

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on February 11, 2004 in Room 514-S of the Capitol.

All members were present except:

Representative Dean Newton- excused

Committee staff present:

Alan Conroy, Legislative Research
J. G. Scott, Legislative Research
Amy VanHouse, Legislative Research
Michele Alishahi, Legislative Research
Audrey Dunkel, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Administrative Analyst
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Chris Ward, President, Ward Health Strategies, Ontario, Canada

Others attending:

See Attached List.

- Attachment 1 Biography for Chris Ward, Ward Health Strategies, Ontario, Canada
- Attachment 2 Presentation by Chris Ward, Ward Health Strategies, Ontario, Canada
- Attachment 3 House Social Services Budget Committee's report and recommendations on Developmental Disabilities Institutions for FY 2004 and FY 2005
- Attachment 4 Statistical information presented by Representative Shriver on Developmental Disabilities Institutions
- Attachment 5 House Social Services Budget Committee's report and recommendations on the Mental Health Institutions for FY 2004 and FY 2005

Representative Feuerborn moved to introduce legislation concerning Emergency Medical Services (EMS) and certification. The motion was seconded by Representative Minor. Motion carried.

Representative Landwehr moved to introduce legislation concerning prohibiting legislators from receiving a salary for special sessions. The motion was seconded by Representative Pottorff. Motion carried.

Representative Ballard introduced members of the leadership class from her legislative district who were visiting in the gallery.

Chairman Neufeld welcomed Chris Ward, President of Ward Health Strategies, to the Kansas Legislature and the Committee (Attachment 1). Mr. Ward gave a presentation on the economic and policy implications of re-importation of drugs from Canada into the United States (Attachment 2). Mr. Ward stated that federal legislation regulates the price and production of prescription drugs sold to residents in Canada; however, drugs sold to citizens of the United States by Canadian firms are not required to meet these regulations nor are they approved by the Federal Drug Administration (FDA). Mr. Ward stated that research by FDA noted that approximately 88 percent of the drugs coming into the United States from Canada, are not approved by the Canadian regulations or FDA. In further comments, Mr. Ward indicated that products coming into Canada designated for export, are not subject to Canada's regulations. In addition, he noted that an actual prescription is not required to get drugs over the internet. Mr. Ward stated that the three things that impact the price differential and health care between the two countries are:

- the differences in economy and rate of exchange
- different systems and price controls
- difference in product liability laws.

Because of the unregulated shipment of drugs, the Committee voiced a concern about who would have the

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responsibility for liability on the drugs.

Representative Henry, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Development Disabilities Institutions for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 3). Motion was seconded by Representative Landwehr. Motion carried.

Representative Henry, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Development Disabilities Institutions for FY 2005 and moved for the adoption of the Budget Committee recommendation with observations for FY 2005 (Attachment 3). Motion was seconded by Representative Bethell.

Representative Shriver presented a data sheet to the Committee on the DD institutions showing the number of unserved and under served DD population and the number served at Kansas Neurological Institute (KNI) and Parsons State Hospital (Attachment 4). The Budget Committee stated that they plan to review the information contained in a March 15, 2004, report to be presented by Social and Rehabilitation Services (SRS). The Committee voiced concern about the number of abuses reported at the KNI and requested that the Budget Committee review this information.

Representative Shriver moved to adopt the Budget Committee recommendation on the Parsons State Hospital FY 2005 budget and delay action on the Budget Committee recommendation on the KNI FY 2005 budget until the Budget Committee has reviewed the SRS report of March 15, 2004. The motion was seconded by Representative Feuerborn. Motion failed.

The Budget Committee stated their intention to review the March 15, 2004, SRS report. The Budget Committee requested that favorable action be taken at this time to pass the DD institutions FY 2005 budget in order for the budget process to proceed, noting that further action can be taken at a later date. The Committee concern was reiterated and felt that aggressive action needed to be taken on the KNI issue in the near future. Because the numbers on the report, distributed by Representative Shriver, did not total, the Committee asked for clarification.

Representative Henry renewed the motion for the adoption of the Budget Committee report on the recommendation with observations for the Development Disabilities Institutions for FY 2005 (Attachment 3). Motion was seconded by Representative Bethell. Motion carried.

Representative Henry, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Mental Health Institutions for FY 2004 and moved for the adoption of the Budget Committee recommendation for FY 2004 (Attachment 5). Motion was seconded by Representative Bethell. Motion carried.

Representative Henry, member of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendation for the Mental Health Institutions for FY 2005 and moved for the adoption of the Budget Committee recommendation with adjustments for FY 2005 (Attachment 5). Motion was seconded by Representative Landwehr. Motion carried.

Representative Pottorff moved to approve the minutes of the January 29, February 3 and February 5 Committee meetings as written. The motion was seconded by Representative Feuerborn. Motion carried.

The meeting was adjourned at 10:40 a.m. The next meeting of the Committee will be held at 9:00 a.m. on February 12, 2004.

Melvin Neufeld, Chair