

## **Overview**

The House and Senate adjourned April 7th at the conclusion of the 2017 regular session. Many bills have passed and multiple policy bills have carried over until the veto session. Most significantly, neither the House nor the Senate has resolved the revenue or budget situation. Additionally, a school finance funding formula and the money to fund it has not yet passed out of a committee. There is much work to be done when they return for the veto/wrap up session on May 1.

Following is a general overview of the end of the regular session and a more detailed summary and update of health care legislation.

## **Big Picture Issues**

### **Budgets**

The House and Senate, after failed attempts, passed the current budget year rescission bill. The final plan uses the Pooled Money Investment Board principle and interest to fund the current year without cuts. Regarding the budget for the next two fiscal years, the Senate has passed a bill, but the House has not. Both chambers' bills have rejected many of the Governor's recommendation such as consolidating school district health plans, delaying KPERS payments, and securitizing the Master Tobacco Settlement dollars the state receives. Both budget bills, without a tax plan, exceed revenues by about \$500 million annually. The budget bills do not contain any new funding for the K-12 school finance formula that will eventually pass. When they return for the veto session they will have new consensus revenue estimates and perhaps more direction on a tax policy. They will need to raise taxes during the veto session.

### **Revenue**

Recently, both the House and Senate explored flat tax proposals to address the revenue shortfall. The House Tax committee approved a bill that would impose a 4.6 percent personal income tax rate for all filers. The bill raised \$850 million over the next two years. The Senate on April 6<sup>th</sup> debated a 4.6 percent flat tax that had the backing of the Governor. The bill went down to massive defeat and the regular session concluded without a tax plan passing either chamber. Keep in mind, the Senate and House both sent the Governor a tax bill that he vetoed, the House overrode, but the Senate sustained. That bill eliminated small business exemptions, created three income tax tiers and increased the rates for each. Something like it will reappear and pass during the veto session.

### **School finance**

In school finance news, the House K-12 Education Budget committee has finalized a formula bill that is almost identical to the old formula. Despite committee efforts to add more funding, the bill will increase K-12 funding \$150 million per year for the next five years, for a total increase of \$750 million. The bill remains in committee until the veto session when it may be further modified. The Senate school finance committee did not meet in the last weeks and appears to be waiting to see the House's bill before proceeding with a formula of its own.

## **Health Issues at the End of the Regular Session**

Some issues will carry forward into the veto session but if they have not passed at least one house yet they are dead for this session but can see action in 2018. At this point in the session, conference committee agreements between chambers have been dealt with many bills.

After brief comments about Medicaid expansion, you will find the highlight of bills divided into three categories: *Bills Sent to the Governor*, *Bills That Are Still Possible*, and *Bills That Are Likely Dead for This Session*. Full information regarding all bills is still included in the attached bill

summary. Bills below that passed the House or Senate may now be in a conference committee report which is essentially agreement between the House and Senate Committee leadership. A great many health bills have advanced before the regular session concluded, but there are many that will not see a final determination until the veto session.

### *Medicaid Expansion*

In February the House (81-44) and Senate (25-14) passed House Bill 2044 expanding Medicaid coverage under KanCare. The Governor vetoed the bill March 30. Brownback said the bill failed to eliminate the waiting lists for disability services and was not budget neutral. His message also stressed it would be “unwise to undertake such a drastic change” amid an ACA overhaul in Washington. The House took the issue up on April 3 and they failed to override on a vote of 81-44. The Senate, because the override failed in the House and it must pass both chambers, did not take up the issue. It is certain with the vote this close; the issue will reappear again during the wrap up veto session that begins on May 1.

At this link you can find the House veto override vote that failed 81-44. After the original vote on the bill, two legislators switched from yes to no (Arnberger and Aurand) and two moved from no to yes (Waymaster and Patton):

[http://www.kslegislature.org/li/b2017\\_18/measures/vote\\_view/je\\_20170403115129\\_310009/](http://www.kslegislature.org/li/b2017_18/measures/vote_view/je_20170403115129_310009/)

A copy of the Governor’s explanation for his veto and a response from the Reach Foundation to his comments can be found at these links.

<https://governor.kansas.gov/wp-content/uploads/2017/03/Medicaid-Expansion-Veto-Message.pdf>

<https://reachhealth.org/wp-content/uploads/2017/03/Brownback-Response-Letter.pdf>

Here is the link to the official website for **House**. At this link people can roll over the names and link to contact information.

[http://www.kslegislature.org/li/b2017\\_18/measures/vote\\_view/je\\_20170223103504\\_110781/](http://www.kslegislature.org/li/b2017_18/measures/vote_view/je_20170223103504_110781/)

Here is the link to the official website on **Senate** vote. At this link people can roll over the names and link to contact information.

[http://www.kslegislature.org/li/b2017\\_18/measures/vote\\_view/je\\_20170328105333\\_256420/](http://www.kslegislature.org/li/b2017_18/measures/vote_view/je_20170328105333_256420/)

Additional information regarding Medicaid expansion can be found at:

<http://www.expandkancare.com>

### *Bills Sent to the Governor*

Bills and the bill history can be found on the Legislature’s official website:

[http://www.kslegislature.org/li/b2017\\_18/measures/bills/](http://www.kslegislature.org/li/b2017_18/measures/bills/)

### Immunization, vaccination

- Conference committee on House Bill 2030 passed to the Governor and includes:
  - House Bill 2121. Require immunizations to be recorded in WEB IZ statewide record system.
  - House Bill 2030: Allowing pharmacist, assistant, intern vaccine to person 12 or older.

### KanCare provider protection reforms

- Senate Sub for HB 2026 contains the contents of Sub for SB 69. Passed both chambers and is headed to the Governor. The bill provides detailed provider protections and procedures imposing requirements on the managed care companies regarding credentialing, appeals, data, and other provisions.

#### Provider liability

- HB 2118: Providing liability exceptions and inactive provider coverage limits under the health care provider insurance availability act and exempting certain licensed providers from the act. Passed the House 124-0. Hearing in Senate Financial Institutions and Insurance. Passed Senate without amendments. On way to Governor.

#### Emergency opioid antagonists procedures

- HB 2217: Standards governing the use and administration of emergency opioid antagonists. Passed the House 124-0. Hearing in Senate Health 3/22. Passed out to Senate General Orders 39-0 on 3/28. Governor signed on April 7.

#### Psychiatry and child psychiatry medical student loan

- SB 32: Medical student loan agreements in psychiatry and child psychiatry for graduates employed by community mental health centers. Expands current program. Passed the Senate 35-5. Passed House 120-5. Governor approved.

#### Childcare facility sleeping equipment

- Senate Sub for HB 2304: Child Care Facilities: infant safety in sleeping equipment and sleeping areas. Passed the House 119-05. Never passed Senate. Included in Health Conference committee. Passed House and Senate and on way to Governor.

#### Bills That Are Still Possible

##### 4% Medicaid Restoration

- House Bill 2180 was passed out of House 4/6. The bill will use the HMO privilege fee increase to restore all of the 4 percent Medicaid rate reductions from July 2016. Additionally, the bill will use excess revenue raised from the provider assessment and privilege fees to fund \$33.5 million in new funding for community mental health centers over the next three years.
- The Senate version of the bill, Senate Bill 94, uses the HMO privilege fee as well but does not fund and additional programs. SB 94 passed the Senate and is in House Appropriations.
- SB 94: Increasing the health maintenance organization privilege fee and extending the medical assistance fee fund. Passed Senate. In House Appropriations.
- It is likely the 4 percent restoration will be passed during the veto session.

##### Crisis Intervention Act

- House Bill 2240: Enacting the crisis intervention act. Passed the House 124-0. In Judiciary conference committee report that has not yet run.

##### Child Seat belt education program

- Conference Committee Report on SB 89 (Now contains House Bill 2076): Creating seat belt safety fund and increasing fine for adult violations. Passed 92-33. Passed Conference committee report in the House.

## KanCare Inspector General

- HB 2047: Transfer the KanCare Office of the Inspector General to Attorney General. Passed House 123-0 on 3/28. In Senate Committee. Now in Judiciary conference committee.

## Bills That Are Likely Dead for This Session

### Meningitis vaccination

- House Bill 2205: Vaccinations for meningitis required. Passed the House 104-20. Hearing in Senate Health 3/15.

## **Proposed Legislation**

The attached spreadsheet includes a fairly comprehensive list of health related bills. Some descriptions are more thorough than others. Any bill along with fiscal notes describing bills and supplemental notes of explanation for bills that have at a minimum passed out of Committee can be found by entering the bill number at this link:

[http://www.kslegislature.org/li/b2017\\_18/measures/bills/](http://www.kslegislature.org/li/b2017_18/measures/bills/)

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