

February 12, 2020

Via Email to Nancy.Fontaine@Senate.ks.gov

Senator Carolyn McGinn, Chairperson
Senate Ways and Means Committee
Kansas State Capitol
300 SW 10th St.
Topeka, Kansas 66612

Re: Mosaic's Written Testimony on Senate Bill 348

Dear Chairperson McGinn and Members of the Ways and Means Committee,

Mosaic is providing written testimony in support of SB 348. Mosaic appreciates the opportunity to provide information to the Committee and values your work on behalf of Kansans. Mosaic supports SB 348, which would increase reimbursement rates for providers of home and community-based services under the intellectual or developmentally disabled waiver.

Mosaic is a mission-driven healthcare organization serving over 3,800 people with intellectual and developmental disabilities in ten states, including 600 people in the state of Kansas. Mosaic's services are tailored to meet individual needs and goals, allowing people to be as independent as possible. Services are designed for people with disabilities, mental and behavioral health needs and autism, as well as aging adults. In Kansas, Mosaic provides 24-hour residential support, autism service, behavioral health, case management, day services, employment services, shared living, supported living, and transportation services.

Mosaic appreciates the Committee's work to address the needs of Kansas's developmental disability system. As part of our partnership, Mosaic is providing quality services to Kansans with disabilities while working diligently to address issues relating to the direct care workforce, growing health care costs, and additional mandates placed on providers through federal and state regulations.

Mosaic fully supports SB 348's multi-year funding plan to stabilize rates and current services. Passing the three annual provider rate increases will help Mosaic address critical workforce shortages. Mosaic in Kansas has a 68 percent turnover rate and has 36 vacant positions or over 20 percent of its direct care work force. SB 348 will allow Mosaic to better retain staff and make investments to bolster its services in communities across Kansas. One consequence of stagnant rates is high turnover and an inability to compete with other industries to recruit and retain staff. Mosaic struggles to offer competitive wages and

benefits for difficult, although meaningful, work, which is exacerbated in states with low unemployment. Wages must be sufficient to ensure those caring for others are also able to live healthy meaningful lives. Communities rely heavily on healthcare providers to promote meaningful lives through quality services. High turnover and low wages impact workers, providers, people in services, and the larger community. For communities, especially rural communities, to prosper, people must be able to reinvest earnings back into the community.

SB 348 will ensure providers and people with disabilities do not unnecessarily continue bearing the costs of an underfunded system. People with disabilities, their loved ones, and the greater community, including the State of Kansas, rely on disability service providers to achieve outcomes that promote meaningful lives in the community. If providers have to bear the entirety of increasing costs, it will lead to decreased financial stability for providers, fewer programs and choices for people with disabilities, negative impacts on staff recruitment and retention, and the potential reduction of home and community-based providers.

It is important to recognize that Medicaid is essentially the only payer for providers of services for people with intellectual and developmental disabilities. Fully-funded rates are necessary to meet the needs of Kansans with disabilities. For example, Mosaic is 95% Medicaid funded. Mosaic is a price taker and cannot set prices, increase reimbursement rates, or shift cost burdens to non-Medicaid funded constituencies such as private insurance. All providers rely heavily on the federal/state Medicaid partnership to ensure its costs are covered. Because Medicaid reimbursement rates are directly connected to service outcomes, rates must reflect the actual costs of providing services to people with intellectual disabilities.

For the above reasons, Mosaic respectfully requests the Senate Ways and Means Committee advance SB 348. Thank you, again, for the opportunity to provide written comments on SB 348. Please do not hesitate to contact me at christine.schroeder@mosaicinfo.org or 402-896-3884 x.31008 with any questions.

Sincerely,

Christine Schroeder
Vice President of Operations
Mosaic in Kansas