

# The Kansas Health Policy Authority

## Insights for the HealthFirst CT Authority

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# KHPA Mission

To develop and maintain a coordinated health policy agenda that combines the effective purchasing and administration of health care with health promotion oriented public health strategies

-- KSA 2005 Supp. 75-7401, *et seq.*

# Ultimate Purpose of Health Reform

To improve the *health* of Kansans – not just health insurance or health care

# KS Health Reform Timeline

- 2005: Creation of KHPA
  - Within Executive branch
- 2006: Revision of KHPA
  - Independent state agency with own Board, reports to Legislative joint committee on health
  - Assumed responsibility for all state health coverages, health care data responsibilities
- 2007: Governor & Legislature asked for reform options (S.B. 11, below)
  - Delivered in Nov after participatory process
  - Improvements in agency governance, staffing, etc.
- 2008: Debate Health Reform Options
  - Legislative debate, limited success

# Health Reform Priorities

- **Promoting personal responsibility**
  - Responsible health behaviors
  - Informed purchase of health care services
  - Contribution to the cost of health insurance, based on ability to pay
- **Paying for prevention and promoting medical homes**
  - Focus on obesity, tobacco control, chronic disease management, and incentives for primary care medical homes
- **Providing and protecting affordable health insurance**
  - Focus on small businesses, children, and the uninsured

# KPHA Activities

- Economic analysis funded by four Kansas health foundations
- Listening tour
- Informing the Public
- Many task forces, committees, meetings
- Data collection and analysis

# KPHA's Coordinated Approach



# Requirements of SB 11, start

Shall consider as part of health reform in Kansas various Medicaid reform options including:

- **The experience of other states**
  - *Massachusetts, Missouri, Connecticut, Vermont, New Jersey*
- **Long term care**
  - *LTC Partnership announced October 2007*
  - *Support for home and community based services*
- **Waste, fraud and abuse**
  - *Appointment of Inspector General and begin financial auditing process for Kansas Medicaid program*
- **Health opportunity accounts**
  - *Pilot concept as part of Premium Assistance*
- **Tax credits**
  - *Support for purchase of tax advantaged health insurance; waiting for interim committee recommendations*
- **Vouchers**
  - *Not supported by Board; waiting for interim committee recommendations*
- **Premium Assistance**
  - *Designing program; RFP issued by end of year*



# Requirements of SB 11, cont'd

On November 1st, an analysis of health care finance reform options, including:

- **An analysis of a Kansas health insurance connector**
  - *Examined as part of Universal and Affordable plan models*
  - *Reform recommendations include a voluntary health insurance clearinghouse for small businesses*
- **A model for a voluntary health insurance connector**
  - *Affordable plan model*
- **Draft legislation for the proposed health care finance reform options**
  - *Legislative framework for recommendations being developed*
- **Shall develop and analyze other pertinent initiatives and policies designed to increase access to affordable health insurance and to otherwise promote health**
  - Reform recommendations for personal responsibility, medical homes, prevention, and affordable health insurance

# 21 Recommendations: System Reform and Better Health

Transforming Medical Care	Improving Public Health	Expanding Affordable Insurance
<ul style="list-style-type: none"> <li>•Transparency project: health care cost and quality</li> <li>•Health literacy</li> <li>•Medical home definition</li> <li>•Medicaid provider reimbursement</li> <li>•Community Health Record (HIE)</li> <li>•Form standardization</li> </ul>	<ul style="list-style-type: none"> <li>•Increase tobacco user fee</li> <li>•Statewide smoking ban</li> <li>•Partner with community organizations</li> <li>•Education Commissioner</li> <li>•Collect fitness data in schools</li> <li>•Promote healthy foods in schools</li> <li>•Increase physical fitness</li> <li>•Wellness for small businesses</li> <li>•Healthier food for state employees</li> <li>•Dental care for pregnant women</li> <li>•Tobacco cessation in Medicaid</li> <li>•Expand cancer screening</li> </ul>	<ul style="list-style-type: none"> <li>•Aggressive outreach and enrollment of eligible children (target population: 20,000)</li> <li>•Premium assistance for low income adults without children (target population: 39,000)</li> <li>•Small business initiatives (target population: 15,000 young adults and 12,000 employees of small businesses)</li> </ul>

# What Happened?



**Some progress in first year, but need for multi-year multi-stakeholder strategy**

# Health Reform Report Card

Transforming Medical Care	Improving Public Health	Expanding Affordable Insurance
<ul style="list-style-type: none"> <li>▪ <b>Transparency project:</b> Health care cost and quality (Kansas Health Online)</li> <li>▪ <b>Health literacy</b></li> <li>▪ <b>Medical home definition</b></li> <li>▪ <b>Medicaid provider reimbursement</b></li> <li>▪ <b>Community Health Record (HIE)</b></li> <li>▪ <b>Insurance Form Standardization</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increase tobacco user fee</b></li> <li>• <b>Statewide smoking ban</b></li> <li>• <b>Partner with community organizations</b></li> <li>• <b>Education Commissioner</b></li> <li>• <b>Collect fitness data in schools</b></li> <li>• <b>Promote healthy foods in schools</b></li> <li>• <b>Promote fitness in schools</b></li> <li>• <b>Wellness for small businesses</b></li> <li>• <b>Healthier food for state employees</b></li> <li>• <b>Dental care for pregnant women</b></li> <li>• <b>Tobacco cessation in Medicaid (for pregnant women only)</b></li> <li>• <b>Expand cancer screening</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Aggressive outreach &amp; enrollment of eligible children (target pop: 20,000)</b></li> <li>• <b>Premium Assistance for low income adults without children (target population: 39,000)</b></li> <li>• <b>Small Business Initiatives (target population: 15,000 young adults and 12,000 employees of small businesses)</b></li> </ul>

# Summary of 2008 Legislative Action

- Nine of KHPA's original 21 health reform recommendations were passed
- Any items that were considered controversial were requested to be studied only
- Final health reform bill (SB 81) left some unfunded mandates

# Health Reform: What's Been Done

- Actuarial analysis funded by foundations
- Health reform plan development
- Advocates partnering around reform
- KHPA Board and staff outreach to communities
- Media relations/partnering

# Health Reform: What's Left to Be Done

- Strategy shift: simpler reform plan
- Original package with a few changes
- More outreach

# Concluding Observations - 1

- Structure, governance took 2 years to evolve, reflected compromise between Gov. & Legis.
- Health is end goal
- Goal is evidence-based policy making — key = centralized data collection and analysis
- Coordinated oversight of *all* state coverages — harmonizing signals to the health care system
- Coordination with many state departments — reflects contribution to health of non-health departments, but requires ongoing compromises
- Merger of existing plans not yet achieved, nor substantial expansions



# Concluding Observations - 2

KHPA and roles mentioned for a CT reform “Trust”:

- Congruent goals: personal responsibility, prevention and public health, affordable health insurance
- Coordinated oversight of health plans that are under state stewardship (but no pooling)
  - Operationalizing of health promotion, prevention
- Heavy data orientation
- Independent governance (but not budget)

*Aside — possible fiscal model noted in Aug QAS work group minutes = CT Health & Educational Facilities Authority <http://www.chefa.com/>*

# End

**Questions?**  
**Observations?**

# Kansas Health Policy Authority: Further Information

Marcia Nielsen (Executive Director, KHPA), *2008 Annual Legislative Report*, presented to Kansas Legislature, Updated 2-5-08.

----- . [presentation to] Joint Committee on Health Policy Oversight by, August 14, 2008 (source of some slides).

----- . *KHPA Board 2007 Health Reform Recommendations*, (source of some slides)

All documents accessible from within <http://www.khpa.ks.gov>

# Getting Value for Money: Health System Transformation

- Transparency; public information on clinical quality, patient-centered care, and efficiency by provider; insurance premiums, medical outlays, and provider payment rates
- Payment systems that reward quality and efficiency; transition to population and care episode payment system
- Patient-centered medical home; integrated delivery systems and accountable physician group practices
- Adoption of health information technology; creation of state-based health insurance exchange
- National Institute of Clinical Excellence; invest in comparative cost-effectiveness research; evidence-based decision-making
- Investment in high performance primary care workforce
- Health services research and technical assistance to spread best practices
- Public-private collaboration; national aims; uniform policies; simplification; purchasing power

Source: The Commonwealth Fund, via KHPA [green = KS foci]

# KHPA & Medical Home

- Process to define a Kansas medical home passed as part of health reform
- Kansas selected to participate in State Quality Institute (Joint venture through Commonwealth/Academy Health) – goal to operationalize and implement medical home
- Stakeholder process to begin this summer
  - Interested organizations: Kansas Academy of Family Physicians (KAFP), Kansas Medical Society (KMS), Kansas College of Physicians (KACP), Kansas Hospital Association (KHA), Kansas Association for the Medically Underserved (KAMU), Children's Mercy Family Health Partners (FHP).

# KPHA & Other Entities

## [list of studies]

- KHPA
  - 13 Studies-----Medicaid, OIG Fraud Recovery Payments, Medicaid buy-ins, state Medicaid reform, Health Opportunity Accounts, Small Business Health Insurance, and Transparency
- KDHE—1 Study on Physical Fitness
- OIG—1 Study on Fraud/abuse Policies
- KID—2 Studies on HSAs, HDHPs, Section 125 Plans, and Wellness Benefits Incentives
- KDOA—1 Study on LTC Medicaid Reform
- Revenue—1 Study on Small Business Tax Credits
- Physician Workforce & Accreditation Task Force—1 Study on Health Manpower Issue