

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE

The meeting was called to order by Chairperson Ruth Teichman at 9:30 a.m. on January 14, 2004 in Room 234-N of the Capitol.

All members were present except:
Senator David Adkins- excused

Committee staff present:
Bill Wolff, Legislative Research
Terri Muchmore, Legislative Research
Ken Wilke, Office of the Revisor of Statutes
Nancy Shaughnessy, Committee Secretary

Conferees appearing before the committee:
Dr. Bob St. Peter, Kansas Health Institute
Dr. Bob Day, Governor's office of Health Planning and Finance`

Others attending:
See Attached List.

Senator Teichman opened the meeting and introduced her intern for the session, Brady Kickhaefer and then asked Dr. Wolff to introduce new Legislative Research staff member, Terri Muchmore. Ms. Muchmore will be working primarily in health and health policy. Legislative Research was able to bring Terri on board with the financial help of the Kansas Health Foundation and Kansas Health Institute.

Senator Teichman announced that the FII Committee would meet regularly during the session on Tues.Wed. And Thurs. Mornings.

Dr. St. Peter discussed a survey ([Attachment 1](#)) that was done in Kansas with initial results presented in September of 2003. KHI is a private nonprofit organization that does nonpartisan, independent research and policy analysis on the health of Kansas. The survey goal was to understand the health care concerns of Kansas and was completed by an independent scientific research firm from Harvard University. The summary of the poll results of 1000 Kansans includes:

- Noticeable level of anxiety about where health costs are going
- Majority of respondents indicated they had some level of satisfaction with current system
- 50% of respondents, currently insured, are concerned that they will not be able to afford insurance in the next six (6) months
- The majority of respondents hold insurance companies and HMO's responsible for the high cost of insurance coverage.
- Priorities of respondents felt that elderly persons prescription drugs be affordable and helping small business afford insurance coverage for employees.

Dr. Robert Day discussed the new office, Governor's Office of Health Planning and Finance([Attachment 2](#)) and stated the funding was provided by the United Methodist Foundation, the Kansas Health Foundation and the Sunflower Foundation. Purchasing of health care services is spread across at least six state agencies and an attempt will be made to find common purchasing goals and strategies. Issues were quantified at the Governor's Health Care Round Table and through open discussion identified two significant issues, administrative costs in the system and quality of care. Reduction in administrative cost could result in a 1% savings in an expenditure of \$120 Million. Additionally the office will be reviewing:

- Single credentialing system
- emphasize increasing medicaid reimbursement to physicians
- stabilize small business cost of providing health care.

Meeting adjourned 10:15 AM
Next Meeting scheduled on January 15, 2004

CONTINUATION SHEET

MINUTES OF THE SENATE FINANCIAL INSTITUTIONS AND INSURANCE COMMITTEE at 9:30 a.m. on January 14, 2004 in Room 234-N of the Capitol.