



To: Representative Brenda Landwehr, Chair and Members, Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight

From: Rachel Monger, Chief Advocacy Officer, LeadingAge Kansas

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LeadingAge Kansas is the state association for not-for-profit and faith-based aging services. We have 160 member organizations across Kansas, which include not-for-profit nursing homes, retirement communities, hospital long-term care units, assisted living, homes plus, senior housing, low-income housing, home health agencies, home and community-based service programs, PACE and Meals on Wheels. Our members serve more than 25,000 older Kansans each day and employ more than 20,000 people across the state.

CARE Scores and Medicaid Eligibility Delays

As you will hear from other provider associations, we are experiencing significant delays in the State processing CARE scores, which in turn has caused significant delays in Medicaid eligibility processing and Medicaid payments.

At a time when nursing homes are struggling under the heavy burden of workforce shortages and increased costs, any delay in Medicaid payments is extremely painful to our providers. We continue to hear from our members about the hardship these delays are causing when they are struggling to keep up with their payroll and other bills.

We want to thank staff and leaders at KDADS for being transparent about the delays, and the steps they are taking to solve the issues causing it. The agency has been very helpful in responding to member concerns, joining our member calls to provide information, and answering provider questions.

As KDADS works to resolve these delays we ask that the legislature assist us in keeping a watchful eye on the issue, and to provide any needed support to the agency as they work on improving and modernizing their processes.

Continuing Workforce Crisis

Over the last three years, long term care has faced an ever-deepening workforce crisis. Unlike other employers struggling with worker shortages, long term care does not have the option of cutting hours or hanging up a "closed" sign on the door. They are 24/7 businesses with

thousands of resident lives on the line. And they are in desperate need of help. Over the last year we have continued to survey our long term care providers in Kansas and the responses all over the state were the same: *Our long term care system is collapsing under the weight of high costs and low staff. It is hurting the quality and availability of services in our communities, and we are struggling to find solutions.*

Quotes from providers all over Kansas on Senior Care Workforce Shortages

“We've gone for months without applicants. LPNs and RNs in particular. Opening in dining services, and gone for weeks without applications. So, it puts us in a really difficult position, being able to serve the needs of the residents. I've been here since 2008, and this is the worst I've ever seen it.” -- **Hesston, KS**

“We had to close one of our units because we didn't have enough staff. That was 35 beds we had to take offline. Right now 20 of our 51 CNA positions are open, and they have been for most of the year. This workforce crisis really is like 'pandemic 2.0.'” -- **Olathe, KS**

“It's kind of a vicious cycle right now, where we don't have the staff to serve as many people as we need to be able to afford to recruit and retain more staff. It's unsustainable.” -- **Lawrence, KS**

“On both our long-term care side and our home health side the story is the same, we don't have the staff to match the current level of demand, and we can't meet the demand without more staff. Especially on the home health side of our business, there's lots of people just not getting the services they need, and we don't have the staff to take them on as clients.” -- **Ness City, KS**

“We simply cannot afford to keep going on like this. I was paying \$70,000 a month for temporary staff, and that meant we were dipping into our reserves to stay open. If something isn't done, we're not going to survive this.” -- **La Crosse, KS**

“Costs are a huge deal for us, both labor costs and otherwise. We recently got into a bidding war with the local hospital over staff, and stuff like that is driving our costs way up.” -- **Sabetha, KS**

How Policymakers Can Help

- **Fully Funding Medicaid Reimbursement Rates** - Last legislative session, policymakers approved a new Medicaid reimbursement rate which was extremely helpful, but our Medicaid system still does not fully cover the cost of care. A provider in Lindsborg, Kansas, for example, has calculated that their cost for care of 70% of their residents who use Medicaid are \$50 more a day than their reimbursement rate. That provider draws down reserve funds raised from the faith community in their area to cover the daily deficit but says this is unsustainable.

- **Reign in the Price Gouging and Restrictive Labor Practices of Temporary Staffing Agencies** – We need accountability for healthcare staffing agencies who continue to charge Medicaid providers more than triple the going wage for essential healthcare workers during a horrendous workforce shortage and frequently restrict workers freedom to join a provider full-time. Without new oversight and reforms, the out-of-control costs and restrictive practices of temporary staffing agencies will continue to drain taxpayer dollars and the assets of elderly people in Kansas, while delivering inferior care compared to full-time

mission-driven staff and further destabilizing a healthcare system in crisis.

- **Focus on Workforce Development and Workforce-Friendly Policies** – Long term care providers need the legislature’s help to invest in more workforce-friendly initiatives such as expansion of health care training programs, tuition assistance, childcare assistance and investment in rural communities and infrastructure, while also removing unnecessary regulatory barriers that may hinder the expansion of health care services, childcare services and worker certification and licensure programs.

We appreciate your time and your support, as always, and are available to answer any questions you may have.