

MINUTES OF THE HOUSE HEALTH AND HUMAN SERVICES COMMITTEE

The meeting was called to order by Chairperson Brenda Landwehr at 1:30 PM on Tuesday, February 7, 2012 in Room 784 of the Docking State Office Building.

All members were present except:

Representative Hermanson - Excused

Committee staff present:

Katherine McBride, Office of the Revisor of Statutes
Martha Dorsey, Kansas Legislative Research Department
Jay Hall, Kansas Legislative Research Department
Joseph Leiker, Kansas Legislative Research Department
Debbie Bartuccio, Committee Assistant

Conferees appearing before the Committee:

Michael Donnelly, Director, Kansas Rehabilitation Services (Attachments 1 and 2)
Shawn Sullivan, Secretary, Kansas Department of Aging (Attachment 3)
Shannon Jones, Kansas Association of Centers for Independent Living
(Attachments 4, 5, 6, 7, 8, and 9)
Deone Wilson, Resource Center on Independent Living (Attachment 10)
Steven Busby, Parsons, Kansas (Attachment 11)

Others in attendance:

See attached list.

Chairperson Landwehr opened the meeting which was to be an overview and discussion on Centers for Independent Living.

Michael Donnelly shared information on audit processes and the approach taken by the SRS Office of Audits and Consulting Services (OACS). The two SRS programs that requested the audits of the Centers for Independent Living are Community Supports and Services and Rehabilitation Services. Because questions and concerns have been raised about the audits of the Centers for Independent Living and how those audits were initiated, his testimony included a chronology of events related to the audit process for the Centers for Independent Living. (Attachment 1)

A second document included a letter discussing the audit of The Whole Person for the period July 1, 2008 through June 30, 2010. The audit focused on controls and compliance over the payroll agent function and billing for waiver services. He said SRS Program staff should monitor the implementation of corrective actions at The Whole Person. SRS Community Supports and

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

Minutes of the HOUSE HEALTH AND HUMAN SERVICES Committee at 1:30 PM on Tuesday, February 7, in Room 784 of the Docking State Office Building.

Services should contact the Kansas Department of Health and Environment regarding the audit findings related to questioned Medicaid payments. The audit identified questionable, known and potential, Medicaid payments to The Whole Person totaling \$139,486.67. A copy of the audit report was included. (Attachment 2)

Shawn Sullivan testified that during the past year the Kansas Department of Aging, along with SRS, has worked towards reducing fraud and abuse within our Medicaid Home and Community Based Service (HCBS) waivers. Electronic Visit Verification (EVV/KS/AuthentiCare), Financial Management Services (FMS), and KanCare are being implemented to improve health outcomes, better coordinate care and bend the cost curve of Medicaid down over time. Moreover, they are being implemented to reduce patterns of Medicaid fraud and abuse such as those explained to this Committee by the Attorney General's Office and also by SRS staff who have completed audits on all Centers for Independent Living (CILs).

The purpose of the testimony was to provide a response to the allegation of whether the implementation of EVV, FMS and certain provisions within KanCare is the result of retaliation for 600 Olmstead complaints filed with the federal government by advocates in conjunction with the statewide network of Centers for Independent Living. He stated while SRS has explained its audits of Centers for Independent Living during the hearing, he can assure the Committee that EVV, FMS, and KanCare have been pursued completely independent of these audits. He was not aware of the audits when plans for EVV, FMS, and KanCare were being developed. The audit time-line for SRS goes back to at least 2008 and he was not aware of the audit findings until recently. He said it is wrong to state that EVV, FMS, KanCare, and SRS audits are parts of a conspiracy to retaliate against the statewide network of Centers for Independent Living. He proceeded to explain why EVV, FMS and KanCare are needed. (Attachment 3)

Shannon Jones provided testimony which included an overview of CILs and an introduction of CIL Directors. In 1978, Kansas received three of the first fifteen federal grants from the U.S. Department of Education. After three decades, CILs in our state have been valued and respected in the building of a strong network of now twelve CILs. She stated there is a feeling that CILs are being targeted and retaliated against. The statements and directives coming from the U.S. Department of Justice indicate that each state has the responsibility to develop an Olmstead Plan. Yet, in Kansas, the responsible agency, Social and Rehabilitation Services, has stated in writing that they do not have to fulfill such a requirement. (Attachment 4) Additional documents were provided which included 1) a definition on Information and Assistance in Support of Participant Direction (Attachment 5); 2) a letter to illuminate Centers' concerns with statements presented in a memo dated 1/25/12 from Jeff Kahrs, Interim Acting Secretary SRS and Shawn Sullivan, Secretary KDOA, (Attachment 6), 3) an executive summary concerning the Kansas System

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

Minutes of the HOUSE HEALTH AND HUMAN SERVICES Committee at 1:30 PM on Tuesday, February 7, in Room 784 of the Docking State Office Building.

Transformation Task 2 Team Self Direction Research Project (Attachment 7); 4) a memo concerning FMS reimbursement rate (Attachment 8); and 5) a memo from Shannon Jones with the subject of Retaliation in Kansas (Attachment 9).

Deone Wilson presented testimony regarding the Kansas Authenticare program, sharing issues and concerns that have been experienced in addition to making recommendations that may solve some of the issues. He stated the failure of the State to implement this system according to their own directives has significantly undermined the credibility of providers and built mistrust with consumers and workers. A request was made for the system to be fully operational and accessible before it is required for all HCBS consumers. Additionally, a request was made to the committee to urge SRS/KDOA to reinstate the \$140 administrative rate. (Attachment 10)

Stephen Busby presented testimony concerning how the Centers for Independent Living have assisted him in his life. (Attachment 11)

Committee members were provided the opportunity to ask questions and after all questions had been addressed, the meeting was adjourned at 3:00 p.m.

The next meeting is scheduled for February 8, 2012.