



KHA's Capitol Comments

August 20, 2025

Special Committee on Health and Social Services Meets for Second Day

Today, the Special Committee on Health and Social Services, chaired by Representative Will Carpenter (R-El Dorado), heard from conferees with information from other states about how they tackled state hospital challenges, including privatization.

The committee members attempted to compartmentalize issues into manageable categories, including operational adjustments and continuations, potential university partnerships or privatization of facilities and services, system efficiency enhancements, nursing pipeline improvements, phasing out contract staffing and expansion of State Institutional Alternatives Beds in private hospitals.

The committee agreed to request an additional day to meet from the Legislative Coordinating Council after identifying the items they would like to consider and discuss more in-depth at future meetings, including:

- State Institution Alternative Program
- What costs are without changes over the next five years
- Allowing APRNs to order restraints
- Medicaid billing options
- Partnerships in the future with small rural hospitals
- Building a nurse pipeline
- Crisis Intervention Centers
- Chart of the continuum of care and where beds are located statewide
- Nurse educators' perspectives
- Housing for those coming out of psychiatric hospitals and staff
- Larned staff members were requested
- Clubhouses' report for the intellectual /developmental disability community
- Making service scholarships for nursing available for part-time students
- An overview of the programs in each level of nursing
- Promise Act and if there are any hardship flexibilities
- Remedial class options as part of the Promise Act
- Centers for Medicare & Medicaid Services guidelines for what is reimbursable and the inspection process
- Requested staffing agency presentation

- Possibly having a private consultant make recommendations
- What treatments and innovations can be suggested to stabilize patients quickly by university research departments and community mental health centers

The committee will meet again on Oct. 1, and possibly Oct. 2, pending LCC approval.

State Employee Health Commission Meets

Today, the State Employee Health Commission, chaired by Kansas Department of Administration Secretary Adam Proffitt, met. The committee discussed the existing wellness contract and response from other bidders including: Health By Design, Marathon Health and Vera Whole Health. The committee inquired about utilization rates for in-person versus virtual and total services, as well as concerns with access to physicians with the current vendor and their ability for same-day access.

Jennifer Fiory gave the committee a presentation on Medicare Advantage and Part D Rates for the upcoming calendar year. The committee learned that currently, 763 members are enrolled in a Medicare Advantage Plan. The program SilverScript is decreasing by 30 cents in year two of the two-year contract. Senator Beverly Gossage, who sits on the commission, emphasized that MA plans have zero premiums, and Kansas has a lot of agents who can help analyze employee options for MA plans, while reminding the group that these plans don't require underwriting. Senator Gossage expressed concern that the state plan lacks comparisons to other market plans and suggested further analysis of the statutes that mandate the state to offer these plans, rather than encouraging direct market participation. She indicated that most large employers have information available for beneficiaries about how to contact an agent to compare plans rather than a direct offer. She highlighted federal law changes on Part D Drug plan caps, and how they will increase premiums. Insurance Commissioner Vicki Schmidt noted that something similar has been done with long-term care plans and reminded the rest of the committee about the trial periods for Part D plans.

Secretary Proffitt and staff pointed out that links to healthcare.gov are currently available for employees to do comparisons. The committee agreed unanimously to the language changes following a motion by Senator Gossage to add language sending people to a local agent and a substitute motion by Insurance Commissioner Schmidt to include language to send people to all available resources.

The committee took up Employee Advisory Committee re-appointments of four members and received a financial report.

Next, Tracy Diel with the Kansas Department of Administration reported on the attorney general's settlement information related to an inquiry regarding rebates through Caremark. The AG hired an outside firm to review documentation, which determined that some payments received by Zinc Health Services constituted rebates that should have come back to the State Employee Health Plan. With a contractual obligation to return 100 percent of all rebate revenue in the contract, a settlement agreement was reached. Insurance Commissioner Schmidt asked which drugs were involved in this settlement, suggesting that the information is a part of contractual transparency. She questioned the timing, as the contract is coming up for review, and pointed out these are consequences of the larger vertical integration models. The committee asked if the added rebates are built into the projected costs going forward.

An executive session was held on the topic of attorney-client privilege regarding bid protests. The committee voted unanimously not to accept the bid protest.

The committee will meet next on Dec.18.

KHA-PAC Festivities at Convention

Do you have a fabulous silent auction item you would be willing to share with the Kansas Hospital Association Political Action Committee during the convention? The time is now to get your silent auction items ready for a big year for the KHA-PAC.

Whether it's related to a special team, activity, event, tickets or a stay at your getaway spot, we want your auction items today!

Our Auction will be going digital this year, so we are excited to have people in the room at convention, and those who are supporting online, join in our KHA-PAC Silent Auction activities.

Additionally, we will again be doing the Wine and Bourbon pull, so feel free to donate or stop by and pull a wine and bourbon at the KHA-PAC booth.

To sign up for silent auction items or wine and bourbon, along with a reminder e-mail for you while you are packing, please sign up here: [PAC Sign-Up Form](#).

For questions, please contact [Tara Mays](#).