

INTERIM JOINT COMMITTEE ON HEALTH SERVICES

Minutes of the 1st Meeting of the 2023 Interim

June 21, 2023

Call to Order and Roll Call

The first meeting of the Interim Joint Committee on Health Services was held on June 21, 2023, at 9:00 AM in Room 149 of the Capitol Annex. Senator Stephen Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen Meredith, Co-Chair; Senator Cassie Chambers Armstrong, Senator Karen Berg, Senator Danny Carroll, Senator Donald Douglas, Senator Greg Elkins, Senator Shelley Funke Frommeyer, Senator Michael J. Nemes, Senator Lindsey Tichenor, Representative Steve Bratcher, Representative Josh Bray, Representative Lindsey Burke, Representative Emily Callaway, Representative Deanna Frazier Gordon, Representative Ruth Ann Palumbo, Representative Rebecca Raymer, Representative Steve Riley, Representative Rachel Roarx, Representative Scott Sharp, Representative Russell Webber, Representative Lisa Willner, and Representative Susan Witten.

Guests: Eric Friedlander, Secretary, Cabinet for Health and Family Services; Dr. Connie White, Deputy Commissioner, Department for Public Health, Cabinet for Health and Family Services; Veronica Judy-Cecil, Deputy Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services; Betsy Johnson, President, Executive Director, Kentucky Association of Health Care Facilities; Delanor Manson, MA, BSN, RN, Chief Executive Officer, Kentucky Nurses Association; and Patrick T. Padgett, Executive Vice President, Kentucky Medical Association.

LRC Staff: Chris Joffrion, Logan Bush, Samir Nasir, and Becky Lancaster.

Ending the Federal COVID-19 Public Health Emergency: Lessons Learned and Preparation for Possible Future Communicable Disease Outbreaks

Eric Friedlander, Secretary, Cabinet for Health and Family Services (CHFS), discussed naming Lesa Dennis as the new Commissioner of the Department for Community Based Services and Dr. Katie Marks as the new Commissioner of the Department for Behavioral Health, Developmental and Intellectual Disabilities, for the Cabinet for Health and Family Services.

Dr. Connie White, Deputy Commissioner, Department for Public Health, Cabinet for Health and Family Services, discussed grants, testing supports, treatments, and data collections, ending or transitioning to commercial channels in response to the end of the national COVID-19 public health emergency. She discussed system improvements, structural realignments, and investments that have endured beyond the public health emergency and the lessons learned by CHFS.

In response to questions and comments from Senator Meredith, Dr. White stated that in the future data collection will be more efficient and effective. Secretary Friedlander stated that CHFS will continue improving public health efforts.

In response to questions and comments from Representative Callaway, Dr. White stated that the grant for the health equity laboratory and disaster preparedness was extended. She discussed the health equity work group. Secretary Friedlander stated that future statewide response efforts would need to better redirect resources to counties that needed more assistance.

In response to the questions from Senator Chambers Armstrong, Secretary Friedlander stated that there are vaccine programs with the public health departments and federally qualified health centers. He stated there are issues with access to care while transitioning to commercial insurance. Dr. White stated that CHFS sent out communications from different organizations and worked with various organizations to better fund outreach.

In response to questions and comments from Senator Douglas, Secretary Friedlander stated that CHFS is working to improve the health exchange system, immunization outreach, and Kentucky All Schedule Prescription Electronic Reporting (KASPER) system. Dr. White stated that Kentucky Board of Medical Licensure's (KBML) and Kentucky Board of Nursing worked carefully with CHFS when sending out emails to providers.

The Department for Medicaid Services and the Impact of Ending the Federal COVID-19 Public Health Emergency

Veronica Judy-Cecil, Deputy Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services, discussed Kentucky Medicaid enrollment numbers during the COVID-19 public health emergency, renewal caseload distribution for the next year and specific renewal data regarding approvals and terminations for May of 2023. Eric Friedlander, Secretary, Cabinet for Health and Family Services, discussed active renewals completed for June and July of 2023, outreach to members, and total qualified health plan enrollments. Ms. Judy-Cecil discussed public health emergency flexibilities that have ended, that have been extended through the public health emergency unwinding, and those that are permanently implemented. Secretary Friedlander discussed the enhanced federal match phase down. Ms. Judy-Cecil provided public health emergency resources that include plans and reports.

In response to questions and comments from Senator Meredith, Secretary Friedlander stated that the third-party liability piece was reported to see how many members had converted to commercial insurance and that there could be more done to reduce the number of Medicaid beneficiaries. He stated that CHFS has made changes for specific providers with a program to reimburse hospitals at the average commercial rates.

In response to questions and comments from Senator Berg, Secretary Friedlander stated that if CHFS follows the trajectory of the first month without reenrollments, approximately 300,000 people will no longer be covered by Kentucky Medicaid. Ms. Judy-Cecil stated that the case mix is different across the 12 months, CHFS has prioritized populations differently during the unwinding period, and a member's circumstances could change during the reporting timeframe. Secretary Friedlander stated that CHFS works with university partners to inform and inquire regarding graduate study programs.

In response to questions and comments from Senator Funke Frommeyer, Secretary Friedlander stated that renewal caseload distribution numbers are a projection of the members with confirmed eligibility. He stated that it will take many areas of government to work together to transition more members to living wage jobs with private insurance. Ms. Judy-Cecil stated that

House Bill 7 was implemented and every Medicaid member has the opportunity for job training.

In response to questions and comments from Senator Douglas, Secretary Friedlander stated that there are Medicaid members that have disabilities in the waiver programs who would be permanent members. He stated that approximately 27 percent of Medicaid members would be transitioning out of Medicaid with a third-party insurance.

Consideration of Referred Administrative Regulations

The following referred administrative regulations were placed on the agenda for consideration:

201 KAR 002:380 *Proposed* - Board authorized protocols.

201 KAR 005:002 *Proposed* - Board administration and optometric practice.

201 KAR 020:411 *Proposed* - Sexual Assault Nurse Examiner Program standards and credential requirements.

201 KAR 020:472 *Proposed* - Initial approval for dialysis technician training programs.

201 KAR 020:476 *Proposed* - Dialysis technician credentialing requirements for initial credentialing, renewal, and reinstatement.

201 KAR 022:170 *Proposed* - Physical Therapy Compact Commission.

202 KAR 007:201 *Proposed* - Emergency medical responders.

202 KAR 007:301 *Proposed* - Emergency medical technician.

202 KAR 007:330 *Proposed* - Advanced emergency medical technician.

202 KAR 007:401 *Proposed* - Paramedics.

202 KAR 007:601 *Proposed* - Training, education, and continuing education.

902 KAR 020:470 *Proposed* - Kentucky heart attack response and treatment recognition process.

902 KAR 020:490 *Emergency* - Rural emergency hospitals.

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902 KAR 055:110 *Proposed* - Monitoring system for prescription controlled substances.

907 KAR 001:082 *Proposed* - Coverage provisions and requirements regarding rural health clinic services.

The listed administrative regulations were reviewed by the committee.

State of the Healthcare Industry: The Impact of COVID-19 and Anticipated Challenges in the Post-COVID Era

Betsy Johnson, President, Executive Director, Kentucky Association of Health Care Facilities, discussed changes in health care sector employment from February 2020 to December 2022, the impending federal staffing mandate, and the Medicaid rate adjustment essential for healthcare facilities in financial distress.

Patrick T. Padgett, Executive Vice President, Kentucky Medical Association (KMA), discussed the Kentucky physician workforce decline from 2019 to 2022, the economic impact of physicians, results of a KMA physician wellbeing study, the administrative burden of prior authorizations on providers, and solutions to support physicians and their wellness.

Delanor Manson, MA, BSN, RN, Chief Executive Officer, Kentucky Nurses Association (KNA), discussed the pre-pandemic nursing shortage and challenges, KNA's response to the pandemic, efforts to support communities in need, the number and locations of testing site clinics, lessoning sessions to identify concerns and provide accurate information, staffing and recruitment of volunteers for large vaccine clinics, and the need to focus on encouraging

healthcare staff retention.

In response to questions and comments from Senator Tichenor, Mr. Padgett stated that KMA has not specifically surveyed the 590 physicians that have left the profession in Kentucky. KMA does reach out to physicians that complete residency in Kentucky then leave the state. He stated that for physicians, opening a new practice is very difficult.

In response to questions and comments from Senator Funke Frommeyer, Ms. Manson stated that KNA completed 60 lessoning sessions to answer COVID-19 questions for the community. She stated that the Centers for Disease Control and Prevention (CDC) and the Kentucky Department for Public Health is responsible for disseminating public information for better decisions regarding vaccines.

Adjournment

There being no further business, the meeting was adjourned at 11:01 AM.