

MINUTES OF THE HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES.

The meeting was called to order by Chairperson Garry Boston at 2:00 p.m. on March 14, 2002 in Room 423-S of the Capitol

Committee staff present: Dr. Bill Wolff, Kansas Legislative Research Department  
Emalene Correll, Kansas Legislative Research Department  
June Evans, Secretary

Conferees appearing before the committee: Representative Tricia Lightner  
Laura Howard, Assistant Secretary, SRS  
Allan Hazlett, Attorney

Others attending: See Attached Sheet

The Chairperson opened the hearing on **HB 2892 - Adoption; reimbursement of state moneys paid for birthing.**

The Chairperson stated that Representative Lightner was the author of the bill and would give a briefing and her testimony.

Representative Lightner, a proponent for **HB 2892**, furnished amendments, stating the bill provides for adoptive parents to reimburse SRS for the actual medical expenses incurred by the birth mother attributable to pregnancy and birth and the actual expenses of the child when SRS incurs these costs, i.e., the birth mother is on Medicaid. Taxpayers are paying the bill for adoptive parents. Amendments exclude children that are in SRS custody (Attachments 1 & 2).

Representative De Castro stated crack and special needs children are always hard to place and the hospital bills and long term care of these children are overwhelming and these adoptive parents need help with the bills.

Representative Kirk said she encouraged and supported this bill but questioned if this would discourage people of modest means from adopting. They do not have the money.

Representative Lightner stated the average cost of a birth is \$3900. The judge has the discretion of who pays the charges.

Representative Kirk said this is a barrier to adoption.

Representative Lightner said it costs between \$20,000 and \$30,000 to adopt a child through an adoption agency in Kansas City. There is a federal tax credit of \$10,000 this year.

Laura Howard, Assistant Secretary, Kansas Department of Social and Rehabilitation Services, testified in support of **HB 2892**, stating this bill amends K.S.A. 59-2121 to allow SRS to recover costs paid through the Medicaid program associated with the birth of children who are privately adopted. The amendment would allow any actual medical expenses of the child to be reimbursed to SRS.

Medicaid currently pays for one in three births in Kansas. The estimated medical cost of a pregnancy and birth is \$5,800, if the mother is covered by the Medicaid program for the entire nine month period. Any portion of amounts returned to SRS originally paid for by federal matching funds would need to be returned to the federal government (Attachment 3).

The Chairperson asked if the adoptive parents did not have maternity benefits, could they go back and apply for the insurance?

## CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES, Room 210,  
Memorial Hall at 1:30 p.m. on March 14, 2002.

Larrie Ann Lower, Kansas Association of Health Plans, replied she did not know but would find out the answer.

Dr. Wolff stated the statutes K.S.A. 40.102 mandates for all insurers to cover cost of expenses of new borns for children adopted within a certain period of time. Does not require costs of birth mother. There is no requirement on insurer to have to pay expenses of birth mothers expenses. They have to have maternity coverage option.

Allan Hazlett, Attorney, Opponent to **HB 2892**, said he had devoted 15 years to finding homes for adoptions. The bill might be well intended but it is bad public policy. This is a dramatic change in public policy. There are only 3 states where birth mothers expenses are paid. It didn't change rates at all in those three states. This does not apply if ERISA or self-insured. This is a barrier for people of modest means to adopt as they can not afford it.

The Chairperson asked Mr. Hazlett to provide written testimony. ( Mr. Hazlett was called and reminded, but did not provide written testimony.)

The Chairperson closed the hearing on **HB 2892**.

The Sub-Committee on Credentialing met following the full committee meeting.

The meeting adjourned at 3:00 p.m.