

SESSION OF 2006

**SUPPLEMENTAL NOTE ON HOUSE
SUBSTITUTE FOR SENATE BILL NO. 579**

As Recommended by House Committee on
Appropriations

Brief*

House Sub. for SB 579 would amend the law regarding the provision of treatment products for individuals with a disease detected by the newborn screening test.

The bill would add language stating that treatment products provided by the agency would be limited to available appropriations. Language also would be included that state assistance be provided only after all other benefits from private third-party payers, Medicare, Medicaid, and other government assistance programs are exhausted. The Secretary of Health and Environment would be required to adopt rules and regulations establishing income eligibility requirements for state assistance.

The bill would provide payment for the necessary treatment product for individuals diagnosed with the diseases addressed in the bill as follows:

- Needs shall be covered by Medicaid for individuals meeting Medicaid eligibility;
- The Department of Health and Environment shall adopt rules and regulations establishing a reimbursement program between 50 percent and 100 percent of the product cost for families not eligible for Medicaid but below 300 percent of the Federal poverty level; and
- The Department of Health and Environment shall adopt rules and regulations establishing a reimbursement program not to exceed 50 percent of the product costs for families who exceed 300 percent of the Federal poverty level.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

The bill also insures that the Department of Health and Environment will continue to receive orders for both the necessary treatment product and necessary food treatment products, purchase such products, and deliver the products to an address provided by the families. The Department will bill the families in accordance to the adopted rules and regulations. The Department and the Health Policy Authority are directed to pool purchasing power and enter into a joint contract for the purchase of products for both Medicaid and non-Medicaid clients.

Background

The contents of HB 2971 were amended into House Sub. for SB 579. The original SB 579 authorized the Board of Regents to sell a tract of land and building on behalf of Kansas State University.

HB 2971 was introduced by the House Committee on Appropriations. At the hearing held by the Social Services Budget Committee, the Department of Health and Environment Deputy Director of Health testified in favor of the bill. Also testifying in favor of the bill were the State Director of the March of Dimes, representatives of the Regional Collaborative of Heartland Genetics and the Save Babies Through Screening Foundation, and the parents and grandparents of children impacted by genetic diseases.

Speaking in opposition to portions of the bill included parents of children and an individual diagnosed with phenylketonuria (PKU). Also speaking in opposition to portions of the bill was a medical doctor specializing in the several diseases addressed in the bill.

Appearing as a neutral conferee was a pediatric dietitian with the University of Kansas Medical Center/Developmental Disabilities Center.

The Committee amended the bill to establish a tiered payment system for the purchase of treatment products. The Committee also added language to insure that the state would continue to receive orders and purchase the necessary treatment product and necessary food treatment product for the families. Necessary treatment product includes specialized formula, and necessary food treatment product includes specialized foods, such as foods prepared to be low protein. Finally, the Committee deleted all changes in reference to newborn screening.

The fiscal note on the original HB 2971 states that the program changes in the bill would result in savings of approximately \$100,000 from the budget amount for FY 2007.