

Legislative Update

February 5, 2018

Overview

The conclusion of the fourth week includes the arrival Kansas' 47th Governor. The first bills began to pass both chambers and budget hearings will begin next week. There is still no progress on school finance and we are three weeks away from the mid-session break on February 22nd.

Big Picture Issues

Jeff Colyer, a plastic surgeon from Leawood and lieutenant governor for the past seven years, was sworn in as our state's 47th Governor on Wednesday, hours after Governor Brownback resigned his position. Joining the themes of transparency issues that have surrounded the Statehouse in prior weeks, Colyer promised to, "insist on an environment of openness, honesty and respect." Colyer does not have an easy task ahead of him with a looming April deadline to respond to the Supreme Court decision on school funding, an underfunded state retirement system, and more. Colyer will work with the Legislature to fix the state's issues while also attempting to hang on to the office come fall. He faces eleven other Republican gubernatorial candidates in the August primary. Ed O'Malley, a moderate candidate from Johnson County, ended his campaign for governor this week likely due to fundraising struggles. Most are watching to see if Colyer is willing and able to separate himself from the Brownback legacy.

The House had its first lengthy debate of the session Thursday on a bill that would recognize out-of-state concealed carry licenses. The bill passed the House and moved to the Senate with amendments to lower the concealed carry permit age from 21 to 18 but also to require firearm training to carry a weapon on college and community college campuses.

Tax committees held a number of hearings this week including one on a constitutional amendment that would ratchet down the state's sales tax on food to 4 percent in 2019 and 2 percent in 2020 and thereafter. Since it was introduced as a constitutional amendment, and not a bill, if passed it would go on the ballot in November for voters to have the final say. Likewise, legislators would be unable to make future changes to the policy without taking it to a vote of the people. Reducing or eliminating the state's sales tax on food and food items is an idea that is floated around the legislature almost annually. House and Senate tax committees held a joint meeting Thursday to get an update from South Dakota on the status of their Supreme Court case regarding the collection of internet sales tax. It is thought the oral argument phase will begin in April and many states are keeping a close eye on the case. It is estimated Kansas is losing hundreds of millions in sales tax due to online sales.

At the end of the fourth week there is no budget or education progress. Tax revenues continue to be high, and January is up \$163 million or 28 percent, but that includes many pre-payments in Kansas in response to changes in federal tax policy. As we have noted, there will be no good look at revenue until after April 16, 2018.

Health Issues

Health legislation is moving fast and furious and the coming weeks will be even more busy. The change in Governor will alter the landscape of many issues as he tries to distinguish himself from Governor Brownback. The first deadline for bill introductions are this week and the number of new bills will taper off. However, there are plenty of new bills to follow. Among the topics getting attention thus far are:

Governor's funding enhancement request for early childhood and health:

The Legislature will begin reviewing the Governor's budget recommendations this week. The House Social Services Budget Committee will begin reviewing and making recommendations on the Governor's KDADS budget this week. The Senate Ways and Means Subcommittee will begin meeting on these budgets later in the session. The looming school finance issue that may require as much as \$600 million in new revenue for schools has placed budgets at risk in the event the Legislature needs revenue at the end of the session. The budget process also takes on extra significance because of the proposed changes to KanCare, see below:

KanCare

- The budget process is important this year because in the Governor has "canceled" KanCare 2.0. After the Administration announced the termination of KanCare 2.0, one impact is that any changes being sought in Medicaid, will now likely become entangled in the budget process since the funding and budget policy may shape the future of KanCare in the absence of the conclusion of the RFP that was issued to implement KanCare 2.0.
- Variations on KanCare
- Legislative approval in Senate Bill 300/ House Bill 2507.
 - The bills require KanCare to remain exactly like it is as of 1/1/17. Only changes approved by the Legislature can be made to the Medicaid system or to contracts with managed care companies. Any negotiations or renewals are only for one year with legislative approval.
 - The bill is very broad and prohibitive and many are not sure exactly what it means to do and what it actually does. The bill does give the Legislature control over KanCare and the Governor will surely veto it if it were to pass.
 - Senators supporting the bill see it as a means for force the administration to do many things (pull out the new work requirement, eliminate proposed caps on services, fix eligibility problems, and possibly to add in Medicaid expansion).

- Senate Bill 300 has been heard in Senate Ways and Means and it remains in Committee.
- House Bill 2591: Extends current KanCare contracts for three additional years. Medicaid services are continued as of 1/1/18 and any changes must have legislative approval.
 - House Health Chairman Hawkins bill that will be heard on 2/8.
- Telehealth in House Health and Human Services committee. House Bill 2512 is scheduled for a hearing on 2/1, and continued into this week.
 - The bill creates coverage parity for insurance providers so that if a service is covered it is covered whether delivered in person or electronically.
 - Does not include pay parity, meaning the payment for services can be different if delivered in person or electronically.
 - Hearing continues into the current week with significant opposition from those who want to expand eligible providers and services beyond physicians (and those working under their supervision) and mental health workers.
 - Bill includes abortion provisions that may make it difficult to pass.
- Suspension rather than termination of Medicaid eligibility. Senate Bill 195/ House Bill 2508.
 - Bill will suspend Medicaid eligibility for members who enter prison, jail, or a state mental health hospital. The bill, discussed for over a decade, has passed out of Committee and is waiting action on the Senate floor.

Legislation of Interest

Because we are in the second year of the biennial cycle, all bills not passed or killed during the 2017 session are available for action during the 2018 session. Bills from the 2017 session will not be included on this list unless they are subject to action or they are likely to be taken up again.

Bills that have been published and the bill history can be found on the Legislature's official website: http://www.kslegislature.org/li/b2017_18/measures/bills/

KanCare/Medicaid

Prohibition against KanCare 2.0 without legislative approval. Senate Bill 300/ House Bill 2507

- Prohibiting KanCare 2.0 renewal without legislative consent.
- The bill requires KanCare exactly like is as of 1/1/17. Only changes approved by the Legislature can be made to the Medicaid system or to contracts with managed care companies.
- Senate Bill 300 hearing in Senate Ways and Means Committee, 1/30-31.

Extend current KanCare Contracts. House Bill 2591.

- Extends current KanCare Medicaid contracts for three additional years, allowing changes only with legislative approval.
- House Chair Dan Hawkins bill.
- Hearing in House Health 2/8.

Remove IDD services from KanCare. Senate Bill 332.

- Removes intellectual and developmental disabilities population from KanCare.
- Hearing in Senate Public Health and Welfare 2/9.

Suspension of Medicaid eligibility. Senate Bill 195/ House Bill 2508.

- Bill from 2017 session, suspends rather than terminates eligibility when incarcerated or in state hospital.
- Would eliminate months of eligible member losing coverage and having to reenroll in Medicaid.
- House Bill 2508 unlike SB 195, eliminates the duty for state agencies to notify the State when an individual enters or leaves eligibility and requires KDHE to monitor and report
- Hearing in Senate Health and passed to full Senate with amendment from HB 2508. Awaiting action on Senate floor.

General Healthcare

Establish the Kansas Telemedicine Act. House Bill 2512.

- The bill creates coverage parity for insurance providers so that if a service is covered it is covered whether delivered in person or electronically.
- Does not include pay parity, meaning the payment for services can be different if delivered in person or electronically.
- There is strong focus on mental health telemedicine and physicians but bill does include mid-levels working under supervision.
- Hearing in House Health 2/1, continued to 2/5.

Dental Therapy. Senate Bill 308/312.

- Creates mid-level dental hygienists position to serve in safety net clinics and with Medicaid providers.
- Senate Bill 308 is the advocates bill and Senate Bill 312 is the compromise bill that Dental Association supports.
- Senate Bill 312 is the focus of hearings and action.
- SB 312 hearing in Senate Health 2/1, 2/5 and will be subject to debate and action on 2/7.

Children

Immunity from civil liability for damage to motor vehicle related to rescue of person or animal. House Bill 2516/ SB 318.

- Civil immunity for person if locked motor vehicle with person or animal. Act must be in good faith with belief the person or animal is at risk. Required to notify law enforcement before entering.
- Hearing in House Judiciary 2/5.

Student data privacy protection. Unnumbered Senate Bill.

- New unnumbered bill allowing parents/guardian to opt out of student surveys, provided the data is non-identifiable.
- Will allow greater data collection on youth activities based on non-identifiable data . Data in surveys such as Communities That Care will be used for grant reporting and scientific research.
- No hearing date set.

Prohibited possession of a firearm. House Bill 2145.

- Prohibits legal possession of a firearm for:
 - Persons convicted of a misdemeanor for a domestic violence offense within the past five years; and
 - Persons subject to court orders restraining them from harassing, stalking, or threatening an intimate partner, child, or child of an intimate partner.
- Passed House (120-0) on 2/2/18 and awaiting action in the Senate.

Behavioral health

Behavior Crisis Response. House Bill 2611.

- Department of Health and Environment shall study and recommend a plan for behavioral health crisis services and creation of a statewide crisis response system.
- In House Health and Human Services Committee. No hearing scheduled.

Next Week Activities

The legislative schedule of hearings is updated regularly throughout the week can be found in the House and Senate calendars on the Legislature website at:

http://www.kslegislature.org/li/b2017_18/chamber/calendars/

Additionally, virtually all hearings are now available on line. You can find those hearings on the Legislature website at: <http://sg001-harmony.sliq.net/00287/Harmony/en/View/Calendar/>

Monday, February 5

House Health and Human Services. 1:30 PM.

- House Bill 2512: telemedicine. Continuation of hearing.

House Judiciary. 3:30 PM.

- House Bill 2516: Civil liability protection for individual entering vehicle to rescue a child or animal in a locked vehicle.

Tuesday, February 6

Senate Ways and Means Committee. 10:30 AM.

- KDADS briefing on possible new mental health hospital.

House Social Services Budget Committee. 3:30 PM.

- Briefing on TANF and abuse and neglect.

Wednesday, February 7

Senate Health. 9:30 AM.

- Senate Bill 312: Dental therapy. Debate and possible action.
- House Bill 2106: Deemed status. Debate and possible action.

House Social Services Budget Committee. 3:30 PM.

- KDADS State hospitals budget hearings.

Thursday, February 8

Senate Public Health and Welfare. 9:30 AM.

- Senate Bill 316: requirements for Medicaid to cover smoking cessation.

House Health and Human Services Committee 1:30 PM.

- House Bill 2591: Continue current KanCare contracts for three years with legislative approved changes.

House Social Services Budget Committee. 3:30 PM.

- KDADS State hospitals budget hearings.

Friday, February 9

Senate Public Health and Welfare. 9:30 AM.

- Senate Bill 332: Remove intellectual and developmental disability services from KanCare.

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