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Health and Human Services Committee

March 6, 2018

Room 546-S; 1:30pm

Testimony for HB 2663 – KanCare/Medicaid Ombudsman Act
Kerrie Bacon, KanCare Ombudsman

Chairman Hawkins and Representatives,

Thank you for the opportunity to testify on HB 2663. This bill provides for changes to the KanCare Ombudsman's office that reflect the input from KanCare stakeholders which include KanCare members, community-based organizations, legislators and the Center for Medicare and Medicaid Services (CMS).

First, I would like to clarify the difference between the KanCare Ombudsman and the Long-Term Care LTC) Ombudsman. The KanCare Ombudsman works with all KanCare beneficiaries and enrollees (approximately 420,000). That sometimes includes people from nursing facilities; but only regarding KanCare/Medicaid. The Long-Term Care Ombudsman assists individuals residing in nursing facilities that have more administrative concern and help them with resolving those concerns with the nursing facility and their representatives. We may refer people to the LTC Ombudsman's office and they, in turn, refer people with Medicaid issues to our office.

Second, in response to stakeholder input, the bill addresses three areas of concern:

- There has been discussion about perceived and/or real conflict with the Ombudsman's
  office residing within KDADS; that there may be influence over the activities of the
  Ombudsman's office. This bill will move the KanCare Ombudsman's office out of KDADS to
  be attached to the Department of Administration as an independent agency.
- 2. There is concern from CMS and stakeholders that the Ombudsman's office is not staffed at a level appropriate to meet beneficiary and enrollee needs. There is a plan to add two full-time staff to replace the part-time staff and increase the capacity of the office.
- 3. There has been concern that the Ombudsman's office needs to provide more attention to the grievance, appeal and hearing process. The additional staff, as Volunteer Coordinators, will be responsible for increasing the volunteer base to include volunteers who would focus on assisting with the grievance, appeal and hearing process.

Third, regarding the specifics on the bill:

- 1. Attaches the KanCare/Medicaid Ombudsman's office to the Department of Administration as a separate agency. (Sect. 2, page 2)
- 2. Lays out the general duties and responsibilities of the Ombudsman's office based on the CMS Special Terms and Conditions for providing services to KanCare/Medicaid recipients and enrollees. (Sect 5, page 6)
- Provides for access to documents and records for the KanCare/Medicaid Ombudsman's office. (Sect 6, page 7)



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4. Creates a special revenue fund for the KanCare/Medicaid Ombudsman's office. This section does not determine where the funds or fees will be coming from but it allows for that to be an option. (Sect 8, page 8)

5. Provides for protections for KanCare/Medicaid Ombudsman office employees and beneficiaries or people assisting them. (Sect 9, page 9)

Fourth, the Ombudsman's office also plans, with this move, to make changes in the staffing. Currently:

- 3 full time staff and 2 part-time staff at 12 hours each.
- Both part-time staff are not included in the funds covered by KDADS. One is on loan from the Governor's office and will retire in September; this person returns approximately 40% of the contacts. The other is the part-time supervisor for the Wichita satellite office and is part of a grant that is ending June 30, 2018.

# Proposed:

- Funding for 5 full-time staff
- Add a full-time volunteer coordinator in each satellite office that will also take complex calls and recruit, train and supervise volunteers in those offices.

### Results:

- More coverage for the increasing contacts with the KanCare Ombudsman's office.
  - The two staff in the satellite offices will have responsibilities that will cover the part-time person taking 40% of contacts.
- Placing a Volunteer coordinator in each satellite office will improve the volunteer recruitment and coverage.
  - We have maintained an average of 4 volunteers in both locations. The goal is to have 10 volunteers in each office to cover hours from 9:00 am to 4:00 pm.
  - A full-time volunteer coordinator at each satellite office will allow more focus for recruitment and training.
- Increased staff and volunteer coverage will allow the offices to provide more assistance for grievances, appeals and state fair hearings, especially for those with long-term supports and services.

#### Increase in contacts

The contacts for the KanCare Ombudsman's office have increased dramatically in just the last year. (contacts up 99% from 4<sup>th</sup> quarter last year and January up almost 50% to 4<sup>th</sup> quarter 2017.) The staff are having difficulty keeping up with the increasing contacts and are using comp time to assist with making timely contacts with beneficiaries. One of the comments from the review by CMS in October 2016 was concern that the Ombudsman's office has adequate staff to handle the contacts. This proposed staffing change will address the coverage concerns.

Contacts	Qtr. 1	Qtr. 2	Qtr. 3	Qtr. 4	Comments
2016	1,130	846	687	523	
2017	825	835	970	1,040	January 2018, 464 contacts
2016 vs. 2017	-27%	-1%	41%	99%	



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### Fiscal Information

The fiscal note includes:

- There will be no fiscal impact to the Department of Administration
- KDADS will cover the funds for the current costs of the Ombudsman office; the funds will follow the Ombudsman's office to the Department of Administration.

## The fiscal note does not address:

- Additional costs for two new staff
- Costs for operations (i.e. rent, utilities, office supplies and technology, phones, subcontracts with satellite offices, printing, etc.) These costs were absorbed by KDADS; the Ombudsman did not have a budget.
- Costs for moving the office (purchase of furniture, creating the office space, purchasing supplies and small office equipment that was generally available at KDADS, etc.)

The Ombudsman budget for the next two years is shown in the chart below.

- The funds from KDADS would be \$83,500 (state funds) for staff.
- The total state funds needed for FY2019 is \$216,748.
- The total state funds needed for FY2020 is \$202,073. The lower cost in 2020 is from no moving/startup costs in the second year.
- There has been some discussion regarding an annual contract fee to large organizations, that benefit from the Ombudsman's office, to cover the balance of the required funds (i.e. the three Managed Care Organization and Maximus.) At this point in time the it would be around \$34,000 for four organization annually. If an additional MCO is added, the cost would be approximately \$27,000 for five organizations annually.

KanCare Ombudsman Budget - DRAFT	FY2019	Federal Medicaid Match	State Funds
Staff Total (calculated at 30% for benefits)	\$294,600	\$147,300	\$147,300
Total Operations	\$138,895	\$69,448	\$69,448
Total	\$433,495	\$216,748	\$216,748

FY2020	Federal Medicaid Match	State Funds
\$294,600	\$147,300	\$147,300
\$109,545	\$54,773	\$54,773
\$404,145	\$202,073	\$202,073

The decision being made regarding this bill is two-fold:

- 1. Whether it makes sense for the beneficiaries and their families to have a more independent KanCare Ombudsman.
- 2. Providing timely assistance for those contacting the KanCare/Medicaid Ombudsman's office now and in the future.

Thank you again for allowing me to provide you with this testimony. I am happy to answer any questions.

### **HOUSE BILL No. 2663**

By Committee on Health and Human Services

2-7

AN ACT enacting the KanCare/Medicaid ombudsman act; providing for the powers, duties and functions of the state KanCare/Medicaid ombudsman.

Be it enacted by the Legislature of the State of Kansas:

Section 1. As used in the KanCare/Medicaid ombudsman act:

- (a) "Beneficiary" means a member of KanCare/Medicaid, an enrollee of KanCare/Medicaid, a family member, guardian or other authorized person of the KanCare/Medicaid member or enrollee.
- (b) "Conflict of interest policy" means staff and volunteers shall not promote private, political or personal interests in conjunction with the performance of duties covered in the KanCare/Medicaid program. To comply with the conflict of interest policy, staff and volunteers agree not to:
- (1) Attempt to solicit, persuade or coerce consumers to choose a specific type of medical insurance coverage or go to a specific provider of service for treatment. Staff and volunteers shall not direct a client to a specific agent or broker, or both, or any profit-based billing service. Neither the staff, volunteer nor a member of the immediate family of the staff or volunteer may be currently in the business of health insurance;
- (2) use or disclose confidential information obtained as a result of association with the state KanCare/Medicaid ombudsman's office for personal gain; and
- (3) use confidential information for or disclose confidential information to any other individuals or parties, unless authorized by law.
- (c) "KanCare/Medicaid" means the Kansas program of medical assistance.
- (d) "Office" means the office of the state KanCare/Medicaid ombudsman.
- (e) "State KanCare/Medicaid ombudsman" means the individual appointed by the governor to administer the office of the state KanCare/Medicaid ombudsman.
- (f) "Volunteer" means an individual who has satisfactorily completed the training prescribed by the state KanCare/Medicaid ombudsman who is an individual assisting in providing ombudsman services and who receives no payment for such service other than reimbursement for expenses

 incurred in accordance with guidelines adopted therefor by the state KanCare/Medicaid ombudsman.

- Sec. 2. (a) The office of the state KanCare/Medicaid ombudsman is hereby attached to the department of administration. The office of the state KanCare/Medicaid ombudsman shall be in Topeka, Kansas. The secretary of administration shall provide such technical assistance and advice as the secretary deems reasonable and necessary to assist the state KanCare/Medicaid ombudsman office to function as an independent state agency. The secretary of administration and the department of administration shall have no authority over the state KanCare/Medicaid ombudsman or employee, including volunteers of the office of the state KanCare/Medicaid ombudsman with respect to the performance of any power, duty or function of the office or the exercise of any other authority of the office or the state KanCare/Medicaid ombudsman.
- (b) For the fiscal year ending June 30, 2019, and for each fiscal year thereafter, the secretary of administration shall include the budget estimate of the office of the state KanCare/Medicaid ombudsman, as prepared and approved by the state KanCare/Medicaid ombudsman, along with the budget estimate prepared and submitted to the division of the budget for the department of administration under K.S.A. 75-3717, and amendments thereto. The budget estimate of the office of the state KanCare/Medicaid ombudsman for each such fiscal year shall be prepared at the direction and under the supervision of the state KanCare/Medicaid ombudsman.
- (c) Expenditures from appropriations to the department of administration for the office of the state KanCare/Medicaid ombudsman made pursuant to budget estimates for the office shall be made on vouchers approved by the state KanCare/Medicaid ombudsman or the state KanCare/Medicaid ombudsman's designee. All vouchers for expenditures and all payrolls of the office of the state KanCare/Medicaid ombudsman shall be approved by the state KanCare/Medicaid ombudsman or the state KanCare/Medicaid ombudsman's designee.
- Sec. 3. (a) On the effective date of this act, the office of the state KanCare/Medicaid ombudsman in existence on the day preceding such effective date is hereby abolished and there is hereby established the office of the state KanCare/Medicaid ombudsman, the head of which shall be the state KanCare/Medicaid ombudsman. In performance of the powers, duties and functions prescribed by law, the office shall be an independent state agency. The state KanCare/Medicaid ombudsman shall be appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 46-2601, and amendments thereto, no person appointed as the state KanCare/Medicaid ombudsman shall exercise any power, duty or function as the state KanCare/Medicaid ombudsman until confirmed by the senate.

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The current state KanCare/Medicaid ombudsman as of January 15, 2018, shall remain in office until the first term expires. The term of office of the first state KanCare/Medicaid ombudsman under this act shall expire on January 15, 2020, and such state KanCare/Medicaid ombudsman shall serve until a successor is appointed and confirmed. Thereafter, each person appointed as the state KanCare/Medicaid ombudsman shall have a term of office of four years and shall serve until a successor is appointed and confirmed

- (b) The state KanCare/Medicaid ombudsman shall hire all staff and employees of the office of the state KanCare/Medicaid ombudsman. All employees shall be within the unclassified service under the Kansas civil service act.
- (c) In accordance with the provisions of this act, the state KanCare/Medicaid ombudsman shall administer the office of the state KanCare/Medicaid ombudsman.
- (d) No person shall be eligible to be appointed to, or to hold, the office of state KanCare/Medicaid ombudsman if such person is subject to a conflict of interest. No person shall be eligible for appointment as the state KanCare/Medicaid ombudsman unless such person has:
- (1) A baccalaureate or higher degree from an accredited college or university;
- (2) demonstrated abilities to analyze problems of administration and public policy; and
  - (3) experience in the state's medicaid programs.
- (e) (1) On the effective date of this act, all of the powers, duties, functions. records and property of the office of the KanCare/Medicaid ombudsman abolished by this section that are prescribed for the office of the state KanCare/Medicaid ombudsman by this act, are hereby transferred to and conferred and imposed upon the office of the state KanCare/Medicaid ombudsman that is established by this section, except as is otherwise specifically provided by this act. On the effective date of this act, all of the powers, duties, functions, records and property of the secretary for aging and disability services or the department for aging and disability services that relate to or are required for the performance of powers, duties or functions that are prescribed for the office of the state KanCare/Medicaid ombudsman or the state KanCare/Medicaid ombudsman by this act, including the power to expend funds now or hereafter made available in accordance with appropriation acts, are hereby transferred to and conferred and imposed upon the office KanCare/Medicaid ombudsman of the state and the KanCare/Medicaid ombudsman that are established by this section, except as is otherwise specifically provided by this act.
  - (2) The office of the state KanCare/Medicaid ombudsman established

by this section shall be the successor in every way to the powers, duties and functions of the office of the state KanCare/Medicaid ombudsman, the secretary for aging and disability services, or the department for aging and disability services, in which such powers, duties and functions were vested prior to the effective date of this act, except as otherwise specifically provided by this act. Every act performed under the authority of the office of the state KanCare/Medicaid ombudsman established by this act shall be deemed to have the same force and effect as if performed by the office of the state KanCare/Medicaid ombudsman, the secretary for aging and disability services or the department for aging and disability services, in which such powers, duties and functions were vested prior to the effective date of this act.

- (3) Subject to the provisions of this act, whenever the office of the state KanCare/Medicaid ombudsman that is abolished by this act or the secretary for aging and disability services or the department for aging and disability services, or words of like effect, are referred to or designated by a statute, contract, or other document, and such reference or designation relates to a power, duty or function that is transferred to and conferred and imposed upon the office of the state KanCare/Medicaid ombudsman that is established by this act, such reference or designation shall be deemed to apply to the office of the state KanCare/Medicaid ombudsman established by this act.
- (4) All policies, orders or directives of the office of the state KanCare/Medicaid ombudsman that is abolished by this act and all policies, orders or directives of the secretary for aging and disability services that are in existence on the effective date of this act and that relate to powers, duties and functions that were vested in such office of the state KanCare/Medicaid ombudsman or the secretary for aging and disability services prior to such date, shall continue to be effective and shall be deemed to be the policies, orders or directives of the state KanCare/Medicaid ombudsman established by this act, until revised, amended or revoked or nullified pursuant to law. The office of the state KanCare/Medicaid ombudsman established by this act shall be deemed to be a continuation of the office of the state KanCare/Medicaid ombudsman abolished by this act.
- (5) (A) The department for aging and disability services shall provide that all employees of the state KanCare/Medicaid ombudsman office who are engaged in the exercise and performance of the powers, duties and functions of the programs of the office of the state KanCare/Medicaid ombudsman are transferred by this act to the office of the state KanCare/Medicaid ombudsman established by this section.
- (B) Employees of the department for aging and disability services transferred under this act shall retain all retirement benefits and leave

 rights that had accrued or vested prior to each date of transfer. The service of each employee so transferred shall be deemed to be continuous.

- (C) Notwithstanding the effective date of this act, the provisions of this act prescribing the transfer of employees between the office of the state KanCare/Medicaid ombudsman established by this section and the department for aging and disability services shall be administered so that the date of transfer of each such employee shall commence at the start of a payroll period.
  - Sec. 4. (a) The state KanCare/Medicaid ombudsman shall ensure that:
- (1) All individuals involved in the authorization of any individual to represent the office as an employee or volunteer of the state KanCare/Medicaid ombudsman's office is subject to the conflict of interest agreement;
- (2) policies and procedures are in place to identify and remedy all conflicts of interest specified under paragraph (1);
- (3) legal counsel from the department of administration is available to the office for advice and consultation and that legal representation is provided to any employees of the state KanCare/Medicaid ombudsman's office against whom suit or other legal action is brought in connection with the performance of the state KanCare/Medicaid ombudsman's official duties; and
- (4) the office has the ability to pursue administrative, legal and other appropriate remedies on behalf of members of KanCare/Medicaid.
- (b) The state KanCare/Medicaid ombudsman may enter into contracts with service providers to provide investigative, legal, public education, training or other services as may be required to assist the state KanCare/Medicaid ombudsman in providing ombudsman services to KanCare/Medicaid members, enrollees or providers, or as otherwise required to carry out the powers, duties and functions of the office. Contracts entered into under this subsection shall not be subject to the competitive bidding requirements of K.S.A. 75-3739, and amendments thereto. No contract may be entered into by the state KanCare/Medicaid ombudsman to privatize the office or to otherwise provide that all or substantially all of the ombudsman services or functions of the office are to be performed by one or more service providers.
- (c) For the purposes of carrying out the powers and duties of the office of the state KanCare/Medicaid ombudsman, the state KanCare/Medicaid ombudsman may request and accept a grant or donation from any person, firm, association or corporation or from any federal, state or local governmental agency and may enter into contracts or other transactions with any such person or entity in connection with the grant or donation, subject to Kansas governmental ethics commission rules, regulations and guidance. No grant or donation shall represent or

 appear to represent a conflict of interest to the state KanCare/Medicaid ombudsman's office.

- Sec. 5. The state shall maintain a permanent system of independent consumer supports through the state KanCare/Medicaid ombudsman's office to assist beneficiaries in understanding the coverage model and in resolving problems regarding services, coverage, access and rights. The state KanCare/Medicaid ombudsman shall:
- (a) Assist beneficiaries to navigate and access covered health care services and supports. The services of the state KanCare/Medicaid ombudsman help beneficiaries understand the delivery system and resolve problems and concerns that may arise between the beneficiary and provider or payer, or both. Activity shall include, but not be limited to:
- (1) Serving as an access point for complaints and concerns about access to services and other related matters when the beneficiary is not able to resolve such beneficiary's concern directly with a provider or health plan;
- (2) helping beneficiaries understand the state's medicaid fair hearing process, grievance and appeal rights and grievance and appeal processes provided by the health plan and shall assist beneficiaries in navigating those processes or accessing community legal resources, or both, if needed or requested;
- (3) developing a protocol for referring unresolvable issues to the state medicaid agency and other state officials as necessary to ensure the safety and well-being of beneficiaries;
- (4) developing and implementing a program of training and outreach with KanCare managed care organizations, providers and community-based organizations to facilitate cross-organizational collaboration, understanding and the development of system capacity to support beneficiaries in obtaining covered plan benefits; and
- (5) assisting beneficiaries to understand and resolve billing issues and notices of action.
- (b) Provide services to all medicaid beneficiaries enrolled in KanCare, with priority given to those receiving long-term services and supports (institutional, residential and community-based).
- (c) Provide access to all medicaid beneficiaries enrolled in KanCare through multiple entryways (e.g. phone, internet, office) and must use various means (mail, phone, in person) as appropriate, to reach out to beneficiaries or authorized representatives, or both.
  - (d) Establish and maintain a system to recruit and train volunteers.
- (e) Establish a training process for employees and volunteers, including the following criteria:
- (1) Employees and volunteers must be knowledgeable about the state's medicaid programs, beneficiary protections and rights under

 medicaid managed care arrangements, the health and support needs of persons with complex needs, including those with chronic conditions, disabilities and cognitive or behavioral needs, and the community-based systems that support them.

- (2) Employees and volunteers must have knowledge regarding provision of services in a culturally competent manner.
- (f) Provide a robust system of data collection and reporting, to include quarterly and annual reports available to the public. The reporting shall include, but not be limited to:
  - (1) Date of incoming request and change in status;
- (2) volume and type (email, phone) of incoming requests for assistance;
- (3) time required for beneficiaries to receive assistance from the state KanCare/Medicaid ombudsman's office:
  - (4) issues presented in incoming requests for assistance;
  - (5) health plans involved in the requests for assistance, if any;
- (6) geographic area where the beneficiary involved resides, if applicable;
- (7) the 1915 waiver authority, if applicable, from which the beneficiary receives services;
- (8) current status of the request for assistance, including actions taken to resolve the request;
- (9) number and type of education and outreach events conducted by the state KanCare/Medicaid ombudsman's office; and
- (10) ensuring stakeholder input into the operation, performance and enhancement of the state KanCare/Medicaid ombudsman's office program.
- (g) Demonstrate transparency and collaboration with beneficiaries, managed care organizations, community-based organizations, providers and state government.
- (h) Perform such other duties and functions as may be provided by the center for medicare and medicaid services special terms and conditions and by law.
- Sec. 6. (a) With the consent of the KanCare member or enrollee, guardian of the member or responsible person, the state KanCare/Medicaid ombudsman or authorized designee shall have access to all records and documents kept for or concerning the member.
- (b) The state KanCare/Medicaid ombudsman or authorized designee shall have access to all records and documents kept for or concerning a member:
- (1) In any case in which the member is unable to consent and has no guardian; and
  - (2) in a case in which:
    - (A) Access to the records and documents is necessary to investigate a

complaint;

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- (B) the member is unable to consent and the guardian of the individual refuses to give permission for such access;
- (C) the investigating state KanCare/Medicaid ombudsman employee has reasonable cause to believe that the guardian is not acting in the best interests of the member; and
- (D) the office of the state KanCare/Medicaid ombudsman has approved such access by the investigating state KanCare/Medicaid ombudsman employee.
- (c) A volunteer shall have access to the integrated service plan and other records or documents kept for or concerning the beneficiary to the same extent and under the same circumstances as the state KanCare/Medicaid ombudsman under this section, except that a volunteer shall not have access to any such other records and documents that are privileged medical records.
- Sec. 7. All information and records received by or developed by the state KanCare/Medicaid ombudsman, the employee or a volunteer that relate to a beneficiary, enrollee, guardian, family member or other authorized person, including written material identifying the complainant, are confidential and not subject to the provisions of the Kansas open records act, K.S.A. 45-215 et seq., and amendments thereto, and shall not be disclosed or released by the state KanCare/Medicaid ombudsman, the employee or a volunteer, by name of the beneficiary, enrollees, guardian, family member or other authorized person or of facts that allow the identity of the beneficiary, enrollee, guardian, family member or other authorized person to be inferred, except upon the order of a court or unless the beneficiary, enrollee, guardian, family member or other authorized person or the beneficiary, enrollee, guardian, family member or other authorized person's legal representative consents in writing to such disclosure or release by the state KanCare/Medicaid ombudsman, the employee or a volunteer.
- There is hereby established in the state treasury the KanCare/Medicaid ombudsman special revenue fund. All moneys credited to the KanCare/Medicaid ombudsman special revenue fund shall be used by the state KanCare/Medicaid ombudsman's office only for purposes related to KanCare/Medicaid and the purposes defined by this act and any additional purposes defined by the centers for medicare and medicaid and conditions services in the special terms for the KanCare/Medicaid ombudsman's office. All expenditures from the state KanCare/Medicaid ombudsman special revenue fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state KanCare/Medicaid ombudsman or the ombudsman's designee.

Sec. 9. (a) No state KanCare/Medicaid ombudsman, employee or volunteer shall be liable for the good faith performance of official duties.

- (b) No person shall willfully interfere with any lawful action or activity of the state KanCare/Medicaid ombudsman, or employee or a volunteer.
- (c) No person shall take any discriminatory, disciplinary or retaliatory action against any beneficiary, enrollee, guardian, family member or other authorized person thereof for any communication by any such individual with the state KanCare/Medicaid ombudsman, employee or a volunteer or for any information given or disclosed by such individual in good faith to aid the office in carrying out its duties and responsibilities.
- (d) Any person who violates the provisions of subsection (b) or (c) shall be guilty of a class C misdemeanor.
- Sec. 10. The provisions of this act, and amendments thereto, shall be known and may be cited as the KanCare/Medicaid ombudsman act.
- Sec. 11. This act shall take effect and be in force from and after its publication in the statute book.

## STATE OF KANSAS

DIVISION OF THE BUDGET LANDON STATE OFFICE BUILDING 900 SW JACKSON STREET, ROOM 504 TOPEKA, KS 66612



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## GOVERNOR JEFF COLYER, M.D. LARRY L. CAMPBELL, CHIEF BUDGET OFFICER

February 14, 2018

The Honorable Daniel Hawkins, Chairperson House Committee on Health and Human Services Statehouse, Room 186-N Topeka, Kansas 66612

Dear Representative Hawkins:

SUBJECT: Fiscal Note for HB 2663 by House Committee on Health and Human

Services

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2663 is respectfully submitted to your committee.

HB 2663 would enact the KanCare/Medicaid Ombudsman Act. The bill would create the Office of the State KanCare/Medicaid Ombudsman in Topeka, Kansas attached to the Department of Administration. The Department would provide technical assistance and advice to assist the Office to function as an independent state agency. The Department would have no authority over the State KanCare/Medicaid Ombudsman or employees or volunteers of the Office with respect to the performance of any power, duty or function of the Office or the exercise of any other authority of the Office. The State KanCare/Medicaid Ombudsman would be appointed by the Governor, subject to confirmation by the Senate.

The State KanCare/Medicaid Ombudsman would administer the office and hire all staff and employees of the Office. The Office of the State KanCare/Medicaid Ombudsman, in existence before the effective date of the Act, would be abolished. The bill would transfer all previous powers, duties, functions, records, property and employees, currently housed in the Kansas Department for Aging and Disability Services, to the Office created by this Act. The employees would retain all retirement benefits and leave rights and the service of each employee transferred would be deemed continuous.

The Kansas Department for Aging and Disability Services states that enactment of HB 2663 would not have a fiscal effect on the agency. Any funding that is currently used for expenditures would be transferred to the Office.

The Honorable Daniel Hawkins, Chairperson February 14, 2018 Page 2—HB 2663

The Department of Administration anticipates that enactment of HB 2663 would result in \$1,000 of moving costs. Any assistance provided by the Department of Administration would be absorbed within existing resources. Any fiscal effect associated with HB 2663 is not reflected in *The FY 2019 Governor's Budget Report*.

Sincerely,

Larry L. Campbell Chief Budget Officer

J. Coplell

cc: Colleen Becker, Department of Administration Cody Gwaltney, Aging & Disability Services