

Kansas Chapter of the American Academy of Pediatrics Public Policy Report

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Introduction

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- 17 Legislative sessions at lobbyist.
- 6 years non-partisan staff working for Kansas Legislature.
- Ph.D. in History.
- Experience representing interests of health care field, schools, local governments, and business on legislative and administrative remedies.
- Two sessions of advocacy assistance with the Kansas Chapter.
- More extensive policy and legislative liaison and advocate.
- Advocacy Day in Topeka Tuesday February 12th.

Overview

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- 2018 Legislature highlights.
- Schools, revenue, and other factors.
- Elections: Summarize the fall elections and impact.
- Upcoming health care, and other, issues.
- Wrap Up.

2018 Session Highlights

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- **Telehealth Coverage Parity.** House Bill 2674 the telehealth bill.
 - Requires coverage parity but not payment parity for telehealth services.
- **Immunity from civil liability for damage to a locked motor vehicle related to rescue of person or animal.** House Bill 2516.
- **Disclosure of information in Child in Need of Care code.** House Sub. for Senate Bill 336.
 - Makes accessible public information related to abuse or death of a child in state custody.
- **Child placement agency discrimination.** Senate Bill 284.
 - Allows child placement agencies to refuse services or placements, and protects their license and contract if they discriminate.
- **Emergency medical workers as mandatory reporters.** Senate Bill 311.
 - Emergency medical personnel added to list of mandatory reporters for child abuse and neglect.
- **Fingerprinting child care facility persons.** House Bill 2639.
 - Local and state law enforcement officers and agencies to assist KDHE in taking and processing fingerprints of persons residing, working or regularly volunteering in a child care facility.
- **Budget was used as a tool support for programs was used to build support for school funding.**

2018 Session Highlights

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- **Budget initiatives that passed:**
 - Add \$4.2 million Children's Initiative Funds for Pre-K Pilots.
 - Add \$1.0 million Children's Initiative Funds for full funding of Parents as Teachers.
 - Add three-year olds to at-risk pre-school program.
 - Add \$5.5 million, including \$3.3 million from the State General Fund, to increase payments for foster care kinship placements from an average of \$3 per day to an average of \$10 per day;
 - Add \$300,000, all from the federal TANF, for Communities in Schools, for FY 2019. The program provides case management services to at-risk students, with a focus on improving academics, behavior, attendance, and graduation rates.

2018 Session Highlights

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- Add \$1.0 million, all from the federal TANF, for the Boys and Girls Club, YMCA, and municipal parks and recreation programs for FY 2019, and add language requiring the agency use half of the funding to provide funding for foster children participating programs instead of requiring foster parents to pay the fees from their daily rates and the other half for other programs.
- Language that allows the State to evaluate the request for proposal and consider adding MCOs rather than bills to stop KanCare 2.0. Only allows KanCare to seek Institute for Mental Disease IMD exclusion (allowing more access to residential services), expand access to behavioral health services, and expand telehealth options.

2018 Session Highlights

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- Add \$550,000 SGF plus federal funds to implement smoking cessation services for Medicaid members; no limit on counseling, four annual medication treatments (SB 436).
- Add \$425,000 all funds to administer Medicaid eligibility reinstatement for individuals released from corrections, state hospitals, or institutional placement as in SB 195. (Replaces concept of “suspension of eligibility.”)

2018 Session Highlights

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- Failed to address:
- Medicaid expansion.
- Weapons.
- Sales tax on food reduction.
- Tobacco tax.

Issues of interest since the 2018 session concluded.

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- Education, revenue, Medicaid.

Education

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- June 25th the Supreme Court in the Gannon school finance lawsuit ruled that the funding formula is not constitutionally adequate and they will not end the case. The addition of \$530 million over five years was a positive step but the Court has added the requirement to adjust for inflation increases. The Court will allow the 2019 Legislature to make that change.
- Cost estimate between \$200 and \$500 million over five years.
- The issue awaits resolution during the 2019 session.

Revenue

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- Success of the 2017 tax bill over the Brownback veto increased revenue.
- \$320 million ending balance at end of 2018 fiscal year.
- Combined with 2019 estimated collections, Kansas has over \$1 billion in excess revenue.
- Current agriculture prices, crop issues, and tariff issues may have an impact on revenue in the upcoming months.
- Additional revenue has prompted preliminary discussions about both tax reductions as well as using these revenues to address the Supreme Court's order for additional funding to cover inflationary costs.
- The recent U.S. Supreme Court decision that will require collection of sales tax from internet purchases in the South Dakota v. Wayfair case will generate at least \$100 million per year.

Healthcare

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- **Medicaid:**

- As the result of the recent KanCare 2.0 request for proposal process, the State awarded the renewal to Optum and Sunflower and the addition of Aetna as the new third managed care company for KanCare on January 1, 2019. AmeriGroup and other unsuccessful bidder are challenging the State's decision. The three MCOs will be reaching out to providers and members regarding re-enrollment around October 1.
- Work requirements? Lifetime eligibility caps? Non-essential benefit plans?
- Eligibility "fixed?" State announced extension of Maximums eligibility contract, increased their fee, and redirected difficult eligibility cased to internal KDHE verification.

Elections:

Summarize the fall elections and impact

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- **2016 Elections Legacy.**
- **2016 shifted the majority that governs more toward the center of the political spectrum and diminished Brownback power.**
- **2017 session reversed the 2012 tax policy achieved over the override of the Governor's veto.**
- **2017 House and Senate passed Medicaid expansion bill and failed by three votes to override.**
- **During the 2017 and 2018 sessions, the Legislature sent two bills to the Supreme Court adding a combined \$800 million over a six-year period to attempt to satisfy the Court's expectations of adequate funding of K-12 education.**

- 2018 Elections.
- Kansas House of Representatives.
- Kansas U.S. Congressional Members.
- All Statewide elected offices: Governor/Lt. Governor, Secretary of State, Insurance Commissioner, State Treasurer, and Attorney General.
- One State Senate seat due to a retirement.

Kelly

- Democratic State Senator Laura Kelly from Topeka defeated five opponents in the August 2018 primary. Kelly was born and raised in New York. She served many years as the executive director of the Kansas Recreation and Parks Association before her election to the Kansas Senate in 2004. Most of her committee work has focused on the state budget and health care issues. Her husband is a physician and they have two grown daughters. Her Lt. Governor partner is current state Senator Lynn Rogers from Wichita. Rogers' background is in agricultural investments and financial planning. He was elected to the Wichita school board in 2001 and the Kansas Senate in 2016.
- <https://www.laurakellyforkansas.com>
- Defeated Josh Svaty, Carl Brewer, and two minor candidates in primary.

Kobach

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- Kris Kobach is the current Secretary of State, a position he was elected to in 2010. Kobach is a lawyer, former chair of the Republican Party and is perhaps best known for his positions on Voter ID laws and immigration. If elected, Kobach says he wants to enforce term limits on legislators, end sanctuary cities and crack down on illegal immigration. He has expressed interest in a constitutional amendment to restrict the Supreme Court's ability to determine adequate funding for schools and impose additional controls on school districts. He wants to cap the growth in assessed valuation and pursue a number of strategies to reduce property taxes. Kobach served as an advisor to President Trump during Trump's campaign for president.
- <https://www.kobach2018.com/>
- Secretary Kobach defeated a lengthy list of candidates, including his closest rival current Governor Colyer by 343 votes out of 317,165 votes cast in the primary. Colyer did not request a recount and conceded to Kobach before the final votes were officially certified. Other defeated Republican contenders included former Senator Jim Barnett and Insurance Commissioner Ken Selzer. Early candidate in the race Wink Hartman dropped out and became Kobach's Lt. Governor candidate and campaign financial benefactor.

Orman

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- Greg Orman, Johnson County businessman who ran as an independent against Pat Roberts in 2014, is running as an independent. State Senator John Doll agreed to run as Orman's running mate and he was promptly removed from all of his legislative committee assignment by the Republican leadership. Orman is running against the political parties and for change, transparency, efficiency, and improved healthcare. Orman, a Princeton University alumni founded an environmental lighting company along with other business development projects including a private equity firm.
- <https://www.ormanforkansas.com>

Governor's Race Cont.

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- The latest polling made public has Senator Kelly and Secretary Kobach in a tie race and independent Orman is polling at about 9 percent. The campaign will be hard fought and expensive. Secretary of State Kobach has high unfavorable polling and celebrated the endorsement of President Trump immediately before the primary. Senator Kelly will likely have access to significant funding from outside Kansas because of Kobach's connections to the Trump campaign. The race will be close for a number of reasons, including the presence of the independent candidate.
- Potential for reversal of 2016 changes. Does Trump/Clinton anger and/or energy help Kobach and conservatives more than it generates support for Laura Kelly? It is always a challenge for Democrats to overcome the Republican voter registration dominance in Kansas.

2018 Elections Legislative Impact

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- The entire Kansas House of Representatives is up for election this is the first test for those elected in 2016 who voted for increased tax revenues during the 2017 session and increased funding for schools in the 2018 session. Currently the division of the House is 85 Republicans and 40 Democrats.
- Before the primary, 45 of the incumbents do not have any opposition, so one-third of the House is already settled. For the general election only 61 of 125 House seats have a contested race.
- **Senate.**
 - One seat up and the Senate distribution between parties will remain the same and under control of more conservative Republican leadership.
- **House.**
 - Current 85 (R) 40 (D) will change. Six moderate Republicans beaten in primary.
 - Democrats could pick up some seats, but no impact on majority.
 - Conservative Republicans will retain power.

Issues looming for 2019 and beyond

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- Issues for the 2019 Legislature and the new Governor are significant.
- Tax policy topics are massive: Reverse the repeal of Brownback cuts; conform to federal tax law changes; tax lid or caps on growth, property tax changes; sales tax on food reduction.
- Education issues and response to Gannon court order: more funding or constitutional amendment?
 - School finance. The Kansas Supreme Court has declared the formula unconstitutional again. The plaintiffs expect the Legislature to approve additional funding as high as \$500 million in 2019. The Legislature and the new Governor will face great difficulty obtaining additional funds while a significant discussion of limiting the court's constitutional authority grows.

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- Social and policy issues with an impact on health care could include: weapons, immigration, Medicaid/KanCare renewal, changes, abolition.
- Senate elections in 2020; and first chance to vote on Senators elected in 2016 who have since voted on taxes and education responses. Will Senate Republican moderates lose seats like House members have?
- Redistricting 2020-22 depends on who controls the Senate and the Governor's office. The power to redistrict is the control the future.

Wrap Up

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- Advocacy Day in Topeka Tuesday February 12th.