



Kansas Association of Addiction Professionals

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October 7, 2013

Testimony Regarding KanCare Issues

Robert Bethell Joint Committee on Home and Community Based Services and KanCare Oversight

Chairperson Pilcher-Cook, and Members of the Committee,

I am Dulcinea Rakestraw, Vice President of Treatment Services for Preferred Family Healthcare and Chair of the Kansas Association of Addiction Professionals (KAAP), the state's largest trade association devoted solely to substance use disorder treatment providers and prevention programs from across Kansas. I am appearing today to provide comments on behalf of my company and KAAP regarding the implementation of KanCare, its impact on our consumers, our providers, and the substance abuse treatment system in Kansas.

Thus far the implementation of KanCare has worked well for substance abuse treatment consumers. Specifically, our consumers have greatly benefited from value added services, such as the addition of care coordinators for pregnant women and men with chronic needs. Medicaid funds less than 20 percent of the individuals who receive our services in Kansas. Most are funded through federal block grant dollars, state funds, and other sources. The demand for services exceeds available funding and expansion of Medicaid eligibility would allow us to serve more Kansans in need. As the substance abuse provider network, we have not seen any data from the MCOs regarding utilization. That data may shed light on the type of care consumers are receiving. Until we see that data, in general, Medicaid consumers have seen little or no change in the services they receive.

Agencies providing substance abuse treatment services have seen a change. Provider administrative burdens and costs have gone up. As with all providers, we continue to weather the ups and downs of working through billing and payment issues with MCOs. Each MCO has had problems but they appear to work toward a fairly speedy resolution. However, the problems may change, but the frequency continues. Whether the issue is billing, authorization, or payments, all these activities divert valuable staff time from providing services and other administrative duties. This time addressing problems costs our businesses money not going to treatment. Treatment providers and the MCOs are all being forced to continue utilizing the state's archaic Kansas Client Placement Criteria (KCPC) client assessment and treatment data system. KDADS is working toward a new modified system but the inefficient system, that requires multiple duplicate entries, adds to our costs.

There is a threat lurking on the horizon for the entire substance abuse treatment system in Kansas. If the increased administrative costs and KCPC issues are not address, you will see a

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diminishing number of substance abuse treatment providers in Kansas. Particularly in rural Kansas, the administrative burden of KanCare is taking a toll. Eventually, the smaller programs will cease providing services and the state of Kansas will be left with large and growing gaps in available services. Where services do not exist, those needs and costs will be shifted to hospitals, law enforcement, and the correctional system.

We request this Joint Committee and the 2014 Legislature seek a response from the State and MCOs with an plan to address and mitigate the costs of the increased administrative burden that has been placed on providers.

Thank you for the opportunity to speak and I am happy to stand for questions at the appropriate time

Dulcinea Rakestraw, Chair