

# KANSAS LEGISLATIVE RESEARCH DEPARTMENT

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**To:** Senate Ways and Means Committee  
**From:** Amy Deckard, Assistant Director for Information Management  
**Re:** Payments to Providers of Services for Individuals with Developmental Disabilities

Currently, services are provided to persons with Developmental Disabilities through the Department of Social and Rehabilitation Services and the Department of Health and Environment (Division of Health Care Finance). Services provided through the Department of Social and Rehabilitation Services include the Home and Community Base Services waiver services for individuals with developmental disabilities, targeted case management services and Developmental Disabilities grants. Services are provided through community providers such as Community Developmental Disability Organizations (CDDOs). Financing is provided by Medicaid Home and Community Based Services waivers, grants to CDDOs and through the regular medical portion of the Medicaid program. The regular medical portion of the expenditures are reimbursed on a fee for services basis through the Department of Health and Environment (Division of Health Care Finance.)

To be served by a Home and Community Based Services Medicaid waiver, a person must be determined both financially and functionally eligible. Once eligible, the person may receive both waiver services and regular medical services such as doctors visits and pharmaceuticals. Community Developmental Disability Organizations serve as the gatekeepers, or the single point of entry, for the state developmental disabilities system. The Community Developmental Disability Organizations has the responsibility to serve or arrange to serve eligible persons needing services in that area. Services are provided to the individual based upon an approved plan of care. Individuals and families may choose their actual community service provider(s), including their targeted case manager.

Waiver Services are required under current regulations to be provided by a Community Developmental Disability Organization (CDDO) or a Community Service Provider affiliated with the local CDDO. There are certain services which do not have that requirement, including medical alert rental and wellness monitoring.

Under the current KanCare proposal, all services provided to this group of individuals as of January 1, 2013, including waiver services and regular medical services would be provided via the managed care contract. Information provided in testimony by the Department of Health and Environment indicated there will be three contractors selected by the state through the request for proposal (RFP) process from which individuals may make election. My understanding is that each Community Developmental Disability Organization will need to enter into agreement with each of the three vendors selected because individuals served by their organization may select any of those three vendors as their care provider.

Senate Ways and Means

Date: 01-19-2012

Attachment: 4

The request for proposal requires vendors submitting a bid to demonstrate how the vendor will work with the existing Community Developmental Disability Organizations. The Department of Health and Environment indicated in a recent response to potential vendors (Question 489, Amendment 8) that:

“We intend that the role of CDDOs in Kansas, reflected in current statutes, regulations and other governing guidelines, remain as it is today. We want the people who receive services through the CDDO system (directly and by affiliating community service providers) to continue to access their chosen providers, including case management providers. We intend that Kansans will continue to benefit from the strength of that (and other) existing service system, and also to gain from the benefits and resources of the comprehensive KanCare service system – including by increased integration of physical health care services and access to health homes that have specific knowledge about supporting people with multiple health care service needs. More specifically, we will require the KanCare contractors as they develop their provider networks and care coordination/health home infrastructures, to honor the specific powers and duties of CDDOs as reflected in Kansas statutes and regulations, as identified in the RFP...”

In addition, the RFP includes pay for performance measures that apply specifically to the developmental disability community as well as those that apply more broadly. The specific measures include:

- **Increased Competitive Employment:** An increased number of people with developmental or physical disabilities, or with significant mental health treatment needs, will gain and maintain competitive employment.
- **Improved Life Expectancy:** The life expectancy for people with disabilities will improve.
- **Increased Integration of Care:** The rate of integration of physical, behavioral (both mental health and substance use disorder), long term care and HCBS waiver services will increase.

