

KHA's Capitol Comments January 28, 2025

Senate and House Health Committees Hear Gender Care Legislation

Today, the House Health and Human Services Committee and the Senate Public Health and Welfare Committees discussed legislation related to gender care. The Senate held a hearing on <u>Senate Bill 63</u>.

The House Committee held a hearing on <u>House Bill 2071</u>. The Senate Public Health and Welfare Committee is slated to take action on Senate Bill 63 on Wednesday, Jan. 29.

House Appropriations Sees Changes to Larned Budget

Today, the House Appropriations Committee, chaired by Representative Troy Waymaster (R-Bunker Hill), continued to hear reports from the budget sub-committees. The committee heard report outs today, including those presented by Chairman Dave Buehler (R-Lansing), who reported on the Health Care Stabilization Fund budget and Larned and Osawatomie State Hospitals.

The committee held a lengthy discussion regarding contracting nursing costs and asked several questions about the special committee on contract nursing and the future of Larned State Hospital. The committee saw a motion made by Representative Sean Tarwater (R-Stillwell) to halt contract nursing service as of July 1, 2027, with a possible interim committee to discuss contract nursing and the future of Larned State Hospital. The motion passed on a vote of 12-5.

The committee will continue agency budget discussions throughout the week.

Rural Broadband Discussed by Utilities Committees

Today, the House and Senate Utilities Committees heard updates on broadband. The House Committee heard from Cat Moyer from Pioneer Communications regarding rural broadband. The committee heard that Pioneer has spent more than \$200 million annually to build a network in Kansas. They highlighted the Department of Commerce Broadband Acceleration Grant Program and the Federal Infrastructure and Jobs Act. The committee also heard from the Kansas oil and gas industry on trends and the economic impact on the Kansas economy.

On the Senate side, the committee heard an update from the Kansas Department of Commerce, Office of Broadband. The community heard there are 29 rural local exchange

carriers, with more than \$85 million to be distributed through the Eisenhower Legacy Transportation Plan in the next ten years. The committee also heard about the Federal Infrastructure and Jobs Act which will bring \$451 million to fund Broadband Equity, Access and Deployment program.

Senate Government Efficiency Hears from Medicaid Inspector General

Today, the Senate Government Efficiency Committee, chaired by Renee Erickson (R-Wichita), heard from Medicaid Inspector General Steven Anderson about the office's timeline, mission and vision. The IG gave an overview that Medicaid is a \$5.5 billion program and his commitment to stopping fraud, including phantom patients, billing for services not provided, unnecessary tests, kickbacks, concealing ownership in related companies, double-billing, false income information and sharing Medicaid identification. The IG gave an overview of previous audits, including:

- MediKan Payments for Ineligible Beneficiaries, July 30, 2021.
- Capitation Payments for Deceased Beneficiaries, Sept. 17, 2021.
- Home and Community-Based Services Life Alert Services, April 13, 2022.
- Out of State Residency, June 5, 2023.
- Transitional Medical (TransMed) program, Dec. 8, 2023.
- Continuing Care Retirement Communities, April 2, 2024.

The committee learned that the IG's office processed 1,454 complaints in 2024. In 2024, 105 investigations were completed and \$236,454 in savings and recoveries were identified. Twenty-seven cases were closed, and 11 allegations were disproved. The IG highlighted upcoming audits about National Provider Identifier numbers and prior authorization being required by managed care organizations.

House Social Services Budget Committee Hears from Public on KDHE Budget

Today, the House Social Services Budget Committee, chaired by Dave Buehler (R-Lansing), heard from public and advocacy groups about the needed investments and enhancements critical to the services under the Kansas Department of Health and Environment purview. The Kansas Hospital Association, in partnership with several hospitals, highlighted the need for maximizing the provider assessment, additional Medicaid rate enhancements, add-on payments for critically needed services such as behavioral health and maternity care, and the continuation of the Rural Hospital Innovation Grant Fund. KHA also highlighted the need to explore an avoidable days program in the state and maintain funding for centralized credentialing under the new managed care organization contracts.

The committee will continue to work on agency budgets throughout the week.

Senate Ways and Means Hears Bill on Continuous Budget

Today, the Senate Ways and Means Committee, chaired by Senator Rick Billinger (R-Goodland), received a briefing on <u>House Bill 2007</u>, the legislative budget bill. The committee also held a hearing on <u>Senate Bill 14</u>, which would provide for a continuous state budget.

The committee heard proponent testimony from Elizabeth Patton of Americans for Prosperity and opponent testimony from Mike Burgess of the Kansas Disability Rights Center who questioned the constitutionality of certain sections of the legislation.

Senate Debates First Bills on General Orders

This afternoon, the full Senate is slated to debate <u>Senate Bill 35</u>, an act concerning property taxation; relating to tax levies, discontinuing the state tax levies for the Kansas Educational Building Fund and the State Institutions Building Fund, providing financing therefor from the State General Fund.

The full Senate will also debate <u>Senate Bill 10</u>, an act concerning property taxation; relating to an exemption, providing exemptions for certain personal property, including watercraft, marine equipment, off-road vehicles, motorized bicycles, certain trailers and aircraft.

If these bills pass on final action votes, they will go to the House.

Introduction of Bills

<u>Senate Bill 85</u> by Committee on Government Efficiency – Concerning public assistance; relating to the secretary for children and families; directing the secretary to enter into agreements with state agencies for the continuous review and comparison of data for public assistance eligibility; requiring the secretary to review federal sources to verify such eligibility

<u>Senate Bill 87</u> by Committee on Education – Concerning education; relating to the tax credit for low-income student scholarship program; expanding eligibility therefor; eliminating the eligibility requirement that students shall have been previously enrolled in public school; increasing the tax credit for contributions made to such program; providing for aggregate tax credit limit increases under certain conditions

<u>Senate Bill 88</u> by Committee on Public Health and Welfare – Concerning the state long-term care ombudsman; requiring the state long-term care ombudsman and any regional ombudsman to receive training in memory care

<u>House Bill 2110</u> – Eliminating the requirement that the state 911 board shall contract with a local collection point administrator for services, rescheduling the date on which the state 911 operations fund, state 911 grant fund and state 911 fund shall be established, requiring certain transfers to be made to the state 911 operations fund and rescheduling the date for transferring all 911 fee moneys currently held outside the state treasury to the state treasury

<u>House Bill 2117</u> by Committee on Commerce, Labor and Economic Development, requested by Clay Barker on behalf of the Office of the Secretary of State – Concerning business entities; requiring a business trust to file a certificate of dissolution or withdrawal with the secretary of state and pay associated fees when surrendering authority to transact business in Kansas; requiring a foreign corporation to use a form prescribed by the secretary of state when filing merger or consolidation information or amendments to such corporation's articles of incorporation; authorizing professional corporations or limited liability companies formed or organized to render a professional service to participate in transactions under the business entity transactions act; making certain information provided by registered agents a public record; modifying filing requirements and associated fees for limited partnerships

<u>House Bill 2128</u> by Committee on Insurance, requested by Eric Turek on behalf of Kansas Insurance Department – Concerning insurance; relating to the regulation thereof; authorizing the commissioner of insurance to select and announce the version of certain instructions, calculations and documents in effect for the upcoming calendar year and cause such announcement to be published in the Kansas register; allowing certain life insurers to follow health financial reports; adopting certain provisions from the national association of insurance commissioners holding company system regulatory act relating to group capital calculations and liquidity stress testing

<u>House Bill 2136</u> by Committee on Education, requested by Representative Hill – Concerning education; relating to the tax credit for low-income student scholarship program; expanding eligibility therefor; eliminating the eligibility requirement that students shall have been previously enrolled in public school; increasing the tax credit for contributions made to such program; providing for aggregate tax credit limit increases under certain conditions