



TO: Representative Nick Hoheisel, Chairman
Members of the Financial Institutions and Pensions Committee

FROM: Colin McKenney, CEO, Starkey, Inc.

DATE: February 15, 2023

SUBJECT: Support for HB2272 – Concerning KPERS Working After Retirement

Good morning, Chairman Hoheisel and Members of the Committee.

I am Colin McKenney, and I serve as CEO of Starkey, Incorporated, an organization that serves individuals with intellectual and developmental disabilities in Wichita and surrounding communities. Thank you for allowing time this morning to explain how HB 2272 would be beneficial to Starkey and some similar organizations around the state.

Workforce challenges are nothing new for my organization and so many others that support individuals with disabilities, although the problem became far worse beginning in the fall of 2020 as COVID cases surged and the number of employees looking for jobs bottomed out. Our inability to find qualified applicants who could pass our rigorous background checks and required training became increasingly worse during 2021. By early 2022 our staffing shortage had become so overwhelming that we were beginning to question whether we would need to scale back the services we offer for individuals who may require assistance around the clock, 365 days a year.

Help came from you, our legislators, as funding was approved in the 2022 session to provide the largest Medicaid reimbursement rate increase in our system's history. Starkey increased our wages before the higher rates went into effect, because **we simply couldn't wait to fill more than 150 position vacancies**. I am pleased to report that the pay increases helped us fill many of the vacant positions, and the consistency of services we provide is much better than it was a year ago.

Being able to offer more competitive pay has been a big help, although **we still have more than 80 full and part-time positions to fill**. I don't expect another big increase in our reimbursement rates this year to allow us to support even higher wages. That means we must look at other factors that may be helpful. Removing the Working After Retirement restrictions specifically for positions that work directly with individuals we serve is one action step that could help. Although we don't

employ very many individuals who have retired through KPERS, that could be a great pool to recruit from for a number of reasons:

- They should be able to pass background checks without any issues
- They may have been doing very similar work for a local school district or state program
- Retirees have already demonstrated a long-term commitment to work
- Wages may be less of a consideration for those who are earning retirement income

To be clear, **we don't believe this change will result in a large number of new employees who have retired from KPERS.** We do hope it will remove an income barrier for the current employees we have, and hopefully allow a few others to consider joining us for a particularly rewarding next phase of their careers.

I will stand for questions at the appropriate time.