



INDEPENDENCE
INCLUSION
INNOVATION

November 25, 2103

TO: Senator Mary-Pilcher Cook, Chairperson, and
Members, Joint Legislative Committee on HCBS and KanCare Oversight

FR: Tom Laing, Executive Director, InterHab

RE: KanCare and HCBS/IDD Issues

Thank you, Madame Chair, and members of the committee. We appreciate the chance to offer comments today to the Committee regarding our work with the State and the Managed Care insurance organizations (MCOs) to move forward with the implementation of KanCare for community I/DD services and supports. In the interests of time, and to enable the committee to discern the major issues to which we hope they will devote their time in the coming months, I will offer just these bulleted informational points or observations for your review:

1. KanCare I/DD implementation:

- a. State agency and Community leaders continue to work toward the implementation of KanCare. A strenuous effort has been exerted to make the process work. The work of home and community based IDD services is very new to the Administration and the MCOs, so the learning curve is steep. Big government solutions often tend to underestimate on the ground realities.
- b. We face the reconfiguration of the current model into the new KanCare administrative model. The multiple layers of contracting are, as we have reported, three times more complicated and expensive to manage than the previous model, administered by the State. We made progress in recent weeks as all three MCOs have decided to cooperate with efforts to establish a more efficient contracting model. We are hopeful that will enable the completion of MCO/CSP contracting before January 1.
- c. In our last testimony, we provided 50 pages of administrative decisions yet to be made, as to the roles of CDDOs and MCOs. KDADS worked closely with CDDOs to assure that those concerns were considered. Now most of those CDDO recommendations are in the process of being adopted. The committee should see this as a clear indication of the significance of the CDDO system, and a validation of the work envisioned in the DD Reform Act.

Robert G. (Bob) Bethell Joint Committee on
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- d. The final weeks of the pilot project are winding down, but there is little evidence that signals a smooth beginning for the carve-in of IDD services. The pilot functioned solely as a testing process for MCOs to learn and implement their role in IDD services. As I see it, the only necessary function MCOs have fully attempted to implement is billing and reimbursement, and since such functions are still not fully functional, a reasonable person would conclude that the pilot has proved only that the MCOs are not prepared to go forward with a carve-in of IDD. MCOs may be tasked to go forward, but that does not mean they can do so effectively.
- e. If, however, CMS approves the amendment to carve in IDD services, our strongest recommendation would be that this committee should meet at least monthly during the 2014 legislative session.

2. Highlighting KanCare proviso commitments:

A final recommendation, repeated from last month, is that your upcoming efforts include a periodic review of provisions of the Legislature's 2013 proviso signed by the Governor which memorializes various commitments made by the Administration, along with the additional commitments of the Legislature regarding KanCare. Key among those provisions are promises of stability for persons served both by assuring that persons will not be forced to give up either their service providers or case managers, and by assuring that the DD Reform Act will not be abridged. It is an important role for you to monitor the concerns that may arise should those provisions be ignored.

We sincerely hope for, and look forward to, an active and serious legislative oversight process as implementation of the KanCare IDD-carve in begins. We remind you that KanCare represents the largest single financial transaction in State history, and was undertaken in a manner that did not require your agreement. That moment is now behind you, there can no longer be a passive role for the Legislature.

As KanCare proceeds, your role is now central to the protection of Kansans affected by the changes.

3. Waiting list funding/issues:

- a. As reported to you in October, the \$9.2 million in approved waiting list funding for 2014 will not result in \$9.2 million in services for persons on the waiting list in this fiscal year. We only received the names of eligible beneficiaries in October. We ask this committee to request a full accounting of how that money will be utilized, and work with us and the Administration to preserve those dollars 2014 and 2015.
- b. As regards the "under-served" waiting list. We have been advised by KDADS that CMS has an issue with the legality of the concept behind an "under-served" list. We would urge:
 - i. That the committee monitors closely how the State and MCOs intend to address CMS concerns for the elimination of the under-served waiting list; and
 - ii. That the committee urges KDADS to work with CDDOs, community service providers, families, advocates and other stakeholders on this matter. We believe that the best state planning will occur only if transparency is insisted upon by all parties.

Thank you for your interest and your thoughtful consideration of our testimony.