Approved: January 26, 1993
Date

MINUTES OF THE HOUSE COMMITTEE ON PUBLIC HEALTH AND WELFARE.

The meeting was called to order by Chairperson Joann Flower at 1:30 p.m. on January 25,, 1993 in Room 423-S of the Capitol.

All members were present except:

Committee staff present:
William Wolff, Legislative Research Department

Sue Hill, Committee Secretary

Conferees appearing before the committee: Dick Morrissey, Acting Director/Office of Local Rural Health Systems, Department of Ks. Department of Health and Environment.
Melissa Hungerford, Vice President/Kansas Hospital Association

Others attending: See attached list

Chair called meeting to order asking members to read minutes available, then a motion will be in order.

Rep. Mayans moved to approve minutes for January 20, 21, as submitted, seconded by Rep. Freeborn., Motion carried.

Chair directed attention to the agenda and invited conferees to begin.

Dick Morrissey, Department of Health/Environment gave a comprehensive background and explanation of the EACH/PEACH programs in Kansas. (Attachment No.l) He stated, initially, when Federal legislation was passed in 1990 for EACH, a program was created at networking small rural hospitals to create various changes in the reimbursement systems to give these small hospitals incentives to participate and ways for them to survive financially in the present hospital systems. At the onset of this legislation, state agencies applying for grants were required to consult with the Hospital Association in their state. Kansas did so, and there was a great deal of interest from this group. As talks progressed, it soon became evident that the Emergency Medical Services wanted also to become involved, and their Board agreed to join in a three/way partnership. The Department of Health/Environment, Kansas Hospital Association, Kansas Board of Emergency Medical Services are now working together on the EACH project.

He detailed the hand/out, noting the changes taking place in health care methods, i.e., treatment, equipment, drugs. He noting the changes talking place in health care methods, i.e., treatment, equipment, drugs. He noted the levels of care, preventive care, patient care management. He detailed the groups considering alternatives, i.e., State Government, provider groups, and partnerships between the groups he just mentioned along with Kansas Health Foundation, (TAG) Technical Advisory Group, that has in its numbers, physicians, hospitals, nurses, MLPs, EMS, Consultants, Government, and others. They are constantly made aware that trends are changing in the rural environment, so the main thrust of the program is to come up with alternatives for choices, and revising programs and services. He noted Federal grants have been awarded to (7) states, California, Colorado, Kansas, South Dakota, New York, North Carolina, West Virginia. Of the $9 million awarded, Kansas has received $3.3 million. There currently are still no regulations, but programs proceed while waiting for those regulations. He explained the concept of the Rural Primary Care Hospital; explained the Rural Health Network. He drew attention to a graph designating Hospitals in the state that are included in the Rural Health Network.

Melissa Hungerford, Kansas Hospital Association began her portion of the presentation, noting programs are being carried out currently without Federal requirements. There are serious problems with the Federal program. However, it does offer the State an opportunity to look at what changes need to be made. Technically, there are no EACH/PEACHs operating now in Kansas, but there are many networks that are

operating under the basic framework without those federal requirements. She gave a detailed explanation of an informal plan developed which has now a Network Council. This Council is focusing on three areas, i.e., Community/Provider Perception; Assessment/educational needs identification; Development of an Emergency Medical Service Plan; Physician relationships and referral protocols. She detailed the list of network members and other system development activities, drew attention to a graph about Integrated Health Services Model.

Ms. Hungerford then drew attention to (Attachment No.2) about Telemedicine. She gave a comprehensive explanation of this program. The project is conducted in partnership by the Department of Health/Environment and the Kansas Hospital Association. A very large group of people have indicated interest. State and Federal contacts have been inquiring. A very large group of vendors from every walk of life have indicated interest. She detailed the rationale of the program, i.e., to improve health care access; enhance quality of treatment and care; enhance recruitment and retention of care/givers; improve the flow of information; reduce areas of isolation of health care facilities; facilitate referral/consultation process.

Ms. Hungerford and Mr. Morrissey both answered numerous questions. The Grant made available from the Kansas Health Foundation is for $263,000. The state provides staff, but no amount of cash towards the program. It was noted that a former Kansan, Mr. Ron Schmidt, with Solutions Plus in Ft. Collins, Colorado serves as a consultant, is doing the policy planning work. Part of the Grant money goes for this service. The objective of the study is to provide a base for information (not coming from a vendor who may in time benefit from the program), but who will give an impartial view. It was noted there will be printed information available in volume form with the first becoming available in about 2 months. The first volume will provide data that will indicate where the telemedicine applications will be matched with the need that Kansas has and how the need can be met. The second volume of information will indicate the kinds of questions and decisions that will have to be made on an individual project level. The third volume will look at policy recommendations, i.e., reimbursement. It was noted that our State appears to be first in this type of program and other states are now calling Kansas for answers to questions for programs they plan.

Chair thanked Mr. Morrissey and Ms. Hungerford for their informative presentation.

Chair noted Hearings are scheduled on HB 2072 tomorrow.

Meeting adjourned 2:45 p.m.

Next meeting scheduled for January 26,1993.

VISITOR REGISTER

HOUSE PUBLIC HEALTH AND WELFARE COMMITTEE

DATE 1-25-93

NAME	ORGANIZATION	ADDRESS
KEITH R LANDIS	CHRISTIAN SCIENCE COMM ON PUBLICATION FOR KS	TOPEKA
Pamela Johnson Betts	ICDHE	Topeka
R Epps	SRS	Topeka
Joe Hampton	KCA	Topeka
George Fidel	AARP-SLC-CCTF	Topeka
Edward I Wright	Horton C. Hospital	Horton Ks
W. H. EDWARDS	"	"
TK Stuvely	KS LEGAL SERVICES	TOPEKA
Jennifer Davis	Rep. Sawall's Intern	Lawrence
Sandra Strand	KINH	Lawrence
ALLISON PETERSON	KMS	TOPEKA
Ken Bahr	Ks. Hospital Assn.	"
David Hanzlick	Ks Dental Assn	Topeka
Cindy Smith	KS Hosp. Assoc.	Topeka
Melissa Hungerford	"	"
Tom Bell	"	"

X

The Kansas Rural Health Options Project

Exploring Alternative Delivery Systems for Rural Communities

Funded in part by the ~~Wesley Foundation~~
Ks. Health Found

BRIEFING

HOUSE COMMITTEE ON PUBLIC HEALTH AND WELFARE
JANUARY 25, 1993

KANSAS DEPARTMENT OF HEALTH AND ENVRIRONMENT
RICHARD MORRISSEY, STAFF

KANSAS HOSPITAL ASSOCIATION
MELISSA HUNGERFORD, STAFF

KANSAS BOARD OF EMERGENCY MEDICAL SERVICES
ROBERT MCDANELD, STAFF

PH&W
1-25-93
Attm. # 1.

Board of
Emergency Medical Services

HEALTH CARE METHODS CHANGING

- Treatment ... equipment, drugs
- Site ... hospital, outpatient, clinic
- Primary care, prevention
- Patient care management
- Types of providers
- Levels of care
- Outcomes

levels of care

* KANSAS ENVIRONMENT - Not healthy!

- Rural community economy
- Economic development/subsidies paradox
- Shortages/distribution of providers

* NATIONAL ENVIRONMENT

- Health care need/cost paradox
- Regional, state, community needs vary
- Reform immanent

PH+W
1-25-93
Attm# 1
Pg. 2 of 18

WHO IS CONSIDERING ALTERNATIVES?

* STATE GOVERNMENT
  - 403 Commission
  - KDHE/Office of Local and Rural Health
  - SRS/Medicaid

* PROVIDER GROUPS

* PARTNERSHIP
  - KDHE, KBEMS, KHA
  - Kansas Health Foundation
  - Technical Advisory Group (TAG)

    Physicians, Hospitals, Nurses, MLPs, EMS, Consultants, Government, PRO, BCBS, HHA, Public Health

PH&N
1-25-93
Attm #1
Pg. 3 of 18

WHAT ALTERNATIVES ARE ON THE AGENDA?

* NEW FEDERAL OPTIONS
  - EACH Concept (*)

* EXISTING FEDERAL OPTIONS
  - Rural Health Clinics
  - Federally Qualified Health Clinics

* KANSAS ONLY OPTIONS
  - Kansas EACH Model (*)
  - Rural Health Networks (*)
  - Community Integrated Health Services Model

* ENTREPRENEURIAL APPROACHES
  - Clinic networks
  - Shared services, shared personnel
  - Others (?)

RHNW
3-25-93
Attm #1
Pg. 4 of 18

EACH CONCEPT

* FEDERAL LEGISLATION 1989/1990

* MEDICARE PROGRAM
  - Designate facilities
  - Medicare recognition

* FEDERAL GRANTS TO SEVEN STATES
  - CA CO KS SD NY NC WV (2 are B States)
  - Potential EACHs/RPCHs CA KS SD NC WV

* GRANTS AWARDED SEPT. 1991 9.8 mil $ (Kogot 3.3 mil $)

* PROPOSED FEDERAL REGULATIONS OCT. 1991

* NO FINAL REGULATIONS (EXPECTED NOV. 1992)

wondering re/ need regulations w/ legislation forthcoming.

PHNO
1-25-93
Attm #1
Pg. 5 of 17

EACH CONCEPT

RURAL PRIMARY CARE HOSPITAL

* LIMITED SERVICE ACUTE FACILITY

* 6 BEDS, 72 HOURS (EXCEPTIONS)

* AMBULATORY, EMERGENCY, PRIMARY INPATIENT CARE, SWING BED, OTHER

* PHYSICIAN AND/OR MLP (MLP NOT REQUIRED)

* COST BASED AND PART B OPTIONS

* LICENSED FACILITY

* NEW MEDICARE CONDITIONS OF PARTICIPATION

* LINKED

  - Primary relationship within 75 mi.
  - Referral anywhere

PHNW
1-25-93
Attm#1
Pg. 6 of 18

EACH CONCEPT

ESSENTIAL ACCESS COMMUNITY HOSPITAL

* 75 BEDS, FULL SERVICE

has to agree to
* ACCEPT ALL PATIENTS FROM RPCH(S)

has to agree to *
MEMBERSHIP (AND PRIV.) TO RPCH M.S.

* MEDICAL BACKUP

* SCP REIMBURSEMENT

* SELECTED BY RPCH

PH&W
1-25-93
Attm#1
Pg. 7 of 18

RURAL HEALTH NETWORK

* FEDERAL REQUIREMENTS
  - 1 EACH, 1 RPCH
  - Patient Referral and Transfer Protocols
  - Communication
  - Transportation

* KANSAS REQUIREMENTS
  - Other Facilities and Provider Members Allowed/Encouraged
  - Network EMS Plan

    access, staffing, protocol, comm. patient data, etc.
  - QA, RM (peer review)

    Choice: consulting, dept., service, other
  - Joint credentialling

PH+U
1-25-93
Attm #1
P9. 8 of 18

CURRENT DESIGNATED NETWORKS

* 10 Networks Designated

* 8 EACH

* 2 SUPPORTING HOSPITALS

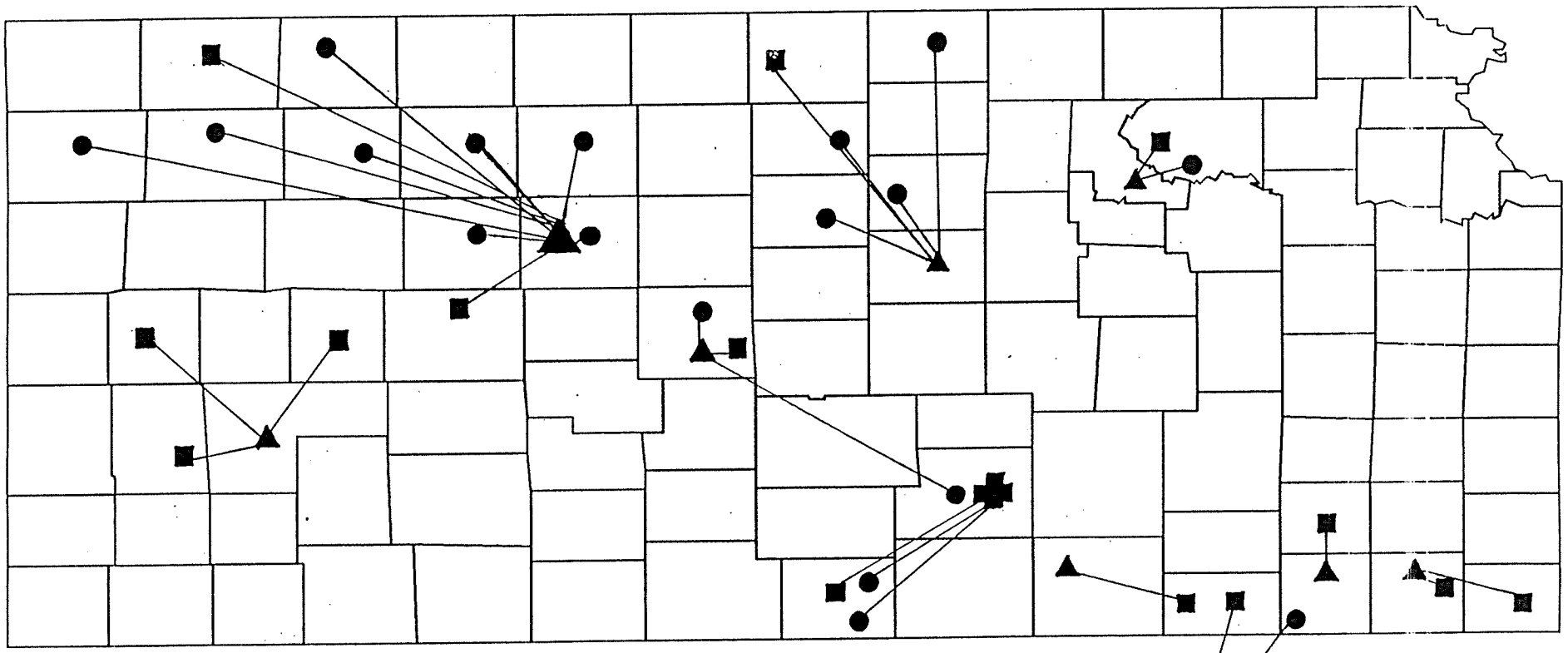
* 14 RPCH

* 19 MEMBERS

* 2 NEW NETWORKS AND ONE NEW RPCH (IN AN EXISTING NETWORK) ADDED DURING THE FY 92 GRANT CYCLE

PH&W
1-25-93
Attm #1
pg. 9 of 18

Kansas Rural Health Options Project
State Designated EACH/RPCH Networks



Rural Health Networks

- ▲ EACH
- ■ PCH
- ● Member
- ✚ Supportng Hospital

Jane Phillips Hospital
Bartlesville, OK

1/93

Kansas Rural Health Options Project

State Designated EACH/RPCH Networks

Network	Location	Designation	Contact Person Phone #
North Central Kansas Rural Health			
Republic County Hospital	Bellville	Member	Charlie Grimwood-Salina
Asbury-Salina Regional Medical Center	Salina	EACH	(913) 827-4411
Jewell County Hospital	Mankato	PCH	
Mitchell County hospital	Beloit	Member	
Lincoln County Hospital	Lincoln	Member	
Ottawa County Hospital	Minneapolis	Member	
Flint Hills Health Care Network			
Memorial Hospital	Manhattan	EACH	Carol Virdin
Dechairo Hospital	Westmoreland	PCH	(913) 354-6000
Wamego City Hospital	Wamego	Member	
Northwest Kansas Health Alliance Network			
Hays Medical Center	Hays	EACH	J.H. Seitz
Grisell Memorial Hospital	Ransom	PCH	(913) 625-7301
*Rawlins County Hospital	Atwood	PCH	or
Plainville Rural Hospital	Plainville	Member	Jackie John
Decatur County Hospital	Oberlin	Member	(913) 543-2111
Graham County Hospital	Hill City	Member	
Ft. Hays State University	Hays	Member	
Trego County Hospital	Wakeeney	Member	
Northwest Kansas Regional Medical Center	Goodland	Member	
Citizens Medical Center	Colby	Member	
Sheridan County Hospital	Hoxie	Member	
Southwest Kansas Rural Health Network			
St. Catherine Hospital	Garden City	EACH	Shelly Martin
Wichita County Hospital	Leoti	PCH	(316) 272-2520
Kearny County Hospital	Lakin	PCH	
Lane County Hospital	Dighton	PCH	

PH&W 1-25-93
Attm#1 pg. 110-118

Southeast Kansas Regional Health Care Network			
Labette County Medical Center	Parsons	EACH	Ron Warren
Oswego Memorial Hospital	Oswego	PCH	(316) 421-4880
Baxter Springs Memorial Hospital	Baxter Springs	PCH	
Mid-Kansas Health Care Network			
Central Kansas Medical Center	Great Bend	EACH	Steve Spence
Ellinwood District Hospital	Ellinwood	PCH	(316) 792-2511
Clara Barton Hospital	Hoisington	Member	
St. Francis Regional Medical Center	Wichita	Member	
Jane Phillips Health Care Network			
Jane Phillips Hospital	Bartlesville, OK	Supporting Hosp.	Lana Brewster
Sedan City Hospital	Sedan	PCH	(316) 725-3115
Caney Community Clinic	Caney	Member	
Jane Phillips Nowata Health Center	Nowata, OK	Member	
Harper County Network			
St. Francis Regional Medical Center	Wichita	Supporting Hosp.	Mike Fadden
Attica District Hospital	Attica	PCH	(316) 268-5000
Harper County Hospital District #5	Harper	Member	
Anthony Hospital District	Anthony	Member	
***South Central Kansas Health Care Network**			
William Newton Memorial Hospital	Winfield	EACH	Dick Vaught
Cedar Vale Community Hospital	Cedar Vale	PCH	(316) 221-2300
***Southeast Kansas Rural Health Network**			
Mercy Hospitals of Kansas	Independence	EACH	Deanna Pittman
Wilson County Hospital	Neodesha	PCH	(316) 325-2611

*FFY 1992

December 1992

PROGRAM FEATURES

* NETWORK COUNCIL -

An informal committee of network contacts is developing into the role of representing the networks on policy issues and coordinating network development activities with the state program.

* NETWORK DEVELOPMENT PROJECT

The Kansas program is focusing on developing the networks and the relationships between their members. The network development project will provide technical assistance to the networks in three areas or tracks:

1) COMMUNITY/PROVIDER PERCEPTION ASSESSMENT AND EDUCATIONAL NEEDS IDENTIFICATION

The goal is to provide the networks with an objective appraisal of community and provider perceptions in order to pinpoint educational needs and to guide future decisions.

2) DEVELOPMENT OF AN EMS PLAN

The goal is to convene the appropriate players in the network to develop a consensus on key issues: staffing, services, membership, governance, public education, patient flow, and communication.

PHarN
1-25-93
Attm#1
Pg. 13 of 18

3) PHYSICIAN RELATIONSHIPS AND REFERRAL PROTOCOLS

The goal is to identify network specific issues relating to physicians, including medical staff relationships and referral protocols, and develop a consensus for addressing those issues.

* NETWORK MEMBERS

Kansas networks include 19 members. These are mostly hospitals that are not eligible to become RPCH's or are not interested in converting at the present time. Other health care providers and community organizations are also eligible to participate.

PHNW
1-25-93
Attm # 1
Pg. 14 of 18

OTHER SYSTEMS DEVELOPMENT ACTIVITIES

Kansas

THE RURAL HEALTH OPTIONS PROJECT PRESENTLY INCLUDES THREE SYSTEMS MODELS FOR RURAL COMMUNITIES

0

* EACH/RPCH

1

* NETWORK

  The EACH concept without the federal rules. Network participants establish the framework to engage in mutually supportive activities.

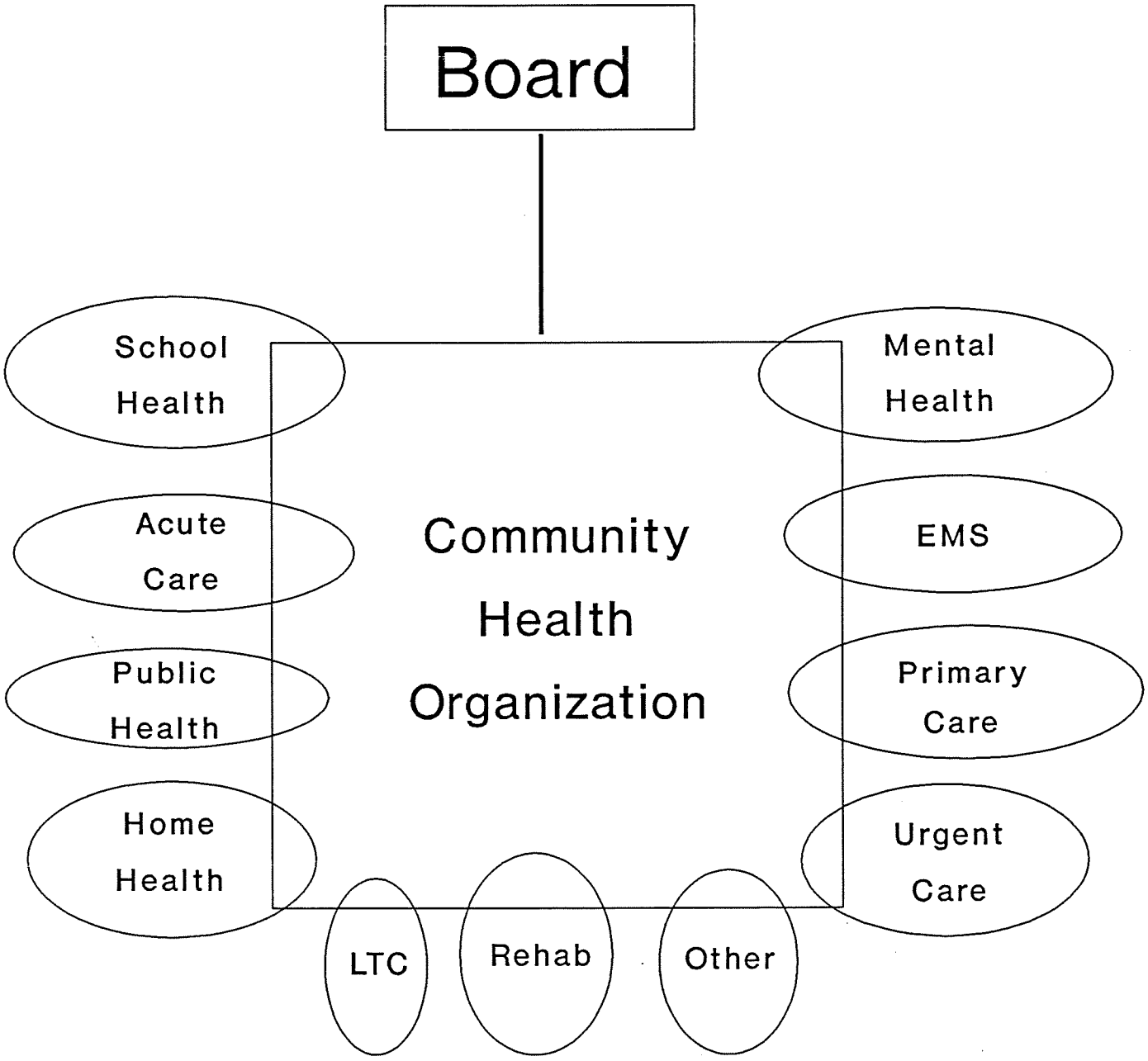
3

* INTEGRATED HEALTH SERVICE MODEL

RHIO
1-25-93
Attm #1
Pg. 15 of 18

Integrated Health Services Model

DRAFT
1–93



PURCHASERS OF SERVICES

MEDICAID	LOCAL GOVERNMENT	MEDICARE	PAYERS/ EMPLOYERS	INDIVIDUAL PAYERS

PHNO 1-25-93
AHM#1 pg. 16 of 18

The Kansas Rural Health Options Project
Task Force on Integrated Health Service Model

What is the Integrated Health Service Model?

The Integrated Health Service Model is a system that provides for the coordination of a minimum set of health services based on community need, provided in the same general area, through a formal arrangement which: 1) fosters access and continuity across services and among service providers; 2) provides a structure for communities to balance health care needs with resources; and, 3) incorporates efficiencies of scale, governance and administration.

Attributes of the Integrated Health Service Model:

The following phrases represent the various attributes or key words the Integrated Health Services Model Task Force believes the Model should represent:

1) The model should vertically integrate levels of care.

2) The model should horizontally integrated locations of care.

3) The boundries between integrating entities should be as "seamless" as possible, allowing the patient to move with ease through the system.

4) Two-way flow of information - information should return to the entry point as well as to services outside the community.

5) The model should be client/patient focused.

6) The model should seek to balance client needs with client wishes. Promote community education of the reality of care that is available.

7) The model should seek to balance health care needs with economic development.

8) The model should seek to develop a unified governance structure.

9) The model should incorporate the concept of case management in which the client is assisted by a competent manager.

10) The model should seek to be cost effective in which outcomes are of value at the lowest cost possible.

11) The model should provide a single entry point at the primary provider level - institute the idea of a medical home.

12) The model should emphasize consumer responsibility and promote educating patients on prudent utilization.

13) The model should provide for system controls (reimbursement, payment, utilization) which emphasize efficiencies.

14) The model should provide linkages to services which may not currently be available locally.

15) The model should provide and sustain a desirable practice environment which supports the needs of providers and encourages practice by primary care providers.

16) The model should balance provider needs and client needs.

17) The model should be health outcome oriented.

18) The model calls for a shift in focus from traditional illness orientation to ilness prevention management.

def.rev/IHSM/102292

PH&W
1-25-93
Attm #1
Pg. 18 of 18

Telemedicine
Assessing the Kansas Environment

PRESENTATION TO
HOUSE COMMITTEE ON PUBLIC HEALTH AND WELFARE

A Project Conducted in Partnership by
Kansas Department Of Health and Environment
And the Kansas Hospital Association

PHeW
1-25-93
Attm #2

This project is funded in part by Wesley Foundation, Wichita, Kansas.
Wesley Foundation is a philanthropic organization whose mission is to improve the quality of health in Kansas.

TELEMEDICINE

ASSESSING THE KANSAS ENVIRONMENT

* What is Telemedicine?

>> The practice of health care
delivery, diagnosis, consultation, treatment,
transfer of medical data, and education

>> Using audio, visual and/or data communications

>> To eliminate the constraints imposed by geography
for the health care provider and patient.

PHaW
1-25-93
Attm #2
Pg. 2 of 6

TELEMEDICINE

ASSESSING THE KANSAS ENVIRONMENT

* Why Telemedicine?

>> Improve access

>> Enhance quality

>> Enhance recruitment and retention

>> Reduce isolation

>> Improve information flow

>> Facilitate referral/consultation process

PHaW
1-25-93
Attm #2
Pg. 3 of 6

TELEMEDICINE

ASSESSING THE KANSAS ENVIRONMENT

* What is the purpose of the grant project?

>> To bring a rational approach to
education, evaluation and implementation of
Telemedicine applications in Kansas

>> By 1) Documenting the opportunities and barriers
2) Distributing information
3) Formulating a basis for further policy development

PH&W
1-25-93
Attm #2
pg 4 of 6

TELEMEDICINE

ASSESSING THE KANSAS ENVIRONMENT

* What will be the products of the grant project?

>> The Role of Telemedicine in Health Care Delivery

- Review of Health Delivery Needs
- Basic information - Telemedicine 101
- Glossary

>> Community Telemedicine Planning Guide

- "How to" - - communities and providers
- Methods for matching needs with potential telemedicine solutions

>> Telemedicine Policy Issues

- Quality
- Liability
- Confidentiality
- Reimbursement
- System compatibility and telecommunications Infrastructure

>> Telemedicine Source Book

- Bibliography/Literature Search
- Contacts
- Known vendors

PHNW
8-25-93
Attm #2
pg. 5 of 6

TELEMEDICINE

ASSESSING THE KANSAS ENVIRONMENT

Complicated issues:

>> Will these applications improve access to care?

>> Does the access need balance with the cost of the technology?

>> What types of applications are appropriate for identified needs?

>> Do these technologies limit or increase liability?

>> Are there efficiencies which can be achieved by the technologies?

>> What are the issues in developing relationships between providers?

>> What are the issues related to management of the system?
(use, access, confidentiality, training, etc)

>> Who sets the standards of care in the telemedicine environment?

>> What are the issues related to hardware and software compatibility?

>> How will reimbursement for services be determined?

>> What issues are there with regard to the statewide infrastructure?

PHHW
1-25-93
Attm #2
Pg. 6 of 6