



2024 KANSAS LEGISLATIVE PREVIEW

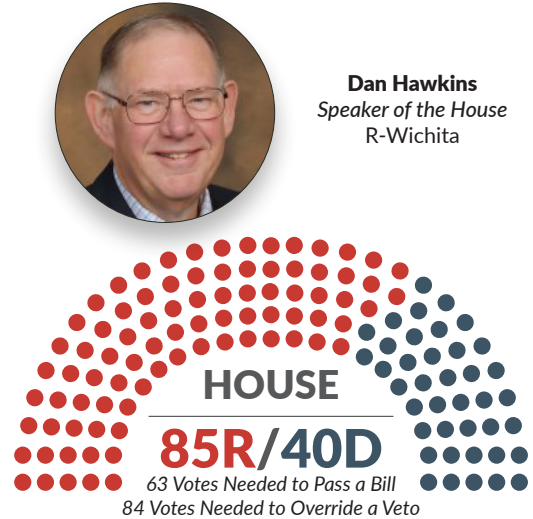
Introduction

The 2024 Kansas legislative session will begin on Monday, Jan. 8. Because 2023 was the first year in a legislative biennium, or two-year cycle, a total of 655 bills, including more than 30 health-related bills, from that session are active and remain on the calendar for 2024.

With no elections for legislative positions during 2023, Republicans continue to hold majorities in both chambers with 28 Republicans, 11 Democrats and one Independent in the Senate, and 85 Republicans and 40 Democrats in the House. Two new legislators will be joining the House to fill the terms of Rep. Fred Patton, R-Topeka, and Rep. Brad Boyd, D-Olathe, who announced their resignations. Rep. Kyle McNorton, R-Topeka, was sworn in on Oct. 24 to replace Rep. Patton and Rep. Nikki McDonald, D-Olathe, was sworn in on Dec. 20 to replace Rep. Boyd.

Legislators and other stakeholders were once again very busy throughout the summer and fall with 35 interim committees, including eight committees focused on health-related issues, meeting during August through mid-December. The Legislature will likely consider several issues or recommendations from some of those committees. Although no interim committee discussed medical marijuana or other cannabis-related

Figure 1. 2024 Kansas Legislative Makeup



Dan Hawkins
Speaker of the House
R-Wichita



Ty Masterson
President
R-Andover

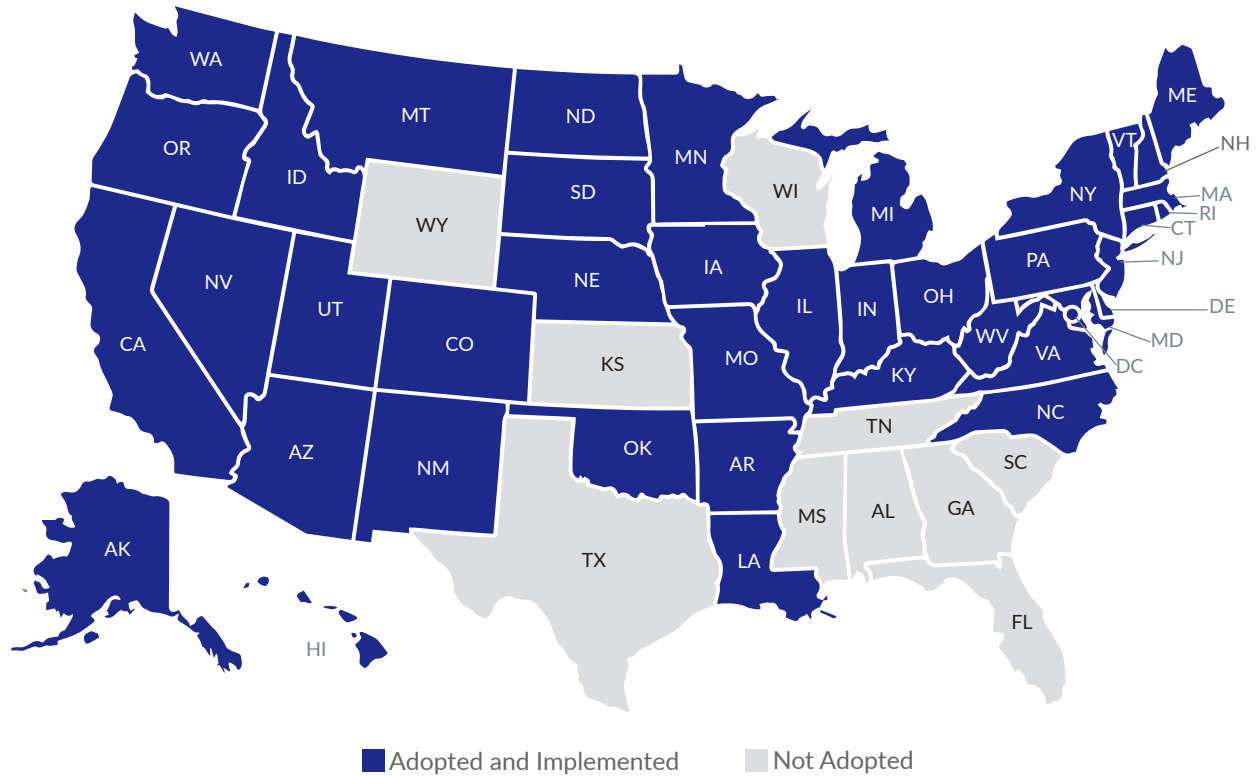


legislation this year, Senate Bill 135, which received a two-day hearing in the Federal and State Affairs Committee in 2023, is still alive and could be acted upon in 2024.

KEY POINTS

- ✓ On Dec. 14 Gov. Laura Kelly released her Medicaid expansion proposal, which includes provisions to cover the state's 10 percent share of the cost to expand and also includes a work and community engagement requirement with some exceptions.
- ✓ The KanCare request for proposals for managed care organization (MCO) contracts closed on Jan. 4 and negotiations and contract award should be completed by April 12, 2024.
- ✓ Legislators will have the opportunity to consider a large number of recommendations from interim committees related to the Intellectual and Developmental Disability Waiver, nursing facility reimbursement rates, and Mental Health Intervention Teams in schools.
- ✓ Legislators will likely see a bill related to a new permanency option for older youth in foster care known as the SOUL program, designed for youth in foster care age 16 and older as they exit foster care.

Figure 2. Status of State Medicaid Expansion



Source: [Status of State Medicaid Expansion Decisions: Interactive Map | KFF](#), Accessed on Dec. 11, 2023.

Medicaid Expansion

To date, 40 states and Washington, D.C. have adopted the Affordable Care Act (ACA) provision to expand Medicaid coverage for adults with incomes through 138 percent of the federal poverty level (\$41,400 for a family of four in 2023) and 10 states, including Kansas, have not adopted expansion. North Carolina, the latest state to expand, began offering coverage on Dec. 1, 2023.

Expansion has not been deliberated by Kansas legislators since the 2020 session and two expansion bills introduced during the 2023 session, which were supported by Gov. Laura Kelly, failed to receive hearings. However, on Sept. 20 she declared that Medicaid expansion remains her “No. 1 priority” for the 2024 legislative session and reported that she was kicking-off a statewide tour during the fall to push for expansion. Then on Dec. 14 the Governor released her expansion proposal, which would cover the state’s 10 percent share of the cost to expand Medicaid, in part, from “drug rebates, a hospital fee, savings from higher reimbursement rates for existing Medicaid recipients and additional federal funding.” The proposal also includes “a work requirement for Medicaid enrollees, with exceptions for full-time students, full-time caregivers,



Laura Kelly
Governor

veterans and Kansans with medical conditions,” health coverage for inmates in county jails, and also allows people with household income between 100 and 138 percent of the federal poverty level to choose between enrolling in Medicaid or remaining on their private insurance, with premium assistance from the Kansas Department of Health and Environment (KDHE).

In addition to the 90-percent federal matching funds available through the ACA for medical services for newly eligible Medicaid expansion enrollees, under the federal American Rescue Plan Act (ARPA), signed into law in March 2021, states that have not yet expanded Medicaid also are eligible for a 5-percentage point increase in their current federal matching funds, for a period of two years, which applies to services provided to children, non-expansion adults, older adults and people with disabilities.

KanCare

During the 2024 session, legislators likely will review the work of several interim committees, including the Special Committee on Intellectual and Developmental Disability Waiver, the Special Committee on Mental Health, the Special Committee on Nursing Facility Reimbursement Rate Methodology, and the Robert

G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight (Bethell Joint Committee).

The Special Committee on Intellectual and Developmental Disability Waiver, chaired by Sen. Beverly Gossage, was charged to “review and recommend options to modernize the Intellectual and Developmental Disability (I/DD) Waiver ... to attempt to address the I/DD waiver waitlist and workforce struggles.” The Committee’s proposed recommendations for the agency, which stressed the need for rate adjustments that are adequate to support the I/DD provider network across a two-year period, included:

- The biennial provider rate study incorporates appropriate inflationary indexes as part of service costs.
- All service-related costs be examined.
- The elements for rate review include employee compensation; training and technical support to retain qualified employees; quality assurance, risk management and insurance costs; and program management and coordination services.
- The review includes an examination of all services with the I/DD system, not just those delivered through the home and community-based services I/DD waiver.
- The review recommends, at a minimum, inflationary increases from the previous fiscal year.
- The review of rates during the biennial rate study utilizes actual costs.

The Committee also made recommendations related to the current I/DD waiver and the proposed Community Support Waiver (CSW) recommended by a similar special committee in 2022. The recommendations included that the Kansas Department for Aging and Disability Services (KDADS):

- Continue to support the CSW and expedite its development.
- Explore the creation of the community support program to precede the anticipated approval of the CSW by the Centers for Medicare and Medicaid Services, which is currently anticipated in early 2026.
- Consider including individual budget authority in the renewal application for the existing comprehensive I/DD waiver.

- KDADS should conduct an internal review of the current incentive program structure for nursing facilities, including how much funding is currently available for incentive programs.
- Explore options to provide non-medical transportation for individuals on the comprehensive waiver and waiting list, including reimbursement or development of a transportation system, and provide a cost estimate for these options.

The KanCare request for proposals for managed care organization (MCO) contracts was issued on Oct. 2 and closed on Jan. 4. The current MCO contracts expire on Dec. 31, 2024, and the new contracts will go into effect on Jan. 1, 2025. Legislators will likely be updated about the review and selection process during the session, as negotiations and contract award are expected to be completed by April 12, 2024.

The 2023 Special Committee on Nursing Facility Reimbursement Rate Methodology, chaired by Rep. Les Mason, was charged to take a “holistic view of the nursing facility reimbursement rate methodology, including cost center caps and an acuity-based add on.” The Committee advanced several proposed recommendations, including the following:

- KDADS should explore and provide a report to the Legislature on the benefits and challenges of shifting the nursing facility reimbursement rebasing process to include one year of cost reports rather than three.
- The Legislature should extend the Medicaid add-on for nursing facilities based on the number of Medicaid residents served for fiscal year (FY) 2025.
- KDADS should review the following and provide a report to the House Committee on Social Services Budget: Ownership structures of nursing facilities in Kansas; how many are owned by Kansas individuals and businesses; the use of holding companies; the current cost-reporting process and structure; financial information reviewed when a nursing facility is sold; and the differences between for-profit and nonprofit nursing facilities, including quality of care. Further, the House Committee on Social Services Budget should consider requesting the Legislative Post Audit Committee to approve an audit by the Legislative Division of Post Audit on the topic.

- The Legislature should review the facility survey process and compare the process in Kansas to processes in other states, including fine amounts, metrics, surveyor education, and the role the state agency can play in ensuring facilities are aware of and understand federal guidelines and requirements.
- The Legislature and KDADS should explore the use of incentives, including the following: encouraging facilities that focus on behavioral health programs and services, supporting facilities owned by Kansas individuals and businesses, and encouraging energy efficient facilities. In addition, the Legislature should explore the ability to add state funding to enhance the availability of incentives.
- KDADS should provide the Legislature with information on options to apply the Critical Access Hospital Model to nursing facilities.
- KDADS should provide a report to the Legislature on the nursing facility provider assessment and formula for distributing funds.
- The Legislature should explore methods to support nursing facilities in managing the proposed CMS rule governing staff ratios, including staff incentives, and consider methods to partner with educational institutions to grow the nursing workforce.
- The Legislature should review methods to reimburse treatment for dementia care, including adjusting the case mix index (CMI) or creating an add-on incentive factor. In addition, the Legislature should explore the number of facilities specifically equipped to provide this level of care.
- The Kansas Legislative Research Department (KLRD) should explore the licensing requirements for the nursing home administrator position in other states, including practicum requirements, and efforts other states have made to make these positions more accessible. KLRD should review which requirements are federally set and those that the state can adjust.

Senate Leadership

28 Republicans, 11 Democrats, 1 Independent
 Majority - Republicans

M A J O R I T Y



Ty Masterson
President
 Andover



Rick Wilborn
Vice President
 McPherson



Larry Alley
Majority Leader
 Winfield



Renee Erickson
Asst. Majority Leader
 Wichita



Rick Kloos
Senate Majority Whip
 Berryton



C H A I R S



Rick Billinger
Ways and Means
 Goodland



Jeff Longbine
Insurance
 Emporia



M I N O R I T Y



Dinah Sykes
Minority Leader
 Lenexa



Oletha Faust-Goudeau
Asst. Min. Leader
 Wichita



Pat Pettey
Minority Whip
 Kansas City



Marci Francisco
Agenda Chair
 Lawrence



Jeff Pittman
Caucus Chair
 Leavenworth



Mike Thompson
Federal and State Affairs
 Bonner Springs



Beverly Gossage
Public Health & Welfare
 Eudora



Behavioral Health

The 2024 Legislature may also consider and follow the implementation of recommendations made by the 2023 Special Committee on Mental Health, which met on Aug. 23-24. The Committee, chaired by Sen. Beverly Gossage and charged with reviewing the K-12 Mental Health Intervention Team program, certified community behavioral clinics, 988 and suicide prevention programs, the behavioral health workforce and the potential for Wichita to serve as a location for a behavioral health center of excellence for the state, offered several proposed recommendations, including:

- KDHE report to the Bethell Joint Committee on resources available to physicians who provide prenatal, perinatal and postpartum medical care, specifically focusing on mental health services and depression.
- The Department for Children and Families (DCF) report to the Bethell Joint Committee on the process to connect foster children to Mental Health Intervention Teams (MHIT) in

school buildings in which foster children are enrolled, and to report the plan by DCF to ensure communication between the MHIT building liaisons and foster care contractors.

- Kansas State Department of Education (KSDE) expand its data reporting to the Bethell Joint Committee to include the following data points:
 - The number of buildings in a school district that have entered into the MHIT grant.
 - The number of buildings in a school district that have retained mental health services in addition to the MHIT grant.
 - For buildings in the MHIT grant:
 - The average length of stay for a student in the program.
 - The number of students per building and grade level served by the program.
 - Any additional data that may be provided on the program.

House Leadership

85 Republicans, 40 Democrats
Majority - Republicans

M A J O R I T Y



Dan Hawkins
Speaker of the House
Wichita



Blake Carpenter
Speaker Pro Tem
Derby



Chris Croft
Majority Leader
Overland Park



Les Mason
Asst. Majority Leader
McPherson



Susan Estes
Whip
Wichita



Kristey Williams
Caucus Chair
Augusta

M I N O R I T Y



Vic Miller
Minority Leader
Topeka



Valdenia Winn
Asst. Minority Leader
Kansas City



Stephanie Sawyer Clayton
Whip
Overland Park



Barbara Ballard
Caucus Chair
Lawrence



Jerry Stogsdill
Agenda Chair
Prairie Village



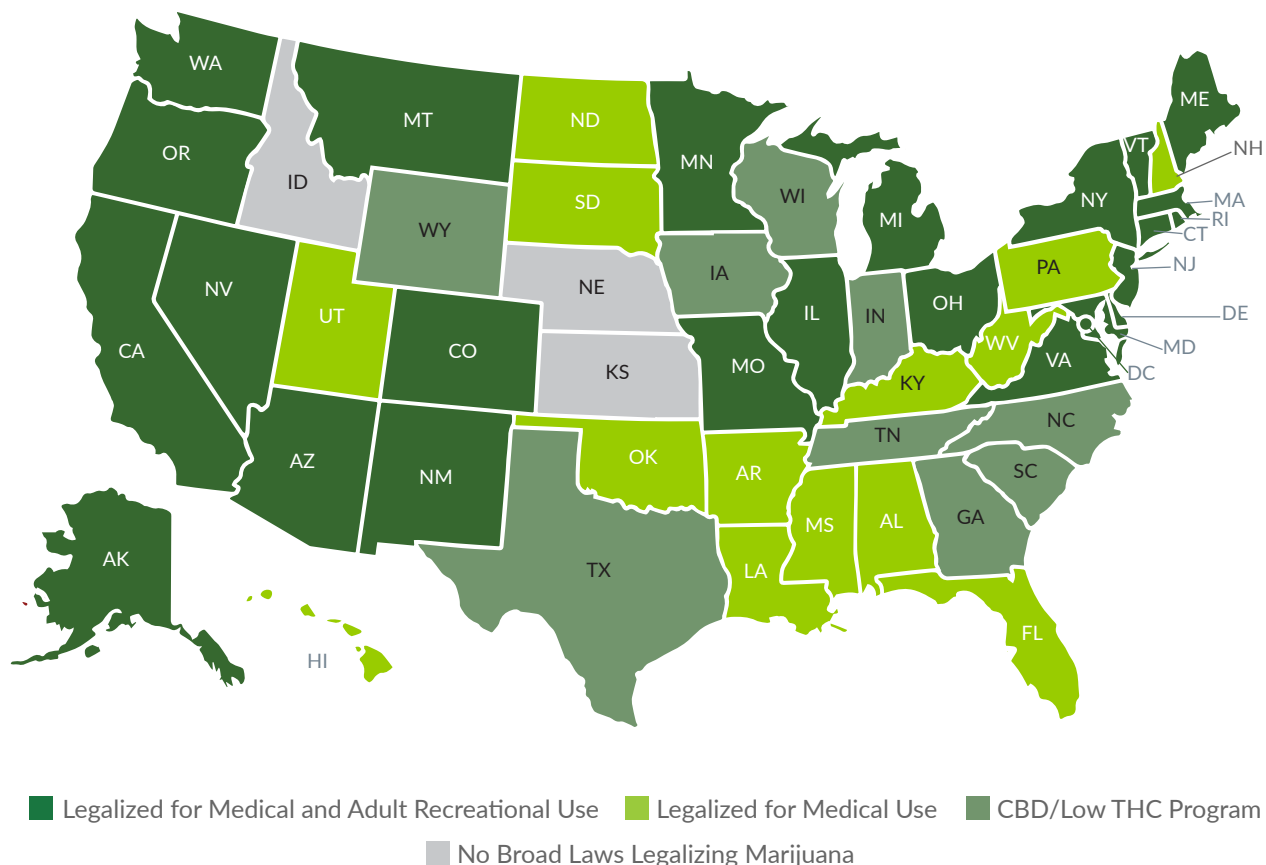
Christina Haswood
Policy Chair
Lawrence

- KSDE expand its data reporting to the Bethell Joint Committee to include the following data points:
 - The number of schools that have a mental health program separate from the MHIT program.
 - The total amount spent on mental health per district.
 - Specific details on how mental health dollars are allocated within the district.
 - The number of students and their age groups that are participating in the mental health programs.
 - The issues being served by the mental health programs.
- KDADS report to the Bethell Joint Committee regarding what actions are being taken to increase the behavioral health workforce and what means or methods are being undertaken to retain the workforce.
- The Special Committee express its support for implementation of the Community Support Waiver and request assistance for KDHE in any relevant capacity.
- KDADS continue to monitor and report to the 2024 Legislature regarding its response to 2020-2021 Recommendation No. 45 (8.7, Competency Evaluations and Restoration), including what other states are doing.
- KDADS report to the Bethell Joint Committee regarding data collected on announced versus unannounced site visits to psychiatric residential treatment facilities, the frequency of when both types of visits occur, and the data found in each type of visit as well as the differences found in each type of visit.

Medical Marijuana

Legislators may decide to take another look at medical marijuana or other cannabis-related legislation in 2024. Senate Bill 135, the Medical

Figure 3. Status of State Marijuana Legalization Decisions



Source: [State Medical Cannabis Laws \(ncsl.org\)](https://www.ncsl.org/legislative-policy/law-and-policy/state-medical-cannabis-laws), Accessed Dec. 11, 2023.

Cannabis Regulation Act, which has a wide range of proponent support, received a two-day hearing in the 2023 session in the Federal and State Affairs Committee and remains alive to be worked this session. Legislators may attempt to work through issues identified during the hearing, including provisions requested by law enforcement officials who testified in opposition to the bill, concerns regarding children getting access to marijuana, and potential conflicts with local laws, such as an existing ordinance that exempts the City of Wichita from prosecuting marijuana cases.

Workforce

During 2024 legislators may continue to examine licensure requirements and expanded scope of practice for some health care professionals, starting with bills that remain alive for this session. House Bill 2375, which would create a new type of temporary license for certain applicants who have graduated from a social work program, was passed by both chambers but included amendments that required the bill be sent to conference committee. Senate Bill 112, which would permit a registered nurse anesthetist to practice as an independent advanced registered nurse to the full extent of the scope of the licensee’s education and qualifications, was passed by the Senate and referred to the House Committee on Health and Human Services.

Legislators also may get the opportunity to consider legislation regarding licensing requirements for administrative positions in nursing facilities. One of the recommendations of the 2023 Special Committee on Nursing Facility Reimbursement Rate Methodology was for KLRD to explore the licensing requirements for these positions in other states, including which requirements are federal

requirements and those that could be adjusted by the state. These positions, which are regulated in Kansas by the Board of Adult Care Home Administrators, require, at a minimum, a baccalaureate degree, completion of 480 hours of Administrator-in-Training Practicum, two letters of reference, passing scores on the state exam and the National Association of Long-Term Care Administrator Board exam, and fees for initial full licensure.

Child Welfare

Legislators likely will continue their focus on child welfare matters and have the opportunity to consider legislation addressing various aspects of the state’s child welfare system. The Joint Committee on Child Welfare System Oversight, chaired by Sen. Beverly Gossage, met three times between June and October. The Committee received extensive testimony from parents, family members, advocates, providers and state officials expressing concerns and suggesting potential improvements in the system, including the performance requirements and priorities of guardians ad litem, including a potential shift to providing attorneys focused on representing a child’s rights, establishment of an independent office of the child advocate, addressing gaps in the availability of mental health services for foster children, and barriers to placement stability. The Committee voted to:

- Receive reports from DCF on fetal alcohol spectrum disorders, child welfare information from homeless encampments, and utility shutoff policies regarding homes with children.
- Request that staff draft legislation on changing the guardian ad litem fiduciary responsibility to the child and compare with provisions of 2023 House Bill 2381.

H O U S E C H A I R S



Troy Waymaster
Appropriations
Bunker Hill



Susan Concannon
Child Welfare
and Foster Care
Beloit



Will Carpenter
Federal and State
Affairs
El Dorado



Brenda Landwehr
Health
and Human Services
Wichita



Bill Sutton
Insurance
Gardner



Les Mason
Social Services
Budget
McPherson



Francis Awerkamp
Welfare
Reform
St. Francis

- Request reporting on any existing biological parent rights in child welfare proceedings.
- Request that Rep. Susan Concannon and Rep. Cyndi Howerton provide to the Joint Committee a template for standardized reporting from child welfare contractors.

Legislators also are likely to see a bill related to a new relational permanency option for older youth in foster care known as the SOUL (Support-Opportunity-Unity-Legal Relationships) Family Permanency program. The SOUL program is a new option designed by and for foster youth age 16 and older as they exit foster care that would provide them with a legal connection with one or more adults who are willing to support them as they transition to adulthood. On Oct. 4, 2023, the Joint Committee also voted to support the concept of the SOUL program legislation.

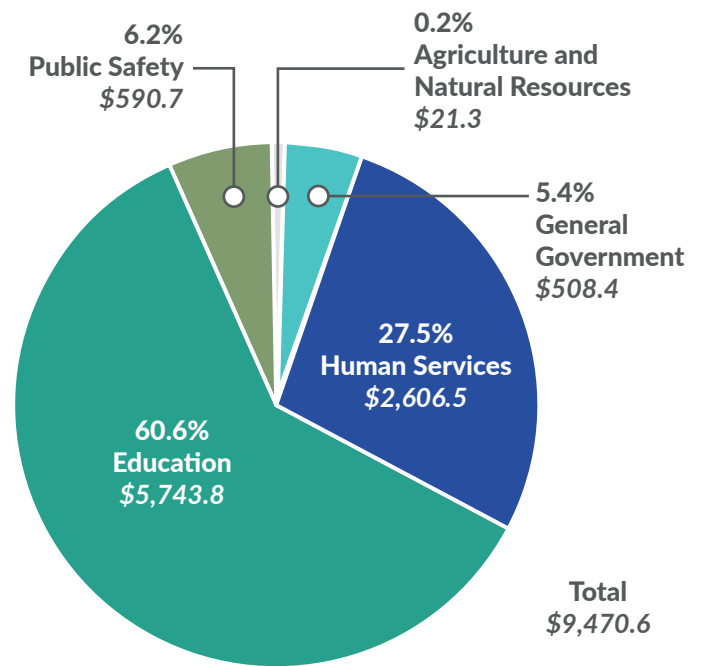
Taxes

In addition to an acceleration of the elimination of the sales tax on food and food ingredients, which is currently scheduled to occur on Jan. 1, 2025, legislators also may return to bills introduced last year that would provide tax exemptions for organizations such as child care centers, Area Agencies on Aging, and Kansas Suicide Prevention HQ. While not directly related to health, it is likely that the Legislature will be considering one or more bills to establish a single tax rate for individuals and decreasing taxes for corporations.

Budget

On Nov. 22, the Kansas Legislative Research Department and the Division of the Budget released a memo regarding the State General Fund (SGF) Revenue Estimates for FY 2024 and FY 2025. The memo showed for FY 2024 a revised estimate of \$10.3 billion, a decrease of \$67.7

Figure 4. Fiscal Year 2024 Approved Expenditures from the State General Fund (in Millions)



Note: Percentages may not sum to 100 percent due to rounding.
 Source: [Kansas Division of Budget. \(2023\). Comparison Report: The FY 2024 Governor's Budget Report](#), accessed Dec. 11, 2023.

million below the adjusted May 2023 estimate, and for FY 2025 an initial estimate of \$10.3 billion. During their Nov. 3, 2023, meeting, the Consensus Group, which includes the Division of the Budget, DCF, KDHE, KDADS and KLRD, revised the estimates for all human service consensus caseloads for FY 2024 to \$5.0 billion from all funding sources, including \$1.5 billion SGF, an all funds decrease of \$65.8 million, including an SGF decrease of \$55.5 million, compared to the budget approved by the 2023 Legislature. The revised estimate for FY 2025 is \$5.1 billion from all funding sources, including \$1.5 billion SGF, an all funds increase of \$122.6 million, including an increase of \$45.9 million SGF, above the FY 2024 revised estimate.

ABOUT THE ISSUE BRIEF

This brief is based on work done by Linda J. Sheppard, J.D., Valentina Blanchard, M.P.H., L.M.S.W., Cynthia Snyder, M.A., and Emma Uridge, C.H.E.S. It is available online at khi.org/articles/2024-kansas-legislative-preview

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