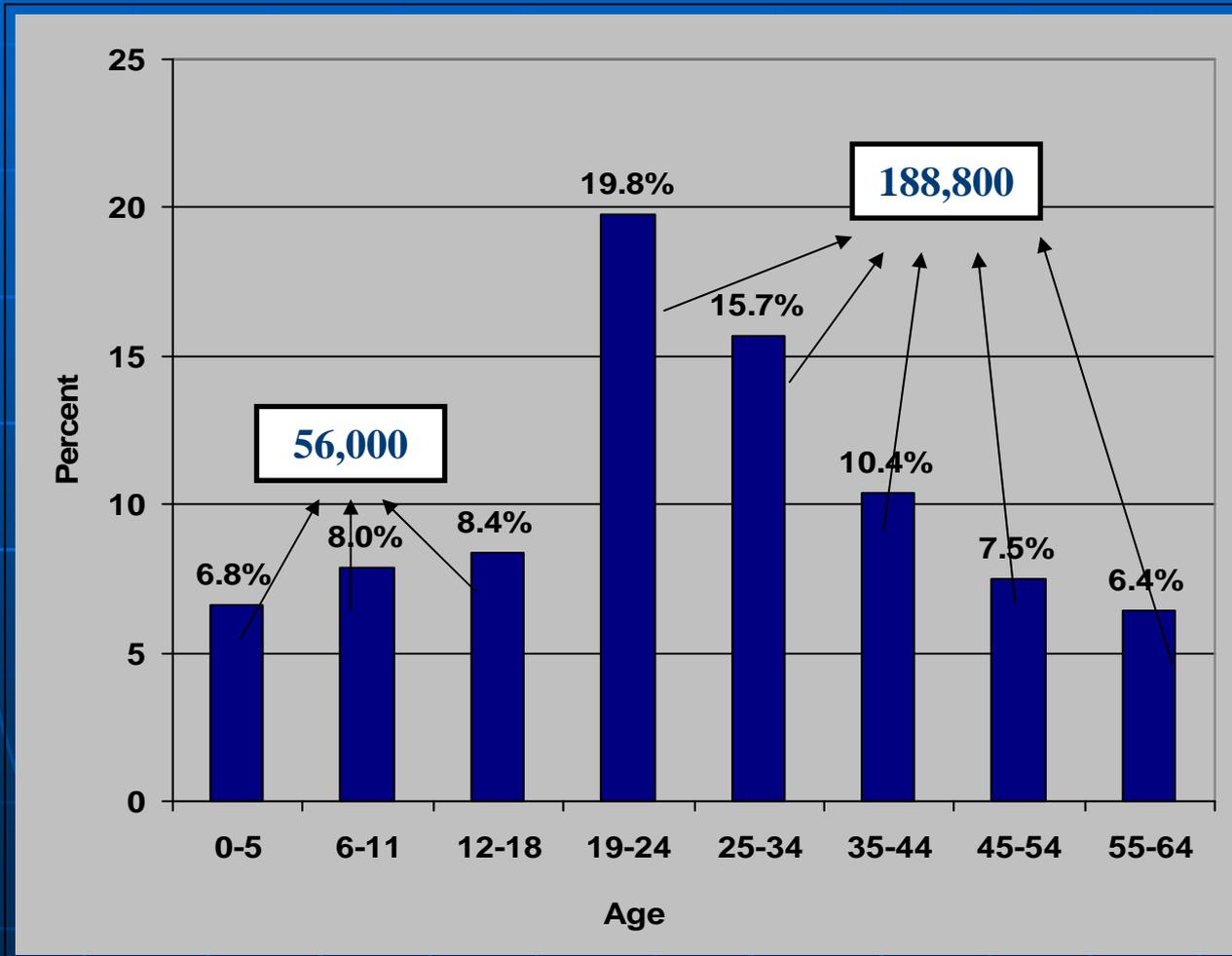
Total Uninsured in Kansas: 10.5%



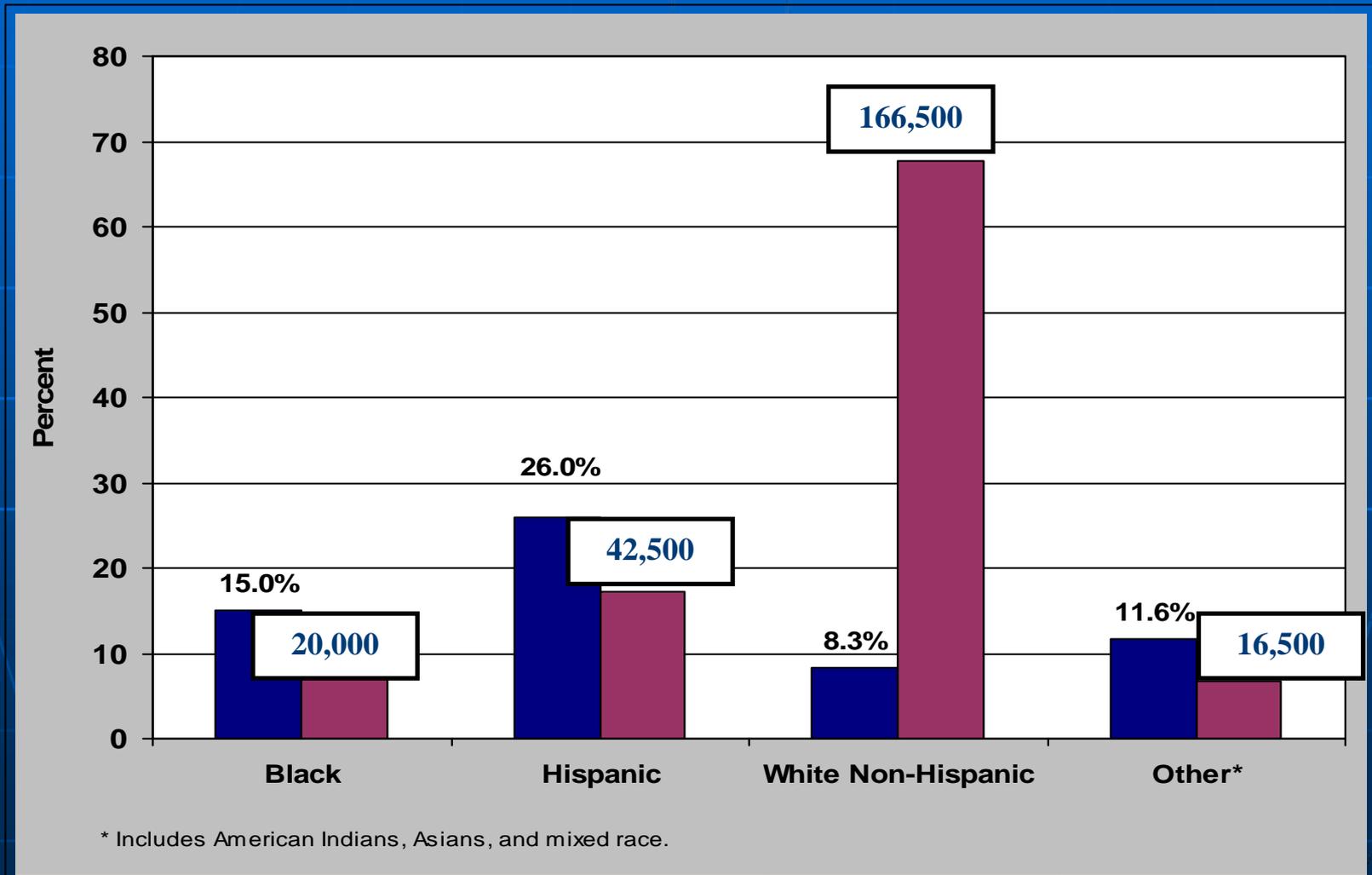
Length of Time Without Health Coverage, Uninsured Kansans, under Age 65



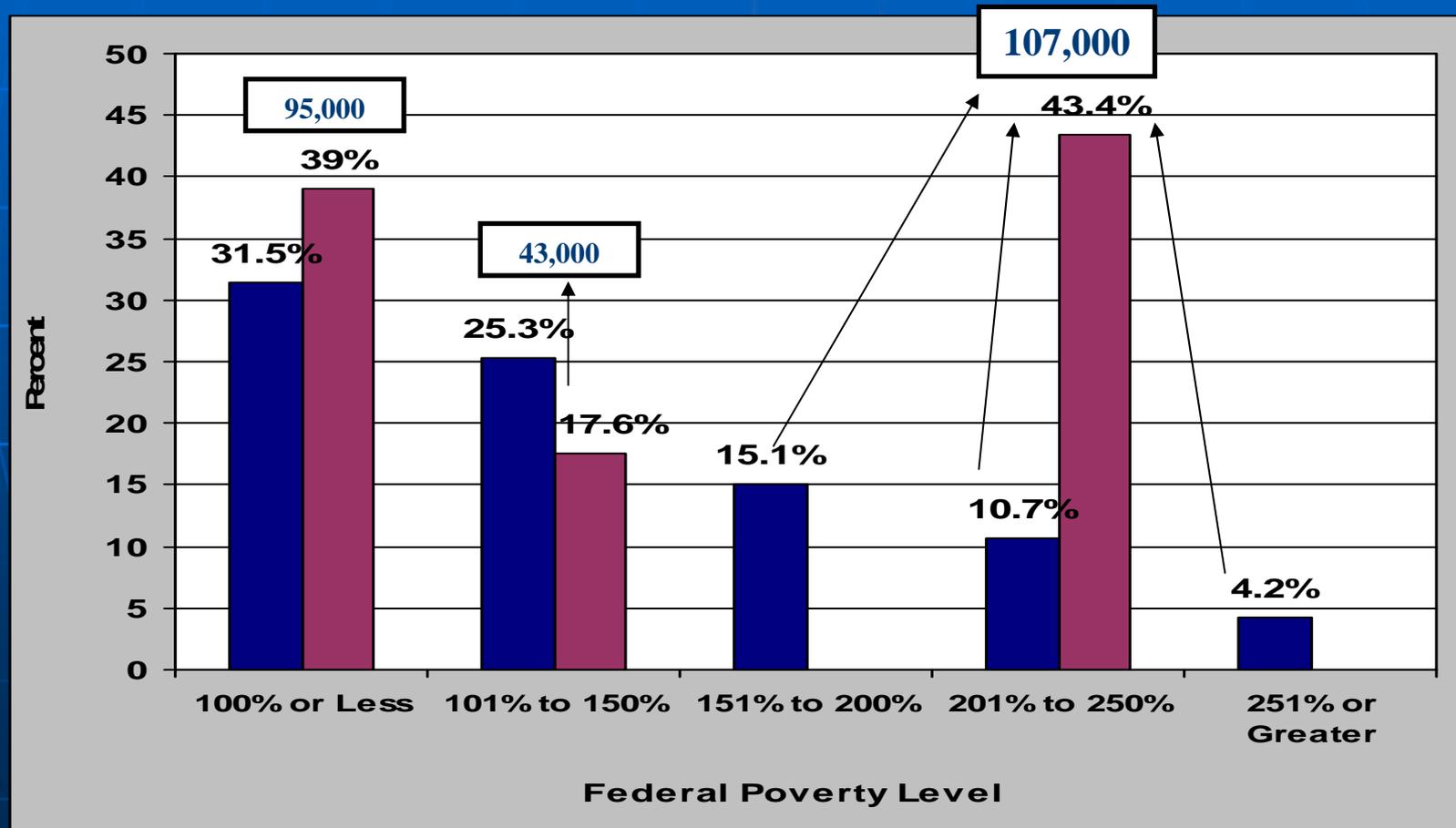
Uninsured Kansans under Age 65 by Specific Age Category



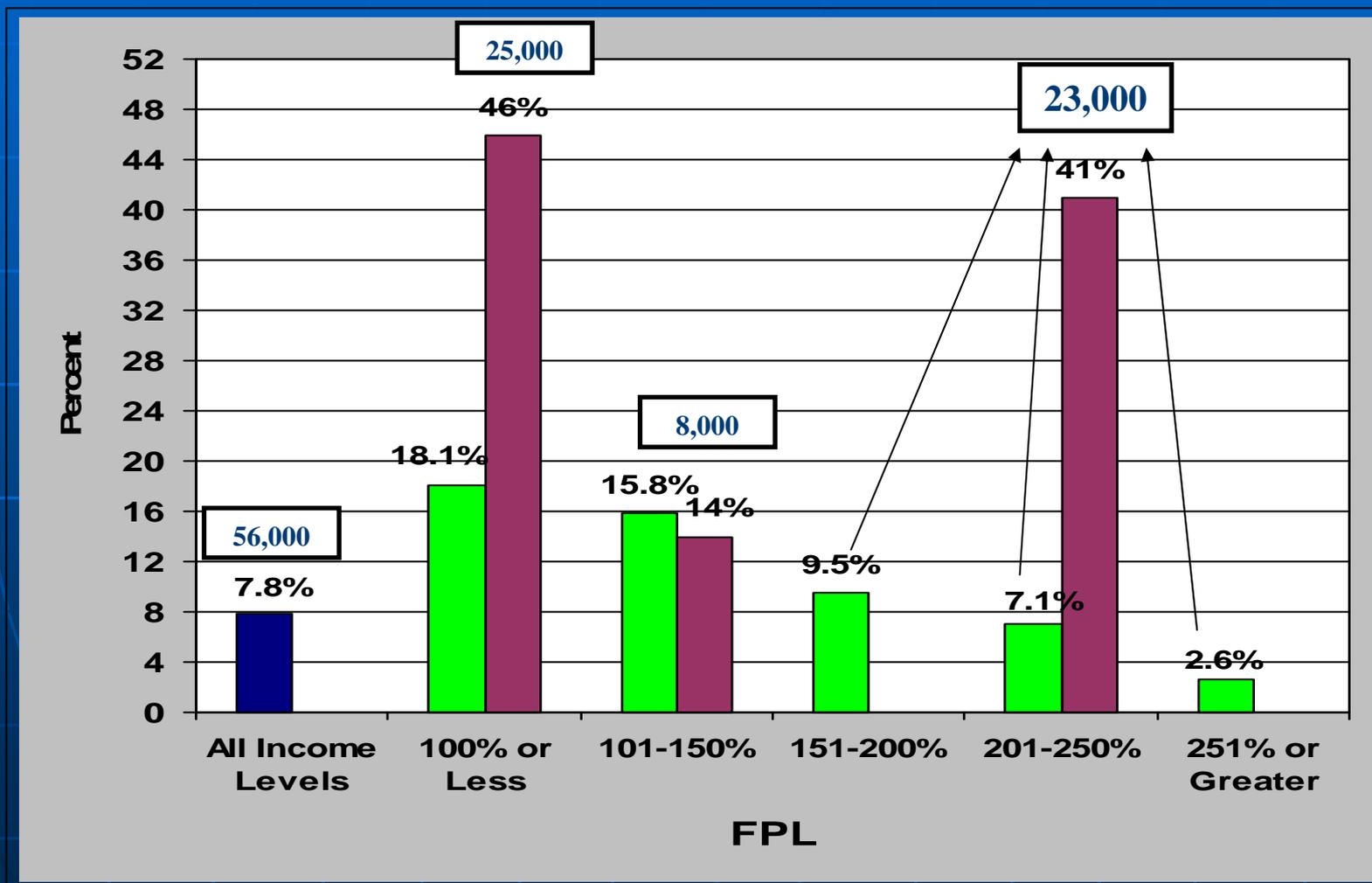
Uninsured Kansans under Age 65 by Race and Ethnicity, Distribution and Population Size



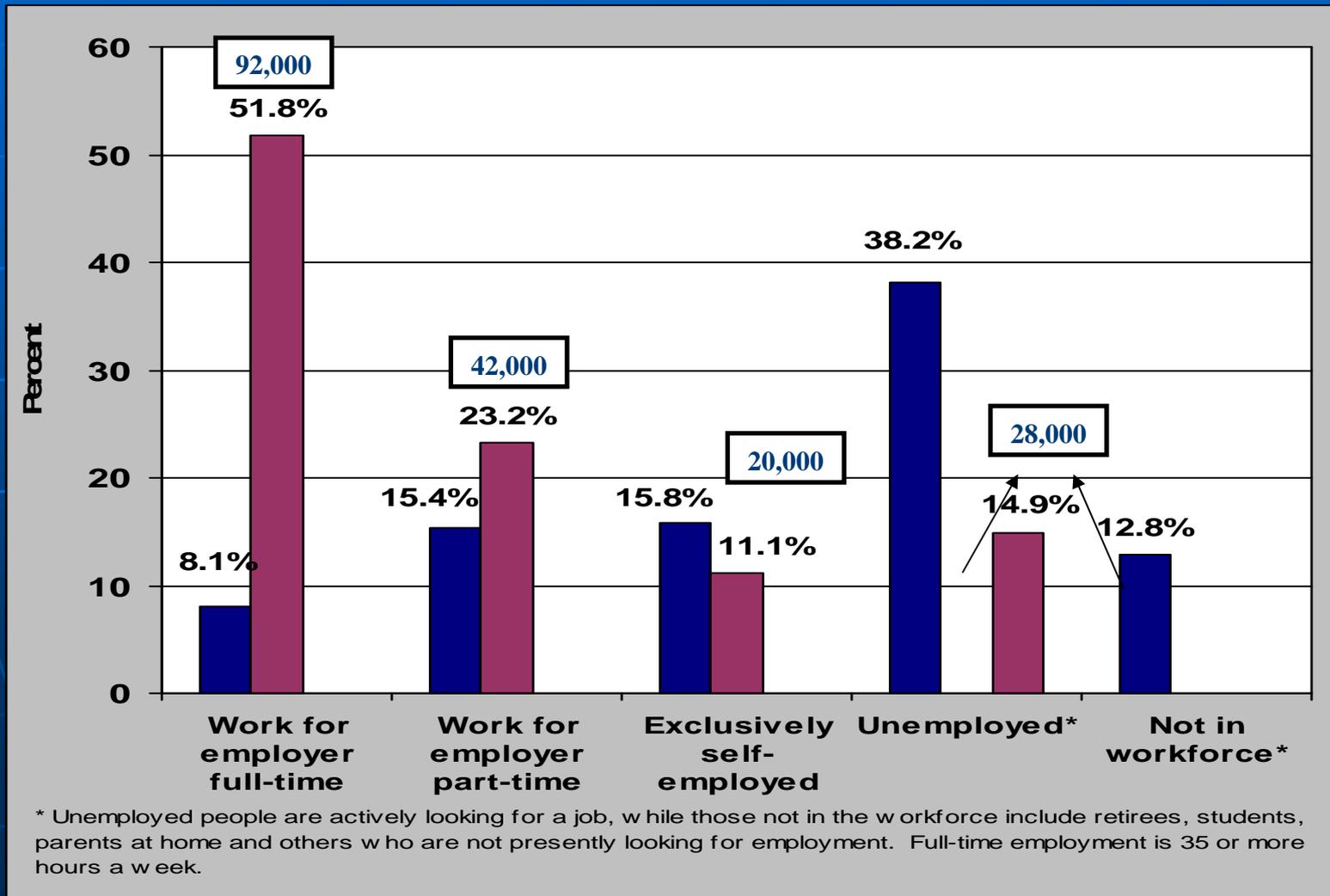
Uninsured Kansans under Age 65 by Income as a Percent of FPL, and Distribution of Uninsured



Uninsured Kansas Children Under Age 65 by Income as a Percent of FPL, and Distribution of Uninsured

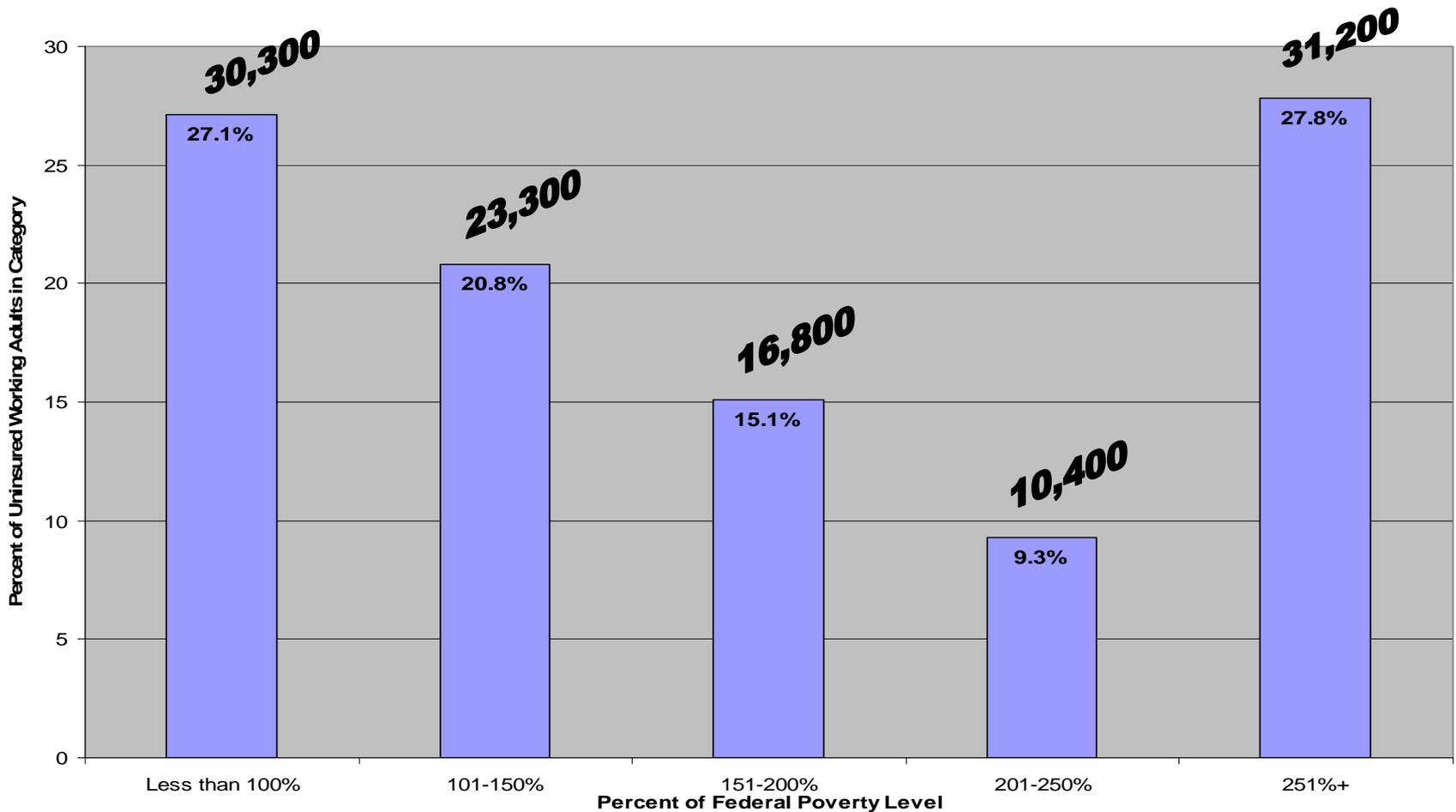


Uninsured Kansans Age 18-64 by Employment Status and Distribution of Uninsured



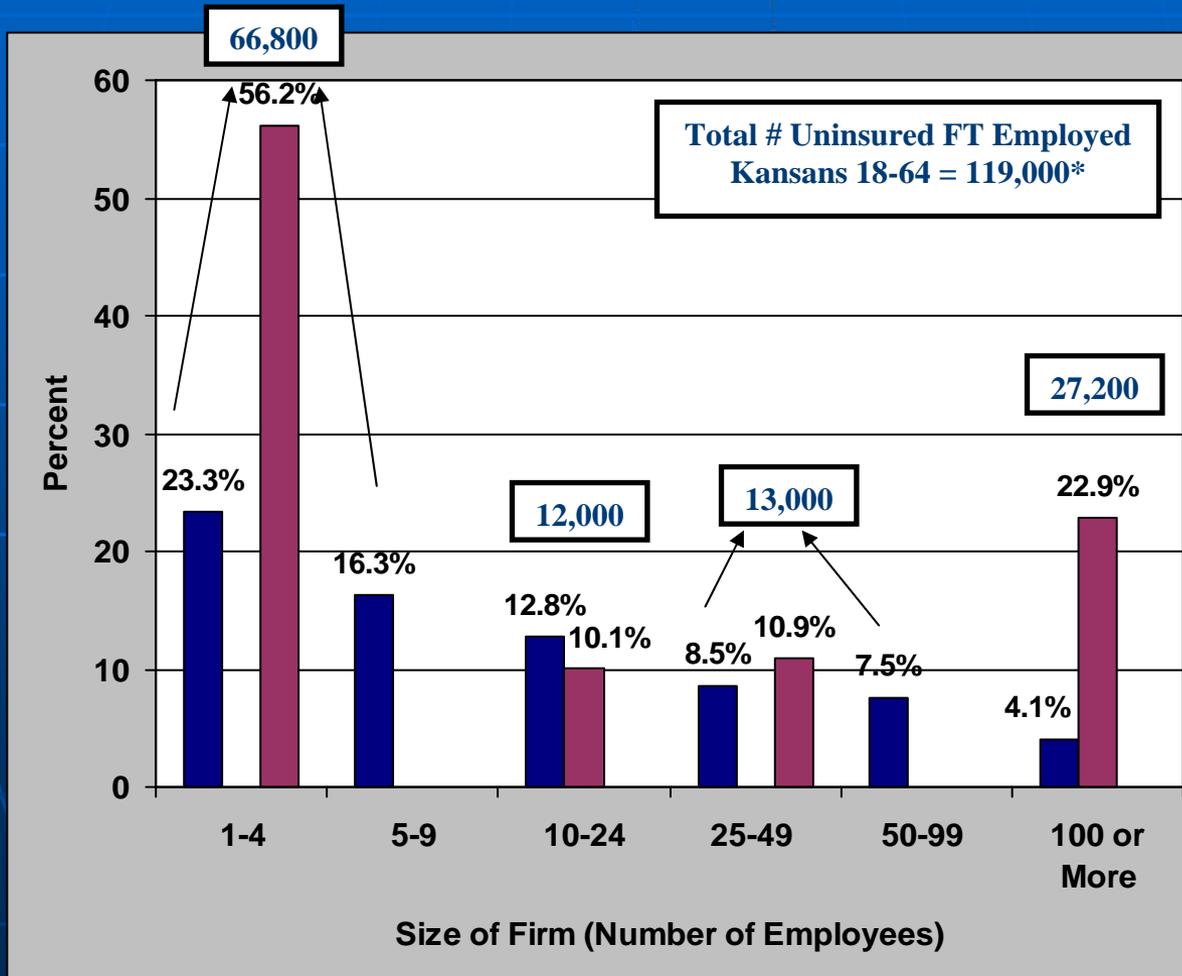
Uninsured Working Adults by Income Level

Distribution of Uninsured Working Adults (19-64) by Poverty Status



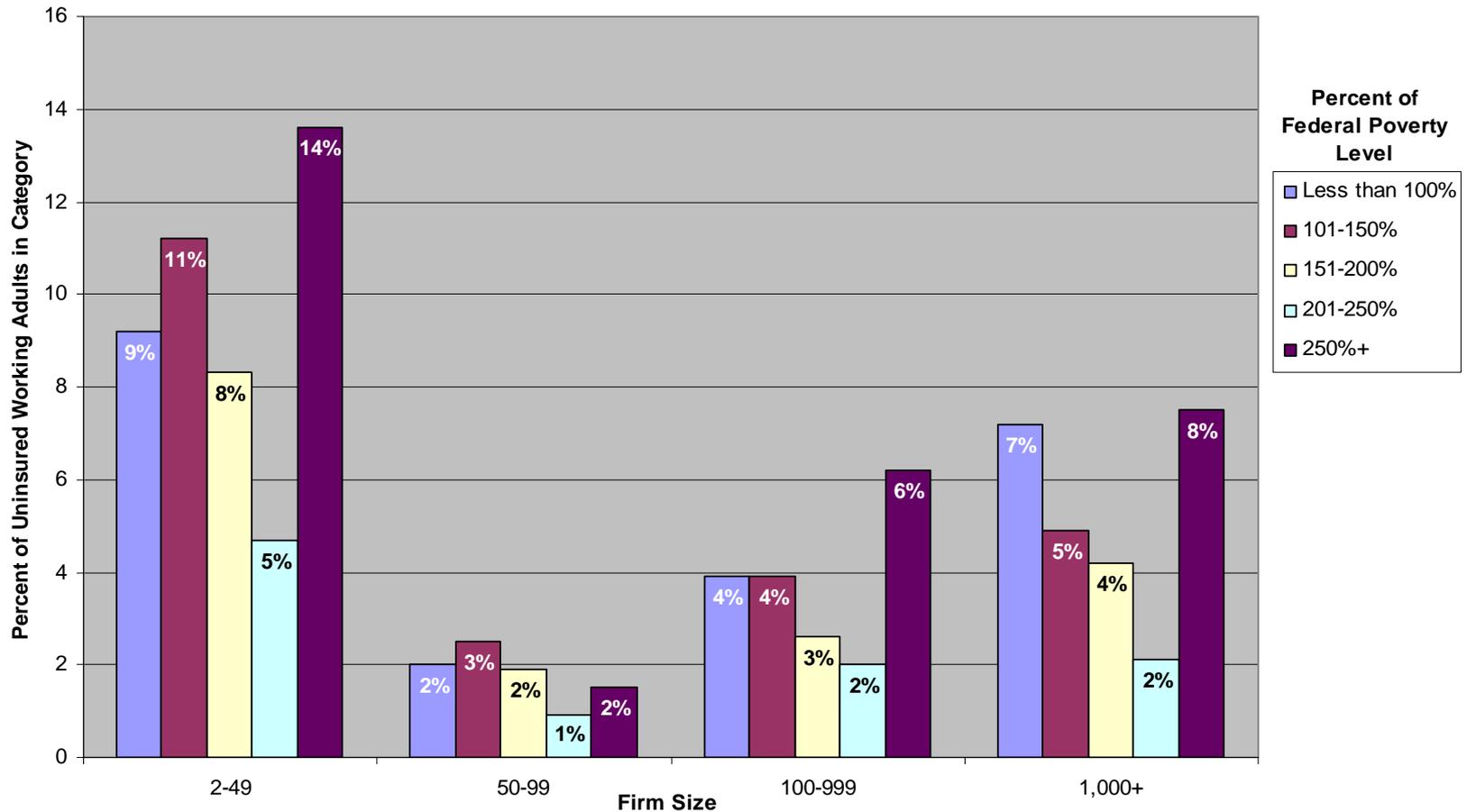
Source: Calculations by Abt Associates Inc. based on Kansas Health Insurance Survey, August 2001.

Uninsured Full-Time Employed Kansans Age 18-64 by Size of Firm



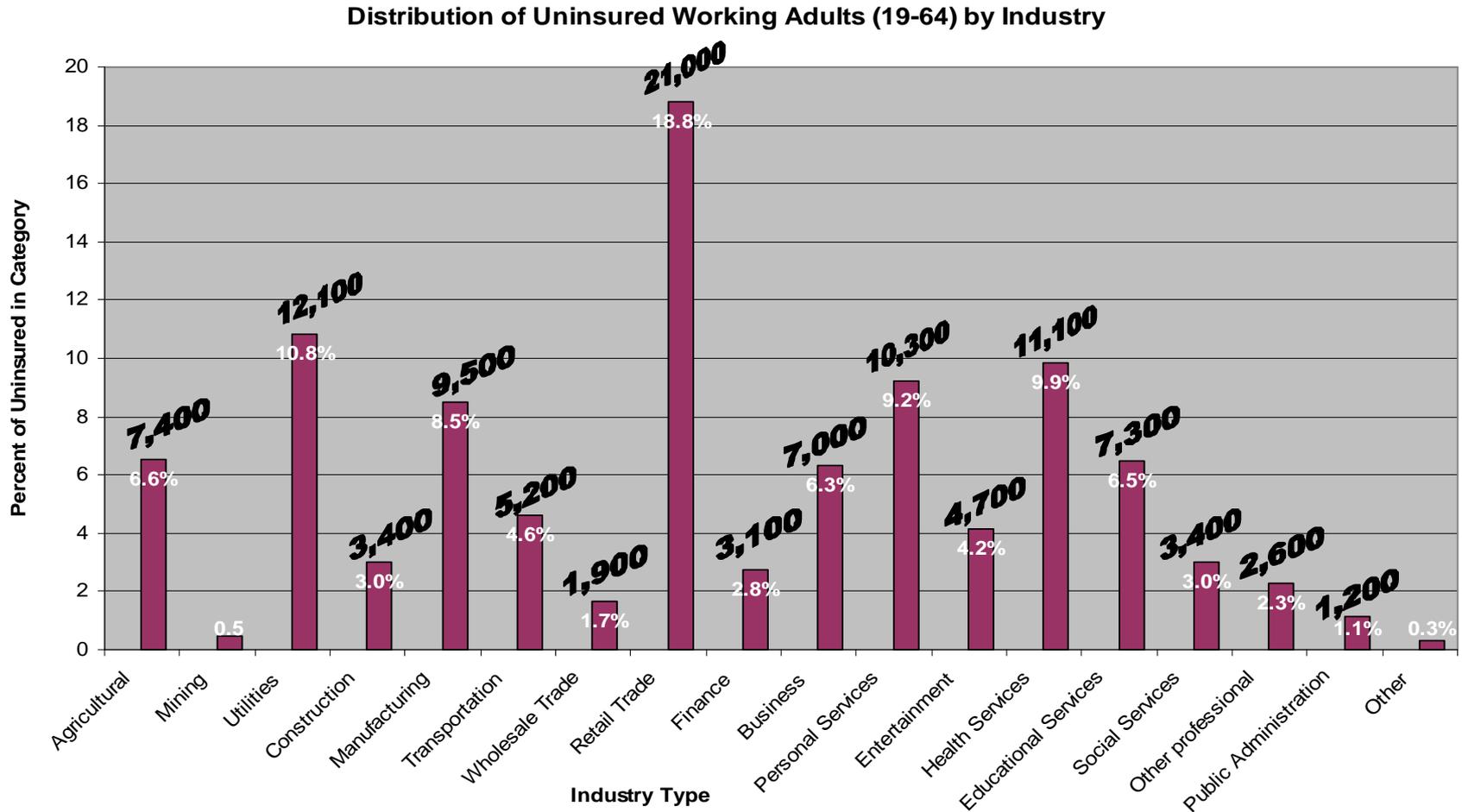
Uninsured Working Adults by Firm Size

Distribution of Uninsured Working Adults (19-64) by Firm Size and Poverty Status



Source: Calculations by Abt Associates Inc. based on Kansas Health Insurance Survey, August 2001.

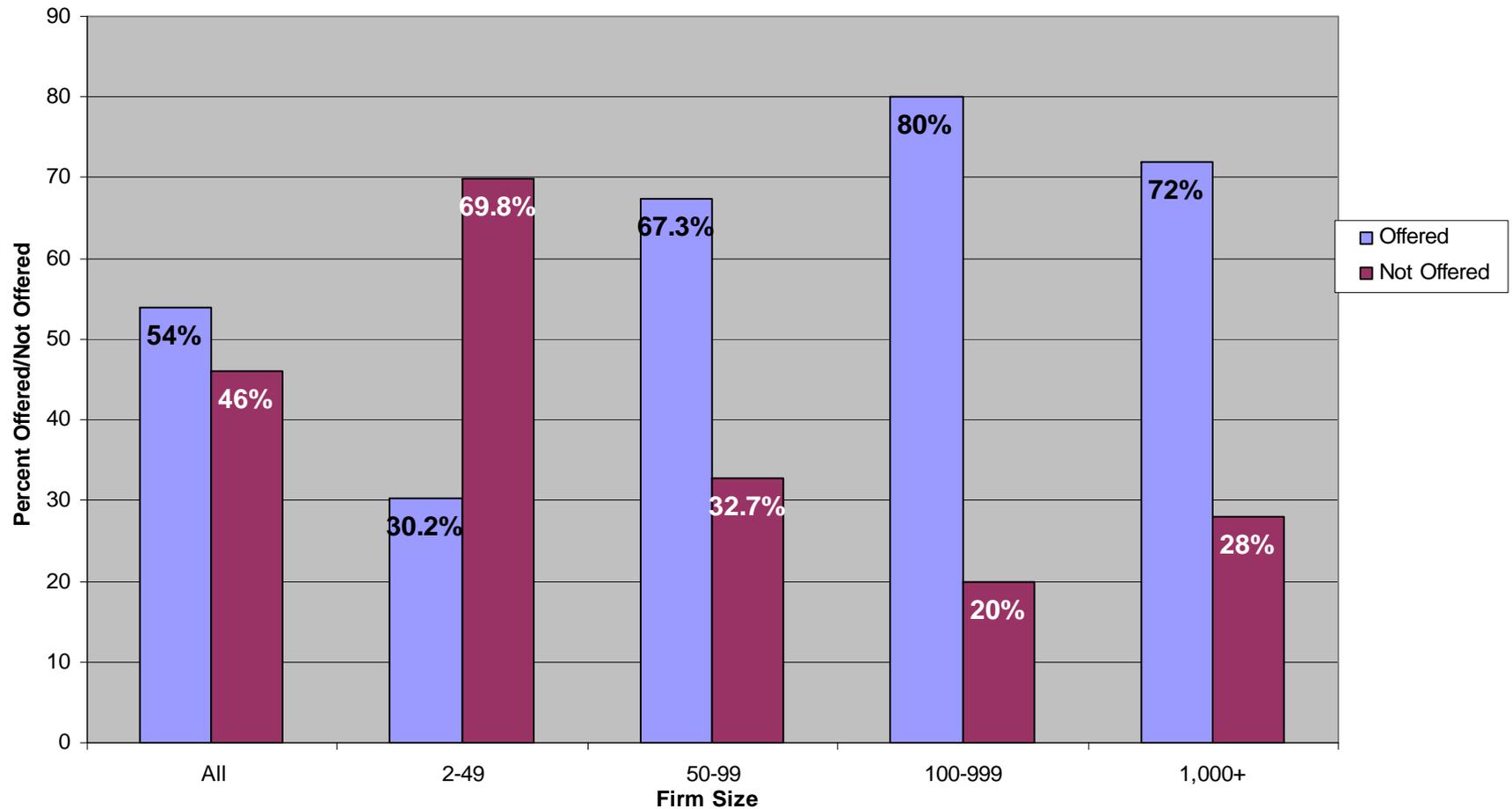
Uninsured Working Adults by Industry Type



Source: Calculations by Abt Associates Inc. based on Kansas Health Insurance Survey, August 2001.

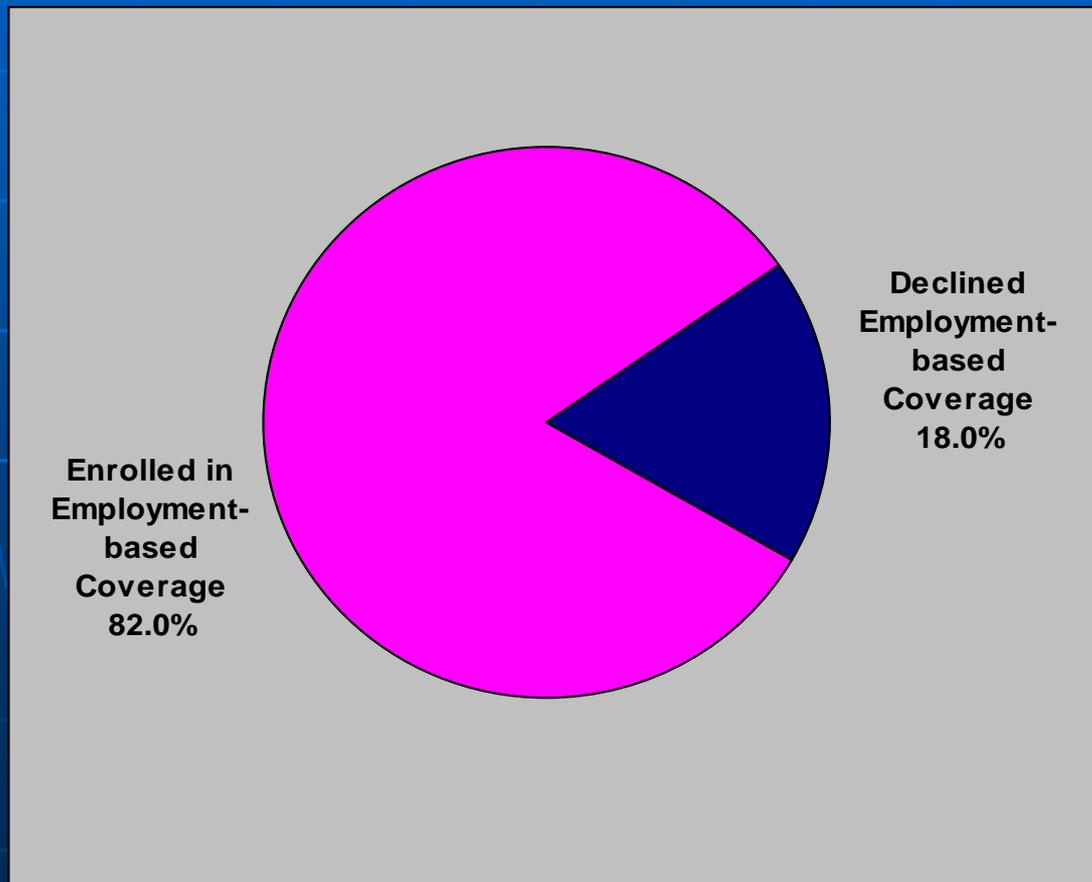
Uninsured Working Adults: Employer-Based Health Insurance Coverage Offers

Distribution of Uninsured Working Adults (19-64) by Firm Size and Employer Coverage Offer



Source: Calculations by Abt Associates Inc. based on Kansas Health Insurance Survey, August 2001.

Enrollment of Employed Kansans Age 18-64 Who Are Eligible for Employment-Based Insurance



Health Insurance Policy Issues

- Accessibility
- Affordability
- Benefit Scope
- Premium Stability
- Portability
- Group Composition
- Administrative Costs
- Service Utilization Disincentives
- Unequal Tax Treatment

Next Oversight Committee Update

- Feedback from stakeholder groups
 - Advisory councils
 - On-line information
 - Listening tour
- Additional demographic information on prevention and primary care
- Other information as requested



<http://www.khpa.ks.gov/>