



# **Health Reform in Kansas: View from the KHPA**

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# Objectives

- Brief review of creation/role of KHPA
  - *What makes Kansas unique*
- Review of health reform and 2008 legislative session
  - *What makes Kansas like most other states*
- Discuss next steps and lessons learned
  - *Why leadership matters*



## KHPA Mission

To develop and maintain a coordinated health policy agenda that combines the **effective purchasing and administration of health care with promotion oriented public health strategies**

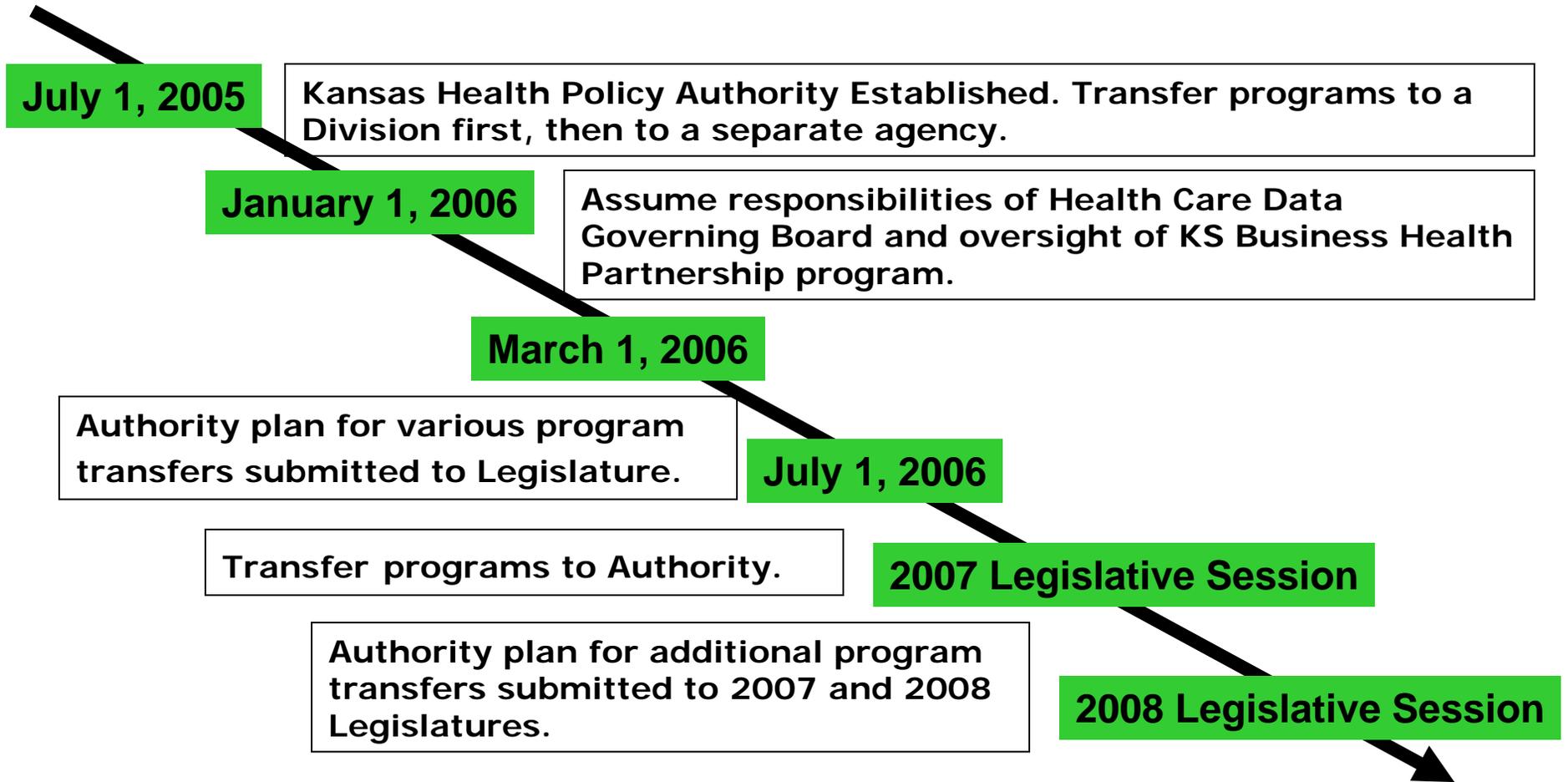


# Creation of the KHPA

- Built on Governor Sebelius’ “Executive Reorganization Order” in 2005
- Modified by State Legislature to:
  - Create an **independent nine voting member private Board** to govern health policy
  - Added a specific focus on **data driven policy making**
  - Creation of framework to **coordinate health and health care** in Kansas



# Timeline





# KHPA Board

- **Purpose:** Provide independent oversight and policymaking decisions for the management and operations of KHPA
- **Make-up:**
  - Nine voting members appointed by the Governor and House and Senate leadership
  - Seven non-voting (ex-officio) members
    - Secretaries of State Departments: Health and Environment (including Director of Health), Social & Rehabilitation Services, Administration, Aging; Insurance Commissioner; Executive Director of KHPA



<u>SRS</u>	<u>KDHE</u>	<u>KDOA</u>	<u>KID</u>
<ul style="list-style-type: none"> <li>•Mental Health</li> <li>• LTC for Disabled</li> <li>•Substance Abuse</li> </ul>	<ul style="list-style-type: none"> <li>•Health Promotion</li> <li>•Child, Youth &amp; Families</li> <li>•Consumer Health</li> <li>•Health &amp; Environ. Stats</li> <li>•Local &amp; Rural Health</li> </ul>	<ul style="list-style-type: none"> <li>•Aged</li> <li>•Institutional Care</li> <li>•Community Care</li> </ul>	<ul style="list-style-type: none"> <li>•Private Health Insurance</li> <li>•Business Health Partner.</li> </ul>



# The Purpose of Health Reform

To improve the *health* of Kansans – not just health insurance or health care – but the health of our children, our families, and our communities



# Advisory Councils

- **Make-up:**
  - Health Care Consumers
  - Health Care Purchasers (e.g., Insurers, Businesses)
  - Health Care Providers
- **Purpose:** Assist the KHPA Board and Steering Committee (Board and legislators) with the development of health reform
- **Processes:**
  - Organized in March 2007; held monthly meetings
  - Delivered health reform recommendations to KHPA Board in Sept. 2007
  - Participating in community outreach



# Economic Analysis

- Funded by four Kansas health foundations
- Independent consulting firm, SchrammRaleigh Health Strategy
- Conducted actuarial analysis of multiple health insurance models (ranging from single payer to market-based reform)
- Insurance models reviewed and retooled with feedback from:
  - KHPA Board and Executive Staff
  - Kansas stakeholders and public



# Listening Tour

- **Purpose:** Gather public input on health reform in order to provide direction for the KHPA Board recommendations
- **Processes:**
  - Three week tour in August 2007
  - KHPA Board members and staff visited with 22 cities statewide (34 meetings)
  - Delivered summary comments to KHPA Board at Aug. and Oct. meetings
  - Publicized online “suggestion box” for public to provide suggestions and/or comments about health reform



# Informing the Public

- Online access to all **health reform reports and testimony** through the KHPA website (w/i 24 hours)
- **KHPA E-newsletter** for weekly updates on the legislative process and health reform
- **Public meetings:** KHPA Board, Listening Tour, Advisory Councils and Steering Committees
- **Presentations** to organizations and communities
- **“Community Toolbox Kit” for local communities** to present on the KHPA Board Health Reform recommendations
- **News alerts** available through new news-service at the Kansas Health Institute website ([www.khi.org](http://www.khi.org))



# Health Reform Priorities & Messaging

- **Promoting personal responsibility**
  - Responsible health behaviors
  - Informed purchase of health care services
  - Contributing to health insurance costs, based on ability to pay
- **Paying for prevention and promoting medical homes**
  - Focus on obesity, tobacco control, chronic disease management and incentives for primary care medical homes
- **Providing affordable health insurance**
  - Focus on small businesses, children, and the uninsured



# 21 Recommendations: System Reform and Better Health

<h2>Transforming Medical Care</h2>	<h2>Improving Public Health</h2>	<h2>Expanding Affordable Insurance</h2>
<ul style="list-style-type: none"> <li>•Transparency project: health care cost and quality</li> <li>•Health literacy</li> <li>•Medical home definition</li> <li>•Medicaid provider reimbursement</li> <li>•Community Health Record (HIE)</li> <li>•Form standardization</li> </ul>	<ul style="list-style-type: none"> <li>•Increase tobacco user fee</li> <li>•Statewide smoking ban</li> <li>•Partner with community organizations</li> <li>•Education Commissioner</li> <li>•Collect fitness data in schools</li> <li>•Promote healthy foods in schools</li> <li>•Increase physical fitness</li> <li>•Wellness for small businesses</li> <li>•Healthier food for state employees</li> <li>•Dental care for pregnant women</li> <li>•Tobacco cessation in Medicaid</li> <li>•Expand cancer screening</li> </ul>	<ul style="list-style-type: none"> <li>•Aggressive outreach and enrollment of eligible children (target population: 20,000)</li> <li>•Premium assistance for low income adults without children (target population: 39,000)</li> <li>•Small business initiatives (target population: 15,000 young adults and 12,000 employees of small businesses)</li> </ul>

# Paying for Health Reform

- 21 recommendations “paid for” for five years:
  - **Increased tobacco user fee**
    - Fifty cent increase in cigarette tax, increases annually to reflect an assumption for inflation
    - Smokeless tobacco products user fee
    - Revenue dedicated to the “Health Reform Fund”
  - **Increased federal matching dollars**
- Cost containment - built into majority of proposals
  - Long term cost containment linked to improved health status
  - “Hidden tax” of uncompensated care

# What Happened?



**Some progress in first year, but need for multi-year multi-stakeholder strategy**



Source: *The Wichita Eagle*. April 20, 2008.

# Health Reform Report Card

Transforming Medical Care	Improving Public Health	Expanding Affordable Insurance
<ul style="list-style-type: none"> <li>▪ Transparency project: Health care cost and quality (Kansas Health Online)</li> <li>▪ Health literacy</li> <li>▪ Medical home definition</li> <li>▪ Medicaid provider reimbursement</li> <li>▪ Community Health Record (HIE)</li> <li>▪ Insurance Form Standardization</li> </ul>	<ul style="list-style-type: none"> <li>• Increase tobacco user fee</li> <li>• Statewide smoking ban</li> <li>• Partner with community organizations</li> <li>• Education Commissioner</li> <li>• Collect fitness data in schools</li> <li>• Promote healthy foods in schools</li> <li>• Promote fitness in schools</li> <li>• Wellness for small businesses</li> <li>• Healthier food for state employees</li> <li>• Dental care for pregnant women</li> <li>• Tobacco cessation in Medicaid (for pregnant women only)</li> <li>• Expand cancer screening</li> </ul>	<ul style="list-style-type: none"> <li>• Aggressive outreach &amp; enrollment of eligible children (target pop: 20,000)</li> <li>• Premium Assistance for low income adults without children (target population: 39,000)</li> <li>• Small Business Initiatives (target population: 15,000 young adults and 12,000 employees of small businesses)</li> </ul>



# Summary of 2008 Legislative Action

- Nine of KHPA's original 21 health reform recommendations were passed by legislature in some form
- Any items that were considered controversial were requested to be studied-only
- Final health reform bill (SB 81) left some unfunded mandates

See [Legislative Session at a Glance](#) for summary of final bill



# Major Barriers to Passing Health Reform

- **Energy:** Coal plant debate center stage
- **Economy:** Concern about state budget
- **Election year:** all Kansas legislative seats (House and Senate) up for re-election
  - Many legislators raised concern about raising taxes in an election year
  - Opposition to statewide smoking ban – local control at issue



# What's Next: Never Give UP!

- KHPA Board vows to continue reform push – and begin transformation of Medicaid
- Continued outreach to communities, including a Community Dialogue tour in the Fall of 2008
- Continued work with advocates, press
- Better education of the legislature
- *Need for message development for different audiences – health reform difficult to understand*

# 2009 Legislative Recommendations

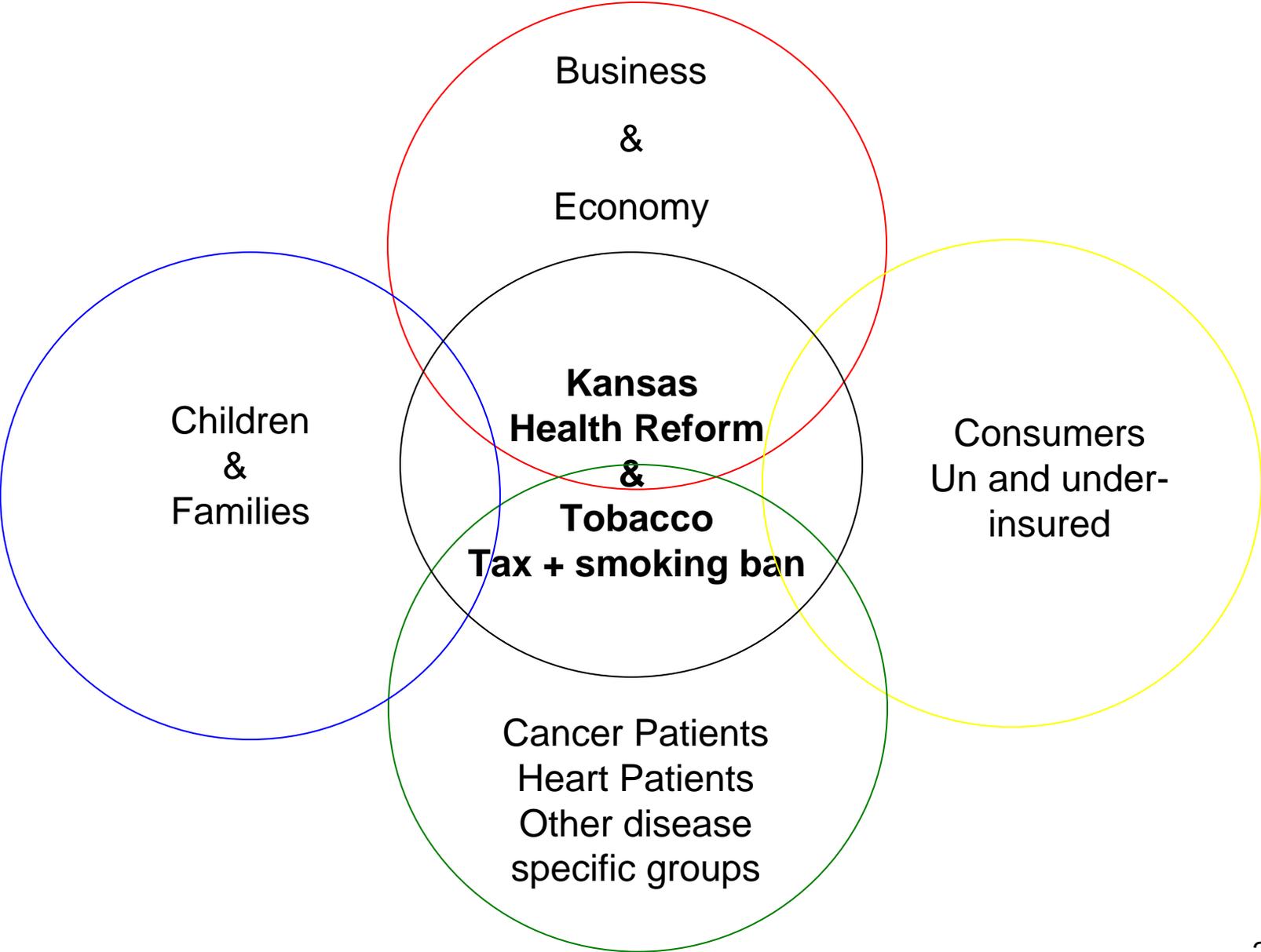
Green: Passed	Yellow/Red: Agency Next Steps	Staff Recommendations 2009 Legislative Session
<ul style="list-style-type: none"> <li>▪ Transparency Project: Health care cost &amp; quality</li> <li>▪ Medical Home definition process</li> <li>▪ Insurance Form Standardization</li> <li>• Education Commissioner</li> <li>• Collect fitness data in schools</li> <li>• Promote healthy foods in schools</li> <li>• Promote fitness in schools</li> <li>• Tobacco cessation in Medicaid</li> <li>• Partner with community organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Dental care for pregnant women: Fund through caseload</li> <li>▪ Medicaid Provider Reimbursement: Design as part of medical home</li> <li>▪ Community Health Record (HIE): Focus on SEHP and Medicaid projects</li> <li>• Aggressive outreach &amp; enrollment of eligible children: Seek grant funding</li> <li>• Healthier food for state employees: Work with DOA</li> <li>▪ Health literacy: build into medical home model and transparency project</li> <li>▪ Expand cancer screening: KDHE as lead agency</li> </ul>	<ul style="list-style-type: none"> <li>• Increase tobacco user fee</li> <li>• Statewide smoking ban</li> <li>• Premium Assistance: convert to Medicaid Expansion for Parents under 50% FPL</li> <li>• Small Business Initiatives: Narrow focus to reinsurance in small market and consider high risk pool improvements</li> </ul>



## Enlist More Help: Outreach & Education

- **Health Reform Advisory Councils.** Meet in Aug to review proposed KHPA budget and health reform plans for 2009; additional meetings for remainder of 2008 will also be held.
- **Community Tours (30 to 40).** Scheduled for Sept/Oct 2008 to meet with community leaders across Kansas; public Townhall meetings will be held at each location.
- **Health 101 Tours.** To be scheduled for after election; meet specifically with legislators to educate on health reform efforts and KHPA

# Health Reform Messaging: Need to Better Target





# Strengthen Programs: Transform Medicaid

- **Create Medicaid Transformation Plan**
  - **Staff will develop recommendations on cost-savings, program improvements, and potential new revenue sources in the Kansas Medicaid Program.**
  - **Subcommittee members of Board to bring their recommendations to the Aug 2008 Board meeting.**
  - **Coordinate with other agencies to include all major Medicaid programs**



# Simpler Reform Plan

- **Push for Original Package with few changes:**
  - Increase Tobacco Products Assessment
  - Statewide Smoking Ban
  - Expand Medicaid Coverage for Parents/Caretakers
  - Tobacco Cessation for all Medicaid Recipients
  - Implement Statewide Community Health Record
  - Assist Small Businesses Purchase Affordable Health Insurance
  - Develop medical home model for Medicaid and State Employee Health Plan (payment reforms for 2010 session)

*Coordinating health & health care  
for a thriving Kansas*



<http://www.khpa.ks.gov/>