

Journal of the Senate

SEVENTEENTH DAY

SENATE CHAMBER, TOPEKA, KANSAS
Wednesday, February 6, 2008—2:30 p.m.

The Senate was called to order by President Stephen Morris.
The roll was called with thirty-eight senators present.
Senators Goodwin and Haley were excused.
Invocation by Chaplain Fred S. Hollomon:

Heavenly Father,

While more than twenty states were observing Super Tuesday,
several states in the Southeast were being devastated by Super Tornadoes.

Our hearts go out to everyone affected by the destruction.
As I prepared this prayer, there have been at least 48 deaths and many injured.

The college in Jackson, Tennessee was devastated for the second time in six years.
Many of the students were hospitalized. We are grateful that none of the students,
Faculty, or staff were killed. Some of us remember well the powerful tornado
That leveled Washburn University in 1966.

Having just experienced the destruction of Greensburg last year along with
Disastrous floods in Coffeyville and other Kansas towns, we can identify
Somewhat with those affected by these terrible storms.

We ask You, O God, to bring aid and comfort to the victims still reeling from
The impact of all that has happened and pray that You will motivate others to
Aid in the cleaning up and reconstruction. Comfort those who have lost loved
Ones and those who must bear the financial loss. Please administer healing
To the injured.

Thank You that we have You to call on in times like these.

I pray in the Name of Jesus Christ,

AMEN

The Pledge of Allegiance was led by President Stephen Morris.

INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were introduced and read by title:

SB 562, An act concerning elections; providing a procedure for mobile polling places in nursing homes and certain related facilities, by Committee on Elections and Local Government.

SB 563, An act concerning health insurance; pertaining to utilization review; amending K.S.A. 40-22a07 and repealing the existing section, by Committee on Financial Institutions and Insurance.

SB 564, An act concerning health insurance; pertaining to employer provided cafeteria plans; pertaining to health savings accounts; pertaining to high deductible health insurance plans; pertaining to tax treatment of health insurance premiums; amending K.S.A. 40-2119,

40-2209d, 40-2209h, 40-2209m and 75-6512 and K.S.A. 2007 Supp. 40-2240, 75-6501 and 79-32,117 and repealing the existing sections, by Committee on Financial Institutions and Insurance.

SB 565. An act relating to the state fair board; concerning background investigations for certain employees; amending K.S.A. 2-205 and repealing the existing section, by Committee on Judiciary.

SB 566. An act concerning the department of social and rehabilitation services; relating to attendant care workers who provide home and community based services; providing for a study, by Committee on Ways and Means.

SB 567. An act concerning school districts; relating to special education and the distribution of moneys therefor; amending K.S.A. 2007 Supp. 72-978 and repealing the existing section, by Committee on Education.

SB 568. An act concerning public health; relating to optometrists and Kansas nonprofit low vision rehabilitation centers; amending K.S.A. 65-1502, 65-1522 and 65-1524 and K.S.A. 2007 Supp. 65-1501a and repealing the existing sections, by Senators Schodorf and Wagle.

SB 569. An act concerning alcoholic beverages; requiring server education; requiring server permits, by Committee on Federal and State Affairs.

SB 570. An act concerning telecommunications; relating to the Kansas universal service fund; amending K.S.A. 66-127 and 66-136 and K.S.A. 2007 Supp. 66-2005 and repealing the existing sections, by Committee on Utilities.

SB 571. An act concerning income taxation; relating to deductions; expensing of investment expenditures; amending K.S.A. 2007 Supp. 79-32,117 and 79-32,138 and repealing the existing sections, by Joint Committee on Economic Development.

SB 572. An act creating the massage therapy practice act; establishing the board of licensure and regulation of the massage therapists, by Committee on Ways and Means.

SB 573. An act relating to deaf and hard of hearing children; making and concerning appropriations for the Kansas state school for the deaf for the fiscal years ending June 30, 2009; authorizing certain transfers, capital improvement projects and fees, imposing certain restrictions and limitations, and directing and authorizing certain receipts, disbursements and acts incidental to the foregoing, by Committee on Ways and Means.

REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to Committees as indicated:

Agriculture: **SB 557, SB 558, SB 559.**

Assessment and Taxation: **SB 550.**

Elections and Local Government: **HB 2683.**

Federal and State Affairs: **SB 544, SB 554.**

Financial Institutions & Insurance: **SB 560, SB 561.**

Health Care Strategies: **SB 556**

Judiciary: **SB 545, SB 546, SB 547, SB 551, SB 552.**

Natural Resources: **SB 553.**

Public Health and Welfare: **SB 548, SB 549.**

Transportation: **SB 543.**

Utilities: **SB 555.**

CHANGE OF REFERENCE

The President withdrew **SB 540** from the Committee on **Public Health and Welfare**, and referred the bill to the Committee on **Financial Institutions and Insurance**.

The President withdrew **SB 541** from the Committee on **Public Health and Welfare**, and referred the bill to the Committee on **Health Care Strategies**.

COMMUNICATIONS FROM STATE OFFICERS

KANSAS DEPARTMENT OF COMMERCE

January 31, 2008

In accordance with KSA 12-1774(d), David D. Kerr, Secretary of Commerce, submitted the 2007 Star Bond Annual Report.

STATE OF THE JUDICIARY

Pursuant to KSA 20-320, Kay McFarland, Chief Justice, submitted the 2008 Annual Report of the Chief Justice of the Kansas Supreme Court.

The President announced the above reports are on file in the office of the Secretary of the Senate and are available for review at any time.

MESSAGE FROM THE HOUSE

Announcing the House nonconcur in Senate amendments to **HB 2186**, requests a conference and has appointed Representatives O'Neal, Kinzer and Pauls as conferees on the part of the House.

INTRODUCTION OF ORIGINAL MOTIONS AND SENATE RESOLUTIONS

Senator Donovan introduced the following Senate resolution, which was read:

SENATE RESOLUTION No. 1811—

A RESOLUTION recognizing February 6 as Ronald Reagan Day.

WHEREAS, President Ronald Wilson Reagan, a man of humble background, worked throughout his life serving freedom and advancing the public good, having been employed as an entertainer, union leader, corporate spokesman, governor of California and president of the United States; and

WHEREAS, Ronald Reagan served with honor and distinction for two terms as the 40th president of the United States of America; the second of which he earned the confidence of 3/5 of the electorate and was victorious in 49 of the 50 states in the general election, a record unsurpassed in the history of American presidential elections; and

WHEREAS, In 1981, when Ronald Reagan was inaugurated President, he inherited a disillusioned nation shackled by rampant inflation and high unemployment; and

WHEREAS, During Mr. Reagan's presidency he worked in a bipartisan manner to enact his bold agenda of restoring accountability and common sense to government which led to an unprecedented economic expansion and opportunity for millions of Americans; and

WHEREAS, Mr. Reagan's commitment to an active social policy agenda for the nation's children helped lower crime and drug use in our neighborhoods; and

WHEREAS, President Reagan's commitment to our armed forces contributed to the restoration of pride in America, her values and those cherished by the free world, and prepared America's armed forces to meet 21st century challenges; and

WHEREAS, President Reagan's vision of "peace through strength" led to the end of the cold war and the ultimate demise of the Soviet Union, guaranteeing basic human rights for millions of people; and

WHEREAS, February 6, 2008, will be the 97th anniversary of Ronald Reagan's birth, and the third since his passing; Now, therefore,

Be it resolved by the Senate of the State of Kansas: That we recognize February 6, 2008, as Ronald Reagan Day and urge all Kansas citizens to take cognizance of this event and participate fittingly in its observance; and

Be it further resolved: That the Secretary of the Senate provide an enrolled copy of this resolution to Senator Donovan.

On emergency motion of Senator Donovan **SR 1811** was adopted unanimously.

REPORT ON ENROLLED BILLS

SR 1809, SR 1810 reported correctly enrolled, properly signed and presented to the Secretary of the Senate on February 5, 2008.

REPORTS OF STANDING COMMITTEES

Committee on **Assessment and Taxation** recommends **SB 471** be amended on page 1, in line 14, by striking "an individ-"; in line 15, by striking "ual," and inserting "a"; in line 17, by striking all after the period; in line 18, by striking "vided by statute" and inserting "Subject to the requirements specified in K.S.A. 79-3220, and amendments thereto"; and the bill be passed as amended.

Also, **SB 487** be amended on page 3, in line 32, by striking “fees and charges for sporting”; in line 33, by striking “clays” and inserting “fishing expeditions and excursions, clay shooting sports and hunting or fishing leases”;

On page 1, in the title, in line 9, after “hunting” by inserting “and fishing”; and the bill be passed as amended.

Committee on **Federal and State Affairs** recommends **SB 454** be amended on page 4, in line 9, by striking “other” and inserting “the following”; in line 11, before the question mark by inserting “; _____”;

On page 7, by striking all in lines 15 through 22;

And by renumbering the remaining sections accordingly; and the bill be passed as amended.

Committee on **Judiciary** recommends **SB 434** be passed.

Also, **SB 433** be amended on page 1, in line 32, by striking “and” and inserting “or”; and the bill be passed as amended.

SB 435 be amended on page 8, in line 6, following “custodian” by inserting “or agent of the custodian”; in line 19, by striking “(d)” and inserting “(e)”; also in line 19, preceding “medical” by inserting “and amendments thereto,”; in line 23, by striking “any agency,”; by striking all in line 24; in line 25, by striking “having custody of the child” and inserting “the custodian or an agent designated by the custodian”; in line 32, preceding the period, by inserting “and subject to the limitations of K.S.A. 59-3075 (e)(4), (5) and (6), and amendments thereto”;

On page 14, in line 6, by striking “or” and inserting “and”;

On page 23, in line 30, by striking “an”; in line 31, by striking “opportunity” and inserting “the right”;

On page 28, in line 5, by striking “juveniles” and inserting “juvenile’s”; and the bill be passed as amended.

Committee on **Transportation** recommends **SB 509** be passed.

The Committee on **Ways and Means** recommends **HB 2578**, as amended by House Committee, be amended on page 1, after line 27, by inserting the following:

“(b) “Community mental health center” has the same meaning as such term is defined in K.S.A. 75-3307c, and amendments thereto.

(c) “Donating entities” means adult care homes, mail service pharmacies and medical care facilities who elect to participate in the program.”;

And by relettering the remaining subsections accordingly;

Also on page 1, after line 35, by inserting the following:

“(g) “Mail service pharmacy” means a licensed Kansas pharmacy located within the state that ships, mails or delivers by any lawful means a lawfully dispensed medication in tamper-resistant packaging to residents of this state or another state.

(h) “Medical care facility” has the same meaning as such term is defined in K.S.A. 65-425, and amendments thereto.”;

And by relettering the remaining subsections accordingly;

On page 2, after line 5, by inserting the following:

“(n) “Qualifying center or clinic” means an indigent health care clinic, federally qualified health center or community mental health center.”;

Also on page 2, in line 9, by striking “adult care homes” and inserting “donating entities”; in line 12, by striking all after “(b)” and inserting “A qualifying center or clinic”; in line 21, by striking “an adult care home” and inserting “a donating entity”; in line 23, after “packaging” by inserting “or hermetically sealed by the pharmacy in tamper evident packaging, unit of use”; also in line 23, after “or” by inserting “sealed,”; in line 35, by striking “adult care homes”, where it appears for the second time, and inserting “donating entities”; in line 37, by striking “adult care home”, where it appears for the second time, and inserting “donating entity”; in line 39, by striking all after “(b)” and inserting “A qualifying center or clinic”;

On page 3, in line 4, by striking all after “(c)” and inserting “A qualifying center or clinic”; in line 15, by striking “federally”; by striking all in line 16 and inserting “qualifying center or clinic.”; in line 18, by striking all after “dispensed by”; in line 19, by striking “health center” and inserting “qualifying centers or clinics”; in line 30, by striking “adult care home”

and inserting “donating entity”; in line 32, by striking all after “any” and inserting “qualifying center or clinic”; in line 35, by striking all after “any” and inserting “qualifying center or clinic”;

On page 4, in line 11, by striking “2007” and inserting “2008”; in line 12, by striking “include”; in line 13, after “(1)” by inserting “Include”; in line 15, after “(2)” by inserting “include”; in line 21, by striking “adult care homes” and inserting “donating entities”; in line 32, by striking “facilities” and inserting “donating entities”; after line 34, by inserting sections 9 and 10, to read as follows:

“Sec. 9. K.S.A. 2007 Supp. 75-7427 is hereby amended to read as follows: 75-7427. (a) As used in this section:

(1) “Attorney general” means the attorney general, employees of the attorney general or authorized representatives of the attorney general.

(2) “Benefit” means the receipt of money, goods, items, facilities, accommodations or anything of pecuniary value.

(3) “Claim” means an electronic, electronic impulse, facsimile, magnetic, oral, telephonic or written communication that is utilized to identify any goods, service, item, facility or accommodation as reimbursable to the state medicaid program, or its fiscal agents, the state mediKan program or the state children’s health insurance program or which states income or expense.

(4) “Client” means past or present beneficiaries or recipients of the state medicaid program, the state mediKan program or the state children’s health insurance program.

(5) “Contractor” means any contractor, supplier, vendor or other person who, through a contract or other arrangement, has received, is to receive or is receiving public funds or in-kind contributions from the contracting agency as part of the state medicaid program, the state mediKan program or the state children’s health insurance program, and shall include any sub-contractor.

(6) “Contractor files” means those records of contractors which relate to the state medicaid program, the state mediKan program or the state children’s health insurance program.

(7) “Fiscal agent” means any corporation, firm, individual, organization, partnership, professional association or other legal entity which, through a contractual relationship with the state of Kansas receives, processes and pays claims under the state medicaid program, the state mediKan program or the state children’s health insurance program.

(8) “Health care provider” means a health care provider as defined under K.S.A. 65-4921, and amendments thereto, who has applied to participate in, who currently participates in, or who has previously participated in the state medicaid program, the state mediKan program or the state children’s health insurance program.

(9) “Kansas health policy authority” or “authority” means the Kansas health policy authority established under K.S.A. 2007 Supp. 75-7401, and amendments thereto, or its successor agency.

(10) “Managed care program” means a program which provides coordination, direction and provision of health services to an identified group of individuals by providers, agencies or organizations.

(11) “Medicaid program” means the Kansas program of medical assistance for which federal or state moneys, or any combination thereof, are expended, or any successor federal or state, or both, health insurance program or waiver granted thereunder.

(12) “Person” means any agency, association, corporation, firm, limited liability company, limited liability partnership, natural person, organization, partnership or other legal entity, the agents, employees, independent contractors, and subcontractors, thereof, and the legal successors thereto.

(13) “Provider” means a person who has applied to participate in, who currently participates in, who has previously participated in, who attempts or has attempted to participate in the state medicaid program, the state mediKan program or the state children’s health insurance program, by providing or claiming to have provided goods, services, items, facilities or accommodations.

(14) “Recipient” means an individual, either real or fictitious, in whose behalf any person claimed or received any payment or payments from the state medicaid program, or its fiscal agent, the state mediKan program or the state children’s health insurance program, whether

or not any such individual was eligible for benefits under the state medicaid program, the state mediKan program or the state children's health insurance program.

(15) "Records" means all written documents and electronic or magnetic data, including, but not limited to, medical records, X-rays, professional, financial or business records relating to the treatment or care of any recipient; goods, services, items, facilities or accommodations provided to any such recipient; rates paid for such goods, services, items, facilities or accommodations; and goods, services, items, facilities or accommodations provided to nonmedicaid recipients to verify rates or amounts of goods, services, items, facilities or accommodations provided to medicaid recipients, as well as any records that the state medicaid program, or its fiscal agents, the state mediKan program or the state children's health insurance program require providers to maintain. "Records" shall not include any report or record in any format which is made pursuant to K.S.A. 65-4922, 65-4923 or 65-4924, and amendments thereto, and which is privileged pursuant to K.S.A. 65-4915 or 65-4925, and amendments thereto.

(16) "State children's health insurance program" means the state children's health insurance program as provided in K.S.A. 38-2001 et seq., and amendments thereto.

(b) (1) There is hereby established within the Kansas health policy authority the office of inspector general. All budgeting, purchasing and related management functions of the office of inspector general shall be administered under the direction and supervision of the executive director of the Kansas health policy authority. The purpose of the office of inspector general is to establish a full-time program of audit, investigation and performance review to provide increased accountability, integrity and oversight of the state medicaid program, the state mediKan program and the state children's health insurance program within the jurisdiction of the Kansas health policy authority and to assist in improving agency and program operations and in deterring and identifying fraud, waste, abuse and illegal acts. The office of inspector general shall be independent and free from political influence and in performing the duties of the office under this section shall conduct investigations, audits, evaluations, inspections and other reviews in accordance with professional standards that relate to the fields of investigation and auditing in government.

(2) (A) The inspector general shall be appointed by the Kansas health policy authority with the advice and consent of the senate and subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided in K.S.A. 46-2601, and amendments thereto, no person appointed to the position of inspector general shall exercise any power, duty or function of the inspector general until confirmed by the senate. The inspector general shall be selected without regard to political affiliation and on the basis of integrity and capacity for effectively carrying out the duties of the office of inspector general. The inspector general shall possess demonstrated knowledge, skills, abilities and experience in conducting audits or investigations and shall be familiar with the programs subject to oversight by the office of inspector general.

(B) No former or current executive or manager of any program or agency subject to oversight by the office of inspector general may be appointed inspector general within two years of that individual's period of service with such program or agency. The inspector general shall hold at time of appointment, or shall obtain within one year after appointment, certification as a certified inspector general from a national organization that provides training to inspectors general.

(C) The term of the person first appointed to the position of inspector general shall expire on January 15, 2009. Thereafter, a person appointed to the position of inspector general shall serve for a term which shall expire on January 15 of each year in which the whole senate is sworn in for a new term.

(D) The inspector general shall be in the classified service and shall receive such compensation as is determined by law, except that such compensation may be increased but not diminished during the term of office of the inspector general. The inspector general may be removed from office prior to the expiration of the inspector general's term of office in accordance with the Kansas civil service act. The inspector general shall exercise independent judgment in carrying out the duties of the office of inspector general under subsection (b). Appropriations for the office of inspector general shall be made to the Kansas health

policy authority by separate line item appropriations for the office of inspector general. The inspector general shall report to the ~~executive director of the~~ Kansas health policy authority.

(E) The inspector general shall have general managerial control over the office of the inspector general and shall establish the organization structure of the office as the inspector general deems appropriate to carry out the responsibilities and functions of the office.

(3) Within the limits of appropriations therefor, the inspector general may hire such employees in the unclassified service as are necessary to administer the office of the inspector general. Such employees shall serve at the pleasure of the inspector general. Subject to appropriations, the inspector general may obtain the services of certified public accountants, qualified management consultants, professional auditors, or other professionals necessary to independently perform the functions of the office.

(c) (1) In accordance with the provisions of this section, the duties of the office of inspector general shall be to oversee, audit, investigate and make performance reviews of the state medicaid program, the state mediKan program and the state children's health insurance program, which programs are within the jurisdiction of the Kansas health policy authority.

(2) In order to carry out the duties of the office, the inspector general shall conduct independent and ongoing evaluation of the Kansas health policy authority and of such programs administered by the Kansas health policy authority, which oversight includes, but is not limited to, the following:

(A) Investigation of fraud, waste, abuse and illegal acts by the Kansas health policy authority and its agents, employees, vendors, contractors, consumers, clients and health care providers or other providers.

(B) Audits of the Kansas health policy authority, its employees, contractors, vendors and health care providers related to ensuring that appropriate payments are made for services rendered and to the recovery of overpayments.

(C) Investigations of fraud, waste, abuse or illegal acts committed by clients of the Kansas health policy authority or by consumers of services administered by the Kansas health policy authority.

(D) Monitoring adherence to the terms of the contract between the Kansas health policy authority and an organization with which the authority has entered into a contract to make claims payments.

(3) Upon finding credible evidence of fraud, waste, abuse or illegal acts, the inspector general shall report its findings to the Kansas health policy authority and refer the findings to the attorney general.

(d) The inspector general shall have access to all pertinent information, confidential or otherwise, and to all personnel and facilities of the Kansas health policy authority, their employees, vendors, contractors and health care providers and any federal, state or local governmental agency that are necessary to perform the duties of the office as directly related to such programs administered by the authority. Access to contractor or health care provider files shall be limited to those files necessary to verify the accuracy of the contractor's or health care provider's invoices or their compliance with the contract provisions or program requirements. No health care provider shall be compelled under the provisions of this section to provide individual medical records of patients who are not clients of the state medicaid program, the state mediKan program or the state children's health insurance program. State and local governmental agencies are authorized and directed to provide to the inspector general requested information, assistance or cooperation.

(e) Except as otherwise provided in this section, the inspector general and all employees and former employees of the office of inspector general shall be subject to the same duty of confidentiality imposed by law on any such person or agency with regard to any such information, and shall be subject to any civil or criminal penalties imposed by law for violations of such duty of confidentiality. The duty of confidentiality imposed on the inspector general and all employees and former employees of the office of inspector general shall be subject to the provisions of subsection (f), and the inspector general may furnish all such information to the attorney general, Kansas bureau of investigation or office of the United States attorney in Kansas pursuant to subsection (f). Upon receipt thereof, the attorney general, Kansas bureau of investigation or office of the United States attorney in Kansas and all assistants and all other employees and former employees of such offices shall be

subject to the same duty of confidentiality with the exceptions that any such information may be disclosed in criminal or other proceedings which may be instituted and prosecuted by the attorney general or the United States attorney in Kansas, and any such information furnished to the attorney general, the Kansas bureau of investigation or the United States attorney in Kansas under subsection (f) may be entered into evidence in any such proceedings.

(f) All investigations conducted by the inspector general shall be conducted in a manner that ensures the preservation of evidence for use in criminal prosecutions or agency administrative actions. If the inspector general determines that a possible criminal act relating to fraud in the provision or administration of such programs administered by the Kansas health policy authority has been committed, the inspector general shall immediately notify the office of the Kansas attorney general. If the inspector general determines that a possible criminal act has been committed within the jurisdiction of the office, the inspector general may request the special expertise of the Kansas bureau of investigation. The inspector general may present for prosecution the findings of any criminal investigation to the office of the attorney general or the office of the United States attorney in Kansas.

(g) To carry out the duties as described in this section, the inspector general and the inspector general's designees shall have the power to compel by subpoena the attendance and testimony of witnesses and the production of books, electronic records and papers as directly related to such programs administered by the Kansas health policy authority. Access to contractor files shall be limited to those files necessary to verify the accuracy of the contractor's invoices or its compliance with the contract provisions. No health care provider shall be compelled to provide individual medical records of patients who are not clients of the authority.

(h) The inspector general shall report all convictions, terminations and suspensions taken against vendors, contractors and health care providers to the Kansas health policy authority and to any agency responsible for licensing or regulating those persons or entities. If the inspector general determines reasonable suspicion exists that an act relating to the violation of an agency licensure or regulatory standard has been committed by a vendor, contractor or health care provider who is licensed or regulated by an agency, the inspector general shall immediately notify such agency of the possible violation.

(i) The inspector general shall make annual reports, findings and recommendations regarding the office's investigations into reports of fraud, waste, abuse and illegal acts relating to any such programs administered by the Kansas health policy authority to the executive director of the Kansas health policy authority, the legislative post auditor, the committee on ways and means of the senate, the committee on appropriations of the house of representatives, the joint committee on health policy oversight and the governor. These reports shall include, but not be limited to, the following information:

- (1) Aggregate provider billing and payment information;
- (2) the number of audits of such programs administered by the Kansas health policy authority and the dollar savings, if any, resulting from those audits;
- (3) health care provider sanctions, in the aggregate, including terminations and suspensions; and
- (4) a detailed summary of the investigations undertaken in the previous fiscal year, which summaries shall comply with all laws and rules and regulations regarding maintaining confidentiality in such programs administered by the Kansas health policy authority.

(j) Based upon the inspector general's findings under subsection (c), the inspector general may make such recommendations to the Kansas health policy authority or the legislature for changes in law, rules and regulations, policy or procedures as the inspector general deems appropriate to carry out the provisions of law or to improve the efficiency of such programs administered by the Kansas health policy authority. The inspector general shall not be required to obtain permission or approval from any other official or authority prior to making any such recommendation.

(k) (1) The inspector general shall make provision to solicit and receive reports of fraud, waste, abuse and illegal acts in such programs administered by the Kansas health policy authority from any person or persons who shall possess such information. The inspector general shall not disclose or make public the identity of any person or persons who provide

such reports pursuant to this subsection unless such person or persons consent in writing to the disclosure of such person's identity. Disclosure of the identity of any person who makes a report pursuant to this subsection shall not be ordered as part of any administrative or judicial proceeding. Any information received by the inspector general from any person concerning fraud, waste, abuse or illegal acts in such programs administered by the Kansas health policy authority shall be confidential and shall not be disclosed or made public, upon subpoena or otherwise, except such information may be disclosed if (A) release of the information would not result in the identification of the person who provided the information, (B) the person or persons who provided the information to be disclosed consent in writing prior to its disclosure, (C) the disclosure is necessary to protect the public health, or (D) the information to be disclosed is required in an administrative proceeding or court proceeding and appropriate provision has been made to allow disclosure of the information without disclosing to the public the identity of the person or persons who reported such information to the inspector general.

(2) No person shall:

(A) Prohibit any agent, employee, contractor or subcontractor from reporting any information under subsection (k)(1); or

(B) require any such agent, employee, contractor or subcontractor to give notice to the person prior to making any such report.

(3) Subsection (k)(2) shall not be construed as:

(A) Prohibiting an employer from requiring that an employee inform the employer as to legislative or auditing agency requests for information or the substance of testimony made, or to be made, by the employee to legislators or the auditing agency, as the case may be, on behalf of the employer;

(B) permitting an employee to leave the employee's assigned work areas during normal work hours without following applicable rules and regulations and policies pertaining to leaves, unless the employee is requested by a legislator or legislative committee to appear before a legislative committee or by an auditing agency to appear at a meeting with officials of the auditing agency;

(C) authorizing an employee to represent the employee's personal opinions as the opinions of the employer; or

(D) prohibiting disciplinary action of an employee who discloses information which (A) the employee knows to be false or which the employee discloses with reckless disregard for its truth or falsity, (B) the employee knows to be exempt from required disclosure under the open records act, or (C) is confidential or privileged under statute or court rule.

(4) Any agent, employee, contractor or subcontractor who alleges that disciplinary action has been taken against such agent, employee, contractor or subcontractor in violation of this section may bring an action for any damages caused by such violation in district court within 90 days after the occurrence of the alleged violation.

(5) Any disciplinary action taken against an employee of a state agency or firm as such terms are defined under subsection (b) of K.S.A. 75-2973, and amendments thereto, for making a report under subsection (k)(1) shall be governed by the provisions of K.S.A. 75-2973, and amendments thereto.

(l) The scope, timing and completion of any audit or investigation conducted by the inspector general shall be within the discretion of the inspector general. Any audit conducted by the inspector general's office shall adhere and comply with all provisions of generally accepted governmental auditing standards promulgated by the United States government accountability office.

(m) Nothing in this section shall limit investigations by any state department or agency that may otherwise be required by law or that may be necessary in carrying out the duties and functions of such agency.

(n) The Kansas health policy authority, in accordance with K.S.A. 75-4319, and amendments thereto, may recess for a closed, executive meeting under the open meetings act, K.S.A. 75-4317 through 75-4320a, and amendments thereto, to discuss with the inspector general any information, records or other matters that are involved in any investigation or audit under this section. All information and records of the inspector general that are ob-

tained or received under any investigation or audit under this section shall be confidential, except as required or authorized pursuant to this section.

Sec. 10. K.S.A. 2007 Supp. 75-7427 is hereby repealed.”; And by renumbering the remaining section accordingly;

Also on page 4, in line 36, by striking “statute book” and inserting “Kansas register”;

On page 1, in the title, in line 10, after “ACT” by inserting “concerning health care; relating to the inspector general of the Kansas health policy authority;”; in line 12, before the period, by inserting “; amending K.S.A. 2007 Supp. 75-7427 and repealing the existing section”; and the bill be passed as amended.

On motion of Senator D. Schmidt the Senate adjourned until 2:30 p.m., Thursday, February 7, 2008.

HELEN MORELAND, CHARLENE BAILEY, PAT MATZEK, *Journal Clerks.*

PAT SAVILLE, *Secretary of the Senate.*

