

**Kansas Department for Aging and Disability Services
Budget FY '23**

1. Add \$1.9 mill (SGF) to reimburse Mirror Inc. for opioid use treatment.
2. Language to KDADS to certify CMHCs to CCBHCS based on readiness rather than a statutory schedule.

**Kansas Department for Aging and Disability Services
Budget FY '24
Money**

2. Add \$400,00 (SGF) for sustainable operating support to Envision to support their families, program, and advocacy efforts for blind or visually impaired children.
 - Early Childhood education through the Cathy G. Hudson Envision Child Development Center, which opened in July 2010.
 - This helps the children and their families find “normal” interactions with others.
 - 0-5 years old
 - 40% of families served are at or below the poverty level. Envision provides this early childhood education without fear of cost – no blind or visually impaired child is refused services from Envision due to a family’s ability to pay.
 - Good Partners with KDADS.
3. Add \$2.1 million (SGF) and 1.0 FTE to administer a grant for organizations developing crisis services for individuals with I/DD.
 - \$2.0 million in grants and \$93,000 for salary and benefits
 - These grants will fund pilot programs to develop standards and build capacity in local areas.
 - Will close gaps, barriers, and build a continuum of care for Kansans with I/DD.
 - Improve overall coordination of direct services during crisis and prevent future crises.
 - Examples of programs:
 - Cross training with corrections and law enforcement
 - Integration with 988
 - Crisis Plan Development
 - Best Practices for Crisis Therapeutic Homes and 72-hour respite Centers
 - Interhab, Cottonwood

4. Add \$5.0 million (SGF) for Patient Observation Reimbursement Program for unreimbursed observation and transportation provided by healthcare providers, law enforcement, and county entities (EMS/Fire, etc.).
 - Requested by Kansas Hospital Assn, on behalf of the 123 community hospital members.
 - The delay in bed space at state hospitals means these people needing assistance are waiting in ERs, hotel rooms, offices.
 - If they are in custody of law enforcement, they cannot be held in jail, and become the responsibility of CMHC.
 - This law was implemented in 1996, when wait times were hours, not days or weeks.
 - Must provide one-on-one monitoring to prevent harm to self or others.
 - Specialized transportation costs are often minimum of \$500, plus the resulting overtime, etc.
 - They are asking for \$5.0 mill per year for 5-years, until additional bed capacity can be brought online.
 - They want this available for reimbursement on an hourly basis to cover the additional costs.
 - They will submit an annual report to Approps and Ways & Means concerning appropriate funding and expenditures.

5. Add \$1.0 million (SGF) to establish a grant program for Kansas-based sheltered workshops to transition away from the use of 14(c) certificates and subminimum wage employment for I/DD individuals. This will allow voluntary transition to competitive integrated employment.
 - Not an ongoing expense, but rather one-time money to assist with the transition to a new business model.
 - 23 Kansas providers still use 14(c) certificates to pay subminimum wages, and will help with a transition that will soon become required.
 - This will become required if the bi-partisan "Transformation to Competitive Integrated Employment Act" (TCIEA) is enacted at the federal level. Looks increasingly likely.
 - Federal grants will not be enough to cover the costs of the transition.
 - CMS (Center for Medicare and Medicaid Services) has a new Final Rule greatly limiting CMS funds to be used for 14(c) locations.
 - We became the first state to pass and enact "Employment First Legislation." Competitive Integrated Employment is official law and state policy, we must back this up with budget dollars.
 - Kansas has one of the lowest utilization rates for supported employment in the nation with only 271 participants.
 - We spend \$94,000 on supported employment services, but over \$112 million on Day Supports.
 - Requested by Disability Rights Center of Kansas.

6. Add \$3.0 million (SGF) for Senior Nutrition Services distributed through the Area Agencies on Aging.
 - Good nutrition is key to keeping elderly Kansans in their home as long as possible.
 - Kansas Senior Nutrition program serves more than 3.1 million meals annually. Some are done in congregate settings, some are home delivered, some do both. Through Meals on Wheels is also provides daily safety checks on the seniors they serve.
 - Given the rising costs of food stuffs the entire population is seeing, this is not an outrageous number – less than \$1 per meal increase.
 - Covers the entire state, through 11 area agencies (see map).
 - State funding has not increased for this service since 2009, though it did drop in 2021 due to COVID related budget reductions.

8. Add \$24.3 million (SGF = \$9.7 million) to accelerate the transition of CMHCs to CCBHCs.
 - CMHCs are required to serve any patient that walks through their doors regardless of ability to pay.
 - But the funding stream has been cut significantly over the last decade, despite a growing need/demand for mental health services from uninsured/underinsured patients.
 - When they do not receive timely treatment, these patients can often end up in jail cells, costing much more.
 - CCBHCs must have mobile crisis teams, immediate screening for mental health and addiction issues, tailored care for military and veterans.
 - Requested by Mental Health Coalition.

9. Add \$7.4 million (SGF = \$3.0 mill) to increase I/DD targeted case management (TCM) rate to \$75.00 per hour.
 - Governor increased TCM rate 25%, from \$43.24 to \$54.15. Committee raised it another \$20.85 per hour to \$75.00.
 - Will help stabilize a critical component of the I/DD support system, allowing providers to maintain financial viability.
 - Billing changed in 2008 from encounter to a unit, billed in 15-minute increments.
 - Each time HCBS reimbursement rates have increased, TCM reimbursement rates have been left out.
 - Cottonwood provides TCM services to 296 individuals. Current costs were \$79,956, while revenue was only \$42,417.38.
 - With these kind of monthly disparities, Kansas could soon see providers stop providing these services.
 - Interhab notes, that in Missouri the reimbursement rate is \$100 per hour. Could soon see a shift in personnel across the border.

- **Mental Health Coalition Supports this.**
- 10. Add \$133,075 (SGF) to offer additional training on mental health first aid.**
- **Kyle Kessler – CMHC Association**
 - **Teaches participants how to identify, understand, and respond to signs of mental illnesses and substance use disorders. And the skills necessary to provide initial help and supports.**
 - **CMHCs have a contract with KDADs to host an annual instructor training and provide financial assistance to local CMHCs.**
 - **In '22 they conducted 200 MHFA workshops (137 adult and 63 youth) with 2,447 participants.**
 - **Following the '23 instructor training there are 132 MHFA trainers.**
 - **The increase will allow for more trainers and additional local workshops.**
- 12. Add \$3.0 million (SGF = \$1.2 million) and add language to increase PACE Medicaid rates by 5.0%. (Program of All-Inclusive Care for the Elderly)**
- **Federal law requires PACE Medicaid rates set according to:**
 - **Monthly capitation payment to a PACE organization that is less than state Medicaid**
 - **Considers the comparative fragility of participants.**
 - **Rate is fixed regardless of changes in participant's health status.**
 - **Established prospectively, rebased annually, or at least every 3-years.**
 - **PACE rates have a 10% discount to normal Medicaid.**
 - **This program is for frail and costliest members who require nursing home level care, but work to stay at home (95% of participants eligible for nursing home care continue to live at home).**
 - **Due to the circumstances related to COVID the '23 rebase numbers are viewed as off. They want to do a 5% discount, not a 10%.**
 - **Midland Care – 500 people across 12 counties – Centers in Topeka, Lawrence, KCK, and Emporia, serving Douglas, Jackson, Jefferson, Leavenworth, Lyon, Marshall, Nemaha, Osage, Shawnee, Pottawatomie, Wabaunsee and Wyandotte Counties. They want to expand to Johnson, Miami, and Franklin Counties with a PACE Center in Olathe.**
 - **Ascension Living HOPE – 315 people – Wichita and Sedgwick County**
 - **Bluestem PACE – 110 people across a 4,500 sq. mile area – Hutchinson and Newton Centers, serving Harvey, Marion, Ottawa, Lincoln, Ellsworth, Dickinson, McPherson, Reno, Rice, and Saline Counties.**
 - **This program saves state Medicaid dollars, by requiring services be done cheaper than if placed in a nursing home, and they get the added benefit of remaining at home.**

14. Add \$34.4 million (SGF = \$14.0 million) to fully rebase the daily Medicaid rate for nursing facilities in FY 2024.

- The methodology for nursing home reimbursement rates, is cost-based and acuity adjusted – Using the last 3-years’ cost reports with an inflation adjustment.
- Since the start of the pandemic 47 long term care facilities have closed or reduced services in Kansas.
 - i. Some closed entire wings and units due to lack of staff.
 - ii. Dementia care units are often the first to go.
- Over the next 10-years, the 65+ population in Kansas will increase by 208,000.
 - i. We need to be increasing long term care bed facilities not contracting.
 - ii. Especially problematic for Medicaid, poverty level people.
- Lindsborg, KS provider – 70% of their residents are on Medicaid, and the costs are \$50 more per day than the reimbursement rates.
- A nonprofit system with 10 nursing homes in rural Kansas, lost \$5.5 million on Medicaid care in 2022, with 5 of those homes losing between \$70-\$86 per resident per day on Medicaid rates.
 - i. Costs of goods, labor, everything going up. Are we going to protect the poor elderly who need assistance or say “Best of Luck?”
- Midwest Health and their 47 long-term care facilities

15. Add \$13 million (SGF = \$5.2 million) to increase the Home and Community Based Services (HCBS) Frail Elderly waiver reimbursement rates by 10%.

- Kansas Advocates for Better Care
- This would bring the Frail Elderly waiver more in line with other waiver reimbursement rates.
- Would also allow for Independent case management services to be restored.
- Spending the \$5.25 mill in SGF allows nearly double that to be drawn in Federal Funds

17. Add \$61.6 million (SGF = \$24.6 million) to fund additional payments to nursing facilities based on the number of Medicaid residents served.
- Even with rebasing, Medicaid rates are still resulting in loses for nursing care facilities.
 - Bethany Village, Lindsborg, KS provider – 70% of their residents are on Medicaid, and the costs are \$50 more per day than the reimbursement rates.
 - Lost nearly 1/3 of its workforce to retirements and less difficult work.
 - Used to be 30% Medicaid dependent patients, not that is 65%.
 - A nonprofit system with 10 nursing homes in rural Kansas, lost \$5.5 million on Medicaid care in 2022, with 5 of those homes losing between \$70-\$86 per resident per day on Medicaid rates.
 - Costs of goods, labor, everything going up. Are we going to protect the poor elderly who need assistance or say “Best of Luck?”
 - Midwest Health says their food costs are up 25% alone this year.
 - Kansas Center for Assisted Living – 265-member communities, caring for nearly 20,000 elders and employ over 20,000 workers.
20. Add \$3.0 million (SGF) for CMHC funding to cover uninsured and indigent care.
- Short of enacting Medicaid Expansion to ensure all those who need medical care can qualify for coverage. This is the least we can do.
 - Worker shortages are impacting the entire state, especially in the healthcare fields.
21. Add \$5.0 million (SGF) to provide reimbursement to organization who provide substance use disorder treatment for uninsured individuals.
- CKF Addiction Treatment – Abilene, McPherson, Salina
 - Prairie View – Hillsboro, McPherson, Wichita
 - Mirror, Inc (Stopped accepting referrals in October)
 - DCCCA (Halted referrals in November for men)
 - Behavioral Health Association of Kansas
 - SUD providers cannot compete financially with the CCBHC employment resources, but the need/demand is still there.
 - Serve 10,000 individuals each year.
 - When they have exhausted their block grant funding (State Opioid Response and COVID grants) they stop providing treatment until the next fiscal year begins.
 - Block grant funds are only for individuals at less than 200% of the poverty level.
 - Waitlists have grown from one week to six weeks (October to January).

Kansas Department for Aging and Disability Services
Budget FY '24
Language/Provisos

1. Language to continue funding EmberHope Youthville pilot program at current levels this has been funded for the previous 2-years:
 - \$1.0 million (SGF for PRTF) (Psychiatric Residential Treatment Facility)
 - Will support the new 10-single bed facility
 - For females who require a single room and display problematic sexually acting out behaviors due to past trauma or abuse.
 - Currently serves up to 12 females ages 12-18
 - Started in response to the 2019 NRI *Report for the State of Kansas on the Use of Psychiatric Residential Treatment Facilities*.
 - The youth receive intense family engagement while at the facility, equine therapy, and 6-months of aftercare post discharge.
 - Gas cards are provided for families with economic hardship.
 - Newton, KS – Started in 1927 by the Methodist Church
 - Also has a QRTP (Qualified Residential Treatment Program)
 - Serves up to 14 females in the child welfare system ages 10-17.
 - Will be adding a Parent Center in near future and allow for spaces for families to stay overnight if needed.
 - Use evidence-based programs for trauma informed interventions focused on resilience and recovery.
 - Since opening the PRTF in Sept. 29, 2021 – they have served 30 youth and their families from 14 counties.
 - 95% discharged have returned to their parent/legal guardian.

7. Add Language directing KDADS to certify Community Mental Health Centers (CMHCs) to transition to certified Community Behavioral Health Clinics (CCBHCs) based on readiness, rather than a statutory Schedule.
 - No money
 - They must meet certain guidelines to make this transition, should be done as they are ready, not limited by a set number per calendar period.
 - 9 Kansas CMHCs have made the transition to CCBHCs. 9 more must be certified by July 2023, and the final 8 by July 2024. KDADS may certify them prior to the deadline, and this ensures the agency does not drag its feet on certifying them once they have met the criteria for the new Medicaid provider type status.
 - Kyle Kessler – Association of CMHCs of Kansas

11. Add language requiring the agency to spend \$5.0 mill of SGF savings created by the 10.0% HCBF FMAP enhancement on assistive technology.

13. Add language requiring the agency to fund an expansion of PACE using ARPA federal funds granted to the agency by the State Finance Council.
 - Midland Care – 500 people across 12 counties – Centers in Topeka, Lawrence, KCK, and Emporia, serving Douglas, Jackson, Jefferson, Leavenworth, Lyon, Marshall, Nemaha, Osage, Shawnee, Pottawatomie, Wabaunsee and Wyandotte Counties. They want to expand to Johnson, Miami, and Franklin Counties with a PACE Center in Olathe.
 - They asked for \$2.5 million to expand to 3 counties.

16. Add language directing the agency to review the overall costs of providing services within the I/DD services system, and further directing the agency to make recommendations to the Legislature for a system to make regular rate adjustments based on inflationary indexes.
 - Requested by Interhab for a targeted study on how inflationary pressures should be addressed in considering funding.
 - Previous studies have been of questionable use in planning for the system's funding needs.

18. Add language requesting an interim committee to take a holistic look at the nursing facility reimbursement rate system, including cost center caps and an acuity-based add-on.

19. Add language requiring the agency to submit to CMS an initial application for a community support waiver.