



INDEPENDENCE
INCLUSION
INNOVATION

September 13, 2012

TO: Senator Carolyn McGinn, Chair and
Members, Legislative Budget Committee

FR: Matt Fletcher
Associate Director, InterHab

RE: KanCare Implementation and Kansans with Intellectual and Developmental Disabilities

Chairperson McGinn and members of the Committee, thank you for the opportunity for continued dialogue regarding the single most ambitious social service experiment in the history of our state. The members of InterHab greatly appreciate any opportunity for Legislative review of the Administration's Medicaid managed care plan, otherwise known as KanCare.

KanCare, it seemed, was never far from the front burner of legislative dialogue during the 2012 Legislative Session. Still, very little legislative action was initiated regarding this proposed transition of nearly \$3 billion in State Medicaid funds into the hands of three private for-profit insurance companies. In particular, the Legislature left Topeka in May without any establishment of a legislative oversight body for reviewing this monumental transition.

The membership of InterHab continues to maintain the policy position we first presented to the Administration one month after they took office, and the Kansas Legislature since its 2011 interim hearings, in which strong caution is urged against the off-loading of accountability for Medicaid, and that non-medical long-term care services and supports for Kansans with intellectual and developmental disabilities be permanently excluded from KanCare.

The membership of InterHab greatly appreciates the Legislative decision reached during the 2012 session to delay the inclusion of I/DD long-term care services and supports into KanCare, but we renew our recommendation that such a temporary carve-out be made permanent.

Joint Legislative Budget Committee
September 12 and 13, 2012
Attachment: 26

Concerns Regarding Dissemination of KanCare Information:

If the Administration is able to stick to their timeline regarding implementation of KanCare, persons who receive Medicaid services in Kansas will be expected to begin the process of enrollment in the program in about two months. In order for these individuals to be able to make informed choices regarding selection of a Managed Care Organization for their continued health care needs, they must be provided ample opportunity to be educated.

This summer, the Administration has held a series of public forums regarding KanCare, which is a good thing. However, the Administration's notification process for these educational opportunities has not been comprehensive or consistent. While the long-term care services of Kansans with I/DD will not be included in KanCare at implementation, their medical and behavioral health services will be, meaning they will soon be required to choose a Managed Care Organization just like all other Medicaid beneficiaries. We have heard from several of our members that little or no direct notification by the Administration of these meetings was received by persons with I/DD and their families and guardians. I have included several comments from our membership regarding this lack of notification as an attachment to my testimony. However, here are a few:

- *"From what I have been told, our families and guardians have not received notification in regards to the KanCare public forums."*
- *"We don't think any of our folks/family members have been receiving information from the administration. We've had some attend – but only after receiving information from our case managers about the meetings."*
- *"The feedback that I'm receiving is that my families did not get notification of these public forums from anyone other than myself. "*
- *"My team indicated that the process has fallen well short of the mark."*

Our concerns regarding this lack of notification are two-fold. First, many persons with I/DD and their families and guardians have already missed out on valuable educational opportunities because of poor notification by the Administration. Second, and even more concerning, is that this most likely is an indicator of an incomplete internal process regarding notification of affected Medicaid beneficiaries. If the Administration lacks comprehensive contact information for its Medicaid beneficiary base as of September 13, 2012, how can it adequately prepare this population for such a significant change in just two months? Further, we assume that the three Managed Care Organizations will receive contact information for Medicaid beneficiaries directly from the Administration, which means that MCOs will be attempting to communicate with this population based upon incomplete information.

The fact that - two months away from the beginning of the enrollment process – significant portions of the Medicaid population are not receiving notification regarding KanCare – is a **clear signal** that this process is moving too fast.

NASA has a term for this. It's called "go fever". The term refers to a situation in which the rocket is on the launch pad - fuel in its tanks and astronauts strapped in - but there happens to be a warning indicator of some kind. Because so much energy is expended to get to the moment of launch, the temptation to ignore the warning and just "go" is great. "Go fever" is what led NASA to ignore the freezing temperatures on the morning of January 28, 1986 as the Challenger sat ready to launch. "Go fever" is never a good thing.

We have heard the Administration indicate that they will not succumb to "go fever" and that, if warranted, delays will be initiated in implementing KanCare. Lack of comprehensive contact information for the Medicaid beneficiary population and a poor notification process are the icicles on the KanCare Launchpad. Hopefully someone will step in, acknowledge that more time is needed to adequately prepare our most vulnerable Kansans for this transition, and avoid undue harm from coming to these individuals.

Further, providing information on such a complex topic as transition into managed care should be tailored to communicate effectively to all persons within Medicaid, taking into account the facets of disabilities that may make it harder for persons to understand this issue. Those that assisted a loved one in navigating Medicare Part D choices a few years ago can attest to fact that understanding these types of changes can be very, very difficult for anyone. For persons with significant disabilities this will be even more challenging. Making sure that KanCare information can be understood by all populations within Medicaid should be a top priority, and KanCare should not move one step closer to implementation until every Medicaid beneficiary and their family has had adequate information provided to them in a manner that they can understand.

InterHab, and other I/DD advocates, have all voiced a willingness to assist in ensuring that KanCare information is adequately tailored to the needs of the I/DD population, but we have not yet been engaged to assist in this process.

The Challenges to the Administration are Readily Apparent:

Despite the hard work of the staff at KDHE and KDADS, KanCare is moving at a pace that will not allow the Administration time to adequately prepare for the task of converting mature and trusted locally-driven social service systems into one that is unknown, untried and unlikely to overcome the emerging reality – that adding three new entities into the management of any program is not likely to succeed without higher costs, greater trial and error, and ultimately the disruption of the lives of persons supported by these vital service networks.

Further, this challenge has been compounded by a lack of collaboration with legislative policy makers. It is unfortunate that that the State will implement dramatic program changes that were designed, in large part, outside of legislative review. If such an input process had been allowed, the Administration could have heard the articulated views of the Legislature, and at a minimum at least have employed a more manageable calendar for implementation.

It Is Not Too Late for Legislative Action:

The opportunity for legislative due diligence has been thwarted by the process and timeline of KanCare. However, it is not too late to take steps for the coming years of this program that could provide some measure of legislative and statutory oversight. In addition to excluding I/DD long term non-medical services from KanCare, we would recommend these steps:

- Urge – as an action of this Committee – that any implementation of KanCare be delayed until July 1, 2013.
- The 2012 session adjourned without creating any type of KanCare oversight committee. Pass a legislative oversight bill as your first order of business in 2013, and give that committee the tools to do its job. Each of the three insurance companies that will now be managing one third of the State's budget are in all likelihood bigger in terms of annual income and expenditures than the entire State budget of Kansas. Any legislative oversight process should have subpoena powers and sufficient financial expertise at its disposal to safeguard these critical dollars.
- The advice of the Commissioner of Insurance should be sought and heeded, along with the guidance of insurance commissioners across the country. The State must employ the technical expertise of the Commissioner's office to best know how to manage the contracts of national insurance companies that have assumed such vast authority in other states.
- Establish, by statute, an expedited hearing process for persons who appeal the decisions of the MCOs. To force Medicaid beneficiaries with few resources to leap through additional hoops to assure their rights are protected is to ultimately deny them of due process.

Should the Committee express an interest in pursuing any of the above recommendations, we would be happy to provide additional comments and suggestions at a later date.

The membership of InterHab greatly appreciates this Committee's attention to the significant issue that is KanCare. Thank you for the opportunity to share our concerns with you today.

Are Kansans with I/DD and their families/guardians receiving adequate notification of public informational meetings regarding KanCare?

I/DD Provider Responses:

"We have not had any families attend any of the Forums that we are aware of. Case managers have heard from guardians that they are very confused by managed care and that is specifically tied to lack of details."

"Most Families have only been receiving the information that we have been sending out and have received little if any information from the state."

"The feedback that I'm receiving is that my families did not get notification of these public forums from anyone other than myself. "

"It seems that people in Wichita have heard from Administration. People in our rural areas don't seem to have heard, unless a Targeted Case Manager, etc. let them know."

"Some are getting them but I don't think they fully understand what they are about, meetings are difficult for most to travel to. "

"I have had several families ask me questions. Either they have not received notifications or they feel the website does not answer their questions adequately."

"My team indicated that the process has fallen well short of the mark."

"We are not aware of any consumers or families receiving information. Usually we get a few questions, but have heard from no one regarding this. That does not mean they received nothing, but it would be unusual for there not to be questions."

"From what I have been told, our families and guardians have not received notification in regards to the KanCare public forums."

"Our organization has had to step up and notify families; the first round of meetings, the letters were received on Thursday, which was the deadline for transportation assistance request, before meetings the following Monday. Some parents were vocal about poor planning on the part of the state because an ongoing series had not yet been announced. "

"We did NOT receive information about the meetings last week. However, other providers DID hear about a series that we did not. . . so, yes, inconsistent notification. . . Parents aren't getting much information. . . the agency will have to probably notify them AND coordinate getting them to meetings."

"From what I can tell our individuals have been getting notified. I do not think that guardians have been notified separately."

"We don't think any of our folks/family members have been receiving information from the administration. We've had some attend – but only after receiving information from our case managers about the meetings."

"Most parents/guardians I've heard from have NOT received information about the educational forums, other than what I've provided from our office. Back in August, a parent/guardian brought in a 5 x 8 inch postcard addressed to "Medicaid friend" about the initial round of tours. "