

MINUTES OF THE SENATE HEALTH CARE STRATEGIES COMMITTEE

The meeting was called to order by Chairperson Susan Wagle at 1:30 P.M. on March 4, 2008 in Room 136-N of the Capitol.

Committee members absent: Senator Nick Jordan- excused
Senator Peggy Palmer- excused

Committee staff present: Ms. Emalene Correll, Kansas Legislative Research Department
Mrs. Terri Weber, Kansas Legislative Research Department
Ms. Nobuko Folmsbee, Revisor of Statutes Office
Ms. Renae Jefferies, Revisor of Statutes Office
Ms. Margaret Cianciarulo, Committee Secretary

Conferees appearing before the committee: Ms. Suzanne Wikle, Director of Health Policy,
Kansas Action for Children
Dr. Dennis Cooley, Pediatrician, President-elect
Kansas Chapter of American Academy of Pediatrics

Others in attendance: Please see the attached Guest List

OVERVIEW OF KANSAS HEALTH WAVE PROGRAM

Upon calling the meeting to order, the Chair announced they would be having an overview of the Kansas Health Wave Program and called upon the first conferee, Ms. Suzanne Wikle, Director of Health Policy, at Kansas Action for Children (KAC) who introduced Ms. Shannon Cotsoradis, Executive Vice president, Kansas Action for Children, who would also be available to answer questions. Ms. Wikle went on to say she would be sharing what they know about children's access to health care in Kansas and what KAC believes is the first step toward broader health reform. She offered three key components of HealthWave (the State Children's Health Insurance Program, known as SCHIP.) including:

1. Its impact - since its implementation 10 years ago there has been a steady decline in uninsured children (84% of eligible children are currently enrolled. However, she said, joining ranks is another population of uninsured children, those living between 200 & 250% of poverty (the numbers nearly tripling since 2004.)
2. The cost-effectiveness - in Kansas, federal SCHIP dollars provide 72% of the funding for the program with an additional portion being underwritten with premiums paid by the families of those children being insured resulting in minimal cost to the state with these two revenue streams.
3. The opportunity they have this session to insure more Kansas children through HealthWave by expanding the program will better position Kansas along with 26 other states who have taken action to address the growing number of uninsured children living above 200 percent of poverty.

Ms. Wikle also offered two handouts: a graph that shows how rapidly insurance premiums have increased compared to minor increases in the poverty level and a comparison of insurance costs for four typical Kansas families living between 200 and 250 percent of poverty. A copy of her testimony and handouts are ([Attachment 1](#)) attached.

The Chair asked for questions from the Committee which came from Senators Schmidt and Wagle and from Ms. Correll, Kansas Legislative Research Department including:

- you had the projection of what this would cost the state, did you bring that with you? Is this an additional 5,500 children? Is this your projection of what you would capture in the first year? Do you have projections for years two and three?

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- considering the states, the 200% of poverty that we show for Kansas, is that according to the SCHIP portion of Healthwave? But in Missouri, the 300%, are all of those children a part of the Medicaid program? What about the other states, are there separate SCHIP programs?

- as we now are looking at your projection sheet, and in looking at the years 2010 through 2014, do you anticipate additional enrollment? You talk of 72% match, what does your federal poverty level have to be to be eligible for Medicaid? In your chart, it appears that what you have on the top row is the federal dollars that would come in, then what the state would require, and then the total cost of what it would take to insure those children. So you are saying, over a 5-year total it would be \$28M to get to the 250% of poverty level?

- Why is there no FY09? Does this mean that costs in 2009 is zero? And then we run up to \$22.7M in 2010?

- Did you take this proposal to the Kansas Health Policy Authority? Did you make your proposal to them before they deliberated on the package they brought to us for 2008?

- The Chair stated to the Committee, when you compare this to the Premium Assistance the Committee has been looking at, it is a 60% federal match to 40% state match.

The Chair thanked Ms. Wikle and said the Committee may have more questions later, but went on to introduce the next conferee, Dr. Denis Cooley, a pediatrician from Topeka and President-elect of the Kansas Chapter of the American Academy of Pediatrics. He said he was here today to provide information on the importance of health care access to children, specifically as it relates to the state Children's Health Insurance Program, known as Health Wave in Kansas. He went on to state that by having a medical home, an child has access to vital preventative services (ex. Well-child visits and immunizations) which will reduce health care costs enjoyed by healthy children who will turn into healthier more productive adults.

He touched on one of the trends his practice is seeing is more children developing chronic illnesses such as asthma which has doubled in the last few years and best managed in a medical home, not episodically in a costly emergency room. And he said, speaking of emergency rooms, improved access to a medical home cuts down on these non-emergent visits and allows the ERs to do what they are best at.

He closed his testimony estimating that approximately 11% of the uninsured Kansas children fall between 200-250% of poverty:

- 1,600 children with obesity would now have access to a medical home. And,

- 500 asthmatic children will have the ability to find a provider to better manage their disease.

A copy of his testimony is ([Attachment 2](#)) attached.

The Chair thanked Dr. Cooley and asked for questions of the Committee which came from Senators Schmidt, Barnett, Wagle, and Journey including:

- you referenced the medical home concept and do not feel it needs to be defined in statute, feels it should be defined in rules and regs since it is an ever changing definition, do you have any comment on this?

- could you tell us why the rate of asthma has doubled?

- in your testimony regarding expanding the level of poverty, if we have limited dollars, would you expand coverage to children or expand benefits to adults whose level of poverty is now above 37%?

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- do you practice in a physician group or are you independent? Do you find yourself in situations where you have children coming in and you need to suggest to them to enroll in the HealthWave? Does your office see that need? Or, are some of these not enrolled eligible? Do you know what percentage of children coming to your practice are enrolled in HealthWave and Medicaid?

As there were no more questions for Dr. Cooley, the Chair then recalled Ms. Wikle for questions which came from her and Senator Journey including:

- at what age do you become ineligible for HealthWave? In a private conversation, you mentioned that some states are covering the cost of HealthWave up to a certain percentage and for those states not covering, they are allowing families to purchase the HealthWave insurance for their children, can you expand on this? And, how much is a full monthly premium price for a child in Kansas?

- do we have reliable numbers on the percentage or the number of children that are eligible currently that are not enrolled?

The Chair said that she wanted the Committee to have this information because they would be having a hearing on Premium Assistance and this is an alternative or could be in addition to a Premium Assistance program, but they would want to work this bill next week.

The Chair recognized Senator Journey who asked if the Chair would impose upon the staff to prepare a head-to-head comparison for the Committee of the these alternatives so they could better understand in the most effective and efficient way possible. The Chair stated that the projections the Committee had before them were not worked by our Kansas Legislative Research Department and asked Research for an estimate on what it would cost to increase eligibility to 250% and use it to compare to premium assistance.

Adjournment

As there were no further questions, especially for Research the meeting was adjourned. The time was 2:15 p.m.

The next meeting is scheduled for March 10, 2008.