

Bob Bethell Joint Committee on HCBS and KanCare Oversight  
November 18, 2016

Chairman Hawkins and Committee Members:

Thank you for the opportunity to address this committee on issues and solutions related to KanCare.

I am Linda MowBray with the Kansas Health Care Association and Kansas Center for Assisted Living. We are a trade association representing nursing homes, assisted living, residential health care, home plus, and nursing facilities for mental health. We are the oldest and largest nursing home trade association in Kansas. Our membership pay licensing fees for 10,575 nursing home beds, 4953 assisted living/residential health care beds and home plus beds and take care of 20,000 elders across the state each and every day.

We had the privilege of testifying before this committee in August and are please to return today with our area of focus being on the KanCare and Medicaid eligibility issues that remain problematic.

Our concerns fall into two categories:

- The continued backlog of Medicaid pending applications
- The July 1, 2016 4.47% cut to Medicaid rates for nursing home providers

Interestingly, neither of these issues are to be put at the feet of the three KanCare insurance companies i.e. Sunflower State Plan, Amerigroup and United Health Care.

These two issues are directly linked to the state agencies and state administration.

Regardless, they must be fixed before we lose more business in Kansas and before we turn one more Kansas Elder away from care.

To the backlog issues, we want to thank the committee for their support and direction that put us at the table with the state agency to refine the advanced payment system. Our providers tell us that they are receiving payments and that the financial relief is appreciated. Our providers all also tell us the backlog is still in place. One company reports over 1 million dollars in pending Medicaid claims and another, over 2.5 million dollars in pending Medicaid claims. The backlog is slowly crawling forward but is nowhere near fixed. The oversight and transparency demanded from this committee deserves credit. What we are still seeing is troubling. One of our large providers Golden Living Centers has sold to Skyline. Eight Genesis homes have been sold to Recover Care and other smaller providers are up for sale as well. Companies use to come to Kansas for their fair and balanced reimbursement system. Now, some seem to be running for the borders. Another frightening trend as shown on the 2015 nursing home cost reports is the reduction of jobs in the workforce. Loss of jobs, decreased revenue, sales and taking business from the state – we are at a critical turning point.

The second issue, the July 1, 2016 4.47% cut to nursing home Medicaid rates, just made a bad situation worse. We know the state is in financial trouble like never before but we have to fairly pay the providers who are caring for our frailest citizens. This summer, KHCA/KCAL hosted legislative town halls across the state. As we traveled, budget issues with schools and highways were all we heard on the news. Who's talking about the funding of nursing home care? Who's thinking about what is to become of our frail elders? Closing the door on elders in need is not who we are. I don't believe it's who you are either. Please help us work on a solution to fully fund the Kansas Medicaid program and nursing home rates. We are ready to roll up our sleeves and work with you.