



# Health Reform in Kansas: View from the KHPA

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# Objectives

- Brief review of creation/role of KHPA
  - *What makes Kansas unique*
- Review of health reform and 2008 legislative session
  - *What makes Kansas like most other states*
- Discuss next steps and lessons learned
  - *Why leadership matters*



# KHPA Mission

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

# Creation of the KHPA

- Built on Governor Sebelius’ “Executive Reorganization Order” in 2005
- Modified by State Legislature to:
  - Create an **independent nine voting member private Board** to govern health policy
  - Added a specific focus on **data driven policy making**
  - Creation of framework to **coordinate health and health care** in Kansas

# Timeline

**July 1, 2005**

Kansas Health Policy Authority Established. Transfer programs to a Division first, then to a separate agency.

**January 1, 2006**

Assume responsibilities of Health Care Data Governing Board and oversight of KS Business Health Partnership program.

**March 1, 2006**

Authority plan for various program transfers submitted to Legislature.

**July 1, 2006**

Transfer programs to Authority.

**2007 Legislative Session**

Authority plan for additional program transfers submitted to 2007 and 2008 Legislatures.

**2008 Legislative Session**

# KHPA Board

- **Purpose:** Provide independent oversight and policymaking decisions for the management and operations of KHPA
- **Make-up:**
  - Nine voting members appointed by the Governor and House and Senate leadership
  - Seven non-voting (ex-officio) members
    - Secretaries of State Departments: Health and Environment (including Director of Health), Social & Rehabilitation Services, Administration, Aging; Insurance Commissioner; Executive Director of KHPA

## Quality and Efficiency

## Affordable, Sustainable Health Care

## Access to Care

- Health Insurance Status
- Health Professions Workforce
- Safety Net Stability
- Medicaid Eligibility
- Health Disparities

- Use of HIT/HIE
- Patient Safety
- Evidence based care
- Quality of Care
- Transparency (Cost, Quality, etc.)

- Health insurance premiums
- Cost-sharing
- Uncompensated Care
- Medicaid/SCHIP Enrollment
- Health and health care spending

**VISION: Coordinating health & health care for a thriving Kansas**

- Physical Fitness
- Nutrition
- Age appropriate screening
- Tobacco control
- Injury control

- Open Decision Making
- Responsible Spending
- Financial Reporting
- Accessibility of Information
- CMS Cooperation

- Council Participation
- Data Consortium
- Public Communication
- Community/Advocacy Partnership
- Foundation Engagement

## Health and Wellness

## Stewardship

## Public Engagement

### SRS

- Mental Health
- LTC for Disabled
- Substance Abuse

### KDHE

- Health Promotion
- Child, Youth & Families
- Consumer Health
- Health & Environ. Stats
- Local & Rural Health

### KDOA

- Aged
- Institutional Care
- Community Care

### KID

- Private Health Insurance
- Business Health Partner.

# The Purpose of Health Reform

To improve the *health* of  
Kansans – not just health  
insurance or health care –  
but the health of our  
children, our families, and  
our communities

# Advisory Councils

- **Make-up:**
  - Health Care Consumers
  - Health Care Purchasers (e.g., Insurers, Businesses)
  - Health Care Providers
- **Purpose:** Assist the KHPA Board and Steering Committee (Board and legislators) with the development of health reform
- **Processes:**
  - Organized in March 2007; held monthly meetings
  - Delivered health reform recommendations to KHPA Board in Sept. 2007
  - Participating in community outreach



# Economic Analysis

- Funded by four Kansas health foundations
- Independent consulting firm, SchrammRaleigh Health Strategy
- Conducted actuarial analysis of multiple health insurance models (ranging from single payer to market-based reform)
- Insurance models reviewed and retooled with feedback from:
  - KHPA Board and Executive Staff
  - Kansas stakeholders and public

# Listening Tour

- **Purpose:** Gather public input on health reform in order to provide direction for the KHPA Board recommendations
- **Processes:**
  - Three week tour in August 2007
  - KHPA Board members and staff visited with 22 cities statewide (34 meetings)
  - Delivered summary comments to KHPA Board at Aug. and Oct. meetings
  - Publicized online “suggestion box” for public to provide suggestions and/or comments about health reform



# Informing the Public

- Online access to all **health reform reports and testimony** through the KHPA website (w/i 24 hours)
- **KHPA E-newsletter** for weekly updates on the legislative process and health reform
- **Public meetings:** KHPA Board, Listening Tour, Advisory Councils and Steering Committees
- **Presentations** to organizations and communities
- **“Community Toolbox Kit” for local communities** to present on the KHPA Board Health Reform recommendations
- **News alerts** available through new news-service at the Kansas Health Institute website ([www.khi.org](http://www.khi.org))

# Health Reform Priorities & Messaging

- **Promoting personal responsibility**
  - Responsible health behaviors
  - Informed purchase of health care services
  - Contributing to health insurance costs, 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 affordable health insurance**
  - Focus on small businesses, children, and the uninsured

# 21 Recommendations: System Reform and Better Health

<h2>Transforming Medical Care</h2>	<h2>Improving Public Health</h2>	<h2>Expanding Affordable Insurance</h2>
<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>

# Paying for Health Reform

- 21 recommendations “paid for” for five years:
  - **Increased tobacco user fee**
    - Fifty cent increase in cigarette tax, increases annually to reflect an assumption for inflation
    - Smokeless tobacco products user fee
    - Revenue dedicated to the “Health Reform Fund”
  - **Increased federal matching dollars**
- Cost containment - built into majority of proposals
  - Long term cost containment linked to improved health status
  - “Hidden tax” of uncompensated care

# What Happened?



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



Source: *The Wichita Eagle*. April 20, 2008.

# Health Reform Report Card

Transforming Medical Care	Improving Public Health	Expanding Affordable Insurance
<ul style="list-style-type: none"> <li>▪ Transparency project: Health care cost and quality (Kansas Health Online)</li> <li>▪ Health literacy</li> <li>▪ Medical home definition</li> <li>▪ Medicaid provider reimbursement</li> <li>▪ Community Health Record (HIE)</li> <li>▪ Insurance 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>• Promote fitness in schools</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 (for pregnant women only)</li> <li>• Expand cancer screening</li> </ul>	<ul style="list-style-type: none"> <li>• Aggressive outreach &amp; enrollment of eligible children (target pop: 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>



# Summary of 2008 Legislative Action

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

# Major Barriers to Passing Health Reform

- **Energy:** Coal plant debate center stage
- **Economy:** Concern about state budget
- **Election year:** all Kansas legislative seats (House and Senate) up for re-election
  - Many legislators raised concern about raising taxes in an election year
  - Opposition to statewide smoking ban – local control at issue



# What's Next: Never Give UP!

- KHPA Board vows to continue reform push – and begin transformation of Medicaid
- Continued outreach to communities, including a Community Dialogue tour in the Fall of 2008
- Continued work with advocates, press
- Better education of the legislature
- *Need for message development for different audiences – health reform difficult to understand*



# Enlist More Help: Outreach & Education

- **Health Reform Advisory Councils.** Meet in Aug to review proposed KHPA budget and health reform plans for 2009; additional meetings for remainder of 2008 will also be held.
- **Community Tours (30 to 40).** Scheduled for Sept/Oct 2008 to meet with community leaders across Kansas; public Townhall meetings will be held at each location.
- **Health 101 Tours.** To be scheduled for after election; meet specifically with legislators to educate on health reform efforts and KHPA

# The Lynchpin of Kansas Health Reform **Tobacco:**

# The Cost; Human and Otherwise

- Smoking is the number one preventable cause of death in Kansas.
- Each year tobacco causes over 4,000 Kansas deaths, including 290 deaths attributable to second-hand smoke.
- Tobacco generates nearly \$930 million in health care costs annually.
- \$196 million of these health care costs occur within the Medicaid program alone.

# The Cost; Human and Otherwise (Cont.)

- 21% of high school students and 6% of middle school students currently smoke.
- 54,000 Kansas youth are projected to die from smoking.
- One in eight pregnant women residing in Kansas smoke, which results in poor birth outcomes and significant health care costs.
- Secondhand smoke results in 3,000 annual cancer deaths in the U.S. and 35,00 deaths from heart disease.

# The Tipping Point: Tobacco Legislation

- The Kansas Legislature voted down smoking/tobacco legislation in the last session.
- 83% of Kansans believe smoking is a serious health hazard.
- A statewide law in Kansas could result in 2,160 fewer heart attacks and \$21 million less in associated hospital charges.
- At least 35 states have imposed restrictions on smoking in public places.

# Smoking Bans in Other States

- **Requires most workplaces, including restaurants and bars, to be smoke-free.**
  - Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Maryland, Vermont, Ohio, Illinois, Minnesota, Washington, Oregon, California, Utah, Nevada, Colorado, Hawaii, Arizona, New Mexico, Puerto Rico, District of Columbia, Nebraska, Iowa
- **Requires most restaurants, bars and workplaces to be smoke-free but exempts restaurants and bars that don't admit people under age 18 or 21.**
  - Georgia, Tennessee, Arkansas
- **Requires all restaurants and most workplaces to be smoke-free, but exempts bars.**
  - Florida, Louisiana, North Dakota, South Dakota, Montana, Idaho

# Messaging Model

# What is the Message around tobacco?

# Unsettling



# Graphic



# Humorous

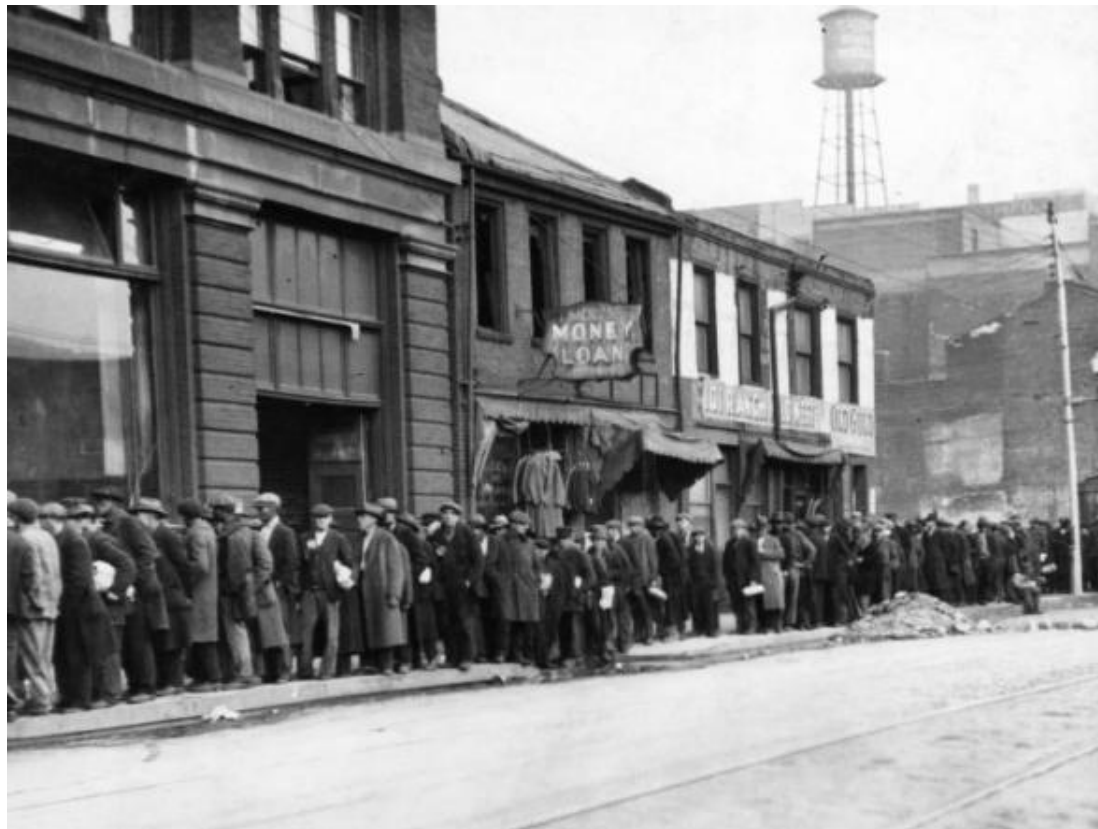


# What's Been Done for Health Reform

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

# **How Will Partners Meet the Messaging Needs of Their Audience: Market Segmentation**

# Business: Why does health reform matter?



# Children: Why does health reform matter?



# Consumers: Why does health reform matter?



# Cancer Patients: Why does health reform matter?



# Heart Patients: Why does health reform matter?



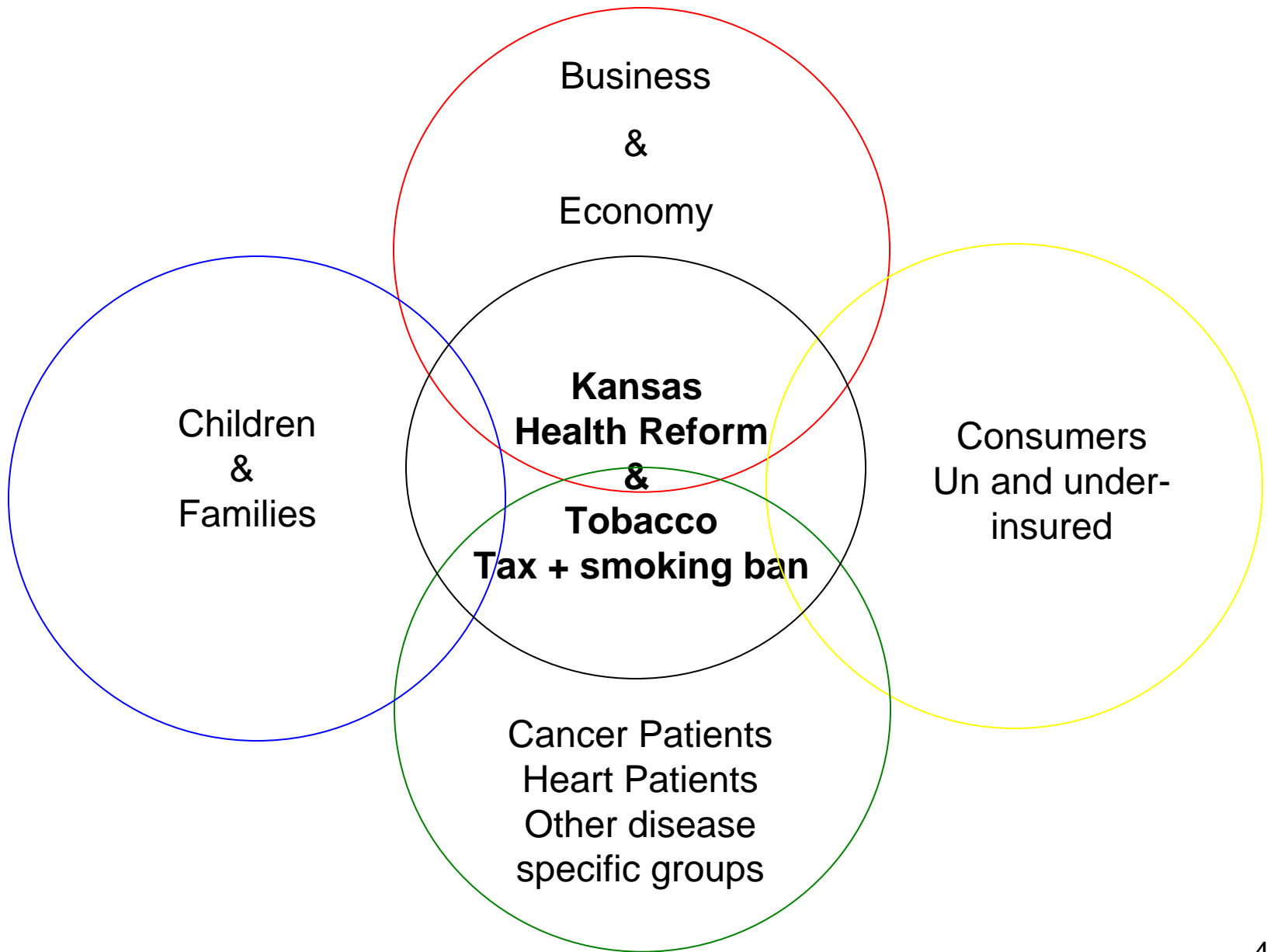
# Cancer Patients: Why does health reform matter?



# Heart Patients: Why does health reform matter?



# Health Reform Messaging: Need to Better Target





# Strengthen Programs: Transform Medicaid

- **Create Medicaid Transformation Plan**
  - **Staff will develop recommendations on cost-savings, program improvements, and potential new revenue sources in the Kansas Medicaid Program.**
  - **Subcommittee members of Board to bring their recommendations to the Aug 2008 Board meeting.**
  - **Coordinate with other agencies to include all major Medicaid programs**

# Simpler Reform Plan

- **Push for Original Package with few changes:**
  - Increase Tobacco Products Assessment
  - Statewide Smoking Ban
  - Expand Medicaid Coverage for Parents/Caretakers
  - Tobacco Cessation for all Medicaid Recipients
  - Implement Statewide Community Health Record
  - Assist Small Businesses Purchase Affordable Health Insurance
  - Develop medical home model for Medicaid and State Employee Health Plan (payment reforms for 2010 session)

# Lessons Learned

- Legislatures change their minds – success must be built “off-session”
- Long term view is the one that counts
- Look to other partners – loneliest number really is number one
- Lunesta can be your friend

*Coordinating health & health care  
for a thriving Kansas*



<http://www.khpa.ks.gov/>