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Senate Public Health and Welfare
March 20, 2019

SB 232- Proponent- revised

Chairman Sullentrop and Committee Members:

I am Cindy Luxem, President and CEO of the Kansas Health Care Association and the Kansas Center for Assisted Living. KHCA and KCAL represent the interests of Kansans long term care (LTC) providers- nonprofit and proprietary. Skilled Nursing (SNF), Assisted Living (AL), Home Plus (HP) Residential Care (RCF), Nursing Facilities for Mental Health (NFMH) and Home and Community Based Services (HCBS) make up our membership. We are considered a federation so we have affiliates in all fifty states with the American Health Care Association being our main group. Former Governor Mark Parkinson is the CEO of AHCA. Our members care for nearly 20,000 elders across the state each and every day. The communities that care for these elders employ almost 30,000 Kansans.

We are today in support of SB 232. The issues around ownership and change of ownership with Adult Care Homes in Kansas has needed some updating for a while. We worked with the agency and our members to fine tune what you have in front of you today.

There are several areas that we would like to point out some additional thoughts for your deliberation today.

KSA 2018 Supp. 39-927 section (1) some of our current providers are concerned about what will be considered “**evidence**” of access to a sufficient amount of working capital required...it might be determined later on we need to look at thresholds of capitalization such as insurance companies follow. We believe we understand the intent of KDADS on this issue but thought we might need some further clarification on the issue.

KSA 39-931-in subsection (b), we suggest the words “placed in receivership” be inserted ...the applicant or licensee **placed in receivership** shall not be eligible to apply for a new license... We believe this makes it clear...

The last area we would like to include is a report on their quality measures in any of their existing operations. The Centers for Medicare and Medicaid hold the quality measures and we believe the provider also must answer to these concerns of quality.

We want to thank the agency and the current administration for getting this issue out where it can be discussed and solutions discovered. As the regulations are written, we know we will be a part of the rulemaking process. We must do everything to protect our vulnerable Kansas elders but also the people of Kansas who come in every day and do some of the toughest work around.

Cindy Luxem