Related Initiatives

Administration:
- Consolidated Omnibus Budget Reconciliation Act, 1986
- Provides opportunity for workers to keep employer-based health benefits after leaving a job
- Employee typically pays 102% of premiums
- No direct state involvement
- ARRA provides a 65% subsidy for those who purchase COBRA coverage
- Possible involvement of Kansas Insurance Dept. and Department of Labor

Health Resources and Services Administration: $2.5 Billion (Total)
- $1.5 billion for Community Health Centers (CHCs) to construction, renovation and equipment for the acquisition of health information technology systems
- $500 Million for services provided at community health centers
- $500 Million for health professions training programs: includes $300 million for National Health Service Corps recruitment and field activities; $200 million for disciplines trained under provisions of Public Health Service Act
- Fosters cross-state licensing agreements for health professionals

Other Agency Health/Health Care Related Initiatives
- Kansas Department of Health and Environment (KDHE): Pandemic Flu Preparedness; Prevention and Wellness funds; Women, Infant and Children (WIC) – other environmental initiatives
- Social and Rehabilitation Services (SRS): Transitional Medicaid Assistance; Food Assistance – other assistance initiatives
- Kansas Department of Aging (KDOA): Nutrition Services; Medicaid related provisions; Prevention and Wellness Fund – other assistance initiatives

ARRA HEALTH-RELATED Provisions

COBRA Health Care for Unemployed: $24.7 Billion (Total, estimate)
- Increase Federal Medical Assistance Percentage (FMAP) from 60.08% to 66.28%
- Provides additional 11.5, 8.5 and 5.5 percent increase based on change in unemployment rate
- Maintenance of Effort (MOE) requirement to neither decrease NOR increase eligibility to receive FMAP increase
- Extends moratorium for TCM, provider taxes, school based administration and transportation services through 6/30/09
- Adds moratorium on hospital outpatient services regulation through 6/30/09
- Transitional Medical Assistance (TMA) through 12/31/2010

ARRA FMAP Projections By Fiscal Year

<table>
<thead>
<tr>
<th></th>
<th>SFY 2009</th>
<th>SFY 2010</th>
<th>SFY 2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>KHPA</td>
<td>56,030,789</td>
<td>109,652,302</td>
<td>64,710,265</td>
<td>230,393,356</td>
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<td>Aging</td>
<td>21,028,902</td>
<td>37,860,903</td>
<td>22,185,177</td>
<td>81,074,982</td>
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<td>SRS</td>
<td>33,957,299</td>
<td>59,566,100</td>
<td>34,918,598</td>
<td>128,443,997</td>
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<tr>
<td>TOTAL</td>
<td>111,016,991</td>
<td>207,081,304</td>
<td>121,814,041</td>
<td>439,912,336</td>
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</tbody>
</table>

- Exact amounts may vary, depending on Kansas unemployment rate
- Distribution of funds among agencies depends on caseload requirements
- Temporary increase in Medicaid DSH funding: ARRA increases state spending limits for disproportionate DSH payments by 2.5% in federal fiscal year 2009 and another 2.5% in FFY 2010, resulting in an additional $750,000 in federal matching payments in FFY 2009 and an additional $2.1 million in FFY 2010. Additional state matching funds of about $340,000 in FY 2009 and $710,000 in FY 2010 will be required to draw down these funds.

Health Information Technology (HIT): $19 Billion (Total)
- $2 billion in competitive grants for funding for HIT Infrastructure
- Medicare and Medicaid incentives for providers to use HIT electronic health records ($17 billion)
- Requires federal government to take a leadership role to develop interoperability standards by 2010 to allow for HIE
- Strengthens federal privacy and security law to protect from health information misuse
- State of Kansas well positioned for federal funding given work of the Governor’s Cost Containment Commission, the Kansas HIE Commission, the Health Information Security and Privacy Collaboration, and the E-health Advisory Council -- Kansas “Roadmap” recommendations:
  - Create public-private coordinating entity: E-health Advisory Council
  - Provide stakeholder education: Kansas Health Online
  - Leverage existing resources: KHPA has two ongoing Health Information Exchange (HIE) pilots: Sedgwick County (Medicaid managed care); KC Metro Area (state employees)
  - Demonstrate impact of HIE and foster incremental change: HIE pilots; challenges re: interoperability, sustainable funding, ROI
  - Address privacy and security barriers: Kansas HISPC initiative
  - Seek funding from multiple sources: Looking for foundation support for HIT/HIE and medical home model of health care delivery
- E-health Advisory Council, agencies, stakeholders to develop plan for obtaining federal stimulus dollars