

Approved: 2-24-94  
Date

## MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE

The meeting was called to order by Chair Sandy Praeger at 10:00 a.m. on February 17, 1994 in Room 526-S of the Capitol.

All members were present except:

Committee staff present: Norman Furse, Revisor of Statutes  
William Wolff, Legislative Research Department  
Jo Ann Bunten, Committee Secretary

Conferees appearing before the committee:

Shirley A. Norris, Kansas Association for the Education of Young Children  
Trix Niernberger, Executive Director, Kansas Healthy Kids Corporation

Others attending: See attached list

**Reconsider Action on HB 2605** - Civil penalties for violation of pharmacy act on uniform controlled substances act, or rules and regs, and grounds for disciplinary action against manufacturers or wholesalers

After Committee discussion, the Chair called for reconsideration of action on **HB 2605** that was passed out of Committee on February 16th. Senator Ramirez made a motion the Committee reconsider action on **HB 2605**, seconded by Senator Hardenburger. The motion carried. Senator Walker requested his "No" vote be recorded.

### **Continued hearing on SB 615** - Regulation of child care establishments

Shirley A. Norris, KAEYC, addressed the Committee in support of **SB 615** that would update the language regarding registered child care homes and clarify the intent of the law as noted in her written testimony. Ms. Norris recommended returning the number of children permitted in a registered home to six. (Attachment 1)

During Committee discussion, it was noted that a yearly inspection and visit by the health department is done in licensed day care homes, but registered day care homes do not have inspection. Such registered homes fill out an evaluation form to which they attest the truth. Several communities, such as in Wyandotte County, Johnson County and the city of Topeka have adopted local ordinances that do require inspection once a year of registered day care homes. The Wichita City Council is also considering registered day care restrictions.

There were no opponents to **SB 615**

### **Hearing on SB 746** - Kansas Healthy Kids Program act repealed

Trix Niernberger, Kansas Healthy Kids Corporation, appeared before the Committee and noted that the Kansas Healthy Kids Corporation was established in 1992 by the legislature to develop a program which would provide health insurance benefits to uninsured Kansas school aged children and their siblings. Because of insufficient private funds to continue the program, **SB 746** would repeal the Kansas Healthy Kids Program Act and dissolve the Kansas Healthy Kids Corporation. The bill would transfer all monies and liabilities of the Healthy Kids Trust Fund to the state General Fund and abolish the Healthy Kids Trust Fund. (Attachment 2)

During Committee discussion it was pointed out that with the passage of **SB 746**, an estimated \$127, 500 as of July 1, 1994, would be transferred to the state General fund and earmarked for children's projects. The Chair thanked Ms. Niernberger and her staff for all of their hard work in working with the KHK program and trying to make it successful.

### **Final Action on SB 746**

Senator Jones made a motion that the Committee recommend **SB 746** favorably for passage, seconded by Senator Walker. The motion carried.

## CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE, Room 526-S  
Statehouse, at 10:00 a.m. on February 17, 1994.

### Final Action on SB 615

During Committee discussion it was noted that **SB 615** would establish the Kansas act for the regulation of child care establishments to protect the health, safety, and welfare of adults and children who are affected by or use services provided by child placement agencies, child care referral agencies, or child care facilities. The bill would update and clarify definitions relating to the licensure, regulation and inspection of these establishments by the Department of Health and Environment. It would also define record keeping responsibilities of child care facilities as well as increase and restructure the annual fees charged for the operation of various facilities that provide care for children. Language from **SB 451** was adopted in the bill that contained the child care policy.

Senator Ramirez made a motion that the Committee amend **SB 615** that would change the maximum number of children from four to the original number of six, whenever referred to in the bill, seconded by Senator Papay. The motion carried.

Senator Walker made a motion that the Committee amend **SB 615**, in Sec. 18, Line 38, and delete "cooperation of" and insert "consultation with", seconded by Senator Ramirez. The motion carried.

Senator Papay made a motion the Committee recommend **SB 615 as amended** favorably for action, seconded by Senator Langworthy. The motion carried.

### Action on SB 310

**SB 310** was requested by the Funeral Directors Association. They would like to have some method of identifying at the hospital or adult care facilities when some one dies as a result of a contagious disease. During Committee discussion, concerns were expressed by some members that universal precautions should be taken at all times by funeral directors as directed in their rules and regulations. Clarification was given by staff regarding potential liability and cause of action in handling deceased.

It was pointed out that language in the bill needed to be amended to read, "medical care facility" instead of hospital, and "adult care home" instead of nursing home, and to give specific direction at the medical care facility and adult care home to the director of nursing. Senator Walker made a motion the Committee amend **SB 310** to update the language for hospitals and nursing homes, with specific direction to the director of nursing, seconded by Senator Langworthy. The motion carried.

Senator Papay made a motion the Committee recommend **SB 310 as amended** favorably for passage, seconded by Senator Ramirez. The motion carried.

The meeting was adjourned at 11:00 a.m.

The next meeting is scheduled for February 18, 1994.

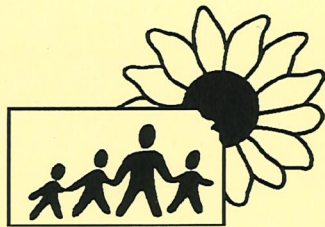
# GUEST LIST

COMMITTEE: SENATE PUBLIC HEALTH & WELFARE

DATE: 2-17-94

NAME	ADDRESS	COMPANY/ORGANIZATION
Helma Huntz Gordon	Topeka	SAS
GARY Robbins	Topeka	Ks Optometric Assn
John Petersen	Tyrella	Dr. McAllister + Netron
Nancy Zogleman	KC	Pfizer
Pam Scott	Topeka	Ks Funeral Directors Assn
Michelle Peterson	Topeka	Ks Gov Consulting
Rich Guthrie	KC	Herata Midwest
David Danzlick	Topeka	Ks Dental Assn
Bob Williams	Topeka	Ks Pharmacists Assoc.
Glenn M. Seabell	Topeka	Corp for Chng
Harry Pardon	Topeka	Ks Assn of Med.
Jennifer Saw	Lawrence	Underserved Let's Help
How Schellman	Lawrence	South Junior High
Kira Chappell	Lawrence	South Junior High
Leah Honey	Lawrence	South Jr. High
Don Chapman	Lawrence	South Jr. High
Matthew McGuire	Lawrence	South Jr. High
Rachel Hopkins	Lawrence	South Jr. High
Marge Hopkins	Lawrence	South Jr. High
Lindsey Smith	Lawrence	South Jr. High
Max Atwell	DeSoto	School Dist #232





**KAEYC**  
Kansas Association for the  
Education of Young Children

Written Testimony on  
SB 615  
presented to the  
Senate Public Health and Welfare Committee  
February 17, 1994

by  
Shirley A. Norris  
Representing the Kansas Association for the Education of Young Children  
131 Greenwood  
Topeka, Kansas 66606-1225  
Ph. 913\232-3206

The Kansas Association for the Education of Young Children (KAEYC) is an organization whose members provide early care and education to thousands of Kansas children who are away from their parents for part or all of the day.

Members of the KAEYC Board of Directors, and I, as director of Child Care Licensing and Registration for thirty years prior to my retirement in 1990, in general support both SB 615 and SB 451, and appreciate the efforts of KDHE to merge the two proposed bills. As director, I was responsible for implementing the child care licensing and registration statutes so that I am very much aware of the need to update the language and clarify the intent of the law.

I would like to say at the outset that the responsibility of the state to safeguard children in out-of-home care was supported by a Kansas Supreme Court ruling in the case of the State of Kansas vs. Heritage Baptist Temple, Inc., et al, in 1984. (This case was appealed to the U.S. Supreme Court, which refused to overturn the decision.) The Supreme Court's decision is strengthened by New Section 1. of SB451 which codifies the state's child care policy by detailing the principles to guide the development and implementation of that policy. KAEYC urges the inclusion of this section in any amendments made to the licensing and registration statutes.

It seems particularly important to update the definitions of the various categories of child care which appear in K.S.A. 65-502 and 503. In the current statute, "boarding home for children" is a generic term to cover "care of one or more children under 16 years of age . . . for the purpose of providing the children with food or lodging, or both." According to an attorney general's opinion, this definition includes day care homes, but it continues to be very confusing. The definition of a day care referral agency is also not clear. Section 2. of SB 615 stipulates in statutory form the child care categories that are currently defined by regulation, greatly clarifying the intent of the law.

Another point of confusion arose because the registration statutes, which were passed in 1980, were added at the end of the licensing statutes, so it was unclear which, if any, administrative procedures applied to registered homes. To further complicate the intent, additional enforcement statutes were added after the registration statutes. SB 615 moves the administrative and enforcement procedures to the end so that all categories of care are covered.

*Senate PH&W  
Attachment #1  
2-17-94*



Two substantive changes included in SB 451, i.e., reducing registration to four children under 12 years of age including the registrant's own children to age 12, and taking the cap off the child care center licensing fee, have been ballooned into SB 615 by KDHE. According to the Report of the Joint Committee on Children and Families to the 1994 Legislature, the Joint Committee recommended "increasing the child care license and registration fees sufficiently to at least cover those costs associated with automated improvements in the licensing process and provision of licensing information to the public, to SRS and to local health departments." It was our understanding that the cap would be lifted so that the method of assessing the fee (\$1.00 per child in the enrollment capacity) would be applied to all centers regardless of their size. (The effect of the current cap is that centers with a capacity of 250 children pay the same fee as a center with an enrollment of 40 children.) The additional funds generated would be used as recommended in the Joint Committee Report.

Now we understand that fees will have to be raised substantially to cover the cost associated with reducing the number of children in a registered home to four, because it is assumed that at least half of the registered providers will choose to become licensed, a more expensive procedure. KAEYC does **not** support the reduction in registered care to four if substantially higher fees are assessed all categories of child care to pay for this change.

Two other changes are being recommended which aren't substantive, but do remove some antiquated language which was a source of embarrassment to me, i.e., the children are no longer referred to as "inmates," and "privies" are no longer permitted.

We urge the committee to recommend this bill for passage after returning the number of children permitted in a registered home to six (Section 17 (1), line 31.).

Thank you.



# KANSAS HEALTHY KIDS CORPORATION

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## REPORT TO GOVERNOR JOAN FINNEY AND THE KANSAS LEGISLATURE

Submitted by the Board of Directors of the  
Kansas Healthy Kids Corporation  
February 1, 1994

The Board of Directors of the Kansas Healthy Kids Corporation is submitting this report to Governor Joan Finney and the Kansas Legislature, as required by KSA 40-4403(b)(11). We approved this report in our meeting held on January 26, 1994.

The Kansas Healthy Kids Corporation (KHKC) was established in 1992 by the Legislature to develop a program which will provide health insurance benefits to uninsured Kansas school aged children and their siblings. In addition, the Corporation is to have children enrolled and be providing services in at least three pilot school districts by July 1, 1994.

Since the Corporation hired a staff of two persons and established an office just 13 months ago, we have accomplished much toward our goal of implementing the pilot projects, including the following steps:

1. Proposed necessary changes to our enabling statute to further the development of the pilot projects, which were approved by the Kansas Legislature in the 1993 session.
2. Issued a report entitled "State Initiatives to Extend Health Insurance Coverage to Children", which reported data on similar children's health insurance programs in 18 states. This report educated board and staff about revenue sources, eligibility criteria, benefits, enrollment, premiums, co-payments, providers, and other factors involved in the operation of health insurance programs for uninsured children.
3. Adopted a work plan for the implementation of the pilot projects.
4. Adopted criteria for the selection of the pilot school districts.
5. Invited all 304 school districts to become a pilot site for the KHKC health insurance program.
6. Chose three pilot school districts of Abilene, Hutchinson and Shawnee Mission.
7. Adopted a health insurance benefit plan.
8. Selected a research consultant and began to develop a research design.
9. Adopted eligibility criteria.

*Senate PHW*  
*Attachment #2*  
*2-17-94*



## Report Submitted By The Kansas Healthy Kids Corporation

February 1, 1994

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10. Organized a non-profit corporation (Kansas Healthy Kids Services Corporation), including the adoption of articles of incorporation and by-laws, in order to raise private funds.
11. Applied and received tax-exempt status for the non-profit corporation from the Internal Revenue Service.
12. Executed an extensive fundraising campaign, including contacting more than 120 funding sources.
13. Issued a RFP for provider services and collected bids.
14. Coordinated the State's review of the Robert Wood Johnson Foundation grant opportunity to fund school-based health clinics.
15. Coordinated with other agencies providing services to children, including the Corporation for Change, The Caring Program for Children (Kansas and Kansas City area), and the Division of Medical Services in SRS.

We are very proud of our work and the level of dedication and support from the individuals serving on our Board of Directors. We also believe our staff have worked hard to complete the many tasks of developing a new program.

One of our most difficult jobs has been to raise private funding. We have tried to raise a very large sum of money (\$650,000) in just six short months. We now have \$246,171 toward that goal, which includes enough private support to operate the Shawnee Mission pilot project. However, we still need an additional \$400,000 to conduct the other two pilot projects and evaluate the entire program properly.

Although we have written and made personal contact with more than 120 private donors, we found we had significant fundraising limitations. These limitations are:

- A. The prospect of a national health plan. Funders have been reluctant to invest in a program that will be affected by national health reform.
- B. No long-term commitment to continue the program. Funders want to be assured that the State or some other entity will assume the financial responsibility of the health insurance when the pilot projects are over.
- C. Commitments to The Caring Program for Children. Both the Kansas Health Foundation and the United Methodist Health Ministry Fund, which are the two largest health foundations in Kansas, made major commitments to The Caring Program before the KHKC was operational. Some funders expressed concern about having two different programs in Kansas addressing the problem of uninsured children.
- D. Lack of State Medicaid expansion. The State currently has the ability to expand Medicaid coverage to the uninsured children we plan to serve. The Kansas Medicaid eligibility guideline for children over 10 years of age is about 46% of the federal poverty level, which is relatively low. Most states

**Report Submitted By The Kansas Healthy Kids Corporation**

February 1, 1994

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wanting to address the problem of uninsured children are raising their Medicaid income eligibility guideline.

- E. No federal demonstration funds. The Florida Healthy Kids program, upon which our program was modeled, began with a federal Medicaid demonstration grant of \$7 million for a four-year period. Florida, Maine and Michigan received Medicaid demonstration grants for their children's health insurance programs. These competitive grants were made available in 1990 to only three states. Medicaid demonstration waivers are not now available unless the proposals are budget neutral.

Consequently, the Board of Directors of the Kansas Healthy Kids Corporation has met several times to discuss how we should proceed without sufficient resources. We directed our executive director in December to ask the Legislature for the additional \$400,000 to fund the pilot projects. Trix Niernberger, our executive director, requested the funding on December 16, 1993, when she testified before the Joint Committee on Health Care Decisions for the 1990's.

The discussion of the members of the Joint Committee on Health Care Decisions revealed that they are appreciative of our work, but they are not willing to recommend the funding for the pilot projects. In addition, there is general recognition that the Kansas Healthy Kids program was approved prior to the national health reform initiative. Now, with both state and national health reform on the horizon, there is interest in following national direction, rather than creating a state specific program.

In recognition of the current political realities, the Board of Directors of the Kansas Healthy Kids Corporation reluctantly approved the following resolution in our meeting on January 26, 1994:

WHEREAS, The Kansas Healthy Kids Corporation was established by the Kansas Legislature in 1992 to develop a program which will provide health insurance benefits to uninsured Kansas school aged children and their siblings; and

WHEREAS, The Kansas Healthy Kids Corporation is to have children enrolled and be providing services in at least three pilot school districts by July 1, 1994; and

WHEREAS, The majority of the funding for the three pilot projects is to be raised from the private sector; and

WHEREAS, The board of directors of the Kansas Healthy Kids Corporation has executed an extensive fundraising campaign including contacting more than 120 private funding sources; and



**Report Submitted By The Kansas Healthy Kids Corporation**

February 1, 1994

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WHEREAS, The following funding sources and individuals have generously contributed:

American Medical Security  
Bank IV Charitable Trust  
Blue Cross and Blue Shield of Kansas  
Board of Directors of the Kansas Healthy Kids Corporation  
Central Benefits National Life Insurance Company  
HealthNet  
Humana Health Care Plans of Kansas City  
JC Penney Life Insurance Company  
Kaiser Permanente of Kansas City  
Overland Park Regional Medical Center  
State of Kansas  
The Greater Kansas City Community Foundation & Affiliated Trusts; and

WHEREAS, Approximately \$400,000 of the \$650,000, which is the total cost of the pilot projects, has not been raised; and

WHEREAS, We believe the primary reasons why we will not be able to complete our fundraising goal are the prospect of a national health plan, earlier funding commitments to The Caring Program for Children, and the inability to raise funds for the pilot projects from certain major Kansas foundations that fund health projects in our State: Now, therefore,

*Be it resolved by the Board of Directors of the Kansas Healthy Kids Corporation:*  
We hereby notify our appointing authorities that we believe the statutory mission of the Kansas Healthy Kids Corporation can not be met with current resources, and further, we recommend that the statute creating the Kansas Healthy Kids Corporation be repealed effective July 1, 1994.

We appreciate the opportunity to serve the State of Kansas in this very worthwhile endeavor. We only regret the outcome was not more successful.

**KANSAS HEALTHY KIDS CORPORATION AND  
KANSAS HEALTHY KIDS SERVICES CORPORATION  
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**Robert Harder, Th.D.**

Secretary  
Kansas Department of Health & Environment  
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