



To: Members of the Robert G. (Bob) Bethell Joint Committee on KanCare Oversight
From: Kayla Brown, Administrator
Date: February 15th, 2019

Medicaid Eligibility Issues

Thank you, Chairman, and Members of the Committee. I am Kayla Brown, Administrator of Anthony Community Care Center. Anthony Community Care Center is located in Anthony, Kansas in Harper County. Anthony Community Care Center is a 40-bed not-for-profit non-tax supported long-term care nursing home. In 2000, the City of Anthony helped a group of individuals purchase Anthony Community Care Center when it was on the verge of being shut down in a week. Over the years, Anthony Community Care Center was able to pay the city back and is now owned by the citizens of Anthony. Anthony Community Care Center is a stand-alone nursing home. Currently, Anthony Community Care Center is called home by 30 elders. Our current Medicaid occupancy rate is 62%.

Since 2016, Anthony Community Care Center has really struggled financially due to the hardship that Medicaid eligibility delays have put on us. When the application approval process was handed from the Department of Children and Families to Maximus the challenges really started for us. Providers went from having a place where family members could go and fill out the Medicaid application and get their questions answered to just having a call center to call and not getting their phone calls returned or getting several different answers to the same question. Applications would get approved around 45 days to some applications taking 18 months or longer to get approved with Maximus.

Over the last three years, applications have taken as long as 18 months to be approved. We have two applications from January of 2017 that took 18 months to get approved. These applications were regularly denied, and the family had to go and make arrangements for some life insurance at the funeral home. Then when the applications were resubmitted it still took a while to get them approved. Currently, there is a total of \$63,337.00 of back pay due for these two applications. We have these applications at a \$0 liability so that they can make payments towards this balance but there is no guarantee that we will get the full amount paid off. This back pay is due to the fact that while the applications were pending, the elders had other bills including medications that had to be paid for therefore they were unable to pay Anthony Community Care Center any room and board.

Another case took 18 months to get approved and by the time it was approved we were over the allowable time frame for filing claims, we will be writing off \$13,546.54 because the managed care company would not pay back the claims that were over 12 months old. We fought this rule considering the approval had

just happened, but never got anywhere with it. Therefore, that is why we will be writing off the amount that was owed by Medicaid.

Anthony Community Care Center will be writing off \$97,489.11 for all last three years of Medicaid applications that were not approved in a timely fashion and the elders passed. We will never see any of this money in the future. When an application is still in the process of being approved and the elder passes those applications are denied. Therefore, Anthony Community Care Center is left with a bill that does not get paid.

It would be great if there was a place that families could go to get help with their applications or a place, they could call with questions that will actually return the phone call. I personally called KanCare three times in the last four weeks and have yet to receive a call back. Training is a huge issue not just with the State but also for the communities to help their families with the application process.

The hardship on the residents is that due to no having these applications approved, we have had to limit our outings that we do with the residents. We just do not have the funds to be able to spend \$200 to \$300 on an outing to Wichita without struggling to pay the bills. We have had to get creative when it comes to the times that we do around the nursing home. We aren't able to keep equipment as up to date as we would like due to this. We currently could use a new call light system costing around \$30,000 but we are unable to purchase it due to the lack of funds.

Another drawback of the Medicaid Eligibility issues is that as of July 2018, Anthony Community Care Center is no longer accepting elders if they are Medicaid pending. This means that we are having to turn away elders if they have not already been approved by Medicaid. This has been very hard for our community. There are been several times that we have had to turn away elders due to this and their families have had to place them in another nursing home that could be anywhere from 20 to 30 minutes away from Anthony. We also had to turn away a spouse of one of our current residents due to this hardship. Anthony Community Care Center is not able to care for the elders in our community because we cannot continue to care for elders for free.

The hardship that this has had on Anthony Community Care Center is enormous. Due to the amount of applications that Anthony Community Care Center had pending, we had to go to the bank and ask for a line of credit of \$100,000 to be about to make payroll and pay bills. We were able to pay some of that back but then had to use the remained of the line of credit plus another \$20,000 line of credit to make payroll and pay bills again. At this time, we currently have \$120,000 in debt due to pending applications not being approved in a timely manner.

In closing, if the Medicaid eligibility issues do not improve quickly then Anthony Community Care Center could have to close their doors. We will not be about to continue to keep the doors open if applications are not approved faster. If we have to close then we will be misplacing 30 elders along with 40 to 45 employees will be looking for new jobs. Please help us keep serving the elders of Anthony!

Thank you for your time.

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