

*Coordinating health & health care
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**Testimony on:
KHPA Health Reform**

Presented to:
House Health and Human Services Subcommittee

By:
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KHPA Health Reforms

Marcia Nielsen, PhD, MPH, Executive Director, Kansas Health Policy Authority

Good afternoon Mr. Chair and Committee members. I am Marcia Nielsen, Executive Director of the Kansas Health Policy Authority (KHPA). Thank you for the opportunity to address the House Health and Human Services Subcommittee on the KHPA's health reform proposals. The following testimony is a detailed explanation of the proposed recommendations that require State appropriations, but do not require statutory changes, in addition to the recommendations that require no legislative action.

Table 1: KHPA Reform Recommendations that Require Appropriations but No Statutory Changes

Reform Recommendation	Description of Need	Costs
Establish pilot program to provide payment incentives to Medicaid/HealthWave providers who adopt health literacy enhancement initiatives in their practice settings.	Health literacy is the degree to which individuals have the capacity to obtain, process, and understand basic health information and services needed to make appropriate health decisions. According to the American Medical Association, poor health literacy is a stronger predictor of a person's health than age, income, employment status, education level, and race. By improving health literacy, individuals become knowledgeable consumers and not merely patients navigating a complex process during a period of illness.	\$140,000 SGF
Include dental coverage for pregnant Medicaid beneficiaries.	Kansas Medicaid currently covers only emergency dental care (mainly tooth extractions) for most adults on Medicaid, including pregnant women. There are 6,600 pregnant women enrolled in Medicaid. Pregnant women are much more prone to experience problems with teeth and gums. Approximately half of women experience pregnancy gingivitis, which can lead to more serious periodontal disease. There is a link between periodontal disease and premature babies; the March of Dimes estimates that the cost of services for the lifetime of a premature child is \$500,000. The cost to the Kansas Medicaid program to provide dental care would be \$500,000 annually. The cost savings of preventing even one of these births would cover the cost of the benefit.	\$545,833 SGF
Offer tobacco cessation counseling within the Medicaid program to reduce tobacco use, improve health, and decrease health care costs.	In Kansas, smoking-attributed costs for Medicaid reached \$196 million in 2004 and 49% of Kansas adult smokers attempted to quit and failed in 2004 compared to 55% nationwide. According to the 2004 National Health Interview Survey, approximately 29% of adult Medicaid beneficiaries were current smokers. This figure was higher than the 2005 estimated rate of 20.6% for current smoking among the general population. The smoking rate for adults in Kansas is approximately 17.8%, and national data suggests the rate for Kansas Medicaid beneficiaries is higher than that of the general state population. The Kansas Medicaid program currently covers pharmacotherapy for tobacco cessation	\$200,000 SGF

	but does not cover cessation counseling. The 2000 Public Health Service Clinical Practice Guidelines recommends offering both cessation methods to improve quit rates.	
Target and enroll the children up to 200% FPL currently eligible but not enrolled in HealthWave and Medicaid.	The KHPA plans to aggressively market the program through a visible and effective outreach, web-based enrollment and facilitated enrollment process specifically targeting the uninsured children eligible for public programs. Web-based enrollment will allow those children who are identified as eligible to be enrolled on the spot without delay. It is estimated that approximately 15,000 additional children would be enrolled in Medicaid and approximately 5,000 additional children would be enrolled in SCHIP as a result of the effort.	\$2,153,222 SGF (\$1.3M Caseload Costs; \$0.8M Administrative Costs)
Strengthen physical education requirements and physical fitness of students for Kansas public schools.	Since 1980, obesity rates in the U.S. have more than tripled, making obesity the second greatest threat to the long-term health of children. Based on these factors, it has been projected that one of every three children born in the year 2000 will develop diabetes during their lifetime. Not only will rising rates of obesity result in a decline in our nation's health, but also an increase in health care costs. By 2020, one of every four dollars will be spent on obesity-related health care treatments. In Kansas, nearly 30% of children aged 10-17 are either overweight or at risk for becoming overweight. This reform encourages participation by providing schools with the opportunity to apply for funds if they choose to implement a physical fitness program. Through the Kansas Coordinated School Health Program, 224 schools, serving 80,736 students have received funding for physical fitness.	\$550,728 SGF
Increase screenings for breast and cervical cancer and expand screenings for prostate and colon cancer through the Early Detection Works (EDW) program.	The federal Breast and Cervical Cancer Treatment Act of 2000 established a federal/state partnership in getting uninsured women access to screening and treatment if necessary. Since the program's inception, more than 20,000 Kansas women have been screened. Of these, 500 cases of precancerous and/or invasive breast or cervical cancers have been detected. Over 200 women have received treatment. Because of the successful outcomes of these screenings it is appropriate to expand the program to prostate and colon cancer screenings to save more lives.	\$6,666,939 SGF

Table 2: KHPA Reform Recommendations that Require Neither Appropriations or Statutory Changes

Reform Recommendation	Description of Need
<p>Support the second phase of the Kansas Consumer Health Care Cost and Quality Transparency Project which will begin to collect and make available existing health and health care data resources to the Kansas consumer.</p>	<p>Policy/funding included in KHPA base budget. In FY2008, KHPA approved a two-phase Health Information Transparency (HIT) initiative. The first phase involved the State Library of Kansas working with other libraries to create a web-based portal — called Kansas Health Online — of existing health and health care resources for Kansas consumers. The second phase is to develop Kansas-specific health quality and cost measures and make them available to consumers. Consumers currently have limited access to meaningful information from which informed health decisions can be made. Publishing standard pricing and quality information can empower consumers and purchasers to use resources more efficiently and consider the cost/benefit factor, driving them to providers that offer the highest quality care. The key to consumer-driven decisions is to make sure that the data is accurate, easy to understand, and accessible. Through the creation of the web portal, access will be available to Kansans using the Internet at the 327 libraries located across the state. In Phase II, indicators developed by the Data Consortium, a broad stakeholder advisory panel to KHPA, will be available to consumers through the Health Transparency Portal. This will allow consumers to compare cost and quality of health providers and plans.</p>
<p>Analyze and increase specific reimbursement for primary care services consistent with a medical home model and “value-based health care purchasing” for the Kansas Medicaid/HealthWave program.</p>	<p>Analyze and make specific recommendations for FY 2010. The concept of value-based health care purchasing is that purchasers should focus on outcomes, cost, and quality of health care through the informed use of health care services. In Kansas, value-based purchasing can focus on incentives for health services delivered through a primary care medical home, thus, reducing inappropriate and inefficient care. The health care system and its patterns of reimbursement currently serve as disincentives for providers to take time to provide those preventive services not associated with a technical procedure. Even those technical procedures associated with prevention activities are often not paid for at the optimal rates. Health care reform should include a commitment to analyze the reimbursement rates of health providers serving beneficiaries of state-funded health plans for a wide range of screening activities and preventive care.</p>
<p>Expand the volume of community-based wellness programs through partnerships between state agencies and community organizations.</p>	<p>Policy/funding included in KDHE base budget. Successful partnerships are key to the development of effective community-based wellness programs and improving health outcomes locally. These partnerships involve more than government entities. They involve cooperation between the local business community and the faith community to succeed. The Centers for Disease Control and Prevention (CDC) has long valued these partnerships and has invested in them in Kansas.</p>
<p>Collect information on health and fitness of Kansas school children.</p>	<p>Policy/funding as part of KDHE Coordinated School Health program. Currently, data on childhood obesity is collected through self-reported surveys, which is subject to misrepresentation and misclassification of overweight and obesity. In order to get a true picture of the occurrence and demographics of obesity among our children, an objective measurement collection must be utilized. By obtaining accurate data, we can appropriately target the most vulnerable populations in a cost-effective manner. Historically, there has been no systematic reporting for which schools collect health and fitness information, but a growing number of schools statewide indicate they have begun to measure Body Mass Index (BMI) and fitness of their students. What we know about</p>

	<p>current school practices with regard to collecting BMI is from anecdotal reports or from program progress reports from grantees. The Coordinated School Health (CSH) Program has a direct relationship with 43 school district grantees and of the 22 districts that have responded to a survey about collecting this information, 16 indicated they are collecting BMI measures.</p>
<p>Adopt policies that encourage Kansas school children to select healthy food choices in school by competitively pricing and marketing these foods and restricting access to foods with little or no nutritional value.</p>	<p>Policy/funding as part of KDHE Coordinated School Health program. Currently, 45% of Kansas schools offer a la carte items and over 90% of high schools have vending machines that students can access. The most common purchases from vending machines and a la carte lunches include sodas, chips, and candy that are high in calories but low in nutritional value. Because school districts may utilize vending and other competitive foods sales revenue to support extracurricular activities in the face of decreased funding from other sources, it is important to change the food options to those that are nutritious. Studies have generally demonstrated positive or neutral fiscal results when contents of school vending machines have been changed to provide more healthy choices.</p>
<p>Provide healthy food choices in the cafeterias and vending machines to state employees.</p>	<p>State contracting issue. In 2006, over 36% of Kansas adults were overweight and 26% were obese. Kansas is no exception to escalating obesity trends that have more than doubled in the last thirty years. Our obesity rates have increased 10% since 2001. Engaging in physical activity and healthy eating are the ways to reverse this trend. As of 2000, 23% of Kansas adults ate five servings of fruits and vegetables daily. This proportion dropped to only 20% in 2005. Not only are we not eating enough of the right foods, but portion sizes have increased simultaneously. State employees comprise a substantial portion of the workforce in Kansas. Providing this population with the food choices that enable a healthy lifestyle sets an example for other employers to follow our lead and improve worker health outcomes. Reversing obesity trends result in taxpayer savings as state employee health costs decline.</p>