Health for All Kansans Steering Committee Role/Guiding Principles, Legislative Proposals
March 5th, 2007

1. Agenda for March 5th Steering Committee Meeting

- Define roles of Steering Committee, KHPA Board, Advisory Councils
- Adopt guiding principles and timeframe for "health for all"
- Discuss proposed legislative package that could be enacted this session
- Discuss enabling legislation/resolution this session to charge the KHPA with development of "health for all Kansans" legislation for adoption in 2008 and implementation in 2009 and 2010.
- Invitation to health reform discussion led by Len Nichols[1] on March 13th 2007.
- Next meeting: March 19th to deliver final legislative package/enabling legislation to the KHPA Board on March 20th.

2. Role of Role of Steering Committee, KHPA Board, Advisory Councils

A. **Role of KHPA Board:** *Coordinate health and health care for Kansas*

a. Manage specific programs including Medicaid, State Children's Health Insurance Program, State Employee Health Benefit Program
b. Develop and propose annual budget for programs and health policy reforms
c. Coordinate health programs between agencies; answers to Oversight Committee
d. Board Retreat 2007: Responded to Governor's request to create a Health for All Steering Committee in partnership with the legislature to advance health reform legislation for 2007/8 session

B. **Role of Steering Committee:** *Advise the KHPA Board, Governor, and Legislature leadership, including the Health Policy Authority Oversight Committee*

a. Comprised of:
   - Four voting KHPA Board members (and staff),
   - Two ex-officio KHPA Board members (Secretary Bremby of KHDE, Insurance Commissioner Sandy Praeger)
   - Four legislators (appointed by legislative leadership in both Houses)

[1] Len Nichols, a highly respected healthcare economist, directs the Health Policy Program at the New America Foundation, which aims to expand health insurance coverage to all Americans while reining in costs and improving the efficiency of the overall health care system. Before joining New America, Dr. Nichols was the Vice President of the Center for Studying Health System Change, a Principal Research Associate at the Urban Institute, and the Senior Advisor for Health Policy at the Office of Management and Budget during the Clinton reform efforts of 1993-94. Dr. Nichols received his Ph.D. in Economics from the University of Illinois. He has been a key consultant for a number of states on health reform issues and is supportive of health connector reforms.

- Governor's Chief of Staff
- Two at-large community members (Former Education Commissioner Andy Tompkins, and KU Law School Dean Gail Agrawal)

b. Advise the KHPA Board, the Governor, legislative leadership regarding a legislative package that could be enacted this session (see #4 below)
c. Advise the KHPA Board, the Governor, the legislative leadership regarding enabling legislation (see #5 below) that charges the KHPA with development of broader health reform legislation for the 2008 legislative session
d. Under direction of the KHPA Board, charge the KHPA Advisory Councils (see below) to assist in development of health reform initiatives – work in partnership with advisory councils to develop Kansas-specific reforms

C. Role of Advisory Councils:

a. Four advisory councils: Consumer, Provider, Purchaser, and At-Large
b. Begin meeting the end of March/early April. Meeting monthly or every other month as needed.
c. Assist the Steering Committee and KHPA Board with the development of health reform options throughout summer and fall of 2007.
d. Assist the Steering Committee and KHPA Board over the long term with development and refinement of health reforms for Kansas.

3. Draft Guiding Principles and Goals for the Steering Committee:

A. Combine KHPA vision principles with language suggested by legislators:

- Every Kansan should have access to patient-centered health care and public health services ensuring the right care, at the right place, and the right price.
- Health promotion and disease prevention should be integrated directly into these services.
- The financing of health care and health promotion in Kansas should be equitable, seamless, and sustainable for consumers, providers, purchasers and government.
- *Reforms to the health system in Kansas should be fiscally responsible, market based, and promote individual responsibility*[2].
- *Reforms to the health system in Kansas must protect the health care safety net*[3].

B. Time frame for the goals:

- By March 19th 2007: Advise the KHPA Board, the Governor, and legislative leadership on a proposed legislative package that could be considered during the 2007 session.

[2] Per Rep. Jeff Colyer's suggestion
[3] Per Senator Laura Kelly's suggestion

- By March 19th 2007: Advise the KHPA Board, the Governor, and legislative leadership on proposed enabling legislation that would charge the KHPA with the development of health reform options that achieve access to care for all Kansans.
- March 20th, 2007: Share proposed legislative package and enabling language for consideration by the KHPA Board.
- April 1 through November, 2007: The KHPA will develop health reform options as outlined in the enabling legislation, in collaboration with the Advisory Councils. Analysis for these reform options will be provided by national experts with experience in state health reform.
- By November 1, 2007: The KHPA staff will deliver the health reform options to the KHPA Board, Governor, legislative leadership (including the Oversight Committee) for their consideration.
- 2008 Legislative Session. The Governor and Legislature will consider health reform options for adoption by 2008 legislature.
- 2009 and 2010. KHPA to implement health reforms – continue to collaborate and refine policies with the Advisory Councils and Steering Committee.

4. Possible Legislation this session

Propose the following "package" of reforms which should be administratively and politically feasible, as outlined below:

Early Detection. Expand screening for newborns from our current level of four tests to twenty-nine. This effort represents a true and meaningful step in the direction of early diagnosis and early intervention that will pay immeasurable benefits in future years.
FY 2008 SGF: ***$191,000 All Funds: $1,189,942***

Expand insurance to young adults through their parents' policies. Extending the age of dependency could cover more young adults in the state. Change the age from 23 to 25 and mandate that private insurers also provide coverage to dependent.
Getting new cost estimates.

Medicaid Outreach and Enrollment. **Description:** Expand the marketing of programs available to the public in order to educate Kansans about the Healthwave program and health and wellness through: (1) designing an online application and screening tool for potential beneficiaries, (2) developing and implementing a targeting marketing campaign and (3) employing additional outreach workers.
FY 2008 SGF: $336,247 (FY 2008) All Funds: $ 822,112 (FY 2008)

Consider DRA Flexibilities. The DRA allows moving waiver services into the Medicaid state plan, designing benchmark benefit packages with more cost sharing, and exploring innovative reform models through Medicaid

Transformation Grants. Premium assistance (defined below) is one of the DRA flexibilities.

Cover Kansas Pregnant Women, Children and/or Low Income Families through Premium Assistance. Some states are moving toward a premium assistance model which is meant to encourage low-income families' participation in private coverage, shore-up the private coverage market and prevent crowd-out, and achieve cost savings by bringing in employer contributions to help offset costs. Premium assistance programs use federal and state Medicaid and/or SCHIP funds to subsidize the purchase of private health insurance. They may also utilize employer or enrollee contributions to help pay premium costs. Some premium assistance models provide "wrap-around" coverage to the employer sponsored plan. Premium assistance models can be used to cover all Kansas children (ages zero to five) and pregnant women. Premium assistance could also be developed in tandem with a Health Insurance Exchange model. ***Cost: Unknown at this time; goal to bring in federal dollars.***

Transparency. Promote Transparency for Kansas Consumers and Purchasers through a two phased approach that collects data currently available in one convenient location (through KHPA and State libraries), and then adds health care pricing and quality data (as determined by the KHPA Data Consortium – made up of providers, consumers, and purchasers). This kind of information will also help to reduce utilization of care that is not evidence based or is of questionable quality, which can serve to reduce overall health care costs.
SGF: $425,682 (FY 2008) ***All Funds: $543,790 (FY 2008)***

Health Information Technology/Exchange (HIT/HIE). Building on the work of the Health Care Cost Containment Commission and the KHPA staff, the state should establish an Implementation Center for HIE in Kansas through a public/private entity as a single coordination point for Kansas HIE efforts.
SGF: $750,000 (FY 2008) ***All Funds: $1 M (FY 2008)***

5. Possible Enabling legislation/resolution

Consider enabling legislation/resolution this session to direct development of "health for all Kansans" legislation for adoption in 2008 and implementation in 2009 and 2010 as outlined below:

Framework: Charge the KHPA to develop and model health reform options for the 2008 Legislative session that promote the following guiding principles:

1. Promote patient-centered health care and public health services for every Kansan, ensuring the right care, at the right place, and the right price.
2. Health promotion and disease prevention should be integrated directly into these services.

3. The financing of health care and health promotion in Kansas should be equitable, seamless, and sustainable for consumers, providers, purchasers and government.
4. Reforms to the health system in Kansas should be fiscally responsible, market based, and promote individual responsibility.
5. Reforms to the health system in Kansas must protect the health care safety net.

Economic Impact/ Actuarial Study: The KHPA shall contract with national health insurance policy experts to conduct rigorous economic analysis to understand how different health policy proposals affect coverage changes (in public programs, employer sponsored insurance, directly purchased insurance, and the uninsured) as well as spending by payer (State government, federal government, families, employers). This information is critical in helping to determine which proposals are most feasible in Kansas in the 2008 legislative session.

Funding: Possible sources of funds for health reform should also be identified (i.e. federal government, tobacco tax, uncompensated care funds (DSH)), assessments levied on employers who do not provide health insurance).

Maximizing Federal Funding. The KHPA will develop innovative health reforms in collaboration with the US Secretary of Health and Human Services, with the intention of using the newly-announced "Affordable Choices Initiatives" funding in order to expand health care services to low income populations.

Reinsurance. Analyze the potential for reinsurance, in partnership with Commissioner Praeger and the Business Health Committee. Using a reinsurance mechanism similar to that of Healthy New York, premium volatility in the small group market can be reduced. The increased predictability in premium trends and lower costs could significantly expand coverage to small employers and sole proprietors. State subsidies for reinsurance could also work to reduce premiums and increase insurance coverage in the individual and small group market.

Health Insurance Connector. Analyze policies that create a health insurance exchange or connector that would serve as a clearinghouse to facilitate the pooling and purchasing of health insurance could facilitate access to health insurance products by small employers and individuals. A health connector model would: (1) Increase portability and ownership by individuals of health care policies; (2) Use of pre-tax dollars to purchase health insurance whenever possible; (3) Expand the role of the consumer in health care decisions; (4) Using federal dollars to subsidize premiums, realizing the Congress is looking for States prepared with innovate ideas for insuring low income families.

Others?