## Corrected SESSION OF 2007

# CONFERENCE COMMITTEE REPORT BRIEF SUBSTITUTE FOR SENATE BILL NO. 11

As Agreed to April 3, 2007

#### **Brief\***

Sub. for SB 11 would create new legislation relating to Medicaid reform, health insurance reform, premium assistance, assistance for safety net clinics, the development of small employer and association health insurance plans, and creation of an Office of Inspector General in the Kansas Health Policy Authority. The bill would give new authority to the Secretary of Health and Environment for the use of confidential data in the cancer registry and would establish the Umbilical Cord Donation Information Act. Further the bill would establish a two-tiered informal dispute resolution process for certain deficiencies cited by the State Fire Marshal. The bill also would amend the law regarding reciprocal licenses for adult care home administrators. In addition, the bill would amend statutes that govern the practice of physical therapy and statutes that relate to the newborn screening program. Finally, the bill would amend the Pharmacy Act to create new requirements for wholesale drug registrants, to separate registration requirements for wholesale drug distributors from requirements for durable medical equipment expenditures and authorize certain pharmacy students and interns to administer vaccines to persons 18 years of age and older.

<sup>\*</sup>Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at http://www.kslegislature.org/klrd

#### **Medicaid Reform**

The bill would direct the Kansas Health Policy Authority, in consultation with the Joint Committee on Health Policy Oversight, to consider various Medicaid reform options as part of health reform in Kansas. The options to be included are:

- Experience of the other states;
- Long-term care alternatives;
- Waste, fraud and abuse;
- Health opportunity accounts;
- Tax credits, vouchers and premium assistance; and
- Wellness programs.

The bill would direct that the reforms should result in improved health outcomes, long-term cost controls and encourage primary and preventive care which would result in cost savings.

#### Health and Insurance Reform

The Authority would be required to develop and deliver to the Governor, the Joint Committee on Health Policy Oversight, the Speaker of the House, the President of the Senate, the House and Senate Majority and Minority Leaders health care finance reform options for enactment by the 2008 Legislature. Such options would be required to include an analysis of a Kansas health care insurance connector, a model for a voluntary health insurance connector, and draft legislation for the proposed health care finance reform options. In developing options, the Authority would be required to solicit and consider information and recommendations from advisory committees and to advise and consult with the Joint Committee on Health Policy Oversight regularly and on a continuing basis.

The bill would require the Authority to analyze and develop health care finance options with the goals of:

- Financing health care and health promotion in a manner that is equitable, seamless, and sustainable for consumers, providers, purchasers, and government;
- Promoting market-based solutions that encourage fiscal and individual responsibility;
- Protecting the health care safety net in the development of such options; and
- Facilitating pooling and purchasing of health insurance and facilitating access to health insurance by small businesses and individuals.

The Authority would be required to identify and analyze policies that are designed to: increase portability; increase individual ownership of health care policies; utilize pre-tax dollars for the purchase of health insurance; and expand consumer responsibility for making health care decisions.

The Authority would be required to obtain economic and actuarial analyses by an entity recognized as having specific experience in all proposed health care finance reform options to determine the economic impact on consumers, providers, purchasers, businesses, and government, as well as the number of uninsured Kansans with the potential to receive coverage as a result of the proposed options.

The Authority would be required to investigate and identify public funding sources for any proposed options, including Medicaid and other federal programs and possible waivers.

In order to expand health services to low-income families, the Authority would be required to investigate: the development and availability of federal initiative funding; waivers and funding opportunities under the Deficit Reduction Act of 2005; waivers under the federal health insurance flexibility and accountability demonstration initiative; and to the extent feasible, to include such federal programs in any proposed options.

In collaboration with the Commissioner of Insurance, the Authority would be required to analyze the potential for the use of reinsurance and state subsidies for reinsurance as a way to reduce premium volatility in the small group market, to increase the predictability of premium trends, to lower costs, and to increase coverage.

#### Interims and Other Studies

The Department of Insurance would be required to conduct a study of the impact of extending continuation benefits under COBRA from 6 months to 18 months. The Commissioner would be required to report its finding to the Kansas Health Policy Authority and the Joint Committee on Health Policy Oversight.

The bill would require the Legislative Coordinating Council to appoint a legislative study committee for the 2007 interim. The study committee would study and review various options for tax credits and benefits for the purchase of long-term care insurance, health earned income tax credits, health insurance and health savings accounts.

#### **Premium Assistance**

The bill would amend state law to add a phased-in premium assistance plan to the list of programs for which the Kansas Health Policy Authority is responsible. This assistance plan would be intended to assist eligible low income Kansans with the purchase of private insurance that is actuarially equivalent to the Kansas state employee health plan. In the first 2 years of the program eligibility will be for families at and under 50 percent of the federal poverty level (annual income of approximately \$10,325 for a family of 4 in 2007). In year 3, eligibility will extend to families under 75 percent of the federal poverty level (annual income of approximately \$15,488 for a family of 4 in 2007). In year four, eligibility will extend to families with incomes up to 100 percent of the federal poverty

level (annual income of approximately \$20,650 for a family of four in 2007). All assistance that would be provided would be subject to all eligibility requirements and would be subject to appropriation. The Authority would be authorized to seek approval from the Centers for Medicare and Medicaid Services necessary to accomplish the development of the premium assistance program.

# Safety Net Clinic Capital Loan Guarantee

The bill would create the Primary Care Safety Net Clinic Capital Loan Guarantee Act. The bill would authorize the Secretary of Health and Environment to provide capital loan guarantees against risk of default for eligible primary care safety net clinics in Kansas. Agreements may be entered into between the Secretary and primary care safety net clinics, financial institutions, the Kansas Development Finance Authority, and other public or private entities. The aggregate outstanding principal amount for any single borrowing organization cannot exceed \$3,000,000, with the total aggregate outstanding amount for all loan guarantees not exceeding \$15,000,000.

The bill would create a five-member Primary Care Safety Net Clinic Loan Guarantee Review Committee to review all proposals for loan financing guarantees. The members would be appointed by the Secretary of Health and Environment as follows: two members representing the Department of Health and Environment, one member nominated by the Kansas Development Finance Authority, one member nominated by the Kansas Health Policy Authority, and one member nominated by the Kansas Association for the Medically Underserved. Nominees may be officers or employees of the nominating agency or organization, and no more than three members may be affiliated with the same political party. The Secretary of Health and Environment or his designee would serve as the non-voting chairperson of the Review Committee.

The bill would, subject to appropriation, establish the Primary Care Safety Net Clinic Loan Guarantee Fund at the Department for facilitating the financing for the acquisition and modernization of primary care safety net clinics and the refinancing of capital improvements and equipment.

The bill would require an annual report on the loan guarantee activity including new loans, loan repayment status and other relevant information to the Senate Ways and Means and House Appropriations committees at the beginning of each Session.

# **Third Party Liability**

The bill would create a new statute that would apply to third parties, including health insurers, self insured plans, group health plans as defined in the Employee Retirement Income Security Act of 1974 (ERISA), service benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are by law, contract, or agreement legally responsible for payment of a claim for a health care item or services. The new statute would:

- Prohibit third parties, from enrolling an individual or making payments for benefits to the individual or on the individual's behalf, from taking into account that the individual is eligible for or is provided medical assistance under the state's Medicaid program or the Medicaid program of any other state;
- Require all third parties, with respect to individuals who are eligible for or are provided medical assistance under the Medicaid program and upon the request of the state Medicaid agency (Kansas Health Policy Authority), to provide information to determine or enable a determination of what periods the individuals or their spouses or dependents may be or may have been covered by the third party payer, along with the nature of the coverage, in

a manner prescribed by the United States Secretary of Health and Human Services;

The bill would require all third parties to:

- Accept the state Medicaid agency's right of recovery and assignment to the Medicaid agency of any right of an individual or entity to payment for an item or service for which payment has been made under the state's Medicaid program;
- Respond to any inquiry by the state Medicaid agency or its designee regarding a claim for payment for any health care item or service that is submitted not later than three years after the date of the provision of the health care item or service; and
- Agree not to deny a claim submitted by the state Medicaid agency solely on the basis of the date of submission of the claim, the type or format of the claim form, or a failure to present proper documentation at the point-of-sale that is the basis of the claim if certain specified conditions are met.

## **Small Employer Cafeteria Plan Development Program**

The bill would create the Small Employer Cafeteria Plan Development program to encourage and expand the use of cafeteria benefit plans authorized by 26 USC 125 (Section 125 plans) by small employers. Small employers are defined in the bill as those who employ fifty or fewer people. The bill would authorize the Secretary of Commerce to provide grants to small employers, who do not already offer cafeteria plans, for the purpose of establishing Section 125 plans. The bill would direct the Secretary to market the program and allow contracts with third parties to operate the program. The Small Employer Cafeteria Plan Development Program Fund is established to

provide grants. Under the provisions of the bill, the Development Program would expire July 1, 2009.

#### **Association Plans**

The bill would authorize the Secretary of Commerce to make grants or no interest loans for the purpose of financing the initial costs associated with the forming and organization of associations to assist members of the association with obtaining access to health care plans. As defined in the bill, an association would mean a small business or an organization of persons having a common interest. A small business would be defined as an employer with fifty or fewer employees. The bill would specify the use of the funds, including authorization to use the funds to pay for actuarial or feasibility studies. The loans would be required to be interest free and the association would be required to provide a two for one match for the grant or loan. The Association Assistance Plan Fund would be established to provide grants and loans and \$500,000 would be appropriated to the Fund on July 1, 2007.

The bill would clarify that any health insurance offered through any association funded by the grants or loans would be required to be underwritten by an insurance company or health maintenance organization that holds a valid certificate of authority as verified by the Commissioner of Insurance.

## **Inspector General**

The bill would create the Office of the Inspector General within the Kansas Health Policy Authority (KHPA). The duties of the Office of Inspector General would 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. As established by the bill, this oversight would include, but not be limited to, the following:

- Investigation of fraud, waste, abuse and illegal acts by the KHPA and its agents, employees, vendors, contractors, consumers, clients and health care providers or other providers;
- Audits of the KHPA and 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;
- Investigations of fraud, waste, abuse or illegal acts committed by clients of the KHPA or by consumers of services administered by the Kansas Health Policy Authority; and
- Monitor adherence to the terms of the contract between the KHPA the organization under contract to make claims' payments.

Upon finding credible evidence of fraud, waste, abuse or illegal acts, the Inspector General would be required to report its findings to the KHPA and refer the findings to the Attorney General.

Under the provision of the bill, the Inspector General would be appointed by the KHPA subject to confirmation by the Senate. Selection would be made without regard to political affiliation. Qualifications for the Inspector General are set out in the bill. No former or current executive or manager of a program or agency subject to oversight would be allowed to serve as an inspector general within two years of such service. The bill would require any person appointed to the position to receive certification as an inspector general from a national organization that provides training to such persons. The term of the first inspector general would expire on January 15, 2009. Subsequent persons would serve for a term which expires on January 15 of each year in which the whole Senate is sworn in for a new term.

The bill would direct that the Inspector General be in the classified service and that although the person would report to the Executive Director of the KHPA, the Inspector General would exercise independent judgment in carrying out statutory duties. Appropriations for the Office of Inspector General shall be made to the KHPA by a separate line item appropriation. The Inspector General would be allowed to hire employees in the unclassified service and contract for necessary services subject to appropriation.

Under the provisions of the bill, the Inspector General would have access to all pertinent information and to all personnel and facilities of the KHPA, its 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 programs administered by the agency. In addition, the bill would grant the Inspector General 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 programs under its purview. State and local governmental agencies would be authorized and directed to provide to the Inspector General requested information, assistance or cooperation. Access to contractor files would be limited to those files necessary to verify the accuracy of the contractor's invoices, compliance with the contract provisions or program rules. Individual medical records of patients who are not clients of the Authority would not be made available to the Inspector General.

Under the provisions of the bill, if the Inspector General determines that a possible criminal act relating to fraud in the provision or administration of KHPA programs has been committed, the Inspector General would be required to immediately notify the Office of the Kansas Attorney General. The Inspector General may request the special expertise of the Kansas Bureau of Investigation and 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.

The bill would require the Inspector General to report all convictions, terminations and suspensions taken against vendors, contractors and health care providers to the KHPA and to any agency responsible for licensing or regulating those persons or entities. The Inspector General would be required to notify a licensing or regulatory agency if it determines that 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 the agency.

The bill would require the Inspector General to make annual reports, findings and recommendations regarding the office's investigations into reports of fraud, waste, abuse and illegal acts to the Executive Director of the KHPA, the Legislative Post Auditor, the Senate Committee on Ways and Means, the House Committee on Appropriations, the Joint Committee on Health Policy Oversight and the Governor. The bill would set out the components of these reports.

Under the provisions of the bill, the Inspector General may make recommendations to the KHPA 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 programs administered by the KHPA.

# **Cancer Registry**

The bill would give new authority to the Secretary of Health and Environment to authorize the use of confidential data in the Cancer Registry for the State of Kansas to conduct follow up of cases for public health purposes. Such data could be used only following contact with individuals who are the subject of reports made to the Registry and only with the written consent of such persons or a parent or legal guardian of a minor. No consent would be required if the individual who is the subject of the information is deceased.

The Secretary of Health and Environment would be required by the bill to adopt rules and regulations to define who may be authorized to conduct follow-up studies and to develop criteria for obtaining informed consent.

#### **Umbilical Cord Donation Information Act**

The bill also would establish the Umbilical Cord Donation Information Act, which among other things, would require health care providers who deliver services to pregnant women in their last trimester to advise those women, where practical, on the options available to donate an umbilical cord following the delivery of their child.

The Kansas Department of Health and Environment would be required, by July 1, 2007, to prepare and publish on the agency website information for certain health care professionals, including the following:

- The medical processes involved in the collection of umbilical cords;
- The medical risks to a mother and the newborn child of umbilical cord collection;
- The current and potential future medical uses and benefits of umbilical cord collection to the birth mother, the newborn child and the biological family;
- The current and potential future medical uses and benefits of umbilical cord collection to persons who are not biologically related to the birth mother or the newborn child:
- Any costs that may be incurred by a pregnant woman who chooses to make an umbilical cord donation;
- Options for ownership and future use of the donated material; and

The availability in this state of umbilical cord donations.

## **Informal Dispute Resolution**

The bill would establish a two-tiered informal dispute resolution process for deficiencies under its jurisdiction cited in a medical care facility, adult care home, assisted living facility, or special hospital by an officer of the State Fire Marshal during an inspection for compliance with federal law pursuant to oversight by the Centers for Medicaid and Medicare Services. The facility could make a request for an informal dispute resolution within ten calendar days after receipt of the statement of deficiencies. One request for informal dispute resolution may be made per inspection.

An informal dispute resolution meeting may be held in person upon request of the facility. The first-tier meeting would be held within 30 days of receipt of the written request for an informal dispute resolution. The facility would be notified of the results of the first-tier meeting on or before ten days of the disposition being rendered.

The written request for informal dispute resolution shall include the specific deficiencies being disputed, a detailed explanation of the basis for the dispute, and any supporting documentation including information not available at the time of the inspection.

The facility may challenge the decision of the first-tier informal dispute resolution and request completion of the second-tier. The second-tier informal dispute resolution would be conducted by a three-person panel appointed by the State Fire Marshal. The panel would consist of one employee of the State Fire Marshal's Office and two members outside the State Fire Marshal's Office. The second-tier meeting would take place within 30 days of the request, and the facility would be notified of the results within ten days of the disposition being rendered. The decision of the panel shall be advisory to the

State Fire Marshal. The State Fire Marshal would be authorized to charge a fee not to exceed \$250 to a facility requesting a second-tier informal dispute resolution review panel.

The bill would provide authority for the State Fire Marshal to adopt rules and regulations in relation to the provisions of the bill

# **Physical Therapy**

The bill would amend statutes that govern the practice of physical therapy.

In general, the amendments to the act under which physical therapists are licensed and regulated would enable physical therapists to initiate treatment without approval of a person licensed to practice medicine and surgery or other specified provider under certain circumstances. The existing requirement for a referral from a licensed physician, podiatrist, physician assistant, chiropractor, dentist, optometrist, or advanced registered nurse practitioner in all other circumstances would not be changed by the bill.

A new statute that would be created by the bill would authorize physical therapists to evaluate and treat a patient for a maximum of 30 consecutive days without a referral only when:

- The patient had previously been referred to a physical therapist by a person authorized by the bill to approve treatment;
- The patient's prior referral was made within one year of the date the physical therapist begins treatment without a referral;
- The physical therapy provided without a referral is for the same condition indicated on the original referral;

- The physical therapist provides to a physician or other practitioner identified by the patient, a copy of the therapist's evaluation of the patient within five business days of the start of treatment;
- Treatment by a physical therapist for more than 30 consecutive days would require approval by a person authorized by the bill to approve treatment; and
- Treatment under a referral by a person licensed to practice one of the healing arts licensed in another state pursuant to KSA 65-2872 could be provided by a physical therapist without a referral whether such treatment is provided within or outside a health care facility pursuant to a special provision that allows an exception to the healing arts statute cited above and any rules and regulations adopted thereunder. (Under current law and rules and regulations, physical therapists may provide treatment with a referral from an M.D., D.O., or chiropractor licensed by another jurisdiction only in a health care facility.)

The new statute would authorize physical therapists to provide without a referral:

- Education and instruction related to workplace injury prevention, but not treatment;
- Fitness, health promotion, and education to members of the public; but not treatment; and
- Physical therapy services to special education students who need physical therapy services to fulfill the provisions of an individualized education plan or an individualized family service plan.

The bill would name the statutes that concern the licensing of physical therapists and the regulation of physical therapy

practice as the Physical Therapy Practice Act and make the new statutes created by the bill a part thereof.

# **Newborn Screening**

The bill would amend the law relating to the screening of newborns to direct the Department of Health and Environment to adopt rules and regulations no later than July 1, 2008, to require newborn screening tests for the disorders recommended in the 2005 report by the American College of Medical Genetics entitled "Newborn Screening: Toward a Uniform Screening Panel and System." The Secretary of Health and Environment would be required to appoint an advisory committee on the implementation of the expanded screening program. The Committee would provide advice on program efficiency, cost effectiveness, and whether program adjustments should be made.

The bill would allow a designee of the agency to conduct the initial laboratory screening tests and would delete current language requiring the Department of Health and Environment and the Kansas Health Policy Authority to combine resources for the purchase of treatment products.

#### **Adult Care Home Administrators**

The bill would amend the law regarding reciprocal licenses for adult care home administrators. The bill would allow the Board of Adult Care Home Administrators to grant a license to an individual already licensed as an adult care home administrator in another state if the following conditions are met:

- The licensure requirements of the other state are substantially equivalent to the Kansas requirements; or
- The applicant has been continuously licensed as an adult care home administrator for the five years immediately

preceding the application with the minimum professional experience established by the Board; and

- The applicant has not had disciplinary actions of a serious nature brought by the licensing board or agency; and
- The applicant pays a reciprocity application fee and a reciprocity license fee, neither of which may exceed \$200.

# **Pharmacy Act Amendments**

The bill would amend the Pharmacy Act to create new requirements for wholesale drug registrants and to separate registration requirements for wholesale drug distributors from requirements for durable medical equipment distributors. The bill also would amend the Pharmacy Act in regard to pharmacists' authorization to administer vaccines to persons 18 years of age or older. Finally, the bill would authorize certain pharmacy students and interns to administer vaccines.

Wholesale distributors would be defined by the bill to include persons who engage in the wholesale distribution of prescription drugs or devices in or into Kansas. Persons engaged in the sale of durable medical equipment to consumers or patients specifically would be excluded from the definition of wholesale distributor. As under current law, it would be illegal for any person to distribute drugs at wholesale unless the person is registered with the Board of Pharmacy.

Wholesale distribution would be defined to be distribution of prescription drugs or devices by wholesale distributors to persons other than consumers or patients, including transfer of prescription drugs from one pharmacy to another if the number of units of transferred drugs during a twelve-month period is five percent or less of the total number of units dispensed by the pharmacy during the immediately preceding twelve-month period. Wholesale distribution would, among other things, not include:

- Sale, purchase, or trade or the offer to sell, purchase, or trade a prescription drug or device pursuant to a prescription; for emergency medical reasons; among hospitals, chain pharmacy warehouses, pharmacies or other health care entities that are under common control; by a charitable organization to a non-profit affiliate, as permitted by law;
- Intracompany transactions, as defined by the bill, unless those transactions violate "own use" provisions;
- Return of recalled, expired, damaged or otherwise nonsalable prescription drugs, by a hospital, health care entity, pharmacy, chain pharmacy warehouse, or charitable institution in accordance with rules and regulations of the Board;
- Distribution of drug samples by representatives of manufacturers and distributors; or
- Sale or transfer of expired, damaged, returned, or recalled prescription drugs from a retail pharmacy or chain pharmacy warehouse to the manufacturer, originating wholesale distributor or a third party returns processor in accordance with rules and regulations adopted by the Board.

The Board would be authorized to waive registration requirements for wholesale distributors accredited by an agency approved by the Board. The Board also would be authorized to register wholesale distributors licensed by another state if the requirements of that state are substantially equivalent to Kansas' requirements or the applicant is inspected and accredited by a third party recognized and approved by the Board. Persons licensed or approved by the federal Food and Drug Administration (FDA) to manufacture drugs or devices who also are engaged in wholesale drug distribution would only need to satisfy minimum federal licensing requirements in order to be registered in Kansas.

The bill would require that the Board of Pharmacy, or a third party recognized by the Board, inspect wholesale drug distribution facilities prior to and periodically after registration. Post registration inspections would have to be conducted at least once every three years.

Durable medical equipment distributors also would have to register with the Board. The new provision would make it illegal for a person to sell, lease or offer for sale or lease any durable medical equipment without being registered with the Board, except if such sale is not made in the regular course of the person's business or if the sale is made by a federally tax exempt charitable organization. Durable medical equipment would be defined to be a specific set of technologically sophisticated medical devices that may be used in a residence and other similar equipment determined in rules and regulations of the Board. The registration fee set by the Board for durable medical equipment distributors would be a maximum of \$300.

The Board would be able to take action against persons registered to distribute durable medical equipment on the same basis as action may be taken against wholesale drug distributors under current law.

Administration of vaccines. Pharmacy students and interns working under the direct supervision and control of a pharmacist would be able to administer vaccines to persons 18 years of age or older only if they meet the same training requirements applicable to pharmacists. Currently, prior to administering vaccines, pharmacists are required to complete approved training in vaccination storage, protocols, injection technique, emergency procedures and record keeping. The bill would add a new training provision that would require pharmacists, pharmacy students, and interns to complete a cardiopulmonary resuscitation (CPR) course and maintain a current CPR certificate before they could administer a vaccine. A pharmacist supervising an administering pharmacy student or intern would have to meet the existing statutory requirements for reporting the administration of an immunization.

#### **Conference Committee Action**

The Conference Committee agreed to the House Committee of the Whole amendments to the bill and agreed further to amend the bill to:

- Include provisions relating to the use of confidential data in the cancer registry and to establish the Umbilical Cord Donation Information Act (As contained in SB 178 as amended by the House Committee of the Whole).
- Establish a two-tier informal dispute resolution process for certain deficiencies cited by the State Fire Marshal (As contained in HB 2133 as recommended by the House Committee on Appropriations).
- Amend the law regarding reciprocal licenses for adult care home administrators (As contained in HB 2237 as recommended by the House Committee on Appropriations).
- Amend statutes that govern the practice of physical therapy as well as statutes that relate to newborn screening (As contained in HB 2483 as amended by the Senate Committee of the Whole and Conference Committee action).
- Include amendments to the Pharmacy Act of the State of Kansas, including those addressing wholesale distributors and authorization of vaccine administration (As contained in S. Sub. for HB 2531 as amended by Senate Committee of the Whole).

The Conference Committee amendments also include an amendment to the Association Assistance Plan to create requirements for association plans issued by health care plans and health maintenance organizations. Finally, the Conference Committee agreed to make technical corrections to the bill.

#### Background - SB 11

The House Committee of the Whole amended the substitute bill to remove all of the language in the bill, with the exception of the enacting clause, and inserted new language described in the Brief above. As amended by the Committee of the Whole, the bill contains language which is also included in the following bills: SB 387, HB 2547, SB 323, and SB 373.

The Social Services Budget Committee amended SB 11 by striking all of the language in the bill, with the exception of the enacting clause, and created a substitute bill by inserting the language of HB 2591. Included in Section 25 of the bill is the language of Substitute for SB 309 and HR 6015. No fiscal note is available for the substitute bill.

The original SB 11 was introduced by the Joint Committee on Administrative Rules and Regulations in response to a question of statutory authority raised before the Committee. SB 11, as amended by the Senate Committee on Ways and Means, would have restored definitions pertaining to the Alcoholism Treatment Facilities Licensing Act which were inadvertently removed in 1998. In addition, the bill includes a savings clause to treat the actions of the Department of Social and Rehabilitation Services and its Secretary during the period from July 1, 1998 to the effective date of this act as having been properly authorized and the provisions had not been repealed. Finally, the bill would add professionals licensed by the Behavioral Sciences Regulatory Board to independently practice to the list of persons exempted from the requirement to be licensed as a treatment facility before providing alcohol and drug abuse treatment services. The Senate Public Health and Welfare Committee added the language from SB 11 to SB 354 during its consideration of that bill.

health; pharmacy; newborn; reform; umbilical cord