Approved: March 22, 2010
Date

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairman Brenda Landwehr at 1:30 p.m. on March 9, 2010, in Room 784 of the Docking State Office Building.

All members were present except:
Representative Phil Hermanson - excused
Representative Aaron Jack - excused
Representative Marc Rhoades - excused

Committee staff present:
Norm Furse, Office of the Revisor of Statutes
Ken Wilke, Office of the Revisor of Statutes
Kathie Sparks, Kansas Legislative Research Department
Debbie Bartuccio, Committee Assistant

Conferees appearing before the Committee:
Representative Gene Rardin (Attachment 1)
Dr. Stephen Miller, on behalf of AARP Kansas (Attachment 2)
Corrie Edwards, Executive Director, Kansas Health Consumer Coalition (Attachment 3)
Chad Austin, Kansas Hospital Association (Attachment 4)
Kerri Spielman, Kansas Association of Insurance Agents (Attachment 5)
Jerry Slaughter, Executive Director, Kansas Medical Society (Attachment 6)
Marlee Carpenter, Executive Director, Kansas Association of Health Plans (Attachment 7)
Jerry Slaughter, Executive Director, Kansas Medical Society (Attachment 10)
John Kiefhaber, Executive Director, Kansas Chiropractic Association (Attachment 11)
Bob Williams, Executive Director, Kansas Association of Osteopathic Medicine (Attachment 12)
Kathleen Selzler Lippert, Acting Executive Director, Kansas Board of Healing Arts (Attachment 13)
Pam Scott, Executive Director, Kansas Funeral Directors Association (Attachment 14)
Larry McElwain, Warren-McElwain Mortuary (Attachment 15)
Terry Roberts, Midwest Cremation Society (Attachment 16)

Others attending:
See attached list.

HB 2288 - Enacting the Kansas health care price transparency act

Chairperson Landwehr opened the hearing on **HB 2288**

Representative Gene Rardin provided testimony in support of the bill. He said in order for markets to work effectively in promoting competition and intelligent decision making, consumers must have accurate price information as well as measures of comparative provider effectiveness to enable effective decision making. (Attachment 1)

Dr. Stephen Miller, on behalf of AARP Kansas, spoke in support of the bill. He said AARP believes that greater accountability through transparency would allow consumers to make better informed decisions. They believe consumers should be provided with sufficient information about health care providers, treatment options and price information to make informed health care decisions. This is especially true for consumers without insurance coverage or those whose insurance does not cover the procedure in question. Programs should be developed to support patients' use of such information. The savings would follow if patients are drawn (e.g. through physician referrals) to the practitioners and providers whose practice style and costs are the most efficient and effective. (Attachment 2)

Corrie Edwards, Executive Director, Kansas Health Consumer Coalition (KHCC), presented testimony in support of the bill. The top priority of KHCC is to prevent and alleviate the occurrence of medical debt. Medical debt differs significantly from other types of debt because it is involuntary and often unexpected. The unexpected expense of care is exacerbated by the fact that costs are unknown until services are rendered. KHCC supports the bill as a step in the right direction of providing consumers with the information necessary

3-9-10

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

to make educated decisions about their health care choices. (Attachment 3)

Chad Austin, Vice President, Government Relations, Kansas Hospital Association (KHA), presented testimony in support of the bill. KHA members have been unanimous in their belief that as we move towards a more consumer driven health care marketplace that transparency of all health care data will be a key component for consumers, employers and policy makers. The amount of information being requested of health care providers has grown tremendously over the past few years. One program that KHA would like to recognize on the federal level that enables consumers to review quality and pricing information by individual hospital is Hospital Compare. **HB 2288** serves as a complement to the public and private health care transparency initiatives already underway on the national level. The Kansas Hospital Association respectfully requests that any action taken by this committee does not place further requirements on health care providers through duplication and added regulatory burdens, but build upon the systems already in place. (Attachment 4)

In the interest of time, Kerri Spielman, Kansas Association of Insurance Agents (KAIA), deferred to her written testimony in support of the bill. The KAIA has long maintained that promoting free market competition in health care will bring down costs. Price comparison can only be accomplished, however, if pricing is available. For that reason, the KAIA strongly support this bill which brings Kansans one step closer to having the complete transparency in health care pricing that is needed if Kansas is going to begin lowering health care costs. (Attachment 5)

Jerry Slaughter, Executive Director, Kansas Medical Society, presented testimony in support of the bill. In order to be prudent purchasers of health care services, patients should have reasonable access to information that will enable them to determine in advance the expected cost of the services they are purchasing. To be meaningful, transparency requirements should:

- involve all aspects of the system, including health insurers, government programs, third party service intermediaries such as pharmacy benefit managers and claim re-pricers, and the full spectrum of health care providers;
- be administratively simple to comply with, and should avoid adding unnecessary costs to providers and insurers;
- require that requests for pricing information be made in writing, and that a provider be given a reasonable period of time to respond;
- allow providers to disclose the requested information with the clear understanding that complications or clinical findings could require additional services not anticipated, and
- make it clear that the charges or price information provided in good faith does not constitute a binding representation of the ultimate cost of the services which are necessary, for the reasons specified above.

The Kansas Medical Society believes the bill is a good starting point for improved transparency, and with the enhancements such as those mentioned above, will make the first steps toward making meaningful cost information available to patients. (Attachment 6)

Testimony in support of the bill was provided by Marlee Carpenter, Executive Director, Kansas Association of Health Plans (KAHP). The KAHP is a nonprofit association dedicated to providing the public information on managed care health plans. The organization agrees transparency is an important issue and the amount of information requested has increased in recent years. KAHP members have responded and have developed new and innovated tools to help provide their members with additional transparency of information. They want to ensure that the information required by any type of legislation is helpful, useful and information the consumer can easily obtain and use. In addition, they want to ensure that the information is reflective of current technology and does not codify ways of doing business that may become outdated. Finally, they want to ensure the transparency information required by this bill is not duplicative of other information available and is not costly so that companies can keep the cost of health insurance as low as possible. (Attachment 7)

Written testimony only was provided in support of the bill by Linda DeCoursey, Advocacy Director, American Heart Association. The American Heart Association supports the issue of greater transparency as a means to empower the health care consumer as it relates to the business practices, product offering and claims history of health insurance companies. They would also encourage policies that increase transparency of the costs

and insurance coverage and expand consumers' health care decision making tools. And, they would want to ensure that any quality of health care measures reported are valid, reliable and reinforce evidence-based treatment and guidelines. (Attachment 8)

Chairperson Landwehr pointed out to committee members that they had been e-mailed some proposed language from both Marlee Carpenter and Chairperson Landwehr which will be referred to when the committee works the bill.

Written testimony in support of the bill was provided by Sandy Braden on behalf of the Kansas Association of Health Underwriters. The association supports any efforts of the Kansas legislature to improve the ability for the health care consumer to make informed choices on their health care options, including efforts to make the process more transparent. A fundamental shift in the behavior of all Kansans is essential for the State to control the continually escalating costs of health care and health insurance. Consumers must make better lifestyle choices and must become better consumers of health care. (Attachment 9)

The Chair gave the committee members the opportunity to ask questions and when all were answered, the hearing on **HB 2288** was closed.

SB 500 - Healing arts; exception from prohibited acts for individuals who earned a degree from an accredited healing arts school or college

Chairperson Landwehr opened the hearing on **SB 500**.

Jerry Slaughter, Executive Director, Kansas Medical Society, presented testimony in support of the bill. The legislation makes a largely technical change in the Healing Arts Act to clarify that unlicensed MDs, DOs, and DCs can use their earned academic degree initials ("MD", for example) without violating the Healing Arts Act, so long as they are not engaged in the practice of the healing arts, or misleading the public or other health care providers as being so engaged. (Attachment 10)

John Kiefhaber, Executive Director, Kansas Chiropractic Association, provided testimony in support of the bill if there is no intent by unlicensed individuals to mislead the public and if the person is not engaged in practice with patients. (Attachment 11)

Bob Williams, Executive Director, Kansas Association of Osteopathic Medicine, in the interest of time, referred to his written testimony in support of the bill. (Attachment 12)

Written testimony only was provided by Kathleen Selzler Lippert, Acting Executive Director, Kansas Board of Healing Arts, in support of the bill. (Attachment 13)

The Chair gave the committee members the opportunity to ask questions and when all were answered, the hearing on **SB 500** was closed.

SB 475 - Sub for S 475 by Committee on Public Health and Welfare – Board of mortuary arts; funeral directors

Chairperson Landwehr opened the hearing on **SB 475**.

Pam Scott, Executive Director, Kansas Funeral Directors Association, provided testimony in support of the bill. She stated this substitute bill proposes to amend the definition of "funeral director" in **K.S.A. 65-1713** to clarify that it includes the offering of cremation services to the public. The KFDA seeks to amend the definition of a funeral director to assure that all persons offering cremation services to the public are accountable to a regulatory agency and required to be knowledgeable of the laws relating to funeral service and cremations. This request is consistent with the fact that all funeral directors, assistant funeral directors, embalmers and crematory operators are required to have and maintain a license for accountability to the public. The KFDA proposes the definition of a funeral director in **K.S.A. 65-1713(a) (3)** be amended to read "Directing, arranging for or supervising the disposition of dead human bodies whether by burial or

cremation." (Attachment 14)

Larry McElwain, Warren-McElwain Mortuary, spoke in support of the bill. (Attachment 15)

Terry Roberts, Midwest Cremation Society, presented neutral testimony on the bill. Midwest Cremation is a small business that acts as an agent for families in securing cremation services - a direct cremation provider. She stated **SB 475** has been amended to give her the opportunity to continue to provide cremation assistance to the families she serves. (Attachment 16)

The Chair gave the committee members the opportunity to ask questions and when all were answered, the hearing on **SB 475** was closed.

The next meeting is scheduled for March 10, 2010.

The meeting was adjourned at 3:20 p.m.

HOUSE HEALTH & HUMAN SERVICES COMMITTEE

DATE: 3-9-10

NAME	REPRESENTING
[illegible signature]	United Health Group
Bruce Witt	Via Christi
John Kiefhaber	Ks. Chiropractic Assn.
Julia Mowers	KSBHA
Kathleen Lippert	KSBHA
Bob Williams	Ks. Assoc Osteopathic Medicine
Larry K. McElwain	KFDA
Pam Scott	KS Funeral Directors Assn
Sky Westerlund	KNASW
Kerri Spielman	KAIA
Stephen Miller MD	AARP
[illegible signature]	KALS
Berend Koops	Hein Law Firm
Michelle Butler	Capitol Strategies
Chad Austin	KHA
Marlee Carpenter	KAHP
Ron Gaches	KAHU
Jane Carter	KOSE
Candy Shively	SRS
Mack Smith	KS ST Bd of Mortuary Arts

Please use black ink

HOUSE HEALTH & HUMAN SERVICES COMMITTEE

DATE: 3-9-10

NAME	REPRESENTING
Barbara Bollier	House of Representatives
Terry L. Roberts	Midwest Cremation Society Inc
Justin D. Shirley	Midwest Cremation Society, Inc.
[illegible]	Kansas Chpt. National Assn. Social Workers
Kevin Robertson	Kansas Dental Assn
[illegible]	AARP KS
Sunee Mickle	BCBSKS

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State of Kansas
House of Representatives

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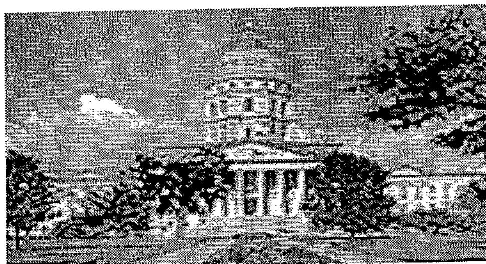
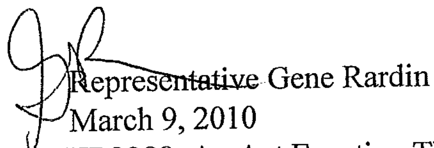


10900 W. 104TH STREET
OVERLAND PARK, KANSAS 66214
(913) 492 2253

MEMORANDUM

TO: The Honorable Brenda Landwehr, Chair
The Honorable David Crum, Vice Chair
The Honorable Geraldine Flaherty, Ranking Minority
Members, House Health and Human Service Committee



FROM: ~~Representative~~ Gene Rardin
DATE: March 9, 2010
RE: HB2288–An Act Enacting The Healthcare Transparency Act

I am offering this testimony in support of HB2288.

In order for markets to work effectively in promoting competition and intelligent decision making, consumers must have accurate price information as well as measures of comparative provider effectiveness to enable effective decision making.

This bill takes a needed step in that direction.

HEALTH AND HUMAN SERVICES
DATE: 3-9-10
ATTACHMENT: 1-1

AARP Kansas
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March 9, 2010

The Honorable Brenda Landwehr, Chair
House Health and Human Services Committee

Reference: HB 2288

Good afternoon Madam Chair and members of the House Health and Human Services Committee. My name is Dr. Stephen Miller and I am an AARP Kansas Executive Council Volunteer. I am a retired physician and surgeon from Parsons, Kansas and I am currently the director of the Parsons Community Free Clinic. I hold or have held volunteer positions in Kansas Medical Society, KAMMCO, and Kansas AMA. I am serving as Doctor of the Day for the Kansas Legislature today. Before this committee, I am representing AARP Kansas, which represents the views of more than 345,000 members across the state of Kansas. Thank you for allowing us to present our comments on *HB 2288.*

Health care costs continue to rise as people's confidence that they will be able to get needed treatment without financial hardship decreases. Health costs are a leading cause of personal bankruptcy in the US and threaten the solvency of government programs and the global competitiveness of business.

AARP believes that greater accountability through transparency would allow consumers to make better informed decisions. We believe that consumers should be provided with sufficient information about health care providers, treatment options and price information to make informed health care decisions. This is especially true for consumers without insurance coverage or for those whose insurance does not cover the procedure in question.

Programs should be developed to support patients' use of such information. The savings would follow if patients are drawn (e.g., through physician referrals) to the practitioners and providers whose practice style and costs are the most efficient and effective.

HEALTH AND HUMAN SERVICES
DATE: 3-9-10
ATTACHMENT: 2-1

According to Medicinenet.com, elective surgery is decided by the patient or his/her doctor. The procedure is seen as beneficial but not absolutely essential at that time and can be scheduled at the patient's and surgeon's convenience.

Elective surgeries may improve the quality of life physically and/or psychologically. Some elective procedures improve functional quality of life or are necessary to prolong life even though they are technically an "optional" or elective procedure, such as angioplasty to improve blood flow and heart function or orthopedic surgical procedures, such as hip replacement or ACL reconstruction. There are literally hundreds of elective surgeries spanning all the systems of the body in modern medical practice.

The practice of informing patients what a health care procedure will cost by the attending physician has been done for many years. Many physicians' offices with computerized master bills have this information printed on them and in the patient's hand as he or she leaves the doctor's office. However, those charges do not include the cost of independent lab or x-ray fees to clear for anesthesia risk. These may come from several independent billing sources. The hospital and recovery room fees are also a separate billing entity. Doctors cannot predict total costs as they may not be privy to the information from the other sources. Federal Antitrust laws may also prohibit Doctors from discussing and negotiating fees.

If you visit the website for Galichia Heart Hospital in Wichita, you will see that they offer a flat rate for cardiac surgery. This is because Galichia provides and bills for all aspects of the procedure. Facilities such as Galichia Heart Hospital have the capability to provide information on all encompassing fees for procedures upon request. However, in other cases, the patient may have to question several participating entities for their specific cost, combining the various quotes to reach a realistic estimate for a procedure.

While we understand that there would be an additional clerical burden for providers, we support HB 2288 in theory and believe it to be step forward. We believe that more needs to be done to insure that patients can obtain the full costs of elective procedures upon request.

Thank you.

QUESTIONS TO ASK THE DOCTOR ABOUT ELECTIVE SURGERY:

Is surgery my only option?
What type of anesthesia will be used for this procedure?
What will my recovery time be?
What postoperative restrictions will I face after surgery?
Can the surgery be done as an outpatient procedure?
How long can I safely wait to have the surgery?
How many procedures of this nature have you performed? What's your success rate?
What are the costs involved with both the surgery and necessary postoperative care?

Resources:

AARP Policy Book: AARP Public Policies 2009-2010
Elective Surgery - http://www.surgeryencyclopedia.com/Ce-Fi/Elective-Surgery.html#ixzz0hLcK292d
Encyclopedia of surgery website. www.surgeryencyclopedia.com

Testimony in Support of HB 2288

House Health and Human Services Committee

Corrie Edwards, Executive Director, Kansas Health Consumer Coalition

March 9, 2010

Madam Chair and Members of the Committee:

I appear before you today in support of HB 2288, the healthcare price transparency act. I serve as the Executive Director of the Kansas Health Consumer Coalition (KHCC), an organization whose mission is to advocate for affordable, accessible, and quality health care for all Kansans.

The top priority of KHCC is to prevent and alleviate the occurrence of medical debt. Medical debt differs significantly from other types of debt because it is involuntary and often unexpected. The cost of health care is not usually a discretionary expense. The unexpected expense of care is exacerbated by the fact that costs are unknown until services are rendered.

Consumers have the opportunity to preview prices or receive estimates for virtually all other goods and services before purchasing. Yet, with health care, one of the most necessary and costly services that consumers purchase, the price is often a mystery.

KHCC supports all efforts that enable consumers to make informed decisions. Allowing consumers to receive cost estimates for health care provides an important tool in planning for health care expenses and prioritizing necessary care. Having access to cost estimates might reduce reliance on credit cards as the only way to pay for an unexpected, unknown cost. Medical bills are often due in full after ninety days. Again, having a cost estimate could help consumers calculate whether such services can be paid for in the time allotted and begin communicating with the provider before the process has begun.

KHCC supports HB 2288 as a step in the right direction of providing consumers with the information necessary to make educated decisions about their health care choices. I encourage you to approve this legislation and thank you for your consideration.

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Tom Bell
President and CEO

TO: House Health and Human Services Committee

FROM: Chad Austin
Vice President, Government Relations

SUBJECT: House Bill 2288

DATE: March 9, 2010

The Kansas Hospital Association appreciates the opportunity to testify on House Bill 2288. The subject of health care data transparency in general, and health care pricing specifically, has been an issue of policy discussion and development for our membership over the past several years. Throughout these discussions our members have been unanimous in their belief that as we move towards a more consumer driven health care marketplace that transparency of all health care data will be a key component for consumers, employers and policy makers.

The amount of information being requested of health care providers has grown tremendously over the past few years. While many of these programs are well-intended, the resources necessary to meet these requirements are somewhat demanding. The Kansas Hospital Association has developed a list of guiding principles to be considered when evaluating health care transparency programs. Among these principles include the responsibility that all parts of the health care industry be accountable for sharing information publicly regarding health care information. Another principle states that attempts should be made to avoid any unnecessary duplication of transparency efforts being conducted on the state and federal level. One of the most overlooked, but often costly, burdens placed on health care providers is the redundant reporting requirements of the same information to multiple sources.

One program that we would like to recognize on the federal level that enables consumers to review quality and pricing information by individual hospital is Hospital Compare. Hospital Compare was created through the efforts of the Centers for Medicare & Medicaid Services (CMS), the U.S. Department of Health and Human Services, and the Hospital Quality Alliance (HQA). Among the members of the HQA include the American Hospital Association, American Medical Association, American Nurses Association, America's Health Insurance Plans, AARP, AFL-CIO, The Joint

Kansas Hospital Association • *celebrating 100 years of Kansas hosp*
215 S.E. 8th Ave. • Topeka, KS 66603-3906 • Phone: (785) 233-7436 • Fax: (785) 233-69

Commission, U.S. Chamber of Commerce, National Business Coalition on Health, and the General Electric Company. Consumers may access the Hospital Compare web site at www.hospitalcompare.hhs.gov and search among 32 medical and surgical procedures; that range from heart failure, pneumonia, and diabetes to gallbladder surgery, hernia surgery, and major joint replacement. Besides providing the hospital's median Medicare payment for each of the 32 procedures, the web site compares outcome measures for the hospital against national averages as well as patient satisfaction results. Thus far, there are 110 Kansas hospitals that have agreed to participate in the program.

House Bill 2288 serves as a complement to the public and private health care transparency initiatives already underway on the national level. The proposed bill would ensure that every patient is able to obtain a price estimate for non-emergency health care services in a timely manner from their health care provider. However, the provisions of House Bill 2288 solve only one piece of health care pricing puzzle. Oftentimes patients who request pricing estimates also inquire about their "out-of-pocket" cost. With the numerous and ever-changing insurance deductibles, co-payments and other insurance requirements, this information is not something that is readily available to the health care provider and must be requested directly from the insurance carrier.

The Kansas Hospital Association appreciates the opportunity to share our comments on House Bill 2288. We respectfully request that any action taken by this committee does not place further requirements on health care providers through duplication and added regulatory burdens, but build upon the systems already in place.

Thank you for consideration of our comments.

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Medical Conditions and Surgical Procedures

The following medical conditions and surgical procedures are available on Hospital Compare.

Medical Conditions

- **Heart Attack**
- **Heart Failure**
- **Chronic Lung Disease**
- **Pneumonia**
- **Diabetes in Adults**
- **Chest Pain**

Surgical Procedures

Heart and Blood Vessels

- **Heart Valve Surgery**
- **Major Heart and Blood Vessel Surgery**
- **Heart Defibrillator Implant (without cardiac catheterization)**
- **Heart Defibrillator Implant (with cardiac catheterization)**
- **Other Head and Neck Blood Vessel Surgery**
- **Heart Bypass Surgery**
- **Pacemaker Implant**
- **Angioplasty Procedures**

Abdominal

- **Gallbladder Surgery (laparoscopic)**
- **Gallbladder Surgery (Non-Laparoscopic)**
- **Hernia Surgery**
- **Bowel Surgery**
- **Stomach, Esophagus, Small Bowel Surgery**

Neck, Back and Extremities (Arms and Legs)

- **Spinal Fusion (cervical)**
- **Spinal Fusion (not cervical)**
- **Back and Neck Surgery (no fusion)**
- **Arm and Shoulder Surgery**
- **Major Surgery (more than one joint - hip, knee, ankle)**
- **Major Joint Replacement/Reattachment Surgery (e.g., hip, knee)**
- **Joint (hip, knee) Revision Surgery**
- **Muscle and Bone Biopsy**
- **Other Bone and Muscle Surgery**

Bladder, Kidney and Prostate

- **Kidney and Ureter Surgery (for cancer)**
- **Kidney and Ureter Surgery (not for cancer)**
- **Kidney and Urinary Tract Surgery Done Through the Urethra**
- **Other Kidney and Urinary Tract Surgery**

Compare Hospitals

Below are the hospital(s) you selected with their related information.

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	COFFEYVILLE REGIONAL MEDICAL CENTER	MERCY REGIONAL HEALTH CENTER	STORMONT-VAIL HEALTHCARE
Your Selected Hospitals	1400 W 4TH ST COFFEYVILLE, KS, 67337 (620) 252-1200	1823 COLLEGE AVE MANHATTAN, KS, 66502 (913) 776-2831	1500 SW 10TH ST TOPEKA, KS, 66604 (785) 354-6121
	Acute Care Mapping & Directions	Acute Care Mapping & Directions	Acute Care Mapping & Directions

Hospital Process of Care Measures [What is This?] Back to Top

Pneumonia Process of Care Measures

Pneumonia is a serious lung infection that causes difficulty breathing, fever, cough and fatigue. These measures show some of the recommended treatments for pneumonia. **Read more information about pneumonia care. Learn why Pneumonia Process of Care Measures are Important.**

Measure	COFFEYVILLE REGIONAL MEDICAL CENTER	MERCY REGIONAL HEALTH CENTER	STORMONT-VAIL HEALTHCARE
Percent of Pneumonia Patients Assessed and Given Pneumococcal Vaccination	60%	90%[2]	100%
Percent of Pneumonia Patients Whose Initial Emergency Room Blood Culture Was Performed Prior To The Administration Of The First Hospital Dose Of Antibiotics	97%	96%[2]	92%
Percent of Pneumonia Patients Given Smoking Cessation Advice/Counseling	79%	100%[2]	100%
Percent of Pneumonia Patients Given Initial Antibiotic(s) within 6 Hours After Arrival	93%	99%[2]	96%
Percent of Pneumonia Patients Given the Most Appropriate Initial Antibiotic (s)	80%	91%[2]	93%
Percent of Pneumonia Patients Assessed and Given Influenza Vaccination	67%	78%	97%

[2] The hospital indicated that the data submitted for this measure were based on a sample of cases.

Hospital Outcome of Care Measures [What is This?] Back to Top

Hospital Death (Mortality) Rates Outcome of Care Measures

"30-Day Mortality" is when patients die within 30 days is of their admission to a hospital. Below, the death rates for each hospital are compared to the U.S. National Rate. The rates take into account how sick patients were before they were admitted to the hospital. **Read more information about hospital mortality measures**.

	COFFEYVILLE REGIONAL MEDICAL CENTER COFFEYVILLE, KS	MERCY REGIONAL HEALTH CENTER MANHATTAN, KS	STORMONT-VAIL HEALTHCARE TOPEKA, KS
	Acute Care	Acute Care	Acute Care
Death Rate for Pneumonia Patients	No Different than the U.S. National Rate	No Different than the U.S. National Rate	No Different than the U.S. National Rate

Hospital Readmission Rates Outcome of Care Measures

"30-Day Readmission" is when patients who have had a recent hospital stay need to go back into a hospital again within 30 days of their discharge. Below, the rates of readmission for each hospital are compared to the U.S. National Rate. The rates take into account how sick patients were before they were admitted to the hospital. **Read more information about hospital readmission measures**.

Notice: Important Information about Maryland Hospitals

	COFFEYVILLE REGIONAL MEDICAL CENTER COFFEYVILLE, KS	MERCY REGIONAL HEALTH CENTER MANHATTAN, KS	STORMONT-VAIL HEALTHCARE TOPEKA, KS
	Acute Care	Acute Care	Acute Care
Rate of Readmission for Pneumonia Patients	No Different than the U.S. National Rate	No Different than the U.S. National Rate	No Different than the U.S. National Rate

Survey of Patients' Hospital Experiences [What is This?] Back to Top

HCAHPS (Hospital Consumer Assessment of Healthcare Providers and Systems) is a national survey that asks patients about their experiences during a recent hospital stay. Use the results shown here to compare hospitals based on ten important hospital quality topics. **Read more information about survey of patients' hospital experiences .**

	COFFEYVILLE REGIONAL MEDICAL CENTER COFFEYVILLE, KS	MERCY REGIONAL HEALTH CENTER MANHATTAN, KS	STORMONT-VAIL HEALTHCARE TOPEKA, KS
	Acute Care	Acute Care	Acute Care
Percent of patients who reported that their nurses "Always" communicated well.	72%	75%	77%

Percent of patients who reported that their doctors "Always" communicated well.	76%	83%	78%
Percent of patients who reported that they "Always" received help as soon as they wanted.	55%	66%	73%
Percent of patients who reported that their pain was "Always" well controlled.	66%	67%	70%
Percent of patients who reported that staff "Always" explained about medicines before giving it to them.	49%	58%	62%
Percent of patients who reported that their room and bathroom were "Always" clean.	72%	64%	74%
Percent of patients who reported that the area around their room was "Always" quiet at night.	52%	59%	62%
Percent of patients at each hospital who reported that YES, they were given information about what to do during their recovery at home.	71%	84%	82%
Percent of patients who gave their hospital a rating of 9 or 10 on a scale from 0 (lowest) to 10 (highest).	62%	68%	74%
Percent of patients who reported YES, they would definitely recommend the hospital.	56%	72%	78%

Medicare Payment and Volume

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Simple pneumonia & pleurisy w MCC (MS-DRG 193)

	COFFEYVILLE REGIONAL MEDICAL CENTER COFFEYVILLE, KS	**MERCY REGIONAL HEALTH CENTER** MANHATTAN, KS	**STORMONT-VAIL HEALTHCARE** TOPEKA, KS
	Acute Care	Acute Care	Acute Care
Median Medicare Payment	$6,242	$6,117	$6,922
Number of Medicare Patients Treated	48 Medicare Patients	19 Medicare Patients	102 Medicare Patients

Medicare Payment Range[b] for Hospitals in the United States for this Medicare Severity-Diagnosis Related Group (MS-DRG) $6,485 - $8,216

Total Number of Medicare Patients Treated[c] in the United States for this Medicare Severity-Diagnosis Related Group (MS-DRG) 127,156

Medicare Payment Range[b] for Hospitals in Kansas for this Medicare Severity-Diagnosis Related Group (MS-DRG) $6,292 - $7,184

Total Number of Medicare Patients Treated[c] in Kansas for this Medicare Severity-Diagnosis Related Group (MS-DRG) 1,220

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[b] This is the middle range of payments for the most typical cases treated in this geographic area for this condition or procedure.

[c] Number of Medicare Patients Treated: The number of discharges the hospital treated for each MS-DRG from October 2007 through September 2008. The United States and state average of Medicare Patients does not include hospitals with zero cases.

Data Last Updated: November 23, 2009
Page Last Updated: December 16, 2009

Kansas Association of Insurance Agents

Testimony on House Bill 2288
Before the House Health & Human Services
By Kerri Spielman
March 9, 2010

Thank you madam Chair and members of the Committee for the opportunity to submit testimony in support of House Bill 2288. My name is Kerri Spielman and I'm representing the Kansas Association of Insurance Agents (KAIA). We have approximately 520 member agencies and branches throughout the state and our members employ approximately 2,500 Kansans. Most of our agencies have a staff member who is licensed for life and health insurance and provide the coverage for their clients.

The KAIA has long maintained that promoting free market competition in health care will bring down costs. In order to have free market competition, consumers must be encouraged to become more engaged in their health care decisions and be given the tools to do so. Tools such as consumer directed health care – or high deductible plans, health savings accounts, electronic medical records and transparency in health care pricing would educate consumers on the costs of health care and encourage them to shop the market for the best price and the best quality.

Price comparison can only be accomplished, however, if pricing is available. For that reason, we strongly support HB 2288 which brings Kansans one step closer to having the complete transparency in health care pricing that is needed if Kansas is going to begin lowering health care costs.

We urge the Committee to act favorably on HB 2288. We would be happy to provide additional information or answer questions at the appropriate time.

815 SW Topeka Blvd.◆ Topeka, KS 66612 ◆ (785) 232-0561

To: House Health and Human Services Committee

From: Jerry Slaughter
Executive Director

Date: March 9, 2010

Subject: HB 2288; Health care transparency

The Kansas Medical Society appreciates the opportunity to submit the following comments on HB 2288, and more generally on the issue of transparency in health care. In recent years "transparency" has become one of the most-often used terms in any discussion of health system reform. In the simplest terms, transparency means making available to consumers meaningful cost information so that they can make informed health care decisions for themselves and their families. The hope is that greater pricing transparency will lead to lower prices, increased competition, and more prudent utilization of services.

It is widely believed that for so-called consumer directed health insurance products, such as HSAs, to be effective at restraining the growth in health care costs, it is essential that there be greater transparency across the health care system. There is a growing body of evidence that such insurance products help reduce health care expenditures, because they tend to require that the patient become more engaged in their health care purchasing decisions. However, today such products are in the vast minority in our health insurance marketplace. Traditional insurance products, which are in the vast majority, tend to insulate the patient from the true cost of their care, because so little of health care is paid for out-of-pocket by the individual. For patients with traditional insurance products, just posting fees and charges by providers is not likely to provide patients with meaningful information about the actual cost of the services that they need.

For example, the fee a physician charges for a specific service may bear little relationship to the total cost of care for the treatment of the patient's condition. In our current system, the vast majority of health care services are purchased by health insurers or third parties – both public and private - not individuals. For the overwhelming majority of patient encounters in the traditional insurance system, physicians' fees are subject to *de facto* price controls, either through limits imposed by government programs such as Medicare and Medicaid, or through contracts with private health plans. In both instances, significant discounts from the physician's fee have already been agreed to, thus making the posted fee not really meaningful.

In addition, knowing the charge for a routine office visit or surgical procedure doesn't tell the patient anything about what other diagnostic tests or procedures may be required if

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the patient's needs turn out to be more complex, nor does it let the patient know what other costs will be incurred as a result of referral to another physician specialist or health care facility. Simply telling patients what a physician's fees are for common procedures still doesn't let patients know what their ultimate financial responsibility is unless insurers also disclose how much they will pay for the course of treatment, and how insureds can determine, in advance, the difference. Simply knowing the price of various services is of very little value without an overall picture of the total cost of care involved, including co-pays and other cost-sharing features of the plan, as well as lab, imaging, prescription drugs, hospital care, etc.

All that said, in order to be prudent purchasers of health care services, patients should have reasonable access to information that will enable them to determine in advance the expected cost of the services they are purchasing. To be meaningful, transparency requirements should:

- involve all aspects of the system, including health insurers, government programs, third party service intermediaries such as pharmacy benefit managers and claim re-pricers, and the full spectrum of health care providers;
- be administratively simple to comply with, and should avoid adding unnecessary costs to providers and insurers;
- require that requests for pricing information be made in writing, and that a provider be given a reasonable period of time to respond;
- allow providers to disclose the requested information with the clear understanding that complications or clinical findings could require additional services not anticipated, and
- make it clear that the charges or price information provided in good faith does not constitute a binding representation of the ultimate cost of the services which are necessary, for the reasons specified above.

HB 2288 is a good starting point for improved transparency, and with enhancements such as those mentioned above, will make the first steps toward making meaningful cost information available to patients.

Thank you for the opportunity to offer these comments.

Kansas Association of Health Plans

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March 9, 2010

HB 2288
Testimony before the House Insurance Committee
Marlee Carpenter, Executive Director

Chairman Landwher and members of the Committee;

I am Marlee Carpenter, Executive Director of the Kansas Association of Health Plans (KAHP). The KAHP is a nonprofit association dedicated to providing the public information on managed care health plans. Members of the KAHP are Kansas licensed health maintenance organizations, preferred provider organizations and other entities that are associated with managed care. KAHP members serve the majority of Kansans enrolled in private health insurance. KAHP members also serve the Kansans enrolled in HealthWave and Medicaid managed care. We appreciate the opportunity to provide comments on HB 2288.

KAHP believes that transparency is an important issue and the amount of information requested has increased in recent years. KAHP members have responded and have developed new and innovated tools to help provide their members with additional transparency of information. KAHP members want to ensure that the information required by any type of legislation is helpful, useful and information the consumer can easily obtain and use. In addition, we want to ensure that the information is reflective of current technology and does not codify ways of doing business that may become outdated.

KAHP members have invested in web-based tools in which members can access cost information. In addition, customer service telephone lines have been established in which consumers can call to access this information. Insurance companies have invested heavily in these tools which will provide their members better access to information affecting their health care dollars.

We have been working with several interest groups on language that would allow for additional transparency of health related information. There are several issues that are important to insurance companies to ensure that this data is use and helpful to the consumer.

- The consumer must provide adequate information to the insurance company so that they can provide the best possible estimate. This information could include physician, hospital, date of procedure, type of drug, etc...
- The time-line must be such that insurance companies have time to respond. The 10-day requirement in the bill may not be enough time to process the requests; and,

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- Flexibility must be part of the legislation, so that insurance companies that have invested in web-based technology or customer services lines, will not have to establish new and costly procedures to deal with these requests.

KAHP members want to ensure that the transparency information required by this bill will useful and helpful to the consumer; is not duplicative of other information available and is not costly so that companies can keep the cost of health insurance as low as possible.

Thank you for your time and I will be happy to answer any questions.

American Heart Association® | American Stroke Association®
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March 9, 2010

TO: House Committee on Health & Human Services

FROM: Linda J. De Coursey, Advocacy Director—Kansas

RE: HB 2288—Health Care price transparency act.

Madame Chair and members of the committee:

Thank you for your consideration of this important issue and allowing my written testimony. I am Linda De Coursey representing the American Heart Association. The mission of the Heart Association is to build healthier lives free of cardiovascular disease and stroke.

Eight State & Local Public Policy Priorities are from which we work in the Advocacy Department. One of which is quality and availability of health care. We hope that one day all United States residents will have access to and coverage for appropriate and affordable quality health care. This includes effort to eliminate healthcare disparities, including racial and ethnic disparities.

The American Heart Association has a longstanding commitment to approaching health reform from the patient's perspective. Health care cost transparency is the patient's ability to discover how much a particular medical service or treatment costs (prior to receiving the treatment or service). We would support issues of transparency of health insurance benefits, and associated costs. We would support the issue of greater transparency as a means to empower the health care consumer as it relates to the business practices, product offering and claims history of health insurance companies. We would also encourage policies that increase transparency of the costs and insurance coverage and expand consumers' health care decision making tools. We would also want to ensure that any quality of health care measures reported as valid, reliable and reinforce evidence-based treatment and guidelines.

In our current system of care, where prices for the same procedure often varies based on wither the patient is insured or who is insuring them. Different insurers have negotiated different rates with providers. The health care consumer has little nor no idea how much their care actually costs.

In a new survey released this February by the American Heart Association on heart disease and stroke patients, it finds that patients and their families suffering from heart disease and stroke face significant challenges in determining what is covered by insurance.

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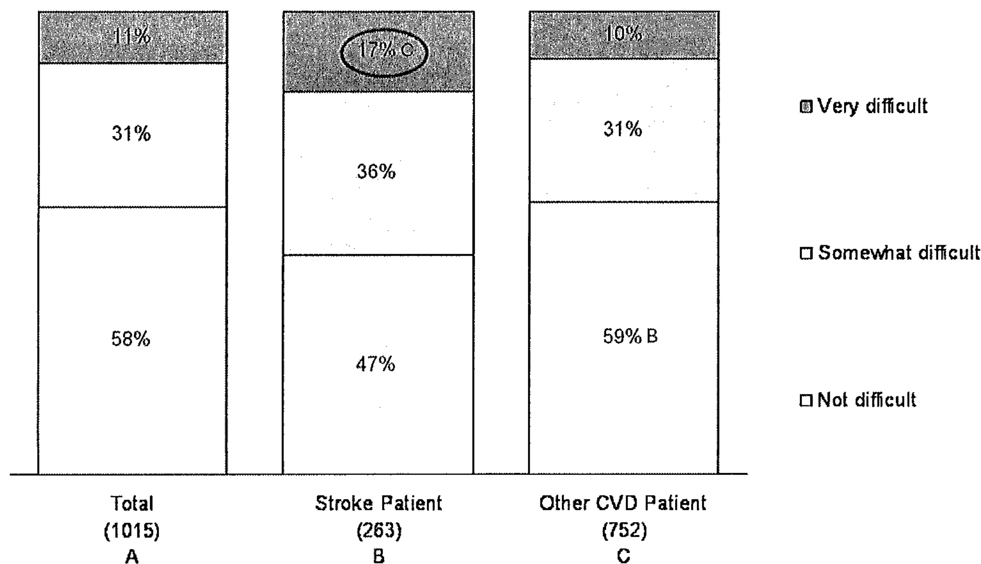
American Heart Association | American Stroke Association
Learn and Live

Stroke Patients have more difficulty in determining what is covered by insurance; almost one-fifth of Stroke Patients say it is "very difficult."

Difficulty In Determining What Treatments/Care Covered By Insurance



Q.33 How easy or difficult has it been to figure out what cardiovascular treatments and care are covered by your insurance?
B/C = Significantly higher at the 95% (upper case) or 90% (lower case) confidence level

A full copy of this survey is available upon request.

Nationally, we are trying to tackle the phenomenal health care problems, and we appreciate that Kansas legislators are trying as well. If medical cost information were readily available, patients would be better equipped to shop around for the best price for care, potentially saving thousands of dollars.

Thank you again for allowing me to speak out on this important topic.

American Heart Association
5375 SW 7th Street, Topeka, KS 66606
Linda J. De Coursey, Advocacy Director—Kansas
785-228-3437 ~ 785-272-2425 (fax) ~ linda.decoursey@heart.org

Written Testimony in Support of HB2288
by Sandy Braden Gaches, Braden and Associates on behalf of the
Kansas Association of Health Underwriters
House Health and Human Services Committee
Tuesday, March 9, 2010

Thank you for the opportunity to provide written testimony in support of HB2288.

The Kansas Association of Health Underwriters supports any efforts of the Kansas legislature to improve the ability for the health care consumer to make informed choices on their health care options, including efforts to make the process more transparent.

HB2288 would provide this transparency by requiring a health care provider to provide an estimate of the cost of elective or non-emergency health care service. This would allow the consumer to make an educated decision on their health care services.

A fundamental shift in the behavior of all Kansans is essential for the State to control the continually escalating costs of health care and health insurance. Consumers must make better lifestyle choices and must become better consumers of health care.

Health care is the only commodity that we purchase without knowing the cost or quality before we purchase it. Thus, key to becoming a better health care consumer is to have access to information about medical procedures and outcomes, and understand the relative costs and effectiveness of health care options.

It has become a trite phrase to say that "consumers need some skin in the game" if we are to eventually control the costs of health care and health insurance.

The Kansas Association of Health Underwriters think that's a true statement and consumers will never have skin in the game if they don't understand the costs and quality of the health care services they are choosing. HB2288 will assist in that goal.

The Kansas Association of Health Underwriters encourages the House Health and Human Services Committee to support a health care reform program that includes HB22288, which encourages consumers to make informed choices.

Sandy Braden
Gaches, Braden and Associates
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HEALTH AND HUMAN SERVICES
DATE: 3-9-10
ATTACHMENT: 9-1

To: House Health and Human Services Committee

From: Jerry Slaughter
Executive Director

Date: March 9, 2010

Subject: SB 500; Concerning the Healing Arts Act and the use of academic degrees

The Kansas Medical Society appreciates the opportunity to appear in support of SB 500, which was introduced at our request. This legislation makes a largely technical change in the Healing Arts Act to clarify that unlicensed MDs, DOs, and DCs can use their earned academic degree initials ("MD", for example) without violating the Healing Arts Act, so long as they are not engaged in the practice of the healing arts, or misleading the public or other health care providers as being so engaged.

In response to a 2004 Kansas Court of Appeals decision in *Kansas State Board of Healing Arts v. Thomas*, the Board has begun prosecuting unlicensed physicians for practicing medicine without a license when using their earned academic degree on business cards, or stationery, or when signing their names to correspondence. In *Thomas*, the Court ruled that a Johnson County dentist (Steven L. Thomas, DDS) who received a medical degree from a Caribbean medical school after eight weeks of training was not entitled to use the term "MD" because the use of the term would be confusing to other medical professionals and the public.

The Court relied upon a literal reading of a couple older sections of the Healing Arts Act in reaching its decision. Though the Court applied that portion of the Act literally, it also said that the Act's statutory scheme as it relates to an unlicensed individual's use of the initials "MD" was overbroad and should be narrowed. The unintended consequences of the Court's interpretation of the Healing Arts Act (written in 1957), is that even a retired physician could not use the "MD" designation without maintaining a license.

In other words, under the interpretation of the law in *Thomas*, a physician in a purely administrative capacity, or a retired physician, could not use the initials "M.D." without being licensed by the Healing Arts Board, even if he or she was not practicing medicine.

It is not our intent with this bill to allow MDs, DOs, or DCs to avoid having to be licensed if they are truly engaged in the practice of the healing arts, or if they are holding themselves out to the public to be so engaged. Nor do we want to tie the hands of the Board, or place any impediments

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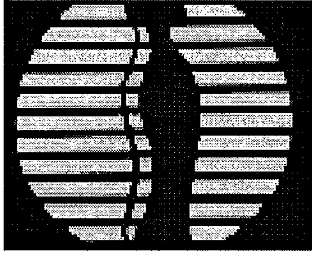
to proper enforcement of the law and protection of the public. However, our view is that the language in the Healing Arts Act on this point is in fact quite overbroad, and was never intended to prevent a person from using an academic degree that he or she earned, without being licensed, so long as they are not misleading the public about their licensure or practice status. In essence, this bill codifies the Court's recommendation in *Thomas*.

After discussions with the Board we offered an amendment in the Senate committee that ensures the Board can appropriately carry out its enforcement functions. The Senate Committee adopted the amendment, which appears on lines 33-35 of the bill. We would like to offer three additional amendments intended to add further clarification. The first is merely technical, and it appears on the first line below. It inserts "the Kansas healing arts act" for "this act". The second technical amendment appears at the end of the bill, and would change the effective date from the statute book to the Kansas register. The final amendment is substantive, in that it would make it clear that the new statutory provisions would apply to any pending case currently before the Board that has not reached a final order on the effective date of this act. We don't believe this would adversely affect any Board proceeding in which it was disciplining a physician for truly attempting to mislead the public, or for engaging in the healing arts without being licensed. It just makes it clear that the bill would govern all matters of this nature before the Board.

The suggested amendments appear below as underscored:

> (d) *It shall not be considered a violation of ~~this act~~* the Kansas healing arts act *if an unlicensed person appends to such person's name the word "doctor" or the letters "M.D.", "D.O." or "D.C.", if such person has earned such professional degree from an accredited healing arts school or college, and if* ***the use of*** *such word or initials ~~are not used with the intent of representing or~~* ***is not*** *misleading the public, patients or other health care providers that such person (1) is engaged in the practice of the healing arts within this state; or (2) is licensed to practice the healing arts in this state.* The provisions of this subsection shall apply to any proceeding pending before the board that has not reached a final order or disposition by the board prior to the effective date of this act and to any proceeding commenced before the board on or after the effective date of this act.
>
> *(e)* Violation of this section is a class C misdemeanor.
>
> Sec. 2. K.S.A. 65-2867 is hereby repealed.
>
> Sec. 3. This act shall take effect and be in force from and after its publication in the ~~statute book~~ Kansas register.

We appreciate your consideration of our comments, and would urge that you report SB 500 favorably for passage, as amended. Thank you.



Kansas

Chiropractic

Association

TESTIMONY

Before the
House Committee on Health and Human Services
March 9, 2010

"AN ACT ... concerning the healing arts act ... regarding an exception to prohibited acts ..."

Chairperson Landwehr and members of the Committee:

The members of the Kansas Chiropractic Association, representing doctors of chiropractic practicing throughout the state of Kansas, wish to stand in support of S.B. 500, as amended in the Senate, concerning the use of the titles M.D., D.O., or D.C. by holders of those academic degrees.

We support this new provision within the existing Healing Arts Act if there is no intent by unlicensed individuals to mislead the public and if the person is not engaged in practice with patients.

Thank you for the opportunity to speak.

JOHN L. KIEFHABER
KCA Executive Director

HEALTH AND HUMAN SERVICES
DATE: 3-9-10
ATTACHMENT: 11-1

Kansas Association of Osteopathic Medicine
1260 SW Topeka Boulevard
Topeka, Kansas 66612
Phone (785) 234 5563
Fax (785) 234 5564

TESTIMONY

House Committee on Health and Human Services
March 9, 2010
SB 500

My name is Bob Williams, Executive Director of the Kansas Association of Osteopathic Medicine. Thank you for this opportunity to address the committee regarding SB 500.

The Kansas Association of Osteopathic Medicine (KAOM) is in support of SB 500. SB 500 permits medical doctors, doctors of osteopathic medicine, and doctors of chiropractic medicine who have graduated from an accredited school of healing arts to use their appropriate academic designation without licensure as long as the use of the designation is not used with the intent of misleading the public, patients, or other health care providers that the person is licensed or engaged in the practice o healing arts.

The academic designation used by physicians is based on years of dedicated medical education. It is an "earned degree" that does not expire when the physician chooses to discontinue practicing medicine or renew his medical license. Physicians employed by a university to teach, employed in an administrative position, or simply retired, may choose not to renew or seek a medical license from the Kansas State Board of Healing Arts. However, these physicians should be allowed to use their earned academic designation without concern they are in violation of the law. When SB 500 was discussed by the KAOM membership, several retired D.O.s, who no longer practice medicine and have not renewed their license with the Board of Healing Arts, were surprised they would be considered in violation of Kansas law by continuing to use their D.O. designation.

We encourage your support of SB 500.

Thank you.

KANSAS
BOARD OF HEALING ARTS

Mark Parkinson, Governor
Kathleen Selzler Lippert, Acting Executive Director

www.ksbha.org

March 9, 2010

TO: Health and Human Services
FROM: Kathleen Selzler Lippert, Acting Executive Director

RE: Senate Bill 500, Amending K.S.A. 65-2867

Dear Chairperson Landwehr and Committee Members:

The Kansas State Board of Healing Arts supports SB 500. This bill proposes to amend K.S.A. 65-2867 and allow unlicensed medical doctors, doctors of osteopath, and doctors of chiropractic to use the initials of their academic designation and refer to themselves as "Dr." so long as it does not mislead or misrepresent to the public that this individual is engaged in the healing arts, or is licensed by the Board.

The Kansas Medical Society has worked closely with the Kansas State Board of Healing Arts to amend this statute. The Board's impetus behind amending this statute is to codify the 2004 ruling issued in *State v. Thomas* (33 Kan.App.2d 73). The appellate court held that the statute as currently written is overbroad and the Board of Healing Arts only has authority to "ban those uses of the term MD designation that may potentially mislead the public, patients, other healthcare practitioners, or hospitals concerning the user's license or unlicensed status."

KSBHA supports SB 500 because it codifies the *Thomas* ruling while still ensuring that the Board retains the ability to carry out its greatest purpose of protecting the citizens of Kansas from the unauthorized, unsafe practice of medicine.

The passage of the SB 500 will not result in any fiscal impact to the Kansas State Board of Healing Arts.

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EXECUTIVE DIRECTOR

PAM SCOTT
Topeka

March 9, 2010

To: House Health and Human Services Committee

From: Pam Scott, Executive Director

Re: Substitute for Senate Bill No. 475

Madam Chair and members of the Committee, thank you for the opportunity to appear before you today on behalf of the Kansas Funeral Directors Association (KFDA) in support of Substitute for Senate Bill No. 475. The bill which was introduced at the KFDA's request unanimously passed the Senate and is now before this committee for consideration.

Substitute for Senate Bill No. 475 proposes to amend the definition of "funeral director" in K.S.A. 65-1713 to clarify that it includes the offering of cremation services to the public. We ask for this legislation simply as a matter of consumer protection.

K.S.A. 65-1713(a) currently defines a "funeral director" as "a person engaged in or conducting, or holding oneself out as engaged in or conducting the business of: (1) Preparing dead human bodies, other than by embalming, for disposition; or (2) Meeting with families for the purpose of making at-need funeral arrangements; or *(3) Directing and supervising the disposition of dead human bodies;* or (4) Providing or maintaining a funeral establishment, branch funeral establishment or crematory". (Emphasis added). Cremation is a form of disposition.

The KFDA seeks to amend the definition of a funeral director to assure that all persons offering cremation services to the public are accountable to a regulatory agency and required to be knowledgeable of the laws relating to funeral service and cremations. This request is consistent with the fact that all funeral directors, assistant funeral directors, embalmers and crematory operators are required to have and maintain a license for accountability to the public.

To accomplish this, we are proposing that the definition of a funeral director in K.S.A. 65-1713(a) (3) be amended to read "Directing, arranging for or supervising the disposition of dead human bodies whether by burial or cremation".

This legislation is necessary because the Kansas State Board of Mortuary Arts (KSBMA), upon the advice of their legal counsel, has decided that Kansas law, as

currently written, allows a person to offer cremation services to the public without holding a Kansas funeral directors license. Due to the KSBMA's interpretation, an unlicensed person, through a company that is not a licensed funeral establishment or crematory, can advertise, arrange, direct and sell cremations directly to the public. The Attorney General's office provided an informal opinion that such actions do not constitute acting as a funeral director because a person would be "directing" but not "supervising" the disposition of dead bodies if the person did not actually cremate the body. They said the law requires both. We disagree and are asking the legislature to bring clarity to the issue by passing this legislation.

To our knowledge, there is only one individual currently providing cremation services to the public who is not licensed as a funeral director. To assure that person can continue to operate, the bill contains compromise language that would exempt an individual that has been lawfully providing cremation services in this state for five consecutive years from the serving an apprenticeship which is a prerequisite to licensure as a funeral director. It also provides a 120 grace period from the effective date of the bill to become licensed as a funeral director.

Larry McElwain, a KFDA member will testify on behalf of the KFDA and explain why our members believe this legislation is important.

I will be happy to stand for questions now or with Mr. McElwain at the conclusion of his testimony.

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EXECUTIVE DIRECTOR

PAM SCOTT
Topeka

March 9, 2010

To: House Health and Human Services Committee

From: Larry McElwain
Warren-McElwain Mortuary

Re: Substitute for Senate Bill No. 475

Madam Chair and members of the Committee, thank you for the opportunity to testify today. I am Larry McElwain, a practicing funeral director from Lawrence Kansas and a member of the Kansas Funeral Directors Association (KFDA).

The Kansas Funeral Directors Association's Executive Director Pam Scott has explained to you the circumstances that bring us here today to ask for this legislation. I will explain to you why you should support the amendments we are requesting.

The KFDA has always believed that Kansas law required that any person offering cremation services to the public must hold a Kansas funeral directors license because of the definition of a funeral director in K.S.A. 65-1713(a). Since the Kansas State Board of Mortuary Arts (KSBMA) has interpreted Kansas law otherwise, we are seeking this legislative change. Most other states including Missouri, Nebraska and Oklahoma interpret their laws to require individuals providing such cremation services to be licensed.

If this bill is not enacted and the definition of a funeral director is not changed, any person could offer their services to the public for a fee with no accountability or regulation. Upon receiving a phone call from a family, they could go into a family's home for the purpose of making cremation arrangements. For a fee, that person could obtain a cremation authorization form, collect information for a death certificate, arrange for the body to be delivered to the crematory, pay the crematory a fee to cremate, and then pick up and deliver the cremated remains to the family.

The KFDA believes such actions constitute funeral directing because such person is directing and supervising disposition from beginning to end. The only thing such a person does not do is actually cremate the body.

Funeral directors are experts in assisting a family in all aspects of death care and helping them through one of the most difficult times of their lives. They work 24 hours a day, 7 days a week to help the families they serve. They are prepared for this role through licensure requiring 60 hours of college education, an apprenticeship

under the guidance of a licensed funeral director, a written examination which covers Kansas mortuary law, business law, the sociology of funeral service, psychology, and Kansas funeral directing and preneed laws. Once licensed they are subject to on-going continuing education.

We would like to emphasize that Kansas law does not prohibit a family from burying or arranging for the cremation of their loved one on their own, without using a licensed director or funeral home. They can work with the crematory directly if the crematory operator in charge of the crematory is a licensed funeral director or embalmer as Kansas cremation statutes require. However, when a family hires a complete stranger to arrange, direct and supervise a cremation on their behalf, it is important such services should only be provided by a person who has received proper education and training and who is knowledgeable of Kansas laws regulating cremation. That person is a licensed funeral director. Accountability to the KSBMA and the consumer are paramount.

The public deserves to be protected especially in light of the several scandals that have occurred across the country involving crematories and cemeteries. Kansas was ahead of the game by passing crematory regulations before problems occurred with the Tri-State Crematory in Georgia. If a scandal involving missing money or wrongful cremation due to lack of proper authorization would hit Kansas, the public will cry out for such legislation.

Without regulatory oversight, anyone could start a cremation business. There would be no one to assure a person walking into a consumer's home does not have a criminal record. If a problem arose concerning missing money or wrongful cremation due to lack of proper authorization, the public would ask why such legislation was not already in place. The most frequent question we get in the KFDA office is who has the right to control disposition or give authorization in complex family situations. The answer requires knowledge of Kansas law.

There are many professions in Kansas that require a license where perhaps an unlicensed individual could perform certain tasks in a safe and competent manner. Licensing laws, however, are in place to protect the consumer against instances where the person providing services and taking consumers hard earned dollars are unprofessional, incompetent, and untrustworthy. Licensing laws provide minimum educational requirements, standards of conduct and most importantly accountability.

Some may argue that by allowing an unlicensed individual to offer cremation services to the public, there will be a cost savings to the consumer. That may or may not be the case. Prices vary from one funeral home to another. Consumers should

always shop around for the prices and services that meet their needs. Cost is not the issue here. Consumer protection and accountability is.

I appreciate the opportunity to appear before you today and hope that you will support this consumer friendly legislation. Kansas has a reputation of being "out front" in protecting the consumer in funeral service. We are proud to serve with high ideals and good laws that help police the profession and safeguard consumers. I would be happy to answer any questions you may have. Thank you.

PROPOSED AMENDMENTS TO SUB FOR SB 475
[deleted material shown in brackets in strike type; new material in boldface and larger type]

Substitute for SENATE BILL NO. 475

By Committee on Public Health and Welfare

AN ACT concerning funeral directors; amending K.S.A. 65-1714 and K.S.A. 2009 Supp. 65-1713 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2009 Supp. 65-1713 is hereby amended to read as follows: 65-1713. (a) A "funeral director" is a person engaged in or conducting, or holding oneself out as engaged in or conducting, the business of:

(1) Preparing dead human bodies, other than by embalming, for disposition; or

(2) Meeting with families for the purpose of making at-need funeral arrangements; or

(3) Directing ~~and~~, arranging for or supervising the disposition of dead human bodies whether by burial or cremation; or

(4) Providing or maintaining a funeral establishment, branch funeral establishment or crematory.

(b) A funeral director shall, in connection with such person's name or business, use the words "funeral director," "undertaker," "mortician," or any other title implying that such person is engaged in the business herein described.

Sec. 2. K.S.A. 65-1714 is hereby amended to read as follows: 65-1714. (a) It shall be unlawful for any person to engage in, or attempt to engage in, the business of a funeral director, conduct a funeral, or make an interment in this state, except as provided in K.S.A. 65-1713b and amendments thereto, without a funeral director's license issued by the state board of mortuary arts.

(b) Every person desiring to enter the practice of funeral directing shall make written application therefor to the board on such forms and in such manner as shall be prescribed by the board. The application shall show that the applicant is of legal age, has successfully completed courses in an accredited academic community college or accredited academic college or university accumulating at least 60 semester hours with 20 semester hours earned in subjects designated by the state board of mortuary arts and has had practical experience in funeral directing working full-time for at least one year prior to the date of the application as a licensed Kansas assistant funeral director under a Kansas licensed funeral director. The application shall also show that the applicant has assisted in conducting at least 25 funeral services before applying for a funeral director's license, which showing shall be supported by a verified written statement giving the list of the cases with which the applicant assisted, the dates thereof and the places where the services were conducted. Funeral directors' licenses shall be issued to individuals only, and not to organizations, institutions, corporations or establishments.

(c) The applicant shall be present before the board for examination at a time and place fixed by the board. The manner and form of the examination shall be determined by the board. It shall not be necessary for the applicant to be a licensed embalmer in order to obtain a funeral director's license under this act.

(d) All licenses shall be signed by the president and secretary of the board and attested by its seal. Every funeral director shall at all times prominently display the funeral director's license in the funeral director's place of employment. In the event of the death of the holder of a funeral director's license, or in other special cases, the board, in its discretion and for good cause shown, may issue special permits to persons otherwise qualified, except for examination, authorizing the temporary

practice of funeral directing until the next examination by the board.

(e) Any person, who has lawfully engaged in the business of providing cremation services in Kansas for five consecutive years prior to the effective date of this act, shall be exempt from the apprenticeship requirements which are a prerequisite for licensure as a funeral director under K.S.A. 65-1701a, and amendments thereto, provided that such person shall apply for licensure within six months of the effective date of this act. **Any person who is exempt from the apprenticeship requirements under this subsection shall have a grace period of 120 days following the effective date of the act to comply with the requirements for licensure as a funeral director.**

Sec. 3. K.S.A. 65-1714 and K.S.A. 2009 Supp. 65-1713 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

Testimony to the House Health and Human Services Committee
Presented by Terry Roberts
Midwest Cremation Society
March 9, 2010

Thank you for the opportunity to appear before the committee to testify neutral to SB 475.

Midwest Cremation Society is a small business that acts as an agent for families in securing cremation services – a direct cremation provider. When they call me, I go to the family in their home to assist with the arrangements and legal details for cremation. The actual cremation is provided by a licensed and regulated establishment – the crematory.

SB 475 was created by the Kansas Funeral Directors Association in order to re-define the activities that must be performed by a licensed funeral director. In its original form – I had to oppose the bill, because it would have made my legal business suddenly illegal. It has now been amended to give me the opportunity to continue to provide cremation assistance to the families I serve.

When I began my business in Kansas, I sought the approval of the Kansas State Board of Mortuary Arts before opening in 2003. Over the years, I have maintained regular communication with the Board and responded cooperatively to any concerns. There have been no consumer complaints against my business and I have many families who have become return clients and who have written letters of support.

On January 12, 2010, the Office of the Attorney General issued an opinion as a result of a question submitted by the Kansas State Board of Mortuary Arts. According to that opinion, the direct cremation provider services are legal in Kansas.

The Kansas Funeral Directors Association introduced SB 475 in order to be certain that all providers who are working with families in their time of loss are regulated by the Board and there is oversight. I have always been willing to have my business regulated and that is why I have voluntarily gone to the Board in the past to be certain that they are aware of my work and that everything is being done legally.

I am thankful that the KFDA and the Senate Public Health and Welfare Committee were willing to change the bill to be certain that I can continue to serve families with cremation services. Cremation is an important option to families – and an economical one.

I have extensive experience working in the field of funeral services in other states, and have completed all of the educational requirements that one would need to become a funeral director – except an apprenticeship in this state. The amendments to SB 475 will allow me to take the test to become a funeral director without having to serve an apprenticeship here in Kansas and insure that I can continue to serve families in their homes.

The new legislation was developed in cooperation with the Kansas Funeral Directors Association and includes language recommended by the Kansas State Board of Mortuary Arts. I also support a further amendment to clarify for the Board exactly how to manage the transition period after the bill becomes law – and to be certain that I will have an appropriate amount of time to comply with the new requirements of the bill.

I hope you will support the necessary amendment. Please feel free to contact me if you have any questions about me or my business.

Terry Roberts
Midwest Cremation Society
785-249-6815
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ATTACHMENT: From the January 12, 2010 Attorney General Opinion:

On January 12, 2010, the Office of the Attorney General issued an opinion as a result of a question submitted by the Kansas State Board of Mortuary Arts. According to that opinion, the direct cremation provider:

- Meets with families to arrange for cremation. Acts as family's agent in arranging transportation of the body to a licensed crematory and cremation of the body.
- Secures cremation authorization from the appropriate family member.
- Contacts a licensed crematory to arrange for the cremation.
- Arranges for transportation of the body directly to the crematory.
- Licensed crematory cremates the body and delivers cremated remains to the direct cremation provider.
- The direct cremation provider provides cremated remains to the family.

The opinion addressed two issues:

I. "Meeting with families for the purpose of making at-need funeral arrangements"

'The DCP meets with families. The issue is whether the DCP does so for the purpose of making "funeral arrangements." "Funeral arrangements" is not defined in the mortuary arts statutes or regulations. However, "funeral" is defined in the regulations governing funeral directors as "a religious service or other rite or ceremony with a dead human body present." Thus, absent evidence that a DCP is arranging a religious service, rite or ceremony, a DCP is not engaged in the business of meeting with families for the purpose of make at-need funeral arrangements." Should the Kansas Board of Mortuary Arts (Board), through its regulatory power or the legislature determine that "funeral arrangements" should include the type of service offered by direct cremation providers, either the Board of the legislature can enact an appropriate regulation or statute.'

II. "Directing and supervising the disposition of dead human bodies"

'Based upon the information provided, a DCP, as agent for the individual authorizing the cremation, "directs" but does not "supervise" the cremation. Both directing and supervising a cremation are necessary before one must be licensed as a funeral director.'

'We also note that Kansas law does not prohibit the services provided by a direct cremation provider....

...Moreover, while state law requires dead human bodies to be transported from the location of death to funeral establishments, crematories, and other facilities, the law is silent regarding who can transport dead bodies.'