



Memorandum

Date: October 23, 2020

Re: October Legislative and Policy Update

Overview

With the 2021 Session less than three months away, legislative activity is picking up as various commissions and committees begin to submit recommendations for legislation or further study. This report provides a snapshot of key events over the last few weeks, links to some key information, and connections to the policy issues we are working on for you.

Outline:

- State Finance Council (SFC) Rulings
- Current State Impact & Response
- Healthcare Issues
- Upcoming Legislative Activities

State Finance Council Actions

- On October 7th the SFC voted unanimously to extend the state of disaster declaration to November 15th. It is expected that before November 15th the SFC will meet again to extend the declaration another 30 days.
- The Adjutant General provided the SFC with a brief update of their operations within the last 30 days since the declaration was extended, noting that the Kansas Department of Emergency Management (KDEM) continues to receive high levels of requests for support and PPE. Since the SFC's latest extension, KDEM has received over 540 requests from counties for assistance, and KDEM has distributed over 8,000 cases of PPE.

Current State Impact & Response

Kansas Eviction Prevention Program

- The Kansas Housing Resources Corporation, in conjunction with DCF and the Office of Recovery, has created the Kansas Eviction Prevention Program (KEPP) to offer relief to both landlords and tenants during the COVID-19 crisis. The program's goal is to decrease evictions and increase housing stability by providing financial support to landlords and tenants.
- Landlords and tenants can apply for up to \$5,000 per household to pay delinquent rent payments dating back to April 1st. Payments will be made directly to landlords, who cannot evict the household for nonpayment of rent for the months of KEPP assistance received. Late fees are also to be waived during the months that assistance is received.
- More information here: <https://kshousingcorp.org/eviction-prevention-program/>
- A one-page, step-by-step application guide can be found here:
<https://kshousingcorp.org/wp-content/uploads/2020/10/Tenant-guide-V2.pdf>

- The SPARK Task Force met October 22nd to review the amount of funds that have been awarded and a plan to spend the remaining funds by the end of the year.
- While only 2 counties (Jackson and Russell) have completely allocated their funds, all other counties are scheduled to spend their funds by December 30th. Counties are estimated to spend \$123 million during the remainder of October; \$113 million in November; and \$71 million in December.
- Round II involved funding for 23 statewide programs for public and private entities. Four of these projects have been completely expended: Kansas Department of Emergency Management for rural emergency operations centers; KDADS for nursing facility relief; KBOR for higher education relief; and relief for community technical colleges.
- Round III involves funding for three statewide programs: Kansas Eviction Prevention Program; child supervision during remote learning; and testing.
- Testing: The RFP for COVID-19 testing closed October 21st. Awardees of the \$53 million for testing will be announced Tuesday. The Administration is reviewing proposals for labs as well as concepts to ensure that integration of a statewide strategy will happen by the end of the year.
- A brief, two-page SPARK Process FAQ can be found here: https://covid.ks.gov/wp-content/uploads/2020/10/FAQ-Handout_10.20.Final.pdf
- Overview of SPARK Rounds I through III is detailed in this powerpoint: https://covid.ks.gov/wp-content/uploads/2020/10/FINAL-SPARK-Progress_10.21.20.pdf

September Revenues

- Following the trend of the last couple of months, September's revenues came in above estimates. Income and excise taxes totaled \$72.5 million (11.1% above estimates).
- First quarter revenues are also exceeding estimates, by \$116 million, largely due to delayed filing deadlines and increased revenues from online purchases.
- While September's individual and corporate income taxes exceeded estimates, compensating use taxes for the month far exceeded estimates, by \$11.6 million, which is also \$8.6 million above last September.
- Liquor taxes (not including bars and restaurants) exceeded estimates by 24% and are far above last September's revenues.
- Stay tuned for the November 6th Consensus Revenue Estimate, which will provide us with a better picture for the remainder of the current fiscal year, as well as the upcoming fiscal year, and which plays a key role in informing the Governor's budgeting process.

Unified Testing Strategy

- The Governor's Office, in conjunction with KDHE, has initiated a statewide testing strategy to tackle COVID-19.
- KDHE has initiated Phase I of their unified testing strategy designed to increase testing statewide, both diagnostic testing of individuals with symptoms and those in close contact with a positive case, as well as routine testing in areas of high, ongoing community spread. Testing will be targeted initially in nursing homes, correctional facilities, and schools.
- The unified strategy will help the state increase its current testing capacity, which is around 60,000 tests per week.

- Kansas has also joined with five other states, over 20 cities, and two Native American tribes in the Rockefeller Foundation COVID-19 Testing Solutions Group to keep Kansas up to date on testing strategies and best practices.

Broadband Expansion Update

- With the current flexibilities for telemedicine and the high volume of students learning remotely, broadband expansion and access to affordable internet is more important than ever.
- On October 8th, the Kelly Administration established the Office of Broadband Development, to be overseen by the Kansas Department of Commerce, and which will oversee broadband development and expansion throughout the state, especially in rural and underserved areas.
- The Administration also awarded roughly \$50 million in grants for broadband expansion in underserved Kansas communities, largely to improve infrastructure in order to make telemedicine, teleworking, and remote learning more accessible to Kansas families and communities.
- An interactive map of the broadband grant projects can be found here:
<https://www.kansascommerce.gov/broadband-map/>

Healthcare Issues

The last month is noteworthy for a fairly limited amount of action on health care issues. There is not a great deal to report, but we'll take a slow month after the last eight. We're preparing for the final outcome of the November general election. The legislative interim committees will be concluding their work in the next two months and we will have a better sense of potential policy discussions. Telemedicine will be front and center of the policy discussion. And we're anticipating the next State revenue estimates in early November that will dictate the amount of available revenue to fund health services and address the pandemic, including a potential vaccine.

Telemedicine

Telemedicine expansion is one positive outcome of the pandemic. There are a variety of ongoing activities we are participating in to address the future of telemedicine. Current Medicaid policy, private insurance changes, state executive orders, and emergency declarations govern the use of telemedicine through the various deadlines, but generally those deadlines are January 26, 2021, for the termination of the state's health emergency. Here in Kansas, we must be prepared to either amend Kansas law when the executive orders expire in January 2021 or support continued policy. The State and Medicaid managed care companies are examining telemedicine data and provider groups are working on potential legislation. A couple of additional highlights include:

- Emergency Telemedicine Project.
 - U.S. Department of Agriculture provided almost \$1.0 million to sixteen rural counties to provide telemedicine software and equipment.
- The Joint Special Committee on Foster Care Oversight this week recommended the 2021 legislature continue all Medicaid telemedicine services.
- The Bob Bethell KanCare Oversight Committee will review the latest on telemedicine services during the quarterly meeting on December 9th.

- Most of you all participated in the joint University of Kansas Medical Center and United Methodist Health Ministry Fund provider survey of telemedicine utilization.

Committee Activities

KanCare Oversight

- Last met on September 28 with the final 2020 meeting scheduled for December 9th.
- Telemedicine benefits examined; the impact of Governor's allotment reductions in July that cut, among other items, behavioral health Medicaid rate increases, cuts to IDD rate increase; KDHE briefings on OneCare Kansas; disability and behavioral health employment support pilot update;
- Extensive discussion of special education services and the medical supports for children with an Individual Education Plan with the challenges and barriers of remote learning.

Mental Health Reform

- The Joint Committee on Mental Health Modernization and Reform continues monthly meetings as well as three working groups that continue to meet bi-weekly.
- No recommendations have been made, but the focus is primarily on the community mental health system in particular, as opposed to the broader behavioral health provider network.
- Priorities in discussion topics include regionalized care in the Sedgwick county area; increased funding for youth treatment including inpatient/PRTF services, and suicide awareness and prevention.
- The mental health discussion has addressed four specific issues of concern to KAAP:
 - Children in the foster care or criminal justice system in need of behavioral health services face the added challenges of oftentimes having to track down medical (and school) records as they move.
 - Focus on addressing children in need of out of home placements when the home situation is not safe but state custody is not an appropriate option.
 - Significant issues arising from inadequate access to services by schools for children with a federal IEP who are required to receive services at home.
 - There is an intent to address suicide awareness and prevention, particularly youth and teens, an issue that has been exacerbated by the pandemic.

Foster Care Oversight

- The six days of meetings for the Joint Committee on Foster Care Oversight concluded on October 21st.
- The focus on children in the child welfare system raised the following health issues:
 - Providers serving kids and/or parents for behavioral health needs, in or out of the foster care system, need greater Medicaid ability to provide for treatment and reimbursement for treatment when the Medicaid child is not present. (Medicaid code 90846).
 - Strong support for permanent continuation of the full array of available telemedicine services for Medicaid treatment.
 - Support for 2021 legislative consideration of two additional organizational and structural changes to help the child welfare system:

- Strong support for the Office of the Child Advocate, modeled after a similar office in Missouri, to focus on children in custody but outside the state's child welfare agency.
- Additional discussion of the Missouri health information specialist unit to improve access to foster children's medical records. Standing committees during the 2021 legislative session may take up the medical records issue, and the Office of the Child Advocate bill from 2020 will be reintroduced in 2021.

Legislative Activities

Legislative committees continue to formulate policy recommendations that could serve as potential legislation during the 2021 session.

- Special Committee on Mental Health Modernization and Reform
 - Next Meeting: Friday, October 30th.
 - The 3 subcommittees continue to meet bi-weekly. Subcommittees include: Finance & Stability; Policy & Treatment; and System Capacity & Transformation.
- Legislative Budget Committee
 - Next Meeting: November 13th, to continue assessment of the impact of the pandemic on the state's budget and state and local revenue collections.

Committee hearings, membership, and meeting agendas can be found at this link:

http://www.kslegislature.org/li/b2019_20/committees/

Live listening to hearings is available at this link: <http://sg001-harmony.sliq.net/00287/Harmony/en/View/Calendar/>

Most committees are archived on YouTube at this link:

<https://www.youtube.com/c/KSLegislatureLIVE/videos>