

39-7,112. Implementation of managed care system to provide medicaid services; contracts; areas of state selected for implementation; waivers; managed care implementation committee; reports; managed care project at university of Kansas medical center terminated. (a) Subject to applicable federal guidelines and regulations, the provisions of appropriations acts and the provisions of this section, the secretary of social and rehabilitation services shall, consistent with guidelines developed by the managed care implementation committee established under subsection (d), negotiate and enter into contracts with one or more service providers to implement a managed care system in accordance with this section to provide medicaid services for Kansas medicaid-eligible residents which may utilize capitation and other reimbursement methodologies. No contract entered into under this section shall be subject to the competitive bid requirements of K.S.A. 75-3739, and amendments thereto. The services to be provided for such residents under the contracts shall be provided through a system of managed care as specified in the contracts.

(b) The implementation of the managed care system shall be commenced on or before July 1, 1995, for the population of Kansas medicaid-eligible residents who are recipients of aid to families with dependent children or who are children or pregnant women in one or more areas of the state selected by the secretary of social and rehabilitation services. The areas of the state covered by the capitated managed care system shall be expanded in phases so that it is implemented for such population of Kansas medicaid-eligible residents throughout the state on or before June 30, 1997. If the secretary of social and rehabilitation services determines that implementing a managed care system is not feasible in certain areas of the state, the secretary shall design and implement an alternative managed care system for such areas for such population of Kansas medicaid-eligible residents for the initial implementation on or before July 1, 1995, and for the expansion in phases throughout the state on or before June 30, 1997.

(c) If the secretary of social and rehabilitation services determines that waivers from program or other requirements of the federal government are needed to carry out the provisions of this section and to maximize federal matching and other funds with respect to the managed care system under this section, the secretary shall apply to the federal department of health and human services, or other appropriate federal agency, for such waivers. If the secretary determines that waivers are needed, the managed care system under this section shall not commence until such waivers are granted by the appropriate federal agency.

(d) The secretary of social and rehabilitation services shall appoint a managed care implementation committee under K.S.A. 75-5313, and amendments thereto, of not less than 15 members to advise the secretary on matters relating to the implementation of the managed care system under this section. The membership of the managed care implementation committee shall be composed of one member nominated by Kansas legal services; 1/2 of the members, other than the member nominated by Kansas legal services, shall be acute care medicaid providers experienced in managed care appointed from nominees submitted by acute care medicaid providers; and 1/2 of the members, other than the member nominated by Kansas legal services, shall be representatives of the department of social and rehabilitation services and representatives of the private sector as the secretary of social and rehabilitation services may specify. Private sector representatives shall include persons who are experienced in the area of managed care and persons who are representatives of the populations served or advocacy groups. The managed care implementation committee shall make findings and recommendations concerning the managed care system established under this section and shall report such findings and recommendations to the legislative coordinating council, or to a special committee appointed by the council for such purpose and such other purposes as may be prescribed by the legislative coordinating council, and to appropriate standing and joint committees of the legislature on or before the commencement of the 1995 regular legislative session. Members of the managed care implementation committee shall not be paid compensation, but shall receive subsistence allowances, mileage or other expenses as authorized by K.S.A. 75-5313, and amendments thereto, for attending meetings, or subcommittee meetings, of the managed care implementation committee.

(e) The secretary of social and rehabilitation services shall make periodic reports of implementation plans and progress regarding the implementation of the managed care system under this section, to the managed care implementation committee, appropriate standing committees and joint committees of the legislature, and to the legislative coordinating council or to any special committee that is appointed by the legislative coordinating council for this purpose and such other purposes as may be prescribed by the council.

(f) The managed care project at the university of Kansas medical center financed by appropriation act of the 1993 regular session of the legislature is hereby terminated and no expenditures shall be made therefor.

History: L. 1994, ch. 287, § 1; July 1.