

MINUTES OF THE HOUSE AGING AND LONG TERM CARE COMMITTEE

The meeting was called to order by Chairman Bob Bethell at 3:30 p.m. on March 12, 2009, in Room 711 of the Docking State Office Building.

All members were present.

Committee staff present:

Doug Taylor, Office of the Revisor of Statutes
Kelly Navinsky-Wenzl, Kansas Legislative Research Department
Terri Weber, Kansas Legislative Research Department
Judith Holliday, Committee Assistant

Conferees appearing before the Committee:

Bill Sneed, Legal Counsel, America's Health Insurance Plans
Cindy Luxem, Director of Government and Public Affairs, Kansas Insurance Department
David Halferty, Director, Nursing Facility and PACE Division, Kansas Department on Aging

Written testimony submitted:

Joseph Kroll, Director, Bureau of Child Care and Health Facilities, Kansas Department of Health and Environment
Mark Bailey, Vice President, Via Christi Senior Services, Via Christi Medical Center, Wichita

Others attending:

See attached list.

Hearing on HB 2310 - Long-term care partnership program; exchange of policies.

Chairman Bethell called the meeting to order and opened the hearing on **HB 2310**. He called on Doug Taylor of the Revisor's office to present a brief overview of the bill.

The bill addresses long-term care insurance and would allow policyholders the option to exchange certain long-term care policies issued on or before February 8, 2006, for coverage intended to qualify under the Kansas Long-Term Care Partnership Program. Several provisions of the amendment include leaving the offer open for a minimum of 45 days from the date of mailing by the insurer; the offer shall be made on a nondiscriminatory basis without regard to age or health status of the insured; and options for the insurers in underwriting policies.

Bill Sneed, Legal Counsel, America's Health Insurance Plans, testified as a proponent of **HB 2310**. (Attachment 1) Mr. Sneed testified that the implementation of the Long-Term Care Partnership Act provides Kansas citizens opportunities to protect their long-term care and save the State money for the care of these individuals.

Mr. Sneed explained that the amendment requires a carrier to offer in writing, on a one-time basis, to all policyholders issued long-term care coverage on or after February 8, 2006, the option to exchange their existing long-term care coverage for coverage that is intended to qualify under the Kansas Long-term Care Partnership Program.

Cindy Hermes, Director off Governmental and Public Affairs, Kansas Insurance Department, testified as a proponent of **HB 2310**. (Attachment 2) Ms. Hermes testified that **HB 2310** was achieved through collaboration with America's Health Insurance Plans, John Hancock, MetLife, and Genworth. She stated that sixteen companies offer these policies and they are a "win-win" for the policyholders and the State.

Ms. Hermes stated the policy must contain specific consumer protection provisions; be a tax-qualified policy; and have inflation protection for certain age classifications.

The policyholder has a minimum of 45 days from the date of the mailing of the option to make a decision. The insurer may underwrite if the policy is amended to provide additional benefits or the exchange would require the issuance of a new policy. Any portion of the policy added because of the exchange may be priced based on the policyholder's age at the time of the exchange. The consumer will not be able to exchange the

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policy if the individual is in the elimination period or on claim status.

Chairman Bethell closed the hearing on **HB 2310**.

Hearing on HB 2366 - All-inclusive care for the elderly (PACE) program.

Chairman Bethell opened the hearing on **HB 2366**. He called upon Staff to explain the provisions of the bill. The bill would allow qualified staff of a Program for All-Inclusive Care for the Elderly (PACE) to provide services to PACE participants in the participant's homes without a home health agency license.

David Halferty, Director, Nursing Facility and PACE Division, Kansas Department on Aging, testified as a proponent of **HB 2366**. (Attachment 3) At present, there are two PACE providers in Kansas: Via Christi HOPE in Wichita, and Midland Care Connections in Topeka. During February 2009, these two PACE sites provided care for 226 Medicaid-eligible participants. A third program currently being developed in Kansas City will be operational when funded.

An amendment to **HB 2366** will exempt PACE providers from maintaining separate home health licensure. This dual licensure is costly and unnecessary because it requires PACE providers to participate in two redundant provider review processes, plus dual required documentation of case records.

Written testimony was submitted by proponents Joseph Kroll, Director, Bureau of Child Care and Health Facilities, Kansas Department of Health and Environment (Attachment 4); and Mark Bailey, Vice President, Via Christi Senior Services, Via Christi Medical Center, Wichita. (Attachment 5)

The hearing was closed on **HB 2366**.

Chairman Bethell discussed **HB 2323**, the bill dealing with criminal history of persons working in care homes which was heard at the previous Committee meeting. Because of concerns with the title of the bill, a technical amendment may be necessary. He directed Staff to work on the amendment and bring to the Committee so the bill can be worked.

Chairman Bethell asked for action on **SB 148**, the silver alert plan heard at the previous Committee meeting. **Representative Hill moved to pass SB 148 favorably and request that it be added to the Consent Calendar. Representative Schwab seconded the motion. The motion carried.**

Chairman Bethell called on Representative Schwab to give the report of the Subcommittee on Fiduciary Abuse. (Attachment 6) Representative Schwab reported that the Subcommittee held three meetings in which they looked at how other states handled the issue. The Subcommittee recommends:

1. amending the statutes by inserting language relating to the authority granted by durable power of attorney; and,
2. forming an interim committee on fiduciary abuse to conduct a more in-depth analysis of the laws concerning dependent adults and fiduciary abuse.

Chairman Bethell asked for action on the report. **Representative Schwab made a motion to move the report, seconded by Representative Hill.** There was discussion as to whether this bill needs a vehicle to change this statute. Chairman Bethell told the Committee that he will find a bill in which to insert the language of the report and will finalize the bill at a meeting next week. **The motion carried.**

The meeting adjourned at 4:15 p.m.

The next meeting is scheduled for March 17, 2009.