

ARRA Funds for Health Records--KS JOBS

The state of Kansas will receive \$9 million from the federal government in grants to help states, doctors and hospitals move from paper to computerized record keeping. Gov. Parkinson said, "This announcement is great news for Kansas as it will bring countless opportunities in terms of creating jobs, advancing technology and reducing our overall health care costs,"

Studies show electronic medical records help reduce medical errors and improve the quality of patient care. The goal is to help make electronic record-keeping technologies available to Kansas hospitals and primary care physicians by the year 2014 while helping train people for careers in health care and information technology. The grants come from two federal agencies. Health and Human Services Secretary Sebelius announced \$386 million in grants to advance electronic health records at the state level. Sebelius is also granting \$375 million to 32 nonprofit organizations for regional training of health care

workers on these technologies.

U.S. Labor Secretary Hilda Solis announced around \$225 million to support 55 job-training programs in 30 states. The administration says around 15,000 people should get training in the health records technology field. In addition to the grant to the state, the Kansas Foundation for Medical Care received a \$7 M grant.



FY 2010 BUDGET UPDATE

After Governor Parkinson made cuts in the current year's budget (FY2010) in November to reflect the declining revenues and accommodate the balanced budget law of Kansas, the Legislature has come to agreement with those cuts. The final product cuts \$92 million from the FY2010 budget. The legislature has voted to support these necessary cuts with the exception of an amendment which restores some of the Medicaid funding. If revenues continue to come in lower than expected, we will need to revisit the FY 2010 budget for a sixth time. April Revenue Estimate will give us the information we need. The bill contains an increase in the Department of Labor budget to address increased unemployment benefits for laid-off workers, as well as an additional \$5 million to supplement the budget of the Judicial branch, which was accidentally shorted in the original 2010 budget. It reduces the postage allowance for Legislators by 50%

and reduces legislative pay by 5%. The bill now cuts over \$2M from the Legislative budget and \$92M in total state spending. We are here to work and to fix Kansas, and if we want to accomplish this, then we must not spare ourselves when it comes to sacrifice.



HOUSE TAX COMMITTEE BEGINS SERIES OF HEARINGS

After five rounds of budget cuts- and a \$400 million budget deficit still looming- revenue proposals have been a major component of the budget debate. The House Committee on Taxation began a two-week series on various proposals.

HCR 5028 would establish a three-year moratorium on the granting of new tax exemptions, tax credits or economic development incentive programs involving employer withholding taxes.

The Kansas Advisory Council on Intergovernmental Relations (KACIR) testified that the number of tax credits has increased exponentially in recent years, putting a significant dent in the state's revenue stream. As we work through massive cuts in Medicaid and public schools, it is critical to protect what revenue we have until the economy stabilizes.

Opponents of the proposal came primarily from the business community, who testified that a moratorium would prevent Kansas from being open to new business investment. This proposal highlights the need for clearly defined and consistent guidelines for granting exemptions in the future.

STATE WIDE SMOKING BAN PASSES

Governor Parkinson's proposal- House Bill 2221- makes a serious effort to protect the health of Kansans. This bill prohibits smoking in places of employment and restaurants and bars with no option of paying a fee to "opt out." It also helps to protect our workforce from involuntary inhalation of carcinogens as well as helps to discourage our youth from becoming regular smokers. Currently, one in five high school students living in Kansas use some form of tobacco. If this trend continues, 54,000 Kansas youth are projected to

die from smoking. Aside from health benefits, it is simply good economic policy to enact a strong state-wide clean indoor air act. Our state spends \$196 million on Medicaid expenses related to tobacco use.



LODGING INSPECTION PROGRAM

This year due to budget cuts the Department of Agriculture made the decision to suspend lodging inspections, including complaint investigations, for the remainder of FY2010 and for FY 2011.

Secretary Josh Svaty reported to the committee that the lodging inspection program conducted 745 inspections in 2009. Those complaints were for everything from bed bugs to guest safety issues, such as improperly functioning smoke detectors. Only 30% of complaints turned out to be valid.

SUPREME COURT RULES ON REOPENING SCHOOL LAWSUIT

The Kansas Supreme Court ruled recently against reopening *Montoy v. State of Kansas*, the controversial lawsuit on state funding of public education. The case would have only been remanded to the district courts, and it is more efficient to start with a new case, as some of the

original schools in the case will have dropped out and some new schools will join it.