Approved: February 15, 2012

MINUTES OF THE SENATE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman Vicki Schmidt at 1:30 p.m. on January 23, 2012 in Room 526-S of the Capitol.

All members were present.

Committee staff present:
Nobuko Folmsbee, Office of the Revisor of Statutes
Renae Jefferies, Office of the Revisor of Statutes
Iraida Orr, Kansas Legislative Research Department
Melissa Calderwood, Kansas Legislative Research Department
Carolyn Long, Committee Assistant

Conferees appearing before the Committee:
Cathy Harding, Executive Director, KAMU
Sky Westerlund, Kansas Chapter of Social Workers
Sharon Spratt, CEO, Cottonwood Inc.
Chad VonAhnen, Director, Sedgwick County Developmental Disability Organization
Matt Fletcher, Associate Executive Director, InterHab

Others attending:
See attached list.

Senator Schmidt opened the meeting and called for bill introductions.

Bill Introductions

Tonya Dorf Brunner, Oral Health Kansas, requested legislation regarding Kids Oral Health Bill (12rs1837) a portion of which is 2011 SB 132. The bill allows for an extended care permit hygienist to see any child who has not been seen by a dentist for a dental exam in the last year. The children do not have to qualify for the free and reduced lunch program to receive these services. *Moved by Senator Huntington, seconded by Senator Reitz. Motion carried to introduce legislation*.

The Chair recognized Cathy Harding, Executive Director, Kansas Association for the Medically Underserved (KAMU). Ms. Harding presented an update regarding the KAMU Dental Hub

Project. Hubs are dentists and hygienists which provide safety net clinics, preventive, emergency, and restorative dental services. Spokes incorporate ECP hygienists who staff fixed satellites by providing outreach to unserved or underserved rural populations in permanent clinic locations. They also provide outreach to targeted underserved rural populations using portable equipment. Model specifications regarding staff include up to three full-time dentists, one full time in-house hygienist, up to two full-time extended-care practice registered dental hygienists and up to two dental assistants per dentist.

Dental Hubs were first proposed by KAMU in 2006. The distributive model for providing dental services in underserved locations was based on existing safety net clinics, hub-and-spoke delivery sites, increases in human and physical resources dedicated to oral health, and integration of oral health with other aspects of health care. KAMU shared the concept with public and private funders encouraging them to support the creation of a safety net oral health system based upon the dental hub concept with grants and to align their funding processes and priorities to create the appearance of a seamless program. By 2007 all of the pieces had come into place for an unprecedented public-private partnership and the first grants were awarded. Grants paid for capital expenditures for instruments, equipment, construction, and remodeling necessary to expand services. They paid for operating expenses, primarily provider salaries, but also disposable supplies. They attributed to the lowering of fixed and variable costs which made break-even possible at smaller volumes, assuring sustainability, and impacted the hiring of more providers (Attachment #1).

Returning to the discussion of Managed Care, the Chair recognized Sky Westerlund, National Association of Social Workers. Their concerns center around the following: the Medicaid cost savings appears to depend primarily on the coordination of care and integration of physical and behavioral health as they feel the crucial work of coordinated care must be done in person with each Medicaid member according to his or her needs; all Behavioral Sciences Regulatory Board (BSRB) licensed providers who offer behavioral health services, including substance abuse treatment must be eligible to become a Medicaid provider. This would correct the current policy that excludes social workers, psychologists, and others from being a Medicaid provider for substance abuse treatment services. Behavioral health licensed practitioners in the private sector are small business owners and often are sole proprietors. Medicaid is a fundamental poverty program; and contracted companies must be held accountable for the Kansas money they spend (Attachment #2).

In July of 2011, a policy was issued from SRS regarding a change in the payment policy for addiction counselor. Gary Haulmark and Mr. Moreno, representing SRS, were asked to appear before the committee on Thursday, January 26, 2012 to respond to questions regarding who put the policy into effect and the reasons for the change.

The minutes of the Public health and Welfare Committee at 1:30 p.m. on January 23, 2012, in Room 546-S of the Capitol.

Sharon Spratt, CEO, Cottonwood Inc. has worked in the I/DD field for nearly 40 years and been witness to the many positive changes that now allow for individuals with I/DD to live full and rewarding lives in their own communities. They have met with the Administration to share their concerns about being included, or carved into, KanCare. They learned that many states were implementing some sort of Managed Care model, but only on the medical and mental health programs. They have learned that only four states have included long term services for persons with I/DD in their Managed Care plans. Although assured by Secretary Sullivan that no changes would be made to the I/DD system, they were told that under KanCare the system would continue to operate as usual for the short term. They urge the Administration to slow this proposal down and allow the medical and mental health managed care model to be implemented before considering moving long-term I/DD services into the same model (Attachment #3).

Chad VonAhnen, Director, Sedgwick County Developmental Disability Organization, also expressed his organizations concerns over the proposed KanCare managed care program, specifically on the issue of long-term supports and services for the developmentally disabled (DD). The proposed plan makes dramatic changes and adds complexity to a DD system that already has the characteristics of managed care. They appreciate all the opportunities to continue this discussion with the Administration but continue to be in disagreement (Attachment #4)

Representing InterHab, Matt Fletcher, Associate Executive Director stated that for nearly 50 years the Kansas community-based system of supports for persons with I/DD has been considered as a national leader in delivering person-focused, quality-focused and economically efficient services. Only four states have included long-term care services for persons with DD in their managed care models (Arizona, Michigan, Wisconsin and Vermont). However, further examination reveals a very different approach to the inclusion of DD long-term care in managed care than the KanCare model. KanCare, as currently designed, represents an unproven, untested and unwarranted gamble with the services and supports that thousands of our most vulnerable Kansans depend upon each and every day (Attachment #5).

Also presenting written testimony was Kerrie Bacon, Kansas Council on Developmental Disabilities (Attachment #6), Justin Loewen, CEO, Via Christi HOPE, Inc. (Attachment #7), David Beck, CEO, Brewster Place (Attachment #8), Debra Harmon Zehr, President/CEO, Leading Age Kansas (Attachment #9), Sally Fronsman-Cecil, Direct Service Worker (Attachment #10), Rosie Cooper, Director of Independent Living services, Resource Center for Independent Living (Attachment #11), and Shannon Jones, Centers for Independent Living (Attachment #12).

CONTINUATION SHEET

The minutes of the Public Health and Welfare Committee at 1:30 p.m. on January 23, 2012, in Room 546-S of the Capitol.

Responses from Committee requests were:

Kari Bruffett, Director, Division of Health Care Finance regarding KanCare/Interest Earned (Attachment #13) and from the Department on Aging and Social Rehabilitation Services regarding Financial Management Services Rate Implementation and Electronic Visit verification/KS AuthentiCare System Implementation (Attachment #14).

Senator Dick Kelsey read a prepared statement summarizing, in his opinion, the discussions and presentations held by the Committee on KanCare. This statement also contained suggestions to the Administation (Attachment #15).

The meeting adjourned at 2:30 p.m.

The next meeting is scheduled for January 24, 2012.