

# Report of the Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight to the 2024 Kansas Legislature

**CHAIRPERSON:** Senator Beverly Gossage

**VICE-CHAIRPERSON:** Representative Brenda Landwehr

**OTHER MEMBERS:** Senators Molly Baumgardner, Michael Fagg, Pat Pettey, and Mark Steffen; and Representatives Barbara Ballard, Emil Bergquist, Will Carpenter, Susan Concannon, and Susan Ruiz

**CHARGE**

***Oversee Long-term Care Services and KanCare***

KSA 2022 Supp. 39-7,160 directs the Committee to oversee long-term care services, including home and community based services (HCBS). The Joint Committee is to oversee the savings resulting from the transfer of individuals from state or private institutions to HCBS and to ensure that any proceeds resulting from the successful transfer be applied to the system for the provision of services for long-term care. Further, the Committee is to oversee the Children's Health Insurance Program, the Program of All-Inclusive Care for the Elderly, and the state Medicaid program (KanCare), and monitor and study the implementation and operations of these programs including, but not limited to, access to and quality of services provided and any financial information and budgetary issues.

December 2023

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# Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight

## ANNUAL REPORT

### Conclusions and Recommendations

The Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight (Committee) recommends:

- The Kansas Department for Aging and Disability Services (KDADS) report to the 2024 Legislature and the Committee on mobile competency pilot projects, including input from representatives from the counties participating in the pilot projects on best practices for outpatient forensic competency evaluation and treatment;
- KDADS and the certified community behavioral health clinics report to the 2024 Legislature and the Committee on the availability of crisis services or other community-based services that could be provided to patients waiting in emergency departments, acute in-patient hospitals, or other settings for admission to a state hospital or state institution alternative hospital;
- If there is a report from the Special Committee on Child Care Centers and Child Care Homes to the 2024 Legislature, the report should also be directed to the Committee and presented at the next available quarterly meeting after the report is published;
- The Children’s Health Insurance Program eligibility income guidelines be amended in statute, as currently described in 2023 HB 2050;
- The House Committee on Social Services Budget work with the Kansas Department of Health and Environment and stakeholders to include coverage for adult dental exams and cleanings in KanCare;
- The Elder Count and Long-Term Care Resource Guide be updated, maintained, and made available to the public digitally; and
- The Community Support Waiver be implemented.

*Proposed Legislation:* None.

### BACKGROUND

The Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services (HCBS) and KanCare Oversight (Committee) operates

pursuant to KSA 2022 Supp. 39-7,159, *et seq.* The previous Joint Committee on HCBS Oversight was created by the 2008 Legislature in House Sub. for SB 365. In HB 2025, the 2013 Legislature renamed and expanded the scope of the Joint

Committee on HCBS Oversight to add the oversight of KanCare (the State's Medicaid managed care program). The Committee oversees long-term care (LTC) services, including HCBS, which are to be provided through a comprehensive and coordinated system throughout the state. The system, in part, is designed to emphasize a delivery concept of self-direction, individual choice, services in home and community settings, and privacy. The Committee also oversees the Children's Health Insurance Program (CHIP), the Program for All-Inclusive Care for the Elderly (PACE), and the state Medicaid programs.

The Committee is composed of 11 members: 6 from the House of Representatives and 5 from the Senate. Members are appointed for terms that coincide with their elected or appointed legislative terms. The Committee is statutorily required to meet at least once in January and once in April when the Legislature is in regular session and at least once for two consecutive days during both the third and fourth quarters, at the call of the chairperson. The Committee is not to exceed six total meetings in a calendar year; however, additional meetings may be held at the call of the chairperson when urgent circumstances require such meetings.

In its oversight role, the Committee is to oversee the savings resulting from the transfer of individuals from state or private institutions to HCBS and to ensure proceeds resulting from the successful transfer be applied to the system for the provision of services for LTC and HCBS, as well as to review and study other components of the State's LTC system. Additionally, the Committee is to monitor and study the implementation and operations of the HCBS programs, CHIP, PACE, and the state Medicaid programs, including, but not limited to, access to and quality of services provided and financial information and budgetary issues.

As required by KSA 39-7,160, at the beginning of each regular session, the Committee is to submit a written report to the President of the Senate, the Speaker of the House of Representatives, the House Committee on Health and Human Services, and the Senate Committee on Public Health and Welfare. The report is to include the number of individuals transferred from state or private institutions to HCBS, as certified

by the Secretary for Aging and Disability Services, and the current balance in the HCBS Savings Fund. [*Note:* See Appendix A for the 2023 report.]

The report also is to include information on the KanCare Program regarding:

- Quality of care and health outcomes of individuals receiving state Medicaid services under KanCare, as compared with outcomes from the provision of state Medicaid services prior to January 1, 2013;
- Integration and coordination of health care procedures for individuals receiving state Medicaid services under KanCare;
- Availability of information to the public about the provision of state Medicaid services under KanCare, including access to health services, expenditures for health services, extent of consumer satisfaction with health services provided, and grievance procedures, including quantitative case data and summaries of case resolution by the KanCare Ombudsman;
- Provisions for community outreach and efforts to promote public understanding of KanCare;
- Comparison of caseload information for individuals receiving state Medicaid services prior to January 1, 2013, to the caseload information for individuals receiving state Medicaid services under KanCare after January 1, 2013;
- Comparison of the actual Medicaid costs expended in providing state Medicaid services under KanCare after January 1, 2013, with the actual costs expended under the provision of state Medicaid services prior to January 1, 2013, including the manner in which such cost expenditures are calculated;
- Comparison of the estimated costs expended in a managed care system

providing state Medicaid services before January 1, 2013, with the actual costs expended under KanCare after January 1, 2013; and

- All written testimony provided to the Committee regarding the impact of the provision of state Medicaid services under KanCare upon residents of adult care homes.

In developing its report, the Committee is also required to consider the external quality review reports and quality assessment and performance improvement program plans of each managed care organization (MCO) providing state Medicaid services under KanCare.

The Committee report must be published on the official website of the Kansas Legislative Research Department (KLRD). Additionally, the Kansas Department for Aging and Disability Services (KDADS), in consultation with the Kansas Department of Health and Environment (KDHE), is required to submit an annual report on the LTC system to the Governor and the Legislature during the first week of each regular session.

## COMMITTEE ACTIVITIES

The Committee met twice during the 2023 Session (February 3 and April 21) and twice during the 2023 Interim (August 2-3 and October 11-12). In accordance with its statutory charge, the Committee's work focused on specific topics described in the following sections.

### **KDHE KanCare Overview and Update**

At the February 3, April 21, and August 2-3, 2023, meetings, the Secretary of Health and Environment (Secretary, in the KDHE portion of this report) provided an overview of the agency as part of the KDHE update.

At the August 2-3, 2023, meeting, the Secretary provided a review of the May 2022 home health regulations, as well as a timeline. She noted issues with the regulations as follows: categorization of HCBS providers, licensing fees,

supervision of home health aides, and the operational and financial implication for home health provider agencies. She also noted some statutory changes may be needed to resolve the issues, but the time frame of when the statutory changes recommendations would be ready was not certain. Additionally, she advised that the enforcement of certain regulations is limited due to changes in the industry and that both federal and state regulations apply.

At the October 11-12, 2023, meeting, the Secretary provided an update on the expiration of the current MCO contracts and the initiation of a request for proposal (RFP).

### ***KanCare Updates***

At each of the quarterly meetings, a representative of KDHE provided updates on KanCare. The KanCare Executive Summary for the prior quarter was provided as well. The quarterly reports include MCO profit and loss summaries, as well as a variety of data points.

At the August 2-3, 2023, meeting, a representative of KDHE stated the count of KanCare beneficiaries is increasing with a current average enrollment of 499,865. A KanCare member enrollment breakdown by MCO was provided. The representative reviewed various data points, including processed and denied claims and the ratio of denied claims to total claims for the period of January to May 2023; a comparison among MCOs regarding clean claims processed within 30 days; claims processed within 60 and 90 days; and the profit and loss filings for the MCOs for FY 2023.

At the October 11-12, 2023, meeting, a representative of KDHE reported the number of KanCare beneficiaries continues to decrease as a result of the unwinding from the termination of the public health emergency (PHE). The representative reviewed various data points, including MCO data regarding processed and denied service claims and those considered "clean" claims, as well as the profit and loss statements of the MCOs.

### ***1115 Waiver Renewal***

At the February 3, 2023, meeting, a representative of KDHE reported the State had

submitted its application for renewal of a waiver under Section 1115 of the Social Security Act (1115 waiver) on December 28, 2022. The federal public comment period for the application was scheduled to end February 4, 2023. The representative reviewed the planned next steps by the agency, which included completing the development of the companion Section 1915(b) waiver and state plan amendments (SPAs) to be submitted to the Centers for Medicare and Medicaid Services (CMS) by July 2023. Pending CMS approval, the go-live date for the 1115 waiver renewal, 1915(b) waiver, and SPAs is January 1, 2024.

### *Adult Dental Coverage*

At the October 11-12, 2023, meeting, a representative of KDHE provided an overview of adult dental coverage in KanCare. The representative noted the feedback from adults with KanCare coverage is they are having difficulty finding a dentist. KDHE conducted research in 2023 to determine the root cause and found the members may need more intensive services due to inconsistent dental care; the codes used most often with Medicaid have very low reimbursement rates in relation to the amount of dentist time involved; and most Kansas Medicaid reimbursement rates are far below those of any other payor. The representative noted it would cost \$35.5 million all funds to bring KanCare's current dental rates up to the 10th percentile of national payor rates, according to American Dental Association data. The representative stated KDHE is focusing on enhancing reimbursement rates for the 20 most impactful dental services codes.

### *Changes to Medicaid Eligibility*

At the February 3, 2023, meeting, a representative of KDHE reviewed the changes to Medicaid eligibility as a result of the federal consolidated Appropriations Act of 2022 (Omnibus Bill). The representative noted that the bill set March 31, 2023, as the end of continuous eligibility requirements. The representative said the states have 12 months to initiate a review of all Medicaid recipients to determine if they remain eligible, but also noted that terminations may not occur before April 1, 2023, unless the beneficiary moves away from Kansas, dies, or asks to terminate coverage. The representative clarified that the reviews would be conducted as they were

prior to the PHE. The representative noted the reviews will not occur on the prior review date, as each time the PHE was extended, the review was moved by four months.

The representative stated the first notices for redeterminations would be issued the week of March 13, 2023, and time is included for the response. She noted that if a response is not received timely, a discontinuance would run April 1 with coverage ending May 1.

At the April 21, 2023, meeting, a representative of KDHE provided an overview and timeline of the redetermination process. The representative reported members have until the 15th of the month after the review is mailed to them to return the completed and signed renewal forms to KDHE. If the member has an online account, the forms may be submitted online.

If the member is determined eligible, the effective date would be the first of the month following the review date. An example was provided: forms are mailed to the member on March 13, the member has until April 15 to return the completed forms to KDHE, and if the member remains eligible, there is not a break in coverage. If the member does not return the forms in a timely manner, coverage would end May 1.

The representative noted a reconsideration window is available for the succeeding 90 days in which members who fail to return the forms by the deadline have the following 3 months to submit them and, if determined eligible, the effective date of eligibility is backdated. Members who do not complete the forms in a timely manner are sent a letter advising them of the reconsideration period.

The representative stated the redetermination deadline is set by federal guidelines, and the March 2024 deadline to complete Medicaid unwinding does not include the reconsideration period.

At the August 2-3, 2023, meeting, a representative of KDHE provided an overview of the Medicaid redetermination process. The representative stated monthly renewal volumes have fluctuated, with the first four months having the highest volume. In the first four months, 48 percent of renewals occurred, primarily because

referrals are being processed chronologically. The representative reviewed how a renewal is processed during the reconsideration period. The representative shared the referral form for most applicants is 8–10 pages, and the maximum page count is 15, noting the signature requirement is in the middle of the application form. The agency is considering reorganizing the form. The representative also shared that the approval number of 29,000 out of 275,000 individuals is due to timing, as some renewals had just been sent out and some were in the 90-day return window.

The representative provided an overview of the lessons learned by the agency from the first months of the unwinding. The representative noted challenges with postal service delays, which the agency has addressed by changing the timing in future renewal cycles to allow for proper notice; challenges with renewal forms being returned unsigned and having to be sent back out for signature, which the agency has addressed by changing the timeline to allow sufficient time for forms to be returned signed; challenges with the increase in call volumes exceeding projections, which the agency has addressed by hiring additional staff; and the challenge regarding mail backlogs, which the agency addressed by purchasing additional scanners.

The representative provided unwinding data as of July 18, 2023, noting the number of notices sent, individuals approved, individuals discontinued, and individuals in the 90-day window for review. The representative advised of some agency-identified influences on the data that may cause discrepancies in the data, noting specifically the passive renewal process, a newer workforce inexperienced in passive renewals, and variations in how states in general are dealing with redeterminations.

The representative clarified the redetermination process includes referring individuals to the Marketplace after a non-renewal. Additionally, KDHE works with the MCOs to encourage members to go to the Marketplace on their own.

The representative stated roughly two-thirds of all individuals who are disenrolled from Medicaid are children. The representative noted children are transitioning from Medicaid to the CHIP program,

as some children may not be eligible for Medicaid but are eligible for CHIP. CHIP eligibility is dependent on the parent's income.

At the October 11-12, 2023, meeting, a representative of KDHE noted the redetermination or unwinding is impacting 121 adults in every 10,000. The representative provided an update on changes in the passive renewal process, explaining the automatic data income match is for each member, rather than the household. It is estimated this change will positively impact 10,000 Medicaid members who have lost eligibility.

#### *CMS Medicaid and CHIP Core Set Reporting Final Rule*

At the October 11-12, 2023, meeting, a representative of KDHE explained the CMS Medicaid and CHIP Core Set Reporting Final Rule as introducing quality measures for Medicaid and Home Health recipients to assure improved quality of health care. The rule will require collection and reporting of additional data. The additional data will provide information regarding the various Medicaid populations and the medical need of the populations approved for Medicaid. Additional details on the data to be collected will be provided at a later date.

#### *Durable Medical Equipment*

At the April 21, 2023, meeting, a representative of KDHE stated KDHE is investigating an increase in the reimbursement rate for durable medical equipment (DME) prosthetics, orthotics, and supplies from the current rate of 65 percent of Medicare to 80 percent of Medicare. The representative noted more advanced DME is manually priced. The representative highlighted the need for Legislative approval to increase the DME reimbursement. The representative clarified the DME rate increase could not be put in the caseload estimating process because of the expense and would result in a large rate increase for items that are not federally mandated through the caseload process.

#### *Extended Postpartum Coverage and Medicaid Births*

At the February 3, 2023, meeting, a representative of KDHE stated the Medicaid postpartum extension required three SPAs. The

SPAs were approved in August 2022 but were backdated to April 1, 2022. The extension will provide Medicaid coverage for 12 months postpartum.

At the April 21, 2023, meeting, a representative of KDHE confirmed the effective date for Medicaid postpartum extension was April 1, 2022. The representative stated KDHE continued to explore opportunities to improve infant and maternal health outcomes by studying ways to address challenges, including improving the rates paid to obstetricians and gynecologists (OB/GYNs) for prenatal, delivery, and postpartum care, and adding doula coverage.

The representative clarified the OB/GYN rate would apply to any provider who bills for the OB/GYN code, which could include midwives. KanCare covers about 40 percent of the total number of births, approximately 10,000 to 15,000 babies annually.

At the August 2-3, 2023, meeting, a representative of KDHE provided a review of data from the KDHE Division of Public Health's Natality Reports regarding the percentage of births in Kansas where the mother and newborn are covered by Medicaid. The percentage of births in Kansas where the mother was Medicaid-eligible, including cases where Medicaid was the primary payor and cases where the mother had other primary insurance, remains consistent at 40 percent. The percentage of births in Kansas where Medicaid is the primary payor remains consistent at around 30 percent.

#### *Federal Medical Assistance Percentage Funding*

At the February 3, 2023, meeting, a representative of KDHE highlighted that the increased federal medical assistance percentage (FMAP) funding due to continuous eligibility requirements would continue through the quarter in which the Public Health Emergency (PHE) ends. The representative provided a chart detailing the step-down time frame.

At the October 11-12, 2023, meeting, a representative of KDHE stated the agency did not have the data regarding the FMAP dollars received during the PHE versus how much was spent

during the same time period but would provide it at a later date.

#### *Health Care Access Improvement Program*

At the February 3, 2023, meeting, the representative of KDHE stated the Health Care Access Improvement Program (HCAIP) was operating and self-sustaining for the first time. CMS approval was received in October 2022, and the first quarterly payments were made in December 2022. The next quarterly payments would be made in February 2023. The representative clarified the new HCAIP design continued to meet the disbursement requirements of KSA 65-6218 to hospital providers and providers licensed to practice medicine and surgery or dentistry. The representative stated the amount for HCAIP with the assessments and the federal draw down is approximately \$450 million annually.

#### *KanCare Clearinghouse*

At the February 3, 2023, meeting, a representative of KDHE provided a status update regarding the Medicaid eligibility application process. The representative stated that, as of the meeting date, 7,137 applications were in-house. Of those applications, 537, or 8 percent, were more than 45 days old; 83 applications, or 1 percent, were more than 45 days in active status; and 454 applications, or 6 percent, were more than 45 days in pending status. The representative provided additional details regarding application type status and application processing times, and noted 23 vacancies in staff.

At the April 21, 2023, meeting, a representative of KDHE provided a status update regarding the Medicaid eligibility process. The representative stated there were 310 staff and 23 vacancies, a 7 percent vacancy rate. The representative provided the call center metrics and noted a 20 percent increase in call volume in March 2023 compared with February 2023.

At the August 2-3, 2023, meeting, a representative of KDHE provided charts to show a comparison of the Medicaid eligibility application status from 2020 and current rates. The representative reviewed call center metrics.



At the October 11-12, 2023, meeting, a representative of KDHE reviewed the call metrics for the Customer Service Center. The representative highlighted a reduction in the average call wait time from 2 hours to 43 minutes, but shared the goal for wait time is 1 minute.

#### *MCO Contract Reprourement*

At the February 3, 2023, meeting, the representative of KDHE noted that the current MCO contracts expire December 31, 2023, and will be extended to December 31, 2024. However, the representative stated the MCO contract extension process had not begun. The representative clarified that both CMS and the Department of Administration, Office of Procurement, had to approve the one-year extension. However, the representative highlighted that there is no option other than renewal, as the State cannot let MCO contracts lapse.

The representative further advised KDHE had a target date of mid-September 2023 to release the RFP for MCO contract reprourement.

At the April 21, 2023, meeting, the representative of KDHE stated the MCO contracts are to be extended to December 31, 2024; KDHE and KDADS hosted a series of input sessions in March and April 2023; and the target date for the RFP release remained late-September 2023.

At the August 2-3, 2023, meeting, a representative of KDHE provided an update on the procurement process, noting the input sessions have included legislators, providers, association representatives, advocates, and self advocates and were held over several months. The representative reviewed some of the themes among comments received during the stakeholder input sessions and noted the planned RFP release date remained late-September 2023.

At the October 11-12, 2023, meeting, the Secretary provided an update on the expiration of the current MCO contracts and the RFP that was released on October 2, 2023. The Secretary traced the timeline used by the agency for RFP development. She stated KanCare enhancements are measured by milestones and regular review of each enhancement.

#### *Public Health Emergency*

At the February 3, 2023, meeting, the representative of KDHE stated the PHE was scheduled to expire April 11, 2023, with a May 11, 2023, termination date. The representative stated the passage of the federal Consolidated Appropriations Act of 2023 decoupled the Medicaid continuous eligibility requirement from the PHE. The representative noted that as of April 1, 2023, KDHE would have authority to begin removing KanCare recipients who have become ineligible from the program. The representative highlighted that Kansas Medicaid continued to track the PHE closely, as the PHE governs the time periods states will be able to exercise disaster-related SPAs and certain HCBS waiver flexibilities.

#### *Support and Training to Employ People Successfully Program*

At the February 3, 2023, meeting, the representative of KDHE stated the Support and Training to Employ People Successfully Program (STEPS) had increased participation from 38 individuals in November 2022 to 50 individuals. The representative noted the program had received 200 referrals.

#### *Workforce*

At the August 2-3, 2023, meeting, a KDHE representative provided an update regarding the agency's recruitment efforts. The representative noted the agency began a small pilot program to recruit qualified staff from around the state, who will work 100 percent remotely, and workers to fill 15 full-time equivalent (FTE) positions had been hired to assist in the mail room.

At the October 11-12, 2023, meeting, a representative of KDHE reviewed the agency's recruitment efforts for vacant positions.

#### *Working Healthy/Medically Needy*

At the April 21, 2023, meeting, a representative of KDHE stated KDHE continues to look at changes to the Working Healthy (WH) program, which, in some cases, penalizes participants because of the monthly premiums that must be paid to keep Medicaid coverage if their earnings exceed 100 percent of the federal poverty level. The representative noted some WH

participants are considering moving to a waiver from the WH program because, due to the increase in the HCBS protected income limit (PIL) in 2021, the individual would have a \$0 monthly obligation under a waiver versus a monthly WH premium. The representative noted KDHE recommended increasing the threshold at which WH premiums must be paid to level the incentives with those of HCBS waivers. The representative also noted KDHE requested funding to offset lost premium through the spring caseload estimating process.

The representative provided information on the Medically Needy (MN) program and clarified federal regulations limit increases to the PIL. The PIL for the MN program is tied to the amount of money the State spends on Temporary Assistance for Needy Families (TANF). The MN PIL is currently 133 1/3 percent of the highest monthly TANF benefits payment for a household of two. The representative noted Medicaid expansion would be the most impactful way to make this change for the Medically Needy population.

At the August 2-3, 2023, meeting, a representative of KDHE provided an update on the MN program. The MN program provides Medicaid benefits to individuals whose income exceeds state Medicaid eligibility limits but meet additional criteria. The representative noted about 3,500 to 4,000 individuals participate in the MN program, and the number is increasing due to the unwinding process. The representative shared that KDHE has discussed with CMS options to increase the Medically Needy Income Limit (MNIL), which is linked to the income limit set by Aid to Families with Dependent Children in July 1996. The MN resource limit is \$2,000 for an individual and \$3,000 for a couple. The income limit for a single person is \$9,000. The representative noted the costs associated with increasing the MNIL would be subject to legislative approval via caseloads or the annual appropriations process. The representative clarified KDHE will rely on its actuaries to determine the possible cost to the State if income limits for the MN program were adjusted.

At the October 11-12, 2023, meeting, a representative of KDHE clarified the spend down for MN program, which is similar to an insurance deductible, is calculated based on an individual's current income. The representative reviewed that

the period of approval for the MN is 6 months so a member will have 2 spend down periods in a 12-month time frame, as well as an annual review. The representative clarified a spend down applies to when a medical expense was incurred by the member in the time frame, but it does not mean the medical debt was actually paid by the member in the time frame. The representative noted Medicaid will not pay the spend down medical expense if the member qualifies for Medicaid during the time period. KDHE utilizes a tracker for the spend down but is not familiar with community resources to assist individuals on the MN program in tracking the spend down.

### **KanCare Ombudsman**

The KanCare Ombudsman provided updates at three of the meetings of the Committee on the services provided by the Office.

At the February 3, 2023, meeting, the KanCare Ombudsman provided an update on the Office. The Office transitioned from KDADS to the Department of Administration, Office of Public Advocate, over an eight-month period and functions as an independent agency. She also provided an overview of the Office annual report completed in October 2022.

At the April 21, 2023, meeting, the KanCare Ombudsman reviewed the Quarter 1, 2023, KanCare Ombudsman Report. She highlighted the number of contacts over the previous two quarters, with the first quarter increase the highest since early 2022, and noted the Overland Park office is assisting with the increased number of calls.

The KanCare Ombudsman provided an update on office staffing. The Volunteer Coordinator position was filled and is the position that oversees the two physical offices and data collection. She also announced her upcoming retirement in June 2023.

The August 2-3, 2023, meeting did not have a report from the KanCare Ombudsman, as an Ombudsman had not been appointed.

At the October 11-12, 2023, meeting the KanCare Ombudsman stated there has been an increase in inquiries to the office. She provided an update on office staffing, noting two FTE

positions would be added to the office and that she planned to increase the presence of the office in western Kansas.

## **Medicaid Inspector General**

At the February 3, 2023, meeting, the Medicaid Inspector General stated the Office of the Medicaid Inspector General (OMIG) was finalizing its 2022 annual report with expected availability during the month. The OMIG continued to oversee complaints of fraud, waste, abuse, and illegal acts concerning KanCare, MediKan, and the state's CHIP.

The Medicaid Inspector General provided an update on office staffing and noted two investigators and one analyst were needed. He provided an example of a Medicaid eligibility fraud case and noted the threshold of recovery must be at least \$25,000 to justify the resources to proceed with a legal action.

The Medicaid Inspector General stated three performance audits were in process. The OMIG had concluded an audit regarding eligibility determinations for Medicaid recipients who had moved out of the state. The OMIG initiated performance audits of eligibility determinations for Medicaid recipients on the Transitional Medical Assistance Program (TransMed) and Medicaid beneficiaries with multiple identification numbers.

At the April 21, 2023, meeting, the Medicaid Inspector General announced the OMIG calendar year 2022 report had been published online and filed with the Legislature. Three performance audits were being finalized and results were anticipated to be published in May 2023. He also provided updates on the fraud, waste, and abuse training; historic data of screened complaints from 2019 through April 18, 2023; and office staffing.

At the August 2-3, 2023, meeting, the Medicaid Inspector General provided an update on the three audits. The performance audit concerning Medicaid beneficiaries who have moved out of the state but remained enrolled in KanCare for the time period of January 1, 2019, through December 31, 2021, was published June 5, 2023. The report concluded external factors and internal deficiencies hinder KDHE in its ability to identify,

verify, and terminate Medicaid eligibility on a timely basis.

The other two audits described in February were being finalized and reports were expected to be published in August 2023. Two additional audits had been initiated: Medicaid reimbursements to public schools and the prior authorization process for Medicaid providers and MCOs.

The Medicaid Inspector General provided an update on the OMIG's nine positions: three auditors, one data analyst, one financial analyst, two special agents, one secretary, and the Inspector General.

The Medicaid Inspector General reported the OMIG processed 1,410 complaints in calendar year 2022: 1,347 complaints alleging beneficiary eligibility fraud, 15 allegations of beneficiaries committing non-eligibility fraud, and 48 complaints involving providers and contractors. He reviewed the complaint routing process when there is no egregious fraud and when there is a determination of sufficient probable cause to investigate.

At the October 11-12, 2023, meeting, the Medicaid Inspector General stated the OMIG had completed the performance audit of eligibility determination for Medicaid beneficiaries on TransMed and the performance audit of Medicaid beneficiaries with multiple identification numbers. The OMIG had two audits in progress and had initiated an audit of the process for facilities to be designated as continuous care retirement centers.

The OMIG conducted a review of COVID-19 test kits to determine whether Kansas Medicaid received fraudulent claims for at-home COVID-19 test kits and if Kansas Medicaid paid any fraudulent claims. The OMIG determined Kansas Medicaid paid \$0 on the claims.

### *Joint OMIG and KDHE Training*

The Medicaid Inspector General reported the OMIG and KDHE jointly developed fraud, waste, and abuse awareness training had been provided to 196 persons as of the February 3, 2023, meeting; to 579 persons as of the August 2-3, 2023, meeting; and to 710 persons in 17 sessions as of

the October 11-12, 2023, meeting. He also reported at the August meeting the training would be offered annually.

### **Division of the Child Advocate**

At the February 3, 2023, meeting, the Kansas Child Advocate provided a presentation on the Kansas Division of the Child Advocate (KDCA). The KDCA was created to ensure Kansas prioritizes as the highest importance the safety and health of children and to increase support for families, protect children from harm, ensure adequate care is seen as vital to improving the delivery of child welfare services, and to provide impartial review of concerns voiced by children and families and evaluation for system improvement.

The Kansas Child Advocate stated there are three main categories for investigations: case specific, systemic, and KDCA-initiated. She reviewed data on topics including the origination of complaints, complaints by month, and types and frequency of complaints received by KDCA in 2022.

### **Kansas Office of Apprenticeship**

At the April 21, 2023, meeting, the Director of Apprenticeship and Internship (Director, in this section), in the Kansas Office of Apprenticeship (Office), Department of Commerce, provided an overview of the registered apprenticeship program. The Director shared the vision and mission statement of the program, noting the program focuses on addressing the workforce needs specific to Kansas and is employer-designed and -driven. The Director stated the apprenticeship system is in place to assist businesses with barriers to profit and individuals who may have barriers to employment and is utilized by multiple industries.

The Director provided an overview of the Patterson Grant Foundation's HealthCare Registered Apprenticeship model that is available for counties with fewer than 50,000 residents.

The Director clarified that federal law requires an employer to provide a wage progression, identifying both a starting and ending wage for the journeyman level, or risk loss of the apprenticeship program. The Director stated Department of Labor data indicate nine out of ten

individuals who apprentice remain on the job for five or more years. The Director noted each apprenticeship is an individualized plan that has standards for job training, mentorship, and technical training, and mentors provide individual attention during the apprenticeship. Companies must state a mentor-to-apprenticeship ratio and maintain the ratio. If the ratio is not maintained, the number of apprentices must be lowered.

The Director stated the Office is within the Department of Commerce and has an annual budget of \$500,000. The Office also receives funding from some federal grants. The Director stated the Office works with occupation organizations to develop a registered apprenticeship system, as the system needs mandatory and robust mentorship from those in the occupation for an apprenticeship program. The Director noted apprenticeship program funding is available at a local, state, or federal level, as well as privately.

### **KDADS Overview and Updates**

At the February 3, 2023, meeting, the Secretary for Aging and Disability Services (Secretary, in the KDADS portion of this report) provided an agency overview. The Secretary gave an update on the regional state hospital project, as the FY 2023 Governor's Budget Recommendation included \$15 million to contract for and build a regional acute adult inpatient psychiatric facility. The Secretary stated funding had been approved by the State Finance Council for a state hospital in Sedgwick County and is available for architect fees and site locations. The site and operator selections would be open processes, and it would be up to the county, in conjunction with KDADS, to decide on the site and operators.

The Secretary stated KDADS had developed an estimate for a potential new Community Support waiver per the recommendations from the 2022 Special Committee on Intellectual and Developmental Disability (I/DD) Waiver Modernization. The fiscal impact could range from \$72 million all funds, including \$29 million from the State General Fund (SGF), to \$149 million all funds, including \$40 million SGF, when fully implemented. The Secretary noted the waiver would need to be rolled out in stages to allow for the building of network capacity.

At the April 21, 2023, meeting, the Secretary notified the Committee that the State Finance Council had approved \$66.0 million for KDADS for facility and program expansions from the Strengthening People and Revitalizing Kansas (SPARK) funds. KDADS provided notice on February 27, 2023, of the funding opportunities across three program areas: expansion of health care facilities, expansion of the reach of current service providers, and workforce training expansion. Responses were due by March 17, 2023. KDADS received 67 proposals: 41 for facility expansion, 13 for expansion of service providers, and 13 for workforce training. The proposals were in the evaluation phase.

The Secretary reported KDADS was working with Sedgwick County regarding the construction of a regional acute care adult inpatient psychiatric facility in Sedgwick County, and the ownership of the facility would transfer to KDADS after construction is complete, to operate the facility as a state hospital. The Secretary noted a memorandum of understanding defines the roles and responsibilities for Sedgwick County and the State. KDADS retains final decision-making authority. The Secretary noted the location selected for the construction of a regional acute care adult inpatient facility must include space for expansion. The Secretary clarified 25 of the 50 beds to be created at the facility would be for evaluation and 25 would be for acute care.

At the August 2-3, 2023, meeting, the Secretary provided an update on the agency. KDADS is working with the Office of Recovery on funding agreements for the SPARK awards for each grantee to ensure all state and federal requirements for the federal American Rescue Plan Act (ARPA) funding are met. The Secretary briefly described each proposal under consideration.

The Secretary reviewed the regional state hospital project and clarified Sedgwick County is overseeing the project, and KDADS is providing the funding. The current anticipated completion date is mid-2025. She noted the parties are working on the design specifications. The Secretary shared the State would move to the 1915(b) waiver in January 2024. The Secretary clarified the state funds relating to the 10 percent FMAP initiatives are not new state dollars, but are

dollars saved from FMAP funds for HCBS projects and PACE.

At the October 11-12, 2023, meeting, the Secretary reviewed the progress on use of an allocation of \$15 million to contract for and build a regional acute adult inpatient psychiatric facility. She noted the formation of a South Central Regional Psychiatric Hospital Advisory Panel and the appointments to the panel. The panel is directed to gather information and make recommendations regarding workforce development needs and will also propose an operating model and any needed statutory changes.

### ***HCBS***

At the February 3, 2023, meeting, a KDADS representative provided a summary of the HCBS waiver enrollment.

#### *HCBS Waiver Projects*

At the April 21, 2023, meeting, a KDADS representative provided a list of the HCBS Waiver projects in 2023. KDADS expected to draw down approximately \$93.2 million in additional federal match for HCBS, for which the state funds savings must be reinvested in HCBS-related initiatives. Amendments to waivers for Virtual Delivery of Services and Paid Family Caregivers with a proposed effective date of September 1, 2023, have been submitted to CMS for approval. The waiver renewal time period for each waiver was provided.

At the August 2-3, 2023, meeting, a KDADS representative provided updates on enrollment numbers for the HCBS waiver, HCBS waiver initiatives, and the current status of each waiver renewal. The representative identified waivers that would transition from 1115(c) to 1915(b) waiver authority.

At the October 11-12, 2023, meeting, a KDADS representative reviewed the status of the HCBS Waiver projects and the status of each of the seven waiver renewals.

#### *HCBS Waiver Amendments*

At the April 21, 2023, meeting, a KDADS representative stated KDADS had submitted a

proposal to CMS for a waiver amendment to make the Paid Family Caregiver Appendix K flexibility permanent, with an anticipated effective date of September 1, 2023.

At the August 2-3, 2023, meeting, a KDADS representative provided updates on the Telehealth and Virtual Delivery and the Paid Family Caregiver waiver amendments. The representative stated amendments to make permanent the Appendix K amendment regarding modes of service delivery would be effective September 1, 2023. The representative stated CMS has assured KDADS that all amendments would be approved before the end of the PHE on November 11, 2023.

#### *HCBS Waiver Waitlists*

A KDADS representative provided an update on the HCBS waiver waitlists at every Committee meeting.

At the August 2-3, 2023, meeting, a KDADS representative stated the I/DD waiver wait was ten years, and the wait for Physical Disability (PD) waiver services was two years.

At the October 11-12, 2023, meeting, a KDADS representative stated the current waitlist time for the PD waiver is not known, as the population is more transitory. The representative also noted a team decision is required to remove someone from the Brain Injury (BI) waiver.

#### *HCBS Final Settings Rule*

At the April 21, 2023, meeting, a KDADS representative provided an update on the HCBS Final Settings Rule. [Note: This CMS rule requires states to review and evaluate HCBS settings, including residential and nonresidential settings.] The representative noted KDADS continued activities to develop an ongoing monitoring process to ensure Kansas maintains compliance with the HCBS settings rule after March 17, 2023.

#### *I/DD Community Support Waiver*

At the April 21, 2023, meeting, a KDADS representative stated KDADS had submitted a proposal to CMS for the development of an I/DD Community Support Waiver, and noted that a majority of the \$5 million in HCBS-specific FMAP enhancement dollars toward the

development of the waiver will be for development and enhancement of a provider network of services. The representative noted the funding will last for a few years and, during that time, KDADS will hire staff to write the waiver, consult with stakeholders in writing the waiver, and issue grants to providers to develop waiver services. KDADS was monitoring budget legislation containing a proviso directing KDADS to apply for an I/DD Community Support Waiver.

At the August 2-3, 2023, meeting, a KDADS representative reviewed the timeline for the Community Support waiver. The representative stated KDADS has submitted a proposal to CMS to use FMAP funds to hire staff to develop the Community Support waiver, help engage stakeholders for the writing of the waiver application, and issue grants to providers to develop waiver services.

At the October 11-12, 2023, meeting, a KDADS representative explained shared licensing for Shared Living Providers is not permitted under the I/DD Waiver. Another representative provided an update on the status of the proposed Community Support waiver.

#### *Quarterly HCBS Report*

An appendix with additional data on HCBS waiver enrollment, census, and caseload and state hospital census was provided at each meeting.

#### *Remediation*

At the August 2-3, 2023, meeting, a KDADS representative stated KDADS was working on a list of remediation strategies in response to a CMS report from the Heightened Scrutiny site visit completed in March 2023 regarding institutional, isolating, or both characteristics in home and community-based settings. The representative reported the State must complete remediation activities by May 16, 2024, and a list of remediation strategies was provided.

#### *10 Percent FMAP Enhancement Projects*

At the February 3, 2023, meeting, a KDADS representative provided a summary of the 10 percent FMAP enhancement projects for HCBS that focus on workforce, employment, and access to care. The representative noted KDADS was

completing a study on the HCBS waitlists. Other projects in procurement have specific goals on what the State wants to achieve.

At the April 21, 2023, meeting, a KDADS representative reviewed the FMAP Employment First program and noted a vendor had been chosen for the Targeted Case Management Model Study. The representative provided an update on the FMAP waitlist study by the University of Kansas. The representative shared the agency is preparing two requests for approval, one for the FMAP Technology First program that provides technology to individuals the agency supports to increase participant independence, and one for the FMAP Smart Home Technology program.

At the August 2-3, 2023, meeting, a KDADS representative provided a list of the agency's 10 percent FMAP enhancement projects and the status of each project. The representative provided an update on the FMAP Employment First program RFP and noted KDADS is awaiting procurement approval of a chosen contractor. The representative provided additional updates on the FMAP Targeted Case Management study and the FMAP waitlist study. It was noted KDADS will prepare a request for application for the FMAP Technology First initiative and the FMAP Smart Home Technology initiative after approval is received from CMS for each initiative.

At the October 11-12, 2023, meeting, a KDADS representative reviewed the status of the FMAP enhancement projects.

### ***Behavioral Health***

#### *Camber Children's Mental Health Facility*

At the February 3, 2023, meeting, a KDADS representative stated a ribbon-cutting ceremony was held January 27, 2023, at the Camber Children's Mental Health Facility in Hays, Kansas. The representative noted the facility was cleared to start taking admissions on February 6, 2023. The representative noted the private psychiatric side of the facility does not have any age limits other than the child must be at least 6 years of age. Federal law requires the psychiatric residential treatment facility (PRTF) side to be for ages 6 to 21. The age limit is covered by what is called the "psych under 21 exclusion."

#### *Certified Community Behavioral Health Clinics*

At the February 3, 2023, meeting, a KDADS representative noted the KDADS certified community behavioral health clinic (CCBHC) program staff started baseline reviews with the first nine CCBHCs in October 2022. The representative noted the community mental health centers (CMHCs) are continuing the process to becoming CCBHCs, and the next group of CMHCs to become CCBHCs is scheduled to be ready by July 1, 2023.

At the August 2-3, 2023, meeting, a KDADS representative stated 20 of the 26 CMHCs had been provisionally certified as CCBHCs. The remaining CMHCs were expected to become certified as CCBHCs no later than July 2024. The representative stated KDADS would begin full certification reviews of the original CCBHCs and rebasing in August 2023. The representative noted the position of Demonstration Project Manager had been filled.

At the October 11-12, 2023, meeting, a KDADS representative stated four more CMHCs had completed certification to become CCBHCs. The representative noted KDADS was working to integrate the Mobile Crisis model into the CCBHC implementation and quality review process.

#### *I/DD Crisis Stabilization System*

At the August 2-3, 2023, meeting, a KDADS representative noted KDADS was in the process of hiring an I/DD Behavioral Health Crisis Coordinator to oversee and implement the I/DD Crisis Stabilization System.

#### *Kansas Behavioral Health Indicators Dashboard Demonstration*

At the October 11-12, 2023, meeting, a KDADS representative demonstrated how the Kansas Behavioral Health Indicators Dashboard website works. The website was designed to help monitor behavioral health indicators statewide. The representative reviewed various data sources and how to prepare various reports to view one or multiple pieces of data.

#### *Psychiatric Residential Treatment Facilities*

At the February 3, 2023, meeting, a KDADS representative stated 76 individuals (36 in foster

care) were on the PRTF waitlist as of January 26, 2023. The number of PRTF licensed beds at that time was 424, of which 162 beds were not in use due to staffing issues and COVID-19 protocols. The PRTF census at that time was 262, with 85 of these being youth in foster care. The representative stated weekly meetings were being held with the MCOs to address the waitlist, and the MCOs continued to make progress connecting members with community services. KDADS continued to review referral data from the MCOs by CMHC catchment area to determine whether Serious Emotional Disturbance (SED) waiver services were being applied for and provided prior to referral to PRTFs. This report of continued monitoring was also provided at the August 2-3 and October 11-12, 2023, meetings.

At the April 21, 2023, meeting, a KDADS representative stated 103 individuals (38 in foster care) were on the PRTF waitlist as of April 6, 2023; there were 392 PRTF licensed beds, and 121 of these beds were not in use due to staffing shortages and COVID-19 protocols. The census for PRTFs at that time was 271 total, of which 101 were foster care youth. It was noted the MCOs continued to make progress on connecting members to community services.

At the August 2-3, 2023, meeting, a KDADS representative stated 103 individuals (44 in foster care) were on the PRTF waitlist, noting the total was the same as the prior report, but there had been an increase of 6 in the number of those in foster care. The representative stated the PRTFs have 392 licensed beds, of which 109 were not in use due to staffing issues. The representative stated the census at that time was 283 total, of which 91 were foster care youth. It was noted KDADS continued weekly reviews with the MCOs and the Department for Children and Families regarding individual cases on the waitlist.

At the October 11-12, 2023, meeting, a KDADS representative stated 98 individuals (42 in foster care) were on the PRTF waitlist. The representative explained some PRTF beds were not being filled due to staffing shortages.

At the October 11-12, 2023, meeting, a KDADS representative provided an update on licensure inspections of PRTFs. The representative noted KDADS inspects PRTFs on an annual basis

and conducts announced on-site visits for annual licensure renewal. The Survey and Certification staff also conducts announced and unannounced on-site visits for complaint allegations and adverse incident reports.

#### *Telehealth and Wraparound Services*

At the August 2-3, 2023, meeting, a KDADS representative stated increased accessibility via telehealth is utilized by consumers in rural areas, and the Assertive Community Treatment program had been implemented across multiple counties to provide wraparound services, as well as increase contact with individuals with severe and persistent mental illness.

#### *Long Term Services and Supports*

##### *Adult Care Home Receivership*

At the February 3, 2023, meeting, a KDADS representative reviewed the 22 adult care nursing facilities in receivership and noted 1 facility remained in receivership. The representative reviewed the ARPA funding distribution process, as well as the nursing facility rate-setting contract.

At the April 21, 2023, meeting, a KDADS representative stated one nursing facility in receivership remained unresolved and for sale. It was noted two nursing facilities closed during state fiscal year (FY) 2023 Quarter 3.

At the August 2-3, 2023, meeting, a KDADS representative provided data on the Medicaid monthly caseloads and caseloads for facilities in receivership.

##### *Client Assessment Referral and Evaluation and Pre-Admission Screening and Resident Review*

At the February 3, 2023, meeting, a KDADS representative stated the 2022 Client Assessment, Referral and Evaluation (CARE) report is available for viewing. The representative noted temporary staff is being recruited to work on the Medicaid and non-Medicaid nursing facility assessments still pending data entry. The CARE backlog consists of both Level 1 and Level 2 assessments and evaluations, which are completed by a contractor. The representative stated the backlog should be manageable by June 30, 2023. It was also noted KDADS was planning an RFP for the full system, both Level 1 and 2, and should



include both CARE and Pre-Admission Screening and Resident Review (PASRR).

At the April 21, 2023, meeting, a KDADS representative stated the CARE backlog related to Medicaid eligibility applications had been resolved. The representative noted the implementation of the CARE Upload Tool, an online portal to upload documents and communicate with the CARE team. The representative stated KDADS and KDHE received CMS funding to craft an RFP for a potential electronic PASRR (ePASRR) vendor and solution.

At the August 2-3, 2023, meeting, a KDADS representative provided data on CARE inquiries created versus completed for FY 2022 and FY 2023. The representative stated the CARE backlog relating to Medicaid eligibility applications had been resolved and the CARE Upload Tool was fully implemented. The representative noted KDADS continued to have monthly meetings with stakeholders to discuss changes to the CARE Program process and obtain input from facilities.

The representative also stated KDADS and KDHE received a CMS enhanced federal match (90/10) during the planning period to draft the RFP for the potential ePASRR vendor and solution.

At the October 11-12, 2023, meeting, a KDADS representative outlined a timeline to trace the development of a CARE Project with an RFP contract award scheduled for December 2024.

#### *Dementia Services Coordinator Position*

At the April 21, 2023, meeting, a KDADS representative noted KDADS was monitoring HB 2184 regarding the provision that included state general funds to create a dementia services coordinator position. [Note: As enacted, 2023 HB 2184, an appropriations bill, did not specifically include language regarding the dementia services coordinator position, but appropriations conferees agreed to adding the position as documented in the Conference Committee Report Explanation for the bill {on p. 16}.]

At the August 2-3, 2023, meeting, a KDADS representative stated KDADS has restructured to include the Dementia Program Manager under the

Aging Services Team, as funding for the position was provided in HB 2184 (2023). It was anticipated the position would be posted in August 2023.

At the October 11-12, 2023, meeting, a KDADS representative noted KDADS had added a Dementia Services Program Manager to its staff.

#### *Fentanyl Test Strips*

At the October 11-12, 2023, meeting, a KDADS representative reviewed the process for excluding fentanyl test strips from the definition of drug paraphernalia (in enacted 2023 SB 174), a change which has allowed the state to receive a \$233,610 federal grant for fentanyl test-strip distribution.

#### *Nursing Facility Program*

At the February 3, 2023, meeting, a KDADS representative provided a list of the areas over which the Nursing Facility Program has oversight. The representative provided an update on the Nursing Facility program. The representative also provided a review of the monthly caseloads noting there had been a reduction in caseloads since FY 2013.

At the April 21, 2023, meeting, a KDADS representative presented a review of the nursing facilities' Medicaid monthly average caseloads. The representative provided a summary of the \$15 million in ARPA funds allocated by the 2022 Kansas Legislature for nursing facilities, as well as an update on the nursing facility rate-setting contract. Additionally, the representative presented a review of the intermediate care facilities with comparisons from calendar year 2022 and calendar year 2023 Quarter 1. The representative confirmed the nursing facility rate-setting contract includes rebasing and figures in actual cost. Another representative shared charts that showed the adult care home bed closures and openings over the past five years.

At the August 2-3, 2023, meeting, a KDADS representative provided data on the number and county location of nursing facilities in the state. The representative stated the new nursing facility rate-setting contract became effective July 1, 2023, and will end June 30, 2028, but includes the option of two one-year extensions. Another representative

provided data on the number of long-term facilities that have opened, changed ownership, or closed in the first two quarters of 2023 and on long-term bed closures and bed openings over the past five years. It was clarified no nursing homes that are closed retain their licenses.

At the October 11-12, 2023, meeting, a KDADS representative provided data on nursing facilities and noted no nursing facilities were closed or opened during Quarter 3 of 2023 and Case Mix Index values will vary more widely when the CMS reimbursement system changes from Resource Utilization Group to the Patient-Driven Payment Model. Another KDADS representative traced the changes regarding long-term care facility ownership, bed closures, and bed openings. A representative clarified the nursing facilities' Medicaid monthly average caseload reflects fewer patients, not fewer Medicaid beds.

#### *Program of All-Inclusive Care for the Elderly*

At the February 3, 2023, meeting, a KDADS representative provided an update on the the PACE program. The representative noted Midland PACE was collaborating with KDADS to work on expanding its services to Johnson, Miami, and Franklin counties, and KDADS was in the process of finalizing the expansion with both Midland and CMS. The representative also stated Bluestem PACE opened an alternative care setting in Hutchinson in 2021.

At the April 21, 2023, meeting, a KDADS representative noted KDADS continues to collaborate with Midland PACE to expand PACE services to Johnson, Miami, and Franklin counties. The representative acknowledged the \$2.5 million in state general funds in the FY 2024 state budget for the PACE expansion to rural areas.

At the August 2-3, 2023, meeting, a KDADS representative provided an update on the PACE program, noting that Midland PACE is working to expand into Johnson, Miami, and Franklin counties by 2024. The representative also updated the Committee on the recommendations from the National Advisory Committee on Rural Health and Human Services, chaired by former Kansas Governor Jeff Colyer, M.D., specifically as related to PACE.

#### *Promoting Excellent Alternatives in Kansas*

At the February 3, 2023, meeting, a KDADS representative stated KDADS and Kansas State University would begin Promoting Excellent Alternatives in Kansas (PEAK) on-site visits at the end of February through March 2023. The goals of the PEAK advisory group are to work on increasing input from residents and workforce support. A chart noting PEAK participation rates from 2012 to 2023 was provided.

At the April 21, 2023, meeting, a KDADS representative provided an update on the PEAK program and noted the on-site visits for FY 2023 have been completed and planning has begun for FY 2024 on-site visits. The representative shared a revised PEAK incentive grid will become effective July 1, 2023. The representative stated the goals of the PEAK advisory group this year are to work on increasing input from residents and workforce support.

At the October 11-12, 2023, meeting, a KDADS representative outlined the activities of the PEAK advisory group leadership.

#### *Ventilator Program*

At the April 21, 2023, meeting, a KDADS representative reviewed a program for persons on ventilators. The program provides extra support and funding for people on ventilators in nursing facilities.

#### *State Hospitals*

##### *Competency*

At the August 2-3, 2023, meeting, the Deputy Secretary of Hospitals and Facilities (Deputy Secretary) stated the competency and evaluation contract for western Kansas was finalized, and Wheat State Healthcare will work with mental health centers to provide competency evaluations in jails. The Deputy Secretary noted, as of the June 2023 report, 182 persons were on the waitlist for competency or restoration evaluation, and the longest wait was around 430 days.

At the October 11-12, 2023, meeting, the Deputy Secretary provided details to show how 2022 HB 2508 (now in KSA 2023 Supp. 22-3302 and 22-3303) has modified and modernized the forensic competency statutes by allowing more

flexibility in competency determinations. The Deputy Secretary noted the contract with Wheat State Healthcare coordinates competency services provided by the CMHCs. The Deputy Secretary reviewed the current budget impact from two other 2023 legislative initiatives (enacted SB 228 and HB 2184) that directed KDADS to reimburse counties for costs related to delays in admission to Larned State Hospital or Osawatomi State Hospital (OSH). The Deputy Secretary stated reimbursements to hospitals for competency hearings occur within the month received. It was clarified that \$5 million is allotted for involuntary commitment needs while waiting for transfer, but there is not a cap on reimbursement to counties for involuntary commitments held pending competency evaluations.

### *Facilities*

At the April 21, 2023, meeting, a KDADS representative reviewed the location of the adult inpatient psychiatric beds and the number of beds per location. The Secretary clarified the waitlist for admission to a state hospital varies day to day and noted, at the time, there were relatively short waiting lists at OSH and Larned State Hospital.

At the August 2-3, 2023, meeting, the Deputy Secretary reported on the number of vacancies at the four state hospitals for 2020 through July 2023, including the percentage of change in vacancies.

At the October 11-12, 2023, meeting, the Deputy Secretary provided the number of vacancies at each state hospital, alternative programs to state hospitals, and the number and occupancy of adult inpatient psychiatric beds in Kansas.

### *Osawatomi State Hospital Moratorium*

At the February 3, 2023, meeting, the Deputy Secretary provided an update on the lifting of the moratorium at OSH, and its waitlist was provided. The Deputy Secretary shared an update on the remodeling of the Biddle Building there. Updated information on those topics was provided at the April 21, 2023, meeting.

At the August 2-3, 2023, meeting, the Deputy Secretary stated OSH had not admitted any individuals on a voluntary status since January 3,

2023, as OSH continued to exceed 85 percent capacity. In the same time period, Adair Acute Care had admitted 26 individuals on a voluntary basis and had admitted 5 individuals to the Social Detox Program. The Deputy Secretary also provided the current status of the remodeling of the Biddle Building at OSH.

At the October 11-12, 2023, meeting, the Deputy Secretary stated lifting the moratorium at OSH remained on schedule.

### *Services for Incarcerated Individuals*

At the October 11-12, 2023, meeting, a KDADS representative stated that a person who is incarcerated is not eligible to receive Medicaid. Medical services including behavioral and mental health services are provided by the Kansas Department of Corrections (KDOC). The representative briefly described a relationship between KDADS and KDOC regarding intervention efforts. It was noted a person released from KDOC custody may apply for Medicaid. The representative stated KDADS works with individuals in county jails, and the CCBHCs also offer coordinated care for counties.

### *State Institution Alternatives*

At the April 21, 2023, meeting, a KDADS representative provided a list of the state institution alternatives (SIA) hospitals, noting the utilization from August 30, 2021, to April 7, 2023, was 926 adults and 1,006 children. The representative clarified SIAs cannot accept involuntary admissions.

The Secretary clarified conversations regarding involuntary admissions have not been had with the private psychiatric hospitals that are SIAs but with crisis centers that want to become crisis intervention centers. The Secretary reported the crisis intervention center regulations had been through the Department of Administration and were being reviewed by the Office of the Attorney General. The Secretary noted crisis centers in Douglas and Wyandotte counties are interested in accepting involuntary admissions upon obtaining crisis intervention center status.

At the August 2-3, 2023, meeting, the Deputy Secretary provided a list of the SIAs, including location and total beds for each location, and noted

the utilization from August 30, 2021, to July 14, 2023, was 1,167 adults and 1,099 children.

### *Workforce*

At the February 3, 2023, meeting, the Deputy Secretary discussed staffing vacancies at various staff facilities, as well as agency efforts for recruitment and retention of staff. The Deputy Secretary stated state hospitals are not closing due to staffing, but they are heavily dependent on third-party agency staffing. He noted Larned State Hospital spent \$24.4 million on contract labor through December 2022, with an additional \$4 million spent in January 2023.

At the April 21, 2023, meeting, a KDADS representative provided an update on state hospitals and reviewed various charts noting the numbers and percentages of staffing vacancies for each of the state hospitals.

At the October 11-12, 2023, meeting, the Deputy Secretary stated it is projected the State will spend \$40 million on contract labor for Larned State Hospital in FY 2024.

### ***Survey, Certification, and Credentialing***

At the February 3, 2023, meeting, a KDADS representative provided a list of the areas over which the Survey, Certification, and Credentialing Commission has oversight. The representative shared Health Occupations Credentialing was working with Stormont Vail Hospital to complete the second pilot Nurse Aide Training and Competency Evaluation Program (aide training program), and noted applications for the program had not been received from any other entities.

The representative provided an update on the Emergency Declaration waiver, which allowed certified nurse aides (CNAs) with minimal training to work in nursing facilities if the State or an individual provider could show their need through a series of qualifying criteria. It was noted this authorization ended January 23, 2023, with the expiration of the provision in 2022 HB 2477.

The representative reviewed various data points on approved classes and participation for CNAs, certified medication aides (CMAs), and home health aides (HHAs). The representative also

provided adult care home bed closures and openings from 2017 to 2021.

At the April 21, 2023, meeting, a KDADS representative stated KDADS continued to work with Stormont Vail on the aide training program and noted applications had not been received from other entities to date. It was noted the clinical rotation training on chronically ill persons for this CNA training will be completed at nursing facilities in Topeka per Stormont Vail Hospital's application request. It was stated KDADS was working with the Kansas Hospital Association to meet federal CMS requirements regarding temporary nurse aide training, which state trainees must be able to do clinical rotations in hospitals in order to complete CNA certification.

The representative also reviewed updates in the development of a shared living timeline for new providers; provided an update on CMS COVID-19 Emergency Declaration Waiver impacts regarding certification and credentialing; and noted that KDADS had met with the Kansas Council on Developmental Disabilities to review abuse, neglect, and exploitation mapping. The representative noted concerns expressed through the abuse, neglect, and exploitation hotline regarding a state hospital would be directed to KDHE, which has the responsibility to inspect state hospitals.

At the August 11-12, 2023, meeting, a KDADS representative provided data on the CNA/CMA/HHA courses, and initial certifications for CNA/CMA/HHA based on start date from mid-2020 through the second quarter of 2023.

At the October 11-12, 2023, meeting, a KDADS representative provided an update on the various nursing staff courses and certification.

### **Presentations on KanCare from Individuals, Providers, and Organization Representatives**

Written and oral testimony was presented at each quarterly Committee meeting by individuals, providers, and representatives of organizations.

Some individuals, providers, and organizations gave positive feedback for the following: the increased HCBS reimbursement rates; the changes

to the I/DD waiver; improvements to the service delivery system through the recommendation of a Community Support Waiver; increased adult dental benefits that began July 1, 2022; the assistance of the KanCare Ombudsman office with individual issues; the Workforce Incentive Program, which ended July 31, 2023; Centers for Independent Living funding increases in 2023; rate increases for certain pediatric billing codes; the continuation of payments to family caregivers; increased funding of the hourly reimbursement rate for the T1000 medical billing code; the FMAP/ARPA-funded pilot Transition from Hospital to Home; and the addition of a new Medicaid code for sedation dental access effective September 1, 2023.

Concerns and suggested solutions presented by conferees are summarized below.

### *Concerns*

**Adult care sector.** Medicaid reimbursement rates need to be increased, especially as the current KDADS FY 2024 budget proposal increase does not cover the projected inflation rate, and low reimbursement rates affect the long-term care industry's ability to provide care meeting the high standard it wants for the aging population. Supplemental staffing oversight is needed, as the costs for contracted services through staffing agencies are a significant barrier for the industry. Additional workforce issues facing the industry are development pathways, recruitment, and retention. Legislation is needed to give residents of adult residential care facilities the same rights as those enjoyed by people living in nursing homes, or who lease their home in a community, to be able to appeal any involuntary discharge.

**Backup care plan.** The HCBS population survey found one-third of surveyed consumers reported they did not have a backup care plan.

**Brain injury waiver.** There is an issue with availability of therapy due to concerns of whether individuals are timely transitioning from the waiver, as well as the availability of a qualified and appropriately compensated workforce.

**Centralized credentialing standardization.** There is a need to review how credentialing is being done and whether improvement could be made to the system.

**Community-based care management (CBCM).** CBCM is an alternative to traditional targeted case management under Medicaid. CBCM would aid in meeting the complex needs of the I/DD population, as the models would integrate all services for physical, behavioral, and age-related conditions into one service plan. Additional training may be needed for targeted case managers to integrate the model.

**Community support waiver (CSW).** It was noted the CSW differs from a comprehensive waiver in that a CSW does not usually offer "residential services" as part of the waiver. If this waiver is pursued, consider the following: give people with disabilities budget authority across services to ensure persons with I/DD and their families have full control over the services they receive, change the assessment tool from a deficit-based assessment to a strengths-based model with a focus on what individuals can do, and more clearly identify the type of support actually needed. Additional concerns were expressed about the agency's time frame to submit a 1915(c) waiver application along with the procurement of KanCare. A flexible cap for the CSW was also requested to permit a determination of how best to utilize services in a program.

**Complex rehabilitation technology.** The current reimbursement is unsustainable for providers to continue to provide complex rehabilitation technology (CRT) services to individuals utilizing state Medicaid through the Kansas Medical Assistance Program. It was noted the current Medicaid reimbursement rate is 65 percent of Medicare, and providers are unable to collect any of the secondary payment amounts through the state Medicaid system. Additionally, there have been steep increases in operating expenses due to inflation, acquisition costs and freight costs have risen significantly, and there has been no rate increase in more than ten years.

**Dental coverage in KanCare.** Dental coverage available in KanCare as the adult dental coverage or as a value-added benefit for adults was insufficient, especially for individuals who

may need dentures. It was noted that nearly one-third of older Kansans have lost six or more teeth due to tooth decay or gum disease. It was also noted tooth loss has a significant impact on health, because the inability to eat healthy foods leads to nutritional deficiencies. [Note: Denture coverage was added to the Kansas Medicaid Program effective July 1, 2023.]

**Direct support workers.** Concern was expressed about the available workforce of direct support workers, specifically the sufficiency of wages and availability of benefits.

**Durable medical equipment (DME) and CRT equipment for children.** To be eligible for a mobility device or specialized wheelchair, one must go to a seating clinic. Currently, in the Kansas City area, the sole facility with a seating clinic offers only 24 appointments per month for assessment, which has resulted in a 6-month waiting list. The system creates a significant delay in access to service and equipment. Due to the time parameters, children are growing and changing between the appointments, which results in the wrong-sized equipment being received. There is a need to address the availability of DME, as well as available alternatives if DME is not timely available.

**Elder Count.** It was requested the Governor's Conference on Aging be reestablished and an Elder Count and Long-term Care Resource Guide be re-created.

**Final Settings Rule.** Testimony was presented regarding recent security visits performed by CMS and their findings of noncompliance with the Final Settings Rule. A concern was brought forth on how congregate settings will be able to receive HCBS funds and whether the array of services available currently to the I/DD population will remain.

Additional concerns were raised regarding the Minimal Staffing Rule that will increase staffing costs in the face of workforce shortages.

**Foster homes.** How and where children with disabilities are placed in a foster home has been problematic.

**Home modifications.** Benefits available for home modifications differ depending on which HCBS waiver services an individual receives, and the process is administratively complicated.

**KanCare reprocurement.** The priorities of the members of certain populations were identified as transparency, accountability, oversight, modernization, addressing unmet system needs, and reinvestment. It was requested case management services be re-established for the Frail Elderly (FE), PD, and BI waiver populations during the reprocurement process.

**KDHE home health regulations.** The implemented policy changes have created an overwhelming financial and time burden for the industry.

**Kansas Neurological Institute.** Kansas Neurological Institute is a safety net facility where the beds are filled with the most-fragile, nonverbal, and highest-risk individuals who need 24-7 specialized care. The *Olmstead* decision has led some states to push these individuals into regulated group home settings, where many die within a few months.

**Long-term care in Kansas.** The long-term care system is collapsing under the weight of high costs and staffing issues. Since March 2020, 47 long-term-care facilities in Kansas have closed or reduced services. It was noted admissions have been reduced by some providers due to staffing issues.

**MCO care coordination model.** The HCBS population survey found HCBS consumers and caregivers expressing widespread dissatisfaction with the MCO care coordination model.

**Medicaid application processing.** Delays in the processing of Medicaid applications is impacting nursing facility reimbursement and HCBS applications. The process lacks transparency on specific applications.

**No Patient Left Alone Act (2023 HB 2264).** Concerns were expressed regarding the impact of the No Patient Left Alone Act. [Note: As enacted, 2023 HB 2264 contained amendments to the Woman’s-Right-to-Know Act and the definition of abortion and not the proposed No Patient Left Alone Act.]

**Nursing facilities.** Some areas of Kansas have become adult care home “deserts”; 17 counties have no Medicare skilled nursing homes. It was noted since 2020, 45 facilities have closed, resulting in a loss of 1,576 beds in 33 counties. Many facilities have reduced bed capacity, closed wings or units, and are limiting admissions.

**Nutritional services for older adults.** Funding for Meals on Wheels, also known as Friendship Meals, has remained flat. However, inflation has adversely impacted the cost of providing meals to older Kansans.

**Pre-Admission Screening and Resident Review (PASRR) reimbursement.** A concern was raised regarding the low reimbursement rate for the CARE Level I assessments performed for the PASRR, which required by federal law prior to nursing facility admission.

**Prior authorization.** A poll by the Kansas Hospital Association of its members on prior authorization issues indicated a majority of hospitals had a serious adverse event because of the prior authorization process, including events that involved extending a Medicaid-covered patient’s recovery time and causing a readmission stay in the hospital. Concern was expressed as to the amount of administrative time needed to resolve prior authorizations.

**Protected income limit.** There is a need to address how the PIL or spend down is calculated for individuals identified as “medically needy.”

**Rate parity on HCBS waivers.** The discrepancies between the waivers’ pay rates makes it an unequal hiring field for workers. PD and BI waivers pay the lowest rates. Rate parity may assist in reducing the direct service worker (DSW) shortage.

**Self-directed services.** Kansans with I/DD who wish to self-direct their services often utilize

one-on-one supports and services; while provider settings typically take place in a group setting (with, e.g., 3:1 staffing ratios). Providing supports with a higher reimbursement rate and higher staffing ratios means providers can offer workers a higher base pay (with benefits) than persons self-directing their supports, severely cutting into the limited available pool of direct care professionals.

A HCBS population survey found self-directed consumers assumed a lot of responsibility as employers with limited resources.

**Senior Care Act.** The maximum monthly expenditure amount has not been amended since 1996. [Note: According to the *Kansas Register*, Volume 13, No. 38, September 22, 1994, page 1429, KAR 26-8-7 was amended on November 7, 1994, to the maximum monthly expenditure amount of \$1,445.]

**Service delivery model.** The current service delivery model does not include alternatives to traditional modes of service delivery, such as shared living, which matches host homes to adults with I/DD, and remote support technology, which provides a virtual connection to a live support person through assistive technology.

**Strategic workforce plan.** Development of a strategic workforce plan is needed to address the ongoing workforce shortage.

**Supported Employment Services.** The Supported Employment Services component of the HCBS I/DD waiver is insufficient to retain professionals who specialize in job recruitment and training and to cover the additional costs associated with providing services.

**Targeted case management.** Funding is needed for community service coordination/targeted case management (TCM) for all HCBS waivers. Additionally, there is the need to rebuild and bolster the TCM workforce capacity to attract and retain talent. A further concern expressed was the need to increase TCM rates. The proposed increase in the Governor’s FY 2024 budget to increase the rate to \$54.15 per hour, although appreciated, was insufficient to achieve sustainability, and a rate of \$75per hour is needed. CMS identified a conflict of interest between TCM and Residential and Day Service providers.

**Unmet care needs.** The HCBS population survey participants widely reported unmet care needs.

**Waitlists.** The waitlists need to be addressed, as many individuals have been waiting for services for at least ten years. Parents should be able to know when their child will come off the waitlist. Funding should be increased to reduce the waitlists by 20 percent.

**Workforce.** There is a need to address and modernize the Kansas workforce that provides services to individuals with disabilities.

**Workforce infrastructure.** There is a need to expand the workforce infrastructure to increase employment for people with disabilities.

**Workforce shortages.** The key points shared from the Workforce and Long-term Care Jobs Report were the following: physically and emotionally challenging work, shrinking talent pool, low wages, competing staffing agencies, and satisfaction and quality linked with consistent staffing. Additionally, the continuing workforce shortage problem causes access-to-care issues.

The HCBS population study identified the DSW workforce shortage as the most pressing and widely reported challenge reported by study participants.

### *Recommended Solutions*

Conferees offered comments on potential solutions for the topics below.

**Adult care sector.** The recommendations to address workforce shortages made by the Workforce subgroup of the Kansas Senior Care Task Force in the 2022 Task Force Report to the Legislature should be implemented.

**Case management for FE and PD HCBS waivers.** A person-centric model of case management that is responsive to the daily needs of an individual choosing to remain in the community should be implemented.

**CHIP.** The year-specific language in the CHIP statute for the CHIP eligibility threshold should be removed.

**Centers for Independent Living.** The Legislature should consider an increase in state funding for CILs in the Department for Children and Families budget.

**Community-based services.** Incentives should be offered to KanCare recipients to utilize community-based services.

**Coverage of adult dental in Medicaid.** Coverage of dental exams and cleaning for adults should be added to KanCare.

**Direct care workers.** The following changes in policy are needed to make services more effective: allow a personal care worker and a therapist to work with an individual at the same time and eliminate the distinction between behavioral and cognitive therapy.

**Equipment for children.** The required use of a specialized seating clinic should be eliminated, and therapists who work with the individual should be allowed to make recommendations for specialized seating in collaboration with the physician and a DME/CRT provider.

**Family caregiver pay.** Parent caregiver pay should continue after the PHE ends to help address the lack of workers to provide the services needed for individuals with disabilities.

**HCBS.** The HCBS population survey recommended improving DSW wages; ensuring benefits for DSWs, including health care coverage and paid leave; providing individualized budget authority across all services for all waivers; lowering MCO care coordination case load sizes with state-set standards; and strengthening backup care plans.

**Long-term care.** The Legislature should fully fund Medicaid reimbursement rates and provider costs, reign in the restrictive labor practices of temporary staffing agencies, and focus on workforce development and workforce-friendly policies.

**Medicaid expansion.** KanCare should be expanded, as it would reduce health costs for everyone, protect Kansans from medical debt, fix low eligibility limits, and preserve and strengthen



rural health care. KanCare expansion could help address the workforce shortage by making more workers healthy enough to reenter the workforce and would make Kansas more economically competitive.

**Medicaid redetermination.** KDHE should share more data to clarify among which populations and where in Kansas the redetermination process is not proceeding as expected.

**Nursing facilities.** KDADS policy should be changed to allow two facilities to share one license and to set parameters for distance between locations and number of beds.

**Pediatric codes.** Targeted increases in covered pediatric service codes should be expanded to include sick visits and wellness vaccination.

**PIL.** The PIL for the Medically Needy Program should be increased to match 300 percent of the Supplemental Security Income (SSI) standard.

**Respite care.** The Legislature should consider an adjustment to policies to provide respite care for family members of the population dealing with dementia.

**Self-direction.** Policies should be preserved and enhanced to assure self-direction for people with disabilities as a first choice.

**Senior care.** The Legislature should consider an adjustment to the maximum monthly expenditure amount proportionate to higher operating costs and sufficient to ensure a quality workforce, and an annual adjustment for inflation.

**Supported decision making.** The Legislature should consider Kathy's Bill (2023 HB 2253) and similar legislation for supported decision making.

**Targeted case management.** The Legislature should consider an adjustment to the TCM rate during the 2024 Legislative Session.

**Universal state-funded registry for non-eligible hires.** A universal state-funded registry should be established in which each agency

publicly posts its information regarding applicants who are not eligible for hiring due to actions of abuse, neglect, exploitation, or malpractice or criminal actions.

**Vocational rehabilitation.** The Legislature should consider an adjustment to funding for vocational rehabilitation services.

**Waiver rate enhancement.** The Legislature should consider an adjustment to the Technology Assisted (TA) waiver and I/DD waiver Specialized Medical Care T1000 rate.

**Workforce infrastructure.** Agencies should be permitted to offer different hourly wages for more difficult-to-staff hours and for overtime. Additional reimbursement options should be offered to acknowledge and address staffing needs.

#### *Conferees*

Private citizens and representatives of the following organizations and providers testified or provided written-only testimony before the Committee: 3Rivers Inc. Center for Independent Living; Alliance for a Healthy Kansas; Alliance Rehab and Medical Equipment; Alzheimer's Association; Case Management Services; Center for Research on Aging and Disability Options in the University of Kansas School of Social Welfare; Impact HHA; Infant Toddler Services of Johnson County; InterHab; KanCare Advocates Network; Kansas Action for Children; Kansas Adult Care Executives; Kansas Advocates for Better Care; Kansas Association of Area Agencies on Aging and Disabilities; Kansas Association of Centers for Independent Living; Kansas Chapter of the American Academy of Pediatrics; Kansas Council on Developmental Disabilities; Kansas Hospital Association; Kansas Neurological Institute Parent Guardian Group; Kansas Health Care Association/Kansas Center for Assisted Living; LeadingAge Kansas; Maxim Healthcare; Minds Matter, LLC; NAMI Kansas; Oral Health Kansas, Inc.; Parents and Advocates; REACH Healthcare Foundation; Recover-Care Midwest; Self Advocate Coalition of Kansas; Southeast Kansas Independent Living Resource Center; and Thrive Therapy of Kansas, Wichita Area.

## **Responses from Agencies and MCOs**

Representatives of KDHE, KDADS, and the three MCOs provided responses to concerns expressed by individuals, stakeholders, and organization representatives at each Committee meeting. A spreadsheet prepared by KLRD staff was used to track issues presented to the Committee and the resolution of those concerns.

The agencies and MCOs used the spreadsheet to respond to the concerns. Each conferee concern was identified by name, the issue was noted, and the response or resolution from the agency, the MCO, or both was provided. Issues determined by the Joint Committee to have been addressed were noted as closed. The spreadsheet included carryover issues from calendar year 2022, as well as new items the Committee identified to be added to the spreadsheet.

### ***KDHE Responses***

At each meeting, a KDHE representative reviewed the agency's responses to unresolved Medicaid issues identified by conferees at previous Committee meetings.

At the February 3, 2023, meeting, the KDHE representative addressed the general issues pertaining to KDHE and provided specific updates on the following: the ability of KDHE to regulate providers' percentage of administrative overhead; BI waiver reimbursement rates; temporary staffing agencies; emergency medical services workforce shortages; the CHIP eligibility threshold error, noting the issue has been addressed through a proviso in prior years; a report from KDHE regarding existing programs for newborns and prenatal health needs of pregnant mothers; and the Secretary of Health and Environment's submitted statement regarding enforcement of the Home Health regulations, noting there is not a timeline for enforcement of the regulations, as it is at the discretion of the Secretary of Health and Environment.

The KDHE representative stated KDHE estimates it would cost \$1,712,436.19 all funds, including \$686,584.17 SGF, to add dentures, partials, and adjustments and repairs to base Medicaid coverage beginning July 1, 2023. The estimate assumes an 18 percent increase in utilization for beneficiaries age 21 and older.

At the April 21, 2023, meeting, the KDHE representative addressed the general issues pertaining to KDHE and provided specific updates on the Dental Passport; the restrictions that apply to limit internships or apprenticeships in the programs KDHE oversees; a review of centralized credentialing in Kansas, noting Kansas has never implemented centralized credentialing in Medicaid; and an update that KDHE has partnered with the OMIG to offer Medicaid fraud training to be taught by the OMIG.

At the August 2-3, 2023, meeting, the KDHE representative addressed the general issues pertaining to KDHE and provided specific updates on internships and apprenticeships available through KDHE, noting that most, if not all, internships are paid.

At the October 11-12, 2023, meeting, the KDHE representative was available for questions but noted all concerns with KDHE had been resolved at prior meetings.

### ***KDADS Responses***

At each meeting, a KDADS representative reviewed the agency's responses to unresolved Medicaid and HCBS issues identified by conferees at previous Committee meetings.

At the February 3, 2023, meeting, the KDADS representative addressed the general issues pertaining to KDADS and provided specific updates on the following: data related to psychotropic drug administration had not been compiled but would be available for future meetings; KDADS would continue to track and report data on issues raised by the Committee and submit statutorily required reports; KDADS would take under consideration the request for person-centered support systems in the KanCare procurement; KDADS was working with CMS oversight to ensure all HCBS assessments are tracked; provider capacity issues were being addressed with the MCOs, and rate increases would require additional resources; enhancements to the daily rate for BI rehabilitation services was in the Governor's Budget Recommendations; KDADS was working with national experts on the housing issues; grant funding had been researched regarding a dementia services coordinator

position; and CCBHC implementation was in progress.

At the April 21, 2023, meeting, the KDADS representative addressed the general issues pertaining to KDADS and provided specific updates on seating requirements for children; an update on the PASRR Medicaid response backlog; an overview of agency internships, apprenticeships, or both; and a review of centralized credentialing, noting legislation that had been passed on electronic credentialing.

At the August 2-3, 2023, meeting, the KDADS representative addressed the general issues pertaining to KDADS and provided specific updates on internships and apprenticeships available in KDADS and an update on Assistive Services language for inclusion in the I/DD waiver renewal application.

At the October 11-12, 2023, meeting, the KDADS representative addressed the general issues pertaining to KDADS and provided specific data regarding the BI waiver; a review of the relationship between KDADS and Sedgwick County in relation to building a regional acute adult psychiatric care facility; a review of community support as an alternative to incarceration; the adoption of language for Assistive Services to be included in the I/DD waiver renewal application, which is similar to language used for Technology First; the continued monitoring of the Kansas Assessment Management Information System to assure reports are accurate and cover all relevant recipients of waiver services; Applied Behavior Analysis (ABA) therapy; and access to respite care under the HCBS waivers.

### ***Department for Children and Families Responses***

At the August 2-3, 2023, meeting, the DCF provided a written response pertaining to phone hold times at the DCF Lenexa office.

At the October 11-12, 2023, meeting, the DCF Deputy Secretary provided an update on the phone hold times at the DCF Lenexa office and addressed concerns regarding the issue.

### ***MCO Responses***

A representative from one MCO provided responses to issues on behalf of all three MCOs at each Committee meeting.

At the February 3, 2023, meeting, the representative addressed the general issues pertaining to MCOs and provided the following responses: specific updates on prior authorizations; a request that hospitals experiencing long wait times regarding prior authorizations speak to the specific MCO so the issue may be resolved; the pre-approval process may differ on when the pre-approval occurs, as some conditions are administratively approved because they are deemed medically necessary, such as in childbirth; and advising the current standard to authorize services is 72 hours for emergent or urgent pre-authorization and 14 days if the situation is not urgent.

At the April 21, 2023, meeting, the MCO representative addressed the general issues pertaining to MCOs and reviewed centralized credentialing as a three-step process for providers. The first step is Medicaid ID enrollment, which is a centralized process. The second step is credentialing, in which documents are collected that were not provided during the enrollment process. The last step is contracting individually with each MCO. The representative noted steps two and three are not centralized.

At the August 2-3, 2023, meeting, the representative addressed the general issues pertaining to MCOs and provided specific updates regarding the number of prior authorization requests received by an MCO and the number of outright and denied admissions processed.

At the October 11-12, 2023, meeting, the representative addressed the general issues pertaining to MCOs and provided specific information on the BI population in each MCO.

### ***MCO Updates***

Representatives of all three MCOs provided testimony highlighting their programs at each Committee meeting.

### ***Aetna Better Health of Kansas***

At the February 3, 2023, meeting, the Aetna Better Health of Kansas (Aetna) representative provided an update on its programs and services and shared a member success story. The representative reviewed the value-added benefits offered by Aetna and the utilization rates. The representative reviewed the language line services available to Aetna members. It was noted the language services are available with a live person 24/7 by phone for multiple languages. The representative shared various community events Aetna leadership and staff had recently participated in, as well as upcoming events.

At the April 21, 2023, meeting, the Aetna representative provided an update on the pregnancy programs offered to members. Baby Talk is a prenatal education program that complements prenatal care for those who are less than 32 weeks pregnant that expanded statewide in 2023. Maternity Matters identifies and assesses pregnancy risks for all expecting members using Aetna's advanced analytics. A review of the three levels of case management identifying and supporting vulnerable members was presented. Data were provided on the impact of Aetna's case management on maternity members. The representative shared maternal mortality rates and noted opioid use is a contributing factor in maternal deaths. The representative reviewed the value-added benefits Aetna designed to impact maternity and provided a review of upcoming community events. The representative addressed questions regarding dual eligibility for Medicare and Medicaid.

At the August 2-3, 2023, meeting, the Aetna representative introduced an Aetna member who shared life experience and the support received from Aetna that has helped them attain their current lifestyle.

The Aetna representative provided an update of the organization and an overview of Aetna's partnership with Careforth; information regarding the model of care and caregiver experience; a review of Aetna's involvement with its members to assist in redetermination; and a chart with the upcoming Aetna community events.

At the October 11-12, 2023, meeting, the Aetna representative introduced an Aetna corporate partner who reviewed the online mental health and well-being support program, Kooth. Kooth is available to Aetna members, and the goal is to provide early intervention for youth mental health issues. The program was described as a personalized, proactive, and accessible digital support system that focuses on self-help. The partner representative reviewed the cost-benefit, outcomes, and impact of the program that includes chat-based counseling by licensed counselors and a data-governance framework. The representative noted the app is used more at home than at school.

### ***Sunflower Health Plan***

At the February 3, 2023, meeting, the Sunflower Health Plan (Sunflower) representative provided an update on its programs and services and shared a member success story. The representative reviewed the value-added benefits offered by Sunflower and the utilization rates. The representative reviewed the interpreter services that are available 24/7 to members and provided information on the Sequential Intercept Model for individuals with I/DD or other cognitive impairments.

The Sunflower representative reviewed three programs offered by Sunflower: the Start Smart for Your Baby program, stating the program reduces the rate of low birth weight deliveries in the Medicaid population; the Caregiving Collaborations program, for which the purpose is to improve the caregivers' quality of life and give them the extra support needed as they assist others; and the My Health Pays reward program.

At the April 21, 2023, meeting, the Sunflower representative provided an update on its programs and services. The representative stated Sunflower has partnered with KDADS and with Shared Living providers to develop a high quality Shared Living program. Sunflower brought the Strong Youth-Strong Communities (SYSC) program to its members. SYSC brings teens together to learn life and leadership skills that help unlock their potential, noting professional members of the Professional Football Hall of Fame host SYSC summits and share their personal stories of challenges and obstacles. The representative also stated Sunflower has provided training to KIDS TLC (a psychiatric residential treatment provider)

staff on processes, best practices, and how the two groups can jointly collaborate. Another representative addressed questions regarding dual eligibility for Medicare and Medicaid.

At the August 2-3, 2023, meeting, the Sunflower representative provided an update on its programs and services and described an example of how Sunflower services had assisted a participant. The representative reviewed an upcoming community event with other MCOs and Swope Health; presented a review of Sunflower's partnerships with federally qualified health centers; and shared the results of the 2022 Long Term Services and Supports Member Satisfaction Survey.

At the October 11-12, 2023, meeting, the Sunflower representative reviewed supports offered by Sunflower to its members. The representative reviewed a partnership with InterHab and the importance of direct-support care. Recent community activities were also reviewed.

### ***UnitedHealthcare Community Plan***

At the February 3, 2023, meeting, the United Healthcare Community Plan (UHC) representative provided an update on Mental Health First Aid (MHFA). MHFA is an evidence-based training program administered by the National Council for Mental Wellbeing that teaches individuals how to identify, understand, and respond to signs of mental illness. The program provides the skills to reach and provide initial health care and support to someone who may be developing a mental health or substance use challenge or experiencing a crisis.

At the April 21, 2023, meeting, the UHC representative provided an update on UHC's efforts to assist in KanCare renewals. The representative noted the challenges associated with the redetermination due to members' lack of awareness; outdated addresses for members; the large volume of applications; and language, equity, and literacy barriers. The representative shared UHC has collaborated with KDHE to provide members with information and shared examples of literature to inform members about the redetermination process in various languages. Another UHC representative addressed questions

regarding dual eligibility for Medicare and Medicaid.

At the August 2-3, 2023, meeting, the UHC representative provided an update on MHFA for Kansas barbers and stylists. The representative explained MHFA is a grassroots movement that identified barber shops and beauty shops as open and comfortable settings; therefore, they are an "ideal setting for therapy." The representative also noted more than 2.6 million people across the United States have been trained in MHFA and, since the program was founded in 2016, 600 barbers in 35 cities and 14 states had been certified. The representative stated the MHFA program is available to all licensed cosmetology schools in Kansas, noting it is a three-day training program.

At the October 11-12, 2023, meeting, the UHC representative reviewed value-added benefits, noting a mobility collaborative in Johnson County to provide employment support for members through transportation services and education services to prepare for a GED, learn computer coding, or develop resume-writing skills.

### **Kansas Behavior Supports**

At the April 21, 2023, meeting, a representative of Kansas Behavior Supports provided testimony regarding ABA therapy. The representative stated Kansas Behavior Supports provides home-based services throughout Kansas and serves serves 90 children in Kansas with autism. The representative noted there is a two-year wait for ABA services in Kansas. The representative requested an increase in the ABA reimbursement rates, as there are multiple challenges when providing services, and Kansas rates are the lowest among surrounding states. The representative noted specifically that current rates are not sufficient to cover overhead costs.

### **The Transformative Impacts of Aging in Kansas and America**

At the August 2-3, 2023, meeting, the Director of the Landon Center on Aging, University of Kansas School of Medicine (Director, in this section) presented testimony regarding the Transformative Impacts of Aging in Kansas and America. The Director noted 17 percent of Kansas' population is 65 or older, 40 percent of

individuals in hospitals are 65 or older, and 50 percent of individuals older than 85 have reduced cognition or are frail. The Director defined healthspan as “the number of years lived in a healthy, vital, and functionally capable state with a good quality of life.” The Director stated the issue is that a person’s lifespan might far exceed their healthspan. The goal is to prolong the healthspan for a greater portion of life by preventing, treating, or even reversing diseases associated with older age.

The Director also provided data reflecting the population changes from 1900 to 2020 and projecting what the population will look like in 2040; noting by 2030, the U.S. population of individuals 65 or older will double to more than 70 million. He noted the number of individuals 85 or older will increase five-fold to 18 million by 2050 and stated centenarians are the fastest-growing age group, with a projection of 1 million by 2050. He noted 61 percent of the top 5 percent of Medicare spenders with chronic conditions and functional limitations are seniors and eligible for both Medicare and Medicaid.

The Director stated the aging population is transforming the U.S. health care system and affecting nursing homes, long-term-care facilities, and hospitals. He stated that at age 65, people can now expect to live another 15 to 20 years on average, and a person’s health status during that time is of great importance. The Director reviewed two frameworks on aging and highlighted that the activities of daily living have a large influence on healthspan as one ages.

### **Wamego Hospital Geriatric Emergency Department Accreditation Process**

At the August 2-3, 2023, meeting, representatives of the Wamego Health Center presented on the process the health center followed and was following regarding the Geriatric Emergency Department accreditation. The representative stated the purpose of the American College of Emergency Physicians Geriatric Emergency Department Guidelines is to provide a standard that can effectively improve the care of the geriatric population and is feasible to implement in the Emergency Department. He stated the purpose of the Geriatric Emergency Department is to recognize those patients who will

benefit from inpatient care and to effectively implement outpatient care to those who do not.

The representative identified three tiers in the process, noting the health center has achieved the first tier and was scheduled to continue their efforts to move to the top tier of accreditation, especially as the reward is higher quality of care and safety for patients.

### **Corterra Healthcare Geriatric Psychiatric Hospital Accreditation Process**

At the August 2-3, 2023, meeting, representatives of the Corterra Healthcare Geriatric Psychiatric Hospital (Corterra Healthcare) presented information on the population the hospital serves: people ages 55 and older, with the majority coming from senior living facilities. Individuals must go through a process to ensure they meet the criteria to be admitted into the hospital. The representative stated the hospital is designed to stabilize senior patients experiencing mental health crisis, with an objective of them returning to the community or previous level of living.

The Corterra Healthcare representatives reviewed the accreditation and licensing process and stated the license process is in coordination with KDADS. KDHE will perform the CMS certification process. They stated Corterra Healthcare plans to seek accreditation by The Joint Commission, with KDHE overseeing that process.

The Corterra Healthcare representatives discussed the growing urgency to address senior behavioral health care that burdens many and impacts everyone. The representatives provided data on the prevalence of adult mental illness, thoughts of suicide, and reports of unmet needs by adults with any mental illness in Kansas as compared with the nation and noted an estimated 1.5 million Kansans live in areas underserved for mental health, known as mental health shortage areas.

### **Palliative Care**

At the August 2-3, 2023, meeting, a presentation on palliative care was given by representatives of the Palliative Care and Quality of Life Interdisciplinary Advisory Council

(Council). Palliative care is defined as “the comprehensive, interdisciplinary care for patients living with serious, potentially life-threatening or life-limiting conditions, with the goal of improving the quality of life for both the patient and the family.” The representatives noted Kansas ranks last in its region and 42nd out of 51 states and the District of Columbia regarding access to palliative care. The representative also noted that in 2021, only 3.6 percent of Kansans had received palliative care.

The Council representative stated palliative care focuses on relieving the symptoms and stress of serious illness, ideally along with curative treatment. Two priority areas of focus were noted: access, and education and workforce training. Access includes broadened access to telehealth, an increase in the number of certified palliative care clinicians, enhanced reimbursement, and the development of a task force to determine feasibility of statewide assessment to understand the magnitude of seriously ill populations for appropriate resource allocation.

The Council representative provided recommendations to address the priority focus areas and noted the use of Project ECHO (Extension for Community Healthcare Outcomes) as a means to deliver continuing medical education. The representative clarified there needs to be more information provided for specialty certifications, such as palliative care, as well as a need for funding for ECHO training and for reimbursement for the entire interdisciplinary team.

The Council representatives provided data regarding palliative care workforce shortages specific to health care providers certified in palliative care. Statewide distribution of these providers accentuates the workforce shortage. The representative noted the issue is dire in rural and frontier regions, and reliance on primary care and frontline providers is necessary to meet immediate needs. The representatives stated these providers need additional training, education, and access to subspecialty care, noting the majority of care is provided by unpaid family caregivers.

The Council representative stated the five-year Kansas Palliative Care State Plan was approved on January 25, 2023. The representative stated

approximately 20 studies indicate a direct cost savings of about \$600 per patient per day. She noted there is a reduced need for hospital stays and emergency room visits, especially intensive care unit stays during the end of life.

### **Alzheimer’s in Kansas: The Current Landscape and Future Implications**

At the August 2-3, 2023, meeting, a presentation on Alzheimer’s in Kansas was given by a representative of the University of Kansas Alzheimer’s Disease Research Center (ADRC). The ADRC is one of 33 nationally designated Alzheimer’s Disease Research Centers in the country. Its research focuses are prevention and delay of onset, diagnostics, delay of disease progression, treatment, and access to support. Its care and support focuses are the memory clinic, growing the capacity of providers to address dementia, the Cognitive Care network of providers, and support groups. Its education focus is on providers, other health professionals, I/DD professionals and communities, and the general community. The representative noted 6.7 million Americans of all ages are living with Alzheimer’s, including 1 in 10 individuals age 65 and older and 1 in 3 age 85 and older. She stated 60,000 Kansas are living with the disease. Of the more than 100,000 family caregivers, 60 percent are employed.

The ADRC representative stated Kansas is one of 20 states identified as a “dementia neurology desert.” There are 20 geriatricians in Kansas and fewer than 20 certified geriatric psychiatrists. A review of the current cognitive screening tools, as well as the common detection practice, was provided, noting the challenges in early detection. Early detection is important, as it creates opportunities to possibly slow the advancement of the disease.

An overview of the Cognitive Care Network was provided, and it was noted the network has a significant impact in rural areas. The representative provided information regarding the movie “Why,” which deals with reducing the stigma surrounding Alzheimer’s. Screenings of the movie were scheduled throughout the state, to build community capacity and understanding about the subject.

## **Health Care Labor Workforce**

At the August 2-3, 2023, meeting, a presentation on the Health Care Labor Workforce was given by an economist from the Kansas Department of Labor – Labor Information Center. The representative stated the health care workforce can be broken down into three primary industries: ambulatory health care services, hospitals, and nursing and residential care facilities.

The presentation reviewed the industry groups, the projected growth in each occupation, median wages by metropolitan area, and the regional impact. The presentation focused on the most in-demand health care occupations in the state: registered nurses, nursing assistants, home health and personal care aides, and licensed practical and licensed vocational nurses. The representative noted data is gathered beyond wages, but it is difficult to use because there are variables, such as part-time versus full-time, that cannot be clearly quantified.

## **Health Professional Shortage Areas**

At the August 2-3, 2023, meeting, a presentation on health professional shortage areas (HPSAs) was provided by the Coordinator of the Office of Primary Care and Rural Health, KDHE (State Office). The State Office helps Kansas rural and medically underserved communities in building sustainable access to quality, patient-centered primary health care services.

The presentation reviewed HPSA designations that identify areas, population groups, or facilities within the United States that are experiencing a shortage of health care professionals. State and federal agencies use HPSAs to prioritize and direct limited resources to areas with unmet primary, dental, and mental health care needs. The representative stated the State Office is responsible for the collection of information from health care professionals used in the population-to-professional ratios. The presentation provided a review of contributing factors used in HPSA determinations and the rules for population group HPSAs.

The presentation included a review of health care vacancies and turnover in Kansas, stating the largest numbers of job openings through 2028 are projected to be for registered nurses, CNAs, and

HHAs. Also included were a review of the Kansas State Loan Repayment Program and the Nurse Corps Loan Repayment Program. It was noted separate state funding and legislation would be required to create a state loan repayment program for social workers or other professionals.

## **Health Care Long-Term Care Workforce Project**

At the August 2-3, 2023, meeting, a representative of The Council of State Governments provided a presentation on its Long-Term Care Workforce Project. The representative stated the focus areas of the project are optimizing ARPA funding for Long Term Services and Supports and HCBS, promoting economic recovery by revitalizing the direct-care workforce and supporting family caregivers, and addressing state regulation of providers and services as states continue to recover from the COVID-19 pandemic. The representative presented information regarding the challenges felt by the direct-care workforce and family caregivers, as well as state strategies to assist in this area. He provided an overview of the Long-Term Care Workforce Network and noted a National Online Resource Center is being built, and the Council of State Governments provides technical assistance site visits to states.

## **Health Care Caregiver Workforce**

At the August 2-3, 2023, meeting, a presentation on family caregivers was given by a representative of AARP Kansas. The representative reviewed the role of caregivers, noting many are unpaid family caregivers who provide services ranging from daily living activities to complex medical and nursing tasks. The representative provided a list of recommendations to support unpaid family caregivers, as well as supporting documents regarding the value of family caregivers.

## **KanCare Reprocurement**

At the October 11-12, 2023, meeting, the Secretary of Administration noted the expiration of the MCO contracts on December 31, 2024, and reviewed the procurement process for a new contract. The RFP was posted in October 2023, and the bid closing date is January 4, 2024. After an extended evaluation of the bids, the negotiation



of a contract will begin, and the planned date for a contract is March 22, 2024. Implementation and readiness reviews will occur after the contract is signed, and the go-live date is January 1, 2025. Both the Secretary of Administration and Secretary of Health and Environment responded to questions from Committee members.

The Secretary of Health and Environment confirmed the move from the 1115 waiver to the 1915(b) waiver will occur in 2024, noting the new contracts will not be under the present waivers.

It was noted the RFP requires the core team for each MCO to have an office near Topeka, and other offices may be located across the state. The RFP also includes performance measures that focus on quality more than quantity. The RFP identifies dedicated resources that are to be allocated to monitor performance measures. It was also noted the RFP focuses on the whole-person-support model for medical services, and behavioral health is included in the integrated health-care model.

The Secretaries addressed various questions on financing and stated the following: a bond amount is included in the RFP; proprietary information is not made public; the costs for the new contracts have not been determined; and capitation rates and case loads are both considered in building a rate structure.

### **What States Are Doing on Mental Health**

At the October 11-12, 2023, meeting, a fellow from the Mercatus Center, George Mason University, presented a synopsis of various paths states are choosing regarding mental health care in areas such as expanding prescriptive authority for various health professionals, telehealth, and using CCBHCs.

### **Status of 2020 and 2021 Recommendations on Kansas Mental Health Modernization and Reform Recommendations**

At the October 11-12, 2023, meeting, a representative of DCF and a representative of the Office of Judicial Administration (OJA) provided an update to the 2022 spreadsheet of the recommendations from the 2020 and 2021 Special Committee on Kansas Mental Health Modernization and Reform pertaining to their

respective agency or department. [*Note: KLRD staff provided the original spreadsheet at the September 26-27, 2022, Committee meeting.*]

The OJA representative noted the recommendation of the 2021 Kansas Mental Health Modernization and Reform Commission to establish specialty courts to allow *ex parte* communication directly to a judge by a probation officer or treatment provider. The OJA representative reported from 2009 through 2021, rules and regulations were promulgated to establish standards and administration of specialty courts in Kansas. The OJA representative also referenced a multi-branch community of practice delegation embracing the three branches of state government created to reduce barriers and offer supports for the Kansas mental health system, with 15 of the 31 judicial districts participating

The DCF representative reported that in FY 2023, DCF added funding for an additional full-time position for each child placing agency to augment recruitment for new licensed foster homes. The agency also launched a financial framework to create a network of providers to reserve beds for emergency placement of a foster child and created programs for supplemental training. The DCF representative traced the agency's response to 2023 HB 2021 by adding a definition of "behavioral health crisis" to the Child In Need of Care Code. The agency is working with the Kansas Department of Corrections (KDOC) to allow community supervision resources for juvenile offenders. DCF and KDOC regularly share data for management information, and DCF also actively participates in the Mental Health Intervention Team (MHIT) program. The representative commented on other pertinent DCF programs: implementation of a pilot Parent/Youth Facilitation Program in Saline and Wyandotte Counties for students at risk of truancy; expansion of Multisystem Treatment (MST) statewide to prevent a child from going to foster care; planning for additional Functional Family Therapy intervention teams with KDOC; and creation of Children's Behavior Interventionist services with Medicaid funding for youth ages 3-20; and use of a Team Decision Making tool as used in Iowa regarding foster care needs.

## CONCLUSIONS AND RECOMMENDATIONS

At its meeting on October 11-12, 2023, Committee members discussed their conclusions and recommendations to the 2023 Legislature.

The Committee recommends:

- KDADS report to the 2024 Legislature and the Committee on mobile competency pilot projects, including input from representatives from the counties participating in the pilot projects on best practices for outpatient forensic competency evaluation and treatment;
- KDADS and the CCBHCs report to the 2024 Legislature and the Committee on the availability of crisis services or other community-based services that could be provided to patients waiting in emergency departments, acute in-patient hospitals, or other settings for admission to a state hospital or state Institution alternative hospital;
- If there is a report from the Special Committee on Child Care Centers and Child Care Homes to the 2024 Legislature, the report should also be directed to the Committee and presented at the next available quarterly meeting after the report is published;
- The CHIP eligibility income guidelines be amended in statute, as currently described in 2023 HB 2050;
- The House Social Services Budget Committee work with KDHE and stakeholders to include coverage for adult dental examinations and cleanings in KanCare;
- The Elder Count and Long Term Care Resource Guide be updated, maintained, and made available to the public digitally; and
- The Community Support Waiver be implemented.



## APPENDIX A

### ROBERT G. (BOB) BETHELL JOINT COMMITTEE ON HOME AND COMMUNITY BASED SERVICES AND KANCARE OVERSIGHT

#### Annual Report for the 2024 Legislative Session

The Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight is charged by statute to submit an annual written report on the statewide system for long-term care services to the President of the Senate and the Speaker of the House of Representatives at the start of each regular legislative session. The authorizing statute (KSA 2022 Supp. 39-7,159) creating a comprehensive and coordinated statewide system for long-term care services became effective July 1, 2008.

The Joint Committee's annual report is to be based on information submitted quarterly to the Joint Committee by the Secretary for Aging and Disability Services. The annual report is to provide:

- The number of individuals transferred from state or private institutions to home and community based services (HCBS), including the average daily census in state institutions and long-term-care facilities;
- The savings resulting from the transfer of individuals to HCBS as certified by the Secretary for Aging and Disability Services; and
- The current balance in the Home and Community Based Services Savings Fund.

The following tables and accompanying explanations are provided in response to the Joint Committee's statutory charge.

#### **Number of Individuals Transferred from State or Private Institutions to HCBS, including the Average Daily Census in State Institutions and Long-term Care Facilities**

Number of individuals Transferred—The following summarizes the number of individuals transferred from intellectual/developmental disability (I/DD) institutional settings into HCBS during state fiscal year (FY) 2023, together with the number of individuals added to HCBS due to crisis or other eligible program movement during FY 2023. The following abbreviations are used in the table:

- ICF/IDD — Intermediate Care Facility for Individuals with Developmental Disabilities; and
- FY — State Fiscal Year.

<b>I/DD INSTITUTIONAL SETTINGS AND WAIVER SERVICES*</b>	
Private ICFs/IDD: Average Monthly Caseload FY 2023	39
State I/DD Hospitals: Average Monthly Caseload FY 2023	268
I/DD Waiver Community Services: Average Monthly Caseload FY 2023	9018
*Monthly averages are based upon program eligibility. Sources: FY 2023—Medicaid eligibility data as of October 2023. The data include people coded as eligible for services or temporarily eligible.	

The following summarizes the average monthly caseload. These additional abbreviations are used in the table:

- FE — Frail Elderly waiver;
- PD — Physical Disability waiver; and
- BI — Brain Injury waiver.

<b>FE / PD / BI INSTITUTIONAL SETTINGS AND WAIVER SERVICES*</b>	
Nursing Facilities: Average Monthly Caseload FY 2023	9027
Head Injury Rehabilitation Facility: Average Monthly Caseload FY 2023	45
FE Waiver: Average Monthly Caseload FY 2023	6707
PD Waiver: Average Monthly Caseload FY 2023	6055
BI Waiver: Average Monthly Caseload FY 2023	932
*Monthly averages are based upon program eligibility. Sources: FY 2023—Medicaid eligibility data as of October, 2023. The data include people coded as eligible for services or temporarily eligible.	

## **AVERAGE DAILY CENSUS IN STATE INSTITUTIONS AND LONG-TERM CARE FACILITIES**

### **KANSAS NEUROLOGICAL INSTITUTE: AVERAGE DAILY CENSUS**

FY 2016 – 141  
FY 2017 – 142  
FY 2018 – 140  
FY 2019 – 138  
FY 2020 – 132  
FY 2021 – 126  
FY 2022 – 126  
FY 2023 – 126

### **PARSONS STATE HOSPITAL AND TRAINING CENTER: AVERAGE DAILY CENSUS**

FY 2016 – 163  
FY 2017 – 159  
FY 2018 – 160

FY 2019 – 162  
FY 2020 – 157  
FY 2021 – 151  
FY 2022 – 149  
FY 2023 – 147

**PRIVATE ICFs/IDD: MONTHLY AVERAGE\***

FY 2016 – 137  
FY 2017 – 133  
FY 2018 – 137  
FY 2019 – 119  
FY 2020 – 110  
FY 2021 – 103  
FY 2022 – 44  
FY 2023 – 39

**NURSING FACILITIES: MONTHLY AVERAGE\***

FY 2016 – 10,235  
FY 2017 – 10,047  
FY 2018 – 10,049  
FY 2019 – 10,226  
FY 2020 – 10,500  
FY 2021 – 9,571  
FY 2022 – 9,049  
FY 2023 – 9,027

\*Monthly averages are based upon Medicaid eligibility data.

**Savings Resulting from the Transfer of Individuals to HCBS**

In most, but not all cases, services provided in the community do cost less than those provided in an institutional setting, such as an ICF/IDD or a nursing facility. However, “savings” are realized only if a bed is closed behind the person transferring to HCBS. Due to demand, beds are typically refilled by individuals requiring the level of care provided by the facilities; therefore, the beds are not closed.

As certified by the Secretary for Aging and Disability Services, despite individuals moving into community settings, which does have the effect of cost avoidance, the savings resulting from moving the individuals to HCBS during the preceding 12 months, as of September 30, 2023, was \$0.

**Balance in the KDADS Home and Community Based Services Savings Fund**

The balance in the Kansas Department for Aging and Disability Services Home and Community Based Services Savings Fund as of September 30, 2023, was \$0.