Approved: <u>March 31, 2011</u> Date

MINUTES OF THE HOUSE VISION 2020 COMMITTEE

The meeting was called to order by Chairman Tom Sloan at 3:30 p.m. on March 14, 2011, in Room 144-S of the Capitol.

All members were present except:

Representative Brett Hildabrand- excused Representative Don Hill- excused Representative Don Hineman- excused Representative Mike Peterson- excused

Committee staff present:

Corey Carnahan, Kansas Legislative Research Department Jay Hall, Kansas Legislative Research Department Mary Koles, Committee Assistant

Conferees appearing before the Committee:

John M. Armstrong, Ph.D., Lead Horse Technologies, Junction City, Kansas Dr. Andrew Allison, Kansas Health Policy Authority

Others attending:

See attached list.

Chairman Sloan welcomed and introduced today's presenters.

John M. Armstrong, Co-Founder, Chairman and CEO, Lead Horse Technologies, Junction City, Kansas, provided a Power Point presentation. He described his company as one that supports the practice of personalized medicine and works to reduce the rates, severity, and costs associated with Adverse Drug Reactions (ADRs). He reported that ADRs cost over 30 billion dollars/year, or 5.6 million dollars/year/hospital to treat, furthermore, 100,000 deaths occur in the United States each year due to preventable ADRs. Medloom Clinical Decision Support system is Lead Horse Technologies' software solution designed to save lives.

Dr. Armstrong described Medloom as a medical information loom that interweaves a variety of patient medical profile parameters and many drug safety databases to discover, prevent, and treat ADRs. It is effective, fast, easy to use (is compatible with existing electronic health record systems), protected by three patents, and has won a number of awards. Medloom's artificial intelligence technology also identifies patients at risk for death or hospitalization; discoverable information is quickly delivered to the point of care and helps clinicians prevent adverse outcomes. Medloom, he said, will help reduce healthcare costs for patients, providers, and payers and will create 100 jobs in Junction City, jobs with an average salary of \$75,000. (Attachment 1)

During and following Dr. Armstrong's remarks, questions were asked by Representatives Bill Otto, Gail Finney, and Barbara Bollier - discussions ensued and included other committee members.

Dr. Andrew Allison, Executive Director, Kansas Health Policy Authority, examined implementing a medical home in Kansas Medicaid. He mentioned that three state agencies handle the majority of Kansas' Medicaid program: Department on Aging, Social and Rehabilitation Services, and the Health Policy Authority. Using graphs, he traced the growth in Medicaid spending nationally and the historical, recent, trends, and projected growth in Medicaid spending in Kansas. Graphs and charts depicted chronic conditions among and expenditures for an ever increasing number of disabled recipients. He discussed several cost containment options such as coordinating care across multiple conditions and services – e.g. implement a medical home for high-cost populations. He noted that dealing with federal health reform eventualities will be a huge challenge.

Dr. Allison explained implementing a medical home in Kansas Medicaid as a stakeholder driven process and delineated benchmarks along the way: passage of Senate Bill 81 in 2008 and subsequent development of the Kansas definition of a medical home: inclusion of the medical home initiative in the Kansas health information technology initiative (HIT) in 2009: and the outset of the Kansas Health Information

CONTINUATION SHEET

The minutes of the Vision 2020 Committee 3:30 p.m. on March 14, 2011, in Room 144-S of the Capitol.

Exchange Board (KHIE) in 2010. The health information exchange will facilitate implementation of a medical home for patients and patient centered care for each individual. (<u>Attachment 2</u>)

Following Dr. Allison's remarks, questions were asked by Chairman Sloan and Representatives Gail Finney, Vern Swanson, Barbara Bollier, and Joseph Scapa. Dr. Allison's responses initiated further discussions and comments or brief questions from other Committee members.

Chairman Sloan thanked the conferees for their presentations.

Chairman Sloan reported that Vision 2020's work in the telehealth field last year is paying off. Last week, he met with the Adjutant General, Brigadier General Lee Tafenelli, and William Patterson, MD, Director of Veterans Affairs Heartland Network (Region 15) health services. The VA Heartland Network and KU Medical Center are now partnered and providing telehealth/mental health services in three remote Kansas sites. This need will increase as more troops return home and include physical health as well as mental health.

Chairman Sloan thanked the Committee for its work this year and announced that no further meetings are scheduled until January, 2012.

The meeting was adjourned at 4:45 p.m.