



The Kansas Health Policy Authority: An Experiment in Linking Health Care Purchasing with Health Improvement

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Robert F. St. Peter, M.D.
President and CEO
Kansas Health Institute



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Healthier Kansans through informed decisions



Kansas Health Policy Authority

- Genesis
- Purpose
- Programs
- Challenges
- Future



Creation of KHPA

- Gov. Sebelius initiated discussion of consolidating health care purchasing
- Legislative frustration with Medicaid program and spending
- Interest in linking purchasing, public health initiatives, outcomes
- Political dynamics
- Creation of KHPA by unanimous vote in 2005 legislative session



Debate on Scope of KHPA

- Medicaid only
- Broader health care purchasing consolidation
- Link health care spending with “health” itself
- Never envisioned full “social determinants” model



Key Characteristics of KHPA

- Creation of type of state agency that is unusual in Kansas
- Nine member board jointly appointed by Governor (3) and legislature (6), 7 *ex officio* members
- Executive Director hired/fired by board
- Explicit linkage of health care purchasing and public health policy
- Nod to supporting needed infrastructure



“The powers, duties and functions of the KHPA are intended to be exercised to improve the health of the people of Kansas by increasing the quality, efficiency and effectiveness of health services and public health programs.”

House Substitute for SB 272



“The Kansas Health Policy Authority shall develop and maintain a coordinated health policy agenda that combines effective purchasing and administration of health care with health promotion oriented public health strategies.”

House Substitute for SB 272



“The KHPA shall develop or adopt health indicators and shall include baseline and trend data on the health costs and indicators in each annual report to the legislature.”

House Substitute for SB 272



Operational Scope of KHPA

- Broad charge to develop policy that links health and health care
- Programs account for 22% of state budget
 - Medicaid (regular), MMIS, DUR
 - CHIP
 - State employee health plan
 - State workers compensation
 - Health data and analysis
 - Other (e.g., MediKan, Ticket to Work)
 - Potential of acquiring subsequent programs (e.g., long-term care, mental health, substance abuse)



Challenges for KHPA

- Largest reorganization of state government in 25 years
- Maintain focus on broad vision
 - Avoid consumption by operational issues
- Recruit key leadership, staff
 - Create culture change
- Avoid competing with legislature and governor
 - Key supporters now gone from legislature



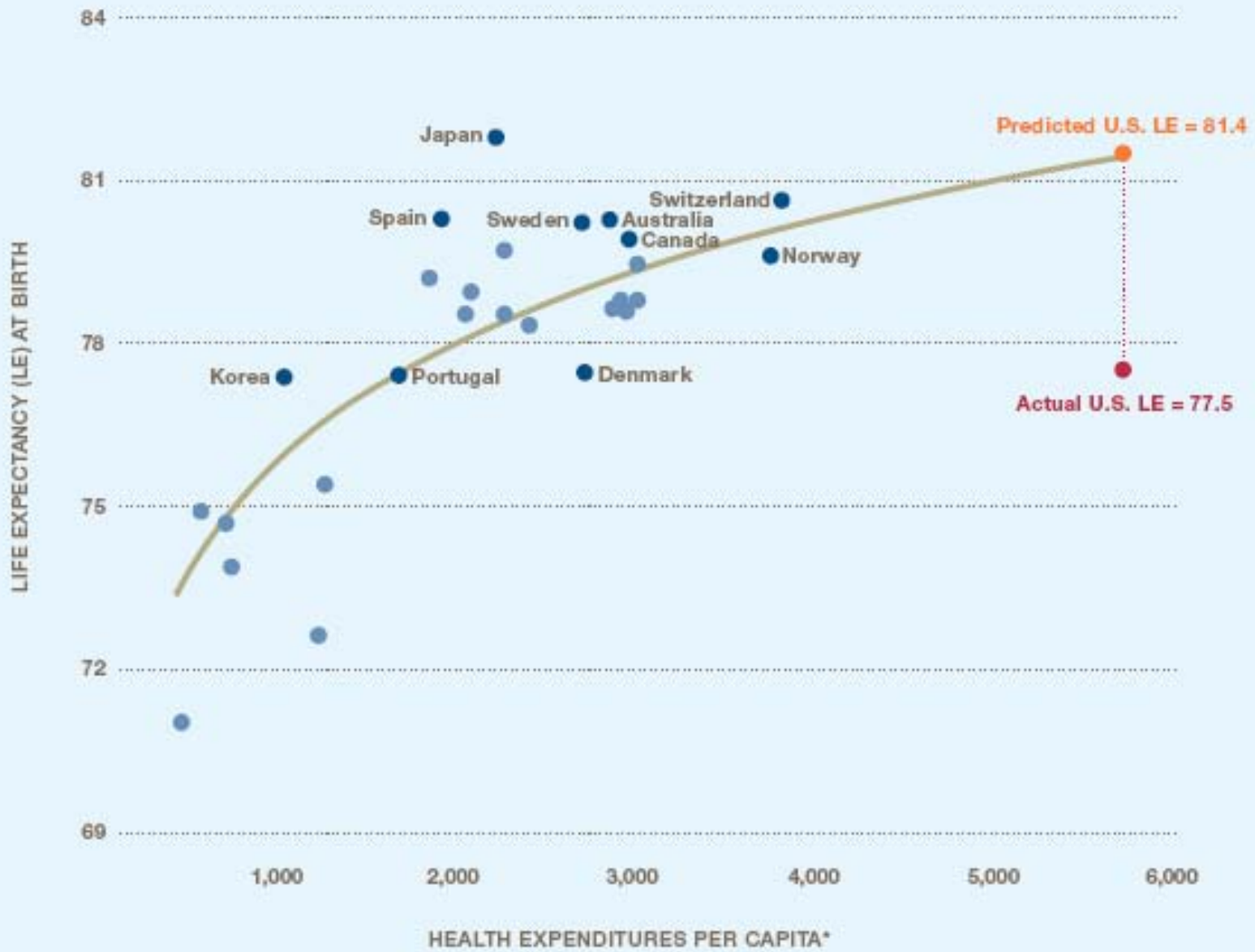
“Social Determinants” Approach

- Focus on health (as opposed to insurance coverage or costs)
- Recognize that health is determined by things in addition to medical care
- Emphasize interventions that improve health over a lifespan
- Critical nature of early childhood



Challenges for Social Determinants Approach at State Level

- Description of concept is complex
- Solution still lacking clear form
- Time frame is off the charts of policy makers
- Layers of structure needing change
 - Agencies, budget authority, oversight
- But, potential for convergence of conservative and liberal agendas



Prepared for the Robert Wood Johnson Foundation by the Center on Social Disparities in Health at the University of California, San Francisco.

Source: OECD Health Data 2007.

Does not include countries with populations smaller than 500,000. Data are for 2003.

*Per capita health expenditures in 2003 U.S. dollars, purchasing power parity



What Does the Future Hold?

- Sen. Brownback elected governor
 - KHPA sunsets in 2013
 - Potential reorganization of KHPA as an executive branch agency
 - Consolidation with public health agency
- Focus will be on ACA implementation
 - Brownback favors “repeal”
- Limited capacity to create necessary vision

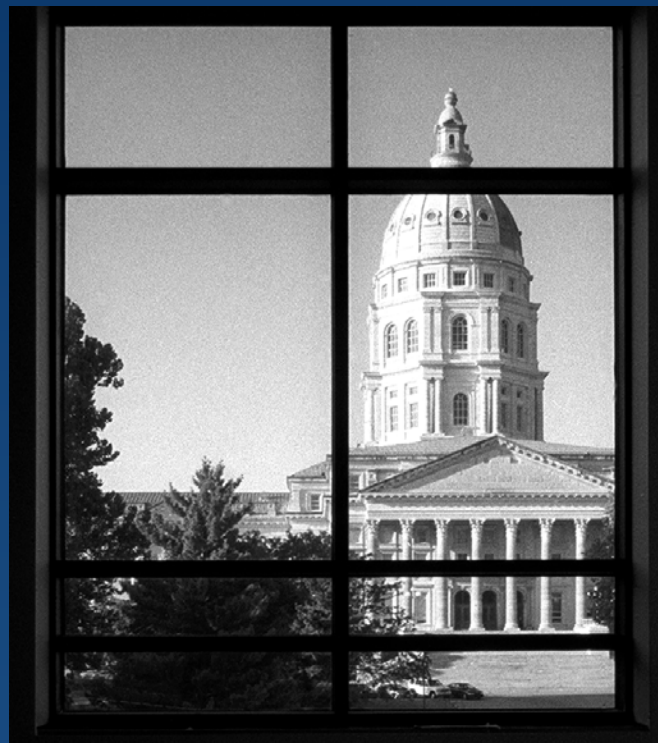


Governor-elect Brownback's Five Point Roadmap

- Increase Kansan's net personal income
- Increase private-sector employment
- Increase the percentage of 4th graders reading at grade level
- Increase the percentage of high school graduates college or career ready
- Decrease the percentage of Kansas children who live in poverty



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