

Approved: February 8, 2012

## MINUTES OF THE PUBLIC HEALTH AND WELFARE COMMITTEE

The meeting was called to order by Chairman Vicki Schmidt at 1:30 p.m. on January 19, 2012 in Room 528-S of the Capitol.

All members were present.

### Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes  
Renaee Jefferies, Office of the Revisor of Statutes  
Iraida Orr, Kansas Legislative Research Department  
Carolyn Long, Committee Assistant

### Conferees appearing before the Committee:

Rocky Nichols, Big Tent Coalition  
Tim Wood, End the Wait  
Kathy Loob, Self Advocate Collation of Kansas  
Richard Shank, Alliance for Kansans with Developmental Disabilities  
Shannon Jones, Kansas Association of centers for Independent Living (KACIL)  
Janice Deboer, Kansas Area Agencies on Aging Association  
Gail Richardson, parent

### Others attending:

See Attached list.

The Chair called the meeting to order for continued discussion on Managed Care. She recognized Rocky Nichols, Big Tent Coalition. Mr. Nichols presented several questions and issues from the stakeholder community and the Big Tent Coalition. Included are: why is Kansas going all in by forcing all Medicaid, including every HCBS waiver program, into an immediate, statewide, managed care contract with private, for-profit, out-of-state corporations; why doesn't Kansas first do what other states have done and ensured access to community based services before changes are made; why doesn't Kansas first focus on eliminating waiting lists and make access to services a priority of any redesign effort; why doesn't Kansas provide independent support to help Medicaid recipients navigate and resolve the conflicts that will surely arise; what is the rush and have any other states successfully rushed such a huge change to go all in so quickly; will managed care improve health outcomes and will it save money; and how will managed care ensure that people with disabilities have access to health care services when Kansas already has a high number of medically underserved areas in both rural and urban areas. These questions are asked in the hopes of engaging in dialogue and to help ensure Legislators understanding the complex nature of the Medicaid managed care proposal (Attachment #1).

## CONTINUATION SHEET

The minutes of the Public Health and Welfare Committee at 1:30 p.m. on January 19, 2012, in Room 548-S of the Capitol.

Tim Wood, End the Wait, stated there are currently over 4,800 adults and children on the DD waiting list. These are over 4,800 people who have no access to the “on ramp” of the KanCare highway. Therefore any “off ramp” discussion does absolutely nothing to address their immediate needs. The KanCare proposal is promising in that any idea that may have potential to improve outcomes for people with developmental disabilities and therefore enhance community integration, individualization, self-direction, independence, and reduce or eliminate waiting lists is promising; however, this is not the direction of the discussion as of right now (Attachment #2).

The Chair recognized Kathy Lobb, Legislative Liaison for Self Advocate Coalition of Kansas. She stated that she has a disability and is very concerned about Kansas moving to Managed Care for her Medicaid services. She wonders why the state is moving so fast because managed care has always been phased in over a period of time. Why isn't the state offering the contract to business in Kansas since she is a taxpayer and wants her dollars to support Kansas business (Attachment #3)?

Richard Shank, Governmental Affairs for The Alliance for Kansans with Developmental Disabilities, asked the committee to consider exempting long-term care services to people with developmental disabilities from the proposed KanCare overhaul of Medicaid. Over the years, community based services have been available to the state's most vulnerable citizens and these services now cost less per person served than they did in 1993. In Kansas, community based long-term care to those with DD is one of the most well run, collaborative systems in the county. If there are no cost savings or programmatic benefits to the Medicaid system to include DD services in KanCare, they respectfully recommend the committee carefully consider recommending a “carve out” of long-term care for people with DD from the KanCare system (Attachment #4).

Representing the Kansas Association of Centers for Independent Living, Shannon Jones said that they support KanCare's goal to shift reliance from costly institutional settings such as nursing facilities to a more preferred and cost effective home and community based services system; however, the Governor's budget does not reflect that goal. They now have a waiting list of 3,369 persons and wonder if the savings from KanCare would be used to eliminate these lists.

Centers for Independent Living (CIL) are the community providers for self-directed home and community based services. They have already experienced excessive burdens and substantial rate cuts due to the swift implementation of administrative changes in preparation of Medicaid reforms. Provider rates have been reduced with the implementation of Fiscal Management Services (FMS) on November 1, 2011 where SRS and KDOA, without input from providers, determined to further reduce the administrative rate from \$140/member/month to \$115. This reduction has created substantial hardships for CIL's (Attachment #5).

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In response to Ms. Jones' testimony, the Chair requested Pedro Moreno, SRS, to provide the committee with the status of Kansas AuthentiCare and how did this reduction take place considering the agency assured the budget committee that the money was sufficient for activity.

Presenting testimony on behalf of Kansas Area Agencies on Aging Association (K4A), Janice DeBoer, Executive Director, shared that they are concerned about accountability at the Managed Care Organization (MCO) level. They are concerned about Medicaid individuals having access to needed, quality services when large, potentially, out-of state MCOs come to Kansas and operate a program for Kansans. According to State Agency officials, agency restructuring is needed to fully implement KanCare as the reorganization will reduce fragmentation and silos between populations and provider groups. K4A supports the reorganization and also supports the vision to expand the federally funded Aging and Disability Resource Center (ADRC) program. ADRCs are a collaborative effort between the Administration on Aging and Centers for Medicare and Medicaid Services and are intended to serve as visible and trusted sources where people can turn to for objective information on their long-term services and support options and the Medicare benefits. Currently, Kansas has two designated ADRC's and successful expansion of them will allow for the development of a conflict-free eligibility and enrollment process ([Attachment #6](#)).

Written testimony was also submitted by Dr. Doug Iliff ([Attachment #7](#)), Rocky Nichols, MPA, Executive Director, Disability Rights Center ([Attachment #8](#)), and Dr. James J. Hamilton, Tallgrass General, Vascular & Bariatric Surgery ([Attachment #9](#)).

Gail Richardson shared her experiences as not only a parent but as a member of several parent organizations. She feels the Administration has proposed a huge change in the system of care for people with developmental disabilities. She feels the Governor has, without legislative consultation or adequate notice to families, submitted proposals to transfer care decisions for their children away from local control to out-of-state, for-profit insurance companies that have no experience with their care needs. The Department of Aging and Disability Services will be expected to manage the transfer of funding and oversight of this system of care to out-of-state insurance companies that have no experience providing 24/7 care. The proposal would add another layer between the parents and those who make decisions for their vulnerable kids. They are, however, in favor of the inclusion of their population in the medical care management, which is the insurance companies' area of expertise. They urgently ask that the Administration stop this ill-considered inclusion of responsibility for their children's care by insurance companies in the KanCare system ([Attachment #10](#)).

The next meeting is scheduled for Monday, January 23, 2012.

The meeting adjourned at 2:30 p.m.