

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Vice-Chairman John Vratil at 10:30 a.m. on February 25, 2010, in Room 548-S of the Capitol.

All members were present except:  
Senator Jay Emler - excused

Committee staff present:

Alan Conroy, Kansas Legislative Research Department  
J. G. Scott, Kansas Legislative Research Department  
Michael Steiner, Kansas Legislative Research Department  
Dylan Dear, Kansas Legislative Research Department  
Reagan Cussimano, Kansas Legislative Research Department  
Amy Deckard, Kansas Legislative Research Department  
Cody Gorges, Kansas Legislative Research Department  
Estelle Montgomery, Kansas Legislative Research Department  
Leah Robinson, Kansas Legislative Research Department  
Jill Wolters, Office of the Revisor of Statutes  
Daniel Yoza, Office of the Revisor of Statutes  
Melinda Gaul, Chief of Staff  
Shirley Jepson, Committee Assistant

Conferees appearing before the Committee:

Representative Bob Bethell  
Representative Cindy Neighbor  
John Federico, representing Kansas Health Care Association  
Harry Baum, Owner, Sharon Lane Health Services, Shawnee, Kansas  
Karel Page, Administrator, Lakewood Rehabilitation Center of Haviland  
Steve Hatlestad, Board Chair, Kansas health Care Association  
Ed Strahm, Administrator, Apostolic Christian Home

Others attending:

See attached list.

**Introduction of proposed legislation**

Senator Taddiken moved to introduce legislation regarding interstate water relating to the interstate water litigation fund (9rs1916). The motion was seconded by Senator McGinn. Motion carried on a voice vote.

**Action on Subcommittee report on Attorney General for FY 2011**

Information, as requested by the Committee, on the Attorney General's Crime Victims Assistance Fund, was distributed to the Committee (Attachment 1).

Senator Kelly moved to amend the Subcommittee report on the Attorney General for FY 2011 by adding language concerning a transfer to the crime victims assistance fund (Attachment 2) with a review of the issue at Omnibus. The motion was seconded by Senator Lee. Motion carried on a voice vote.

Senator Taddiken moved to amend the Subcommittee report on the Attorney General for FY 2011 by adding language to restore funding to the Water Litigation Fund by \$2 million in FY 2012, \$3 million in FY 2013, \$3 million in FY 2014, \$4 million in FY 2015 and \$5 million in FY 2016 (Attachment 3). The motion was seconded by Senator Apple.

The Committee expressed concern that the language in the amendment should indicate that the issue will be addressed in FY 2012 to make sure funding is available. The Committee voiced concern that the consumer protection medicaid revolving fund was the source of the funding for the water litigation fund. The maker of the motion stated that a new amendment will be provided to change the source of funding.



## CONTINUATION SHEET

Minutes of the Senate Ways and Means Committee at 10:30 a.m. on February 25, 2010, in Room 548-S of the Capitol.

Senator Kelly moved to adopt the Subcommittee report on the Attorney General for FY 2011 as amended. The motion was seconded by Senator Teichman.

Some Committee members expressed concern that they did not want to vote on the Attorney General budget until the new amendment is drafted.

Senator Taddiken made a substitute motion to table action on the Attorney General report for FY 2011. The motion was seconded by Senator Lee. Motion carried on a voice vote.

### **Action on the Subcommittee report of the Office of the Governor**

Senator Kelly moved to adopt the Subcommittee report on the Office of the Governor for FY 2011. The motion was seconded by Senator Umbarger. Motion carried on a voice vote.

### **Action on Subcommittee report on State Treasurer**

Senator Kelly moved to reopen Committee action on the State Treasurer report for FY 2011. The motion was seconded by Senator Schmidt. Motion carried on a voice vote.

Senator Masterson moved to amend the State Treasurer for FY 2011 by adding an amendment concerning the Special City-County Highway Fund and distribution of funds incorrectly disbursed from FY 2000 through FY 2009 (Attachment 4). The motion was seconded by Senator Kultala.

Senator Schmidt made a substitute motion to draft legislation in appropriation form to address the specific amount to be paid to each county from the Special City-County Highway Fund for FY 2000 through 2009. The motion was seconded by Senator Kelly.

Because the Committee voiced concern with the amendment, the issue was tabled.

### **Subcommittee Report on Department of Education**

Senator Vratil, member of the Subcommittee on Education, presented the Subcommittee report on the Governor's budget recommendation for the Department of Education for FY 2011 (Attachment 5).

Senator Schodorf moved to amend the Subcommittee report on the Department of Education for FY 2011 by adding language to encourage passage of SB 383. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

Senator Schodorf moved to amend the Subcommittee report on the Department of Education to reinstate \$35,000 for the State Communities in Schools program to the Discretionary Grant Program. The motion was seconded by Senator Kultala. Motion withdrawn.

The Committee requested additional information from the Department of Education:

- ◆ List of all fee fund balances within the Department of Education for current year and past 2 fiscal years.
- ◆ List of all travel within the Department of Education paid from the State General Fund (SGF).
- ◆ List of all organizations in which the Department of Education has membership and pays dues.

It was the consensus of the Committee to review the above requested items from the Department of Education at Omnibus.

Senator Vratil moved to adopt the Subcommittee report on the Department of Education for FY 2011 as amended. The motion was seconded by Senator Teichman. Motion carried on a voice vote.

### **Subcommittee report on Department of Administration**

CONTINUATION SHEET

Minutes of the Senate Ways and Means Committee at 10:30 a.m. on February 25, 2010, in Room 548-S of the Capitol.

Senator Teichman presented the Subcommittee report on the Governor's budget recommendation for the Department of Administration for FY 2011 and moved for the adoption of the Subcommittee report on the Department of Administration for FY 2011 (Attachment 6). The motion was seconded by Senator Lee. Motion carried on a voice vote.

**Hearing on SB 546 - Assessments of quality assurance fee on skilled nursing care facilities to improve the quality of care**

Estelle Montgomery, Legislative Research Department, provided a briefing on **SB 546** (Attachment 7). Responding to a question from the Committee concerning passing the quality care assessment onto residents, Ms. Montgomery stated that Page 2, Line 6, addresses the issues and states that no skilled nursing care facility shall create a separate line-item charge for the purpose of passing through the quality care assessment to residents. Ms. Montgomery noted that **HB 2673** is an identical bill to this legislation.

Representative Bob Bethell presented testimony in support of **SB 546** (Attachment 8). Representative Bethell stated that cuts made by the Governor in November, cut 10 percent of the State General Fund dedicated to the Medicaid program of Kansas. Representative Bethell noted that SB 546 provides for an assessment on nursing facilities and will help provide services for the state's elderly and most vulnerable citizens.

A simplified nursing facility provider assessment example chart from the Kansas Health Policy Authority (KHPA) was distributed to the Committee (Attachment 9).

Representative Cindy Neighbor presented testimony in support of **SB 546** (Attachment 10). Representative Neighbor stated that there is the possibility of closing over 300 nursing homes within the state because of the reduction in the Medicaid reimbursement rate, with a loss of approximately 27,000 jobs.

John Federico, representing Kansas Health Care Association, presented information to each Committee member on the effect of the assessment to nursing homes in their individual districts (individual packets were given to each Committee member).

The following conferees provided testimony in support of **SB 546**:

- Harry Baum, Owner, Sharon Lane Health Services, Shawnee, Kansas (Attachment 11).
- Karel Page, Administrator, Lakewood Rehabilitation Center of Haviland (Attachment 12).
- Steve Hatlestad, Board Chair, Kansas health Care Association (Attachment 13).

The following conferees provided testimony in opposition to **SB 546**:

- Ed Strahm, Administrator, Apostolic Christian Home (Attachment 14)
- ◆ The Committee requested additional information on how the fiscal note on **SB 546** was figured.

**The hearing on SB 546 was continued to Friday, February 26, 2010.**

**Adjournment**

The next meeting is scheduled for February 26, 2010.

The meeting was adjourned at 12:00 p.m.

SENATE WAYS AND MEANS COMMITTEE

GUEST LIST

DATE: February 25, 2010

NAME	REPRESENTING
Marilyn Jacobson	DOA
Pat Higgins	DOA
Rep. Andy Neighon	House
Bob Bethell	House
Pam Bachman	KAHSA / Fastridge
Deborah Claycamp	KAHSA / Eastridge
Jim MORFORD	KAHSA / Good Samaritan
Debra Zehr	KAHSA
Bill Brady	KAHSA
MURRAY DAVIS	SANTA MARTA
Bob Woody	SANTA-MARTA
Mary Dubret	Santa Marta
Stanley Casper	Santa Marta
Joe Evers	KAHSA
Ed Strahm	KAHSA - Apostolic Christian Home
Paul Casey	GBA
Mary Deane	Pine Star Quality Care Inc.
Scott Bruner	KHPA
Andy Allison	KHPA
Pat Orr	DOA
Kate Mitchell	DOA
DDA	Division of the Budget
Julia Quencas	DOA

Jana El-Karaysi  
 Don Gibb  
 KEVIN CROWLEY  
 Erik Wisner

KSAS  
 KSAS  
 SEDGWICK HEALTHCARE CENTER  
 KDA

SENATE WAYS AND MEANS COMMITTEE

GUEST LIST

DATE: February 25, 2010

NAME	REPRESENTING
<i>[Signature]</i>	KSPE
Tom Atkins	Beaumont Place
M. Leitch	A-G
Harry Baum	Sharon Lee Health Services
Jim Klausman	Midwest Health
Steve Hattestad	A. K. HCAI AMERICAS
Wonne Etzel	KDOA
Barb Conant	KDOA
Bill McDaniel	KDOA
Sue Suder	Sandpiper Healthcare
Mike Boddy	Providence Place
Cynthia Smith	SCL Health System
Raleigh Cumpston	Sandpiper Healthcare
Wanda [Signature]	Windsor Place, Coffeyville
Tom Burgess	Health Management of Kansas
Carolyn Smith	Via Christi Health
Chad Austin	KHA
Tom Bell	"
Dorothy Stucky Halley	AG Office
Dodie Wellshear	KCSOV
GRACE JESCHKE	Highland, KS.
<i>[Signature]</i>	Highland, KS
<i>[Signature]</i>	Ottawa, KS.

Della Ribordy  
 Jeanelle Stauffer  
 Steve Albrecht  
 Cindy Luxem

Louisburg, KS  
 Holton, KS  
 Indianapolis, IN  
 K-HCA

M. Mae Antin

Richard Coulson

Dan Hanch

Doug Bowman

TERRY FOLS YLT

Leslie Kaufman

Kevin & Unrein

Wanner Harrison

Jackson Lindsey

Steve & Kathy, Amanda Link

Ann + Jane Rostrom &

MARK MCCANN

Colleen Becker

Ginny Cross

Bruce Linch

William B. Bridge

Karel Page

Pete Stevenson

Kenneth Miskler

Ray Dalton

Juni for Cross

Terry Leatherman

Nick Wood

Eugene Williams/KTWW

Eventide Convalescent Center  
10816

Shawnee Gardens Healthcare &  
Rehab. Shawnee KS

Wathena Healthcare & Rehab. Center  
CCECOS Wathena, KS

KNEA

Ks Co-op Council

LakePoint Nursing Center

LakePoint - Wichita

Hein Law

Hays, Goodsmartha Board.

Hays, KS

WSA

D of A

Skilled Healthcare

CA

NFMH Valley Health Care CR

Lakewood Rehab Center - NFMH

STATE TREASURER'S OFFICE

KANSAS FOUNDATION FOR MEDICAL CARE

SRS

Children's Alliance

Communities In Schools for Kansas

DISABILITY RIGHTS CENTER

Mary Jane Stankiewicz - KGFPA/KARA



STATE OF KANSAS  
OFFICE OF THE ATTORNEY GENERAL

**STEVE SIX**  
ATTORNEY GENERAL

120 SW 10TH AVE., 2ND FLOOR  
TOPEKA, KS 66612-1597  
(785) 296-2215 • FAX (785) 296-6296  
WWW.KSAG.ORG

Senate Ways & Means

February 2010 458 S

**Crime Victims Assistance Fund 2598**

Receipts:

Court fines per KSA 74-7336

Docket fees per KSA 20-367

Fines, penalties & forfeitures per KSA 12-4117

Marriage License fees per KSA 23-108

Current unencumbered fund balance as of 1/30/2010: \$1,227,000

Current encumbered fund balance as of 1/30/2010: \$621,907

Annual receipts historically: \$1,600,000

Annual receipts estimate revised based on current receipts: \$1,300,000

Annual expenditures for grants only: \$800,000

Annual expenditures for operating costs: \$440,000

The agency has accumulated a modest balance forward of approximately \$600,000 for FY2010. It is already projected that the agency will be utilizing \$300,000 of those resources to fund current year commitments. The agency proactively introduced SB326 in February 2009 in anticipation of reduced receipts. The transfer of funds as requested in SB326 will help stabilize this fund and ensure a consistent level of grant awards in FY2011 and FY2012 when these funds are most need by grant constituents.

Senate Ways & Means Cmte  
Date 2-25-2010  
Attachment 1

Proposed amendment Senator Kelly  
February 19, 2010

Sec. \_\_\_\_\_. On and after the effective date of this act, K.S.A. 2009 Supp. 75-752 is hereby amended to read as follows: 75-752. (a) During the fiscal year years ending June 30, 2005, and during each ensuing fiscal year thereafter 2009, June 30 2010, June 30, 2011, June 30, 2012, June 30, 2013, June 30, 2014, and June 30, 2015, the director of accounts and reports is hereby authorized to transfer an amount certified by the attorney general of not to exceed \$100,000 \$300,000 from the crime victims compensation fund to the crime victims assistance fund.

(b) During the fiscal year ending June 30, 2016, and during each ensuing fiscal year thereafter, the director of accounts and reports is hereby authorized to transfer an amount certified by the attorney general of not to exceed \$100,000 from the crime victims compensation fund to the crime victims assistance fund.

Senate Ways & Means Cmte  
Date 2-25-2010  
Attachment 2



Current Governor's Recommendations

		Amount	Source
Fiscal Year	2010	600,000	court cost fund (consumer protection) medicaid revolving fund
Fiscal Year	2011	1,000,000	same as above
Fiscal Year	2012	??	above source no longer available

Fiscal Year	2012	2 million
Fiscal Year	2013	3 million
Fiscal Year	2014	3 million
Fiscal Year	2015	4 million
Fiscal Year	2016	5 million

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17 million

Appropriation bill insert for special city and county highway fund correction

Section \_\_\_\_ .Notwithstanding the provisions of K.S.A.79-3425c, and amendments thereto, or any other statute, the aggregate amount of \$2,225,162.68 of the moneys annually credited to the special city and county highway fund shall be paid between the fifteenth day of January and the fifteenth day of April in calendar years 2010, 2011, 2012, 2013, and 2014 by the state treasurer to the following counties in the amounts specified respectively there for with the requirement that the moneys received by each such county shall be deposited and administered in accordance with K.S.A. 79-3425c, and amendments thereto, including any redistributions provided for by that statute: Barton county, \$31,939.97; Butler county, 387,749.07; Douglas county,; 223,064.89, Leavenworth county, \$512,983.94; Shawnee county, \$1,069,424.81, which shall be for the purpose of providing such counties, cities and other local governmental entities the amounts that were not paid as directed by statute during state fiscal years 2000 through 2009. Acceptance of the payments required by this act shall be deemed as payment in full and a release of any liability from the county to the state treasurer for payments from the special city and county highway fund for fiscal years 2000 through 2009.

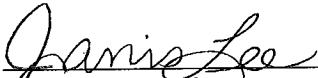
Senate Ways & Means Cmte  
Date 2-25-2010  
Attachment 4

FY 2011

SENATE WAYS AND MEANS SUBCOMMITTEE

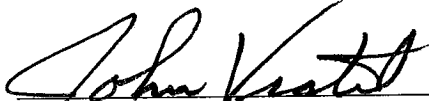
Department of Education

\_\_\_\_\_  
Senator Jay Emler, Chair

  
\_\_\_\_\_  
Senator Janis Lee

  
\_\_\_\_\_  
Senator Jean Schodorf

  
\_\_\_\_\_  
Senator Ruth Teichman

  
\_\_\_\_\_  
Senator John Vratil

Senate Ways & Means Cmte  
Date 2-25-2010  
Attachment 5

## Senate Subcommittee Report

**Agency:** Education

**Bill No.** SB 556

**Bill Sec.** 69

**Analyst:** Cussimano

**Analysis Pg. No. --**

**Budget Page No. Vol. II - 70**

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,309,213,914	\$ 3,026,724,647	\$ (33,410,000)
Other Funds	804,592,567	727,945,272	
Subtotal	<u>\$ 4,113,806,481</u>	<u>\$ 3,754,669,919</u>	<u>\$ (33,410,000)</u>
 TOTAL	 <u>\$ 4,113,806,481</u>	 <u>\$ 3,754,669,919</u>	 <u>\$ (33,410,000)</u>
 FTE positions	 212.50	 210.25	 0.0
Non FTE Uncl. Perm. Pos.	69.78	70.15	0.0
TOTAL	<u>282.28</u>	<u>280.40</u>	<u>0.0</u>

### Agency Request

The **agency** requests FY 2011 operating expenditures of \$4.1 billion, an all funds increase of \$245.6 million, or 6.4 percent, above the revised FY 2010 estimate. Included in this amount are State General Fund expenditures of \$3.3 billion, an increase of \$246.1 million, or 8.0 percent, above the revised FY 2010 estimate. The request includes 212.5 FTE positions, the same as the revised FY 2010 estimate. The agency request includes enhancement requests totaling \$363.5 million, including \$363.1 million from the State General Fund. **Absent the enhancements**, the request would be \$3.7 billion, including \$2.9 billion, from the State General Fund. This is an all funds decrease of \$117.4 million, or 3.0 percent, and a State General Fund decrease of \$117.0 million, or 3.8 percent, below the FY 2010 request. The decrease is mainly due to a reappropriation of \$74.0 million for General State Aid and Supplemental General State Aid to fund payments that should have been made during FY 2009 but were delayed to FY 2010. In addition, the agency submitted a supplemental request in FY 2010 in the amount of \$53.7 million to fund the base state aid per pupil amount at \$4,218 and \$37.7 million to fully fund Supplemental General State Aid. These reductions are offset by an increase of \$49.7 million, all from the State General Fund, to cover increases in the KPERs – School employer contribution and the employer contribution for group health insurance.

### Governor's Recommendation

The **Governor** recommends FY 2011 operating expenditures of \$3.8 billion, including \$3.0 billion from the State General Fund. This is an all funds increase of \$4.9 million, or 0.1 percent, and a State General Fund increase of \$178.9 million, or 6.3 percent, above the FY 2010 recommendation. The recommendation is a decrease of \$359.1 million, or 8.7 percent, below the agency FY 2011 request. The Governor's recommendation includes the following adjustments:

- \$171.8 million, all from the State General Fund, to replace federal stimulus funds that were transferred to FY 2010 for Supplemental State Aid;
- \$36.2 million, all from the State General Fund, for the KPERS-School employer contribution rate increase;
- \$13.5 million, all from the State General Fund, for the KPERS health insurance increase; and
- \$32.7 million, all from the State General Fund, for General State Aid. This recommendation will result in an increase of \$50 to the Base State Aid Per Pupil which would equal a BSAPP of \$4,062 in FY 2011.

In addition, the Governor recommends deleting \$1.2 million, all from the State Safety Fund, to reduce Driver's Education funding and transferring \$3.2 million from the State Safety Fund to the State General Fund and \$48,295 from the Bus Safety Fund to the State General Fund.

### **Senate Subcommittee Recommendation**

The **Subcommittee** concurs with the Governor's recommendation with the following adjustments and notations:

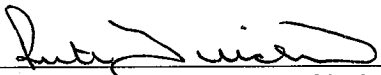
1. Delete \$32.7 million, all from the State General Fund, in General State Aid for the Governor's recommendation to increase Base State Aid Per Pupil \$50 in FY 2011.
2. Delete \$660,000, all from the State General Fund, for the discretionary grant program in FY 2011. The Committee notes that this action leaves \$10,000 in discretionary grants and further notes that this funding should be used solely for the Teacher of Year program.
3. Transfer \$660,000, all from the State General Fund, to the State Safety Fund for the Driver's Education program in FY 2011.
4. Review at Omnibus the addition of \$81,118, all from the State General Fund, for an architect position within the Department of Education. Under current law, before any construction of a school building can commence, the plans for a building must be submitted to the Kansas Board of Education for approval. The Committee notes that SB 383 would transfer the responsibilities for reviewing school construction plans from the Board of Education to the State Fire Marshal.
5. Review at Omnibus the addition of \$82,823, all from the State General Fund, for membership dues for the Council of Chief State School Officers and the National Association of State Boards of Education.
6. Review at Omnibus the addition of \$120,955, all from the State General Fund, for the state assessment program. State assessments are developed and aligned with requirements of the No Child Left Behind Act, which called for testing at more frequent intervals. Currently, the Department of Education works with WestEd Corporation and the Center for Education Testing and Evaluation at the University of Kansas on assessments.

7. Review at Omnibus funding for the Driver's Education program.
8. Review at Omnibus the Interstate Compact for Military Children. The Compact addresses transitional issues faced the children of active-duty military personnel as they transfer between school systems.
9. The Committee notes that if additional funding should become available, funding for the Driver's Education program should be given first priority and funding for the discretionary grants program should be given second priority.

FY 2011

SENATE WAYS AND MEANS SUBCOMMITTEE

Department of Administration

  
\_\_\_\_\_  
Senator Ruth Teichman, Chair

  
\_\_\_\_\_  
Senator Janis Lee

  
\_\_\_\_\_  
Senator Mark Taddiken

Senate Ways & Means Cmte  
Date 2-25-2010  
Attachment 6

# House Budget Committee Report

**Agency:** Department of Administration

**Bill No.** HB 2706

**Bill Sec.** 51

**Analyst:** Gorges

**Analysis Pg. No.** - -

**Budget Page No.** 1

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 68,668,357	\$ 67,567,596	\$ (406,515)
Other Funds	9,783,292	9,783,292	0
Subtotal	<u>\$ 78,451,649</u>	<u>\$ 77,350,888</u>	<u>\$ (406,515)</u>
<b>Capital Improvements</b>			
State General Fund	\$ 25,830,864	\$ 19,237,314	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 25,830,864</u>	<u>\$ 19,237,314</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 104,282,513</u></u>	<u><u>\$ 96,588,202</u></u>	<u><u>\$ (406,515)</u></u>
FTE positions	176.6	176.6	0.0
Non FTE Uncl. Perm. Pos.	5.8	5.8	0.0
<b>TOTAL</b>	<u><u>182.4</u></u>	<u><u>182.4</u></u>	<u><u>0.0</u></u>

## Agency Request

The **agency** requests FY 2011 operating expenditures totaling \$78.5 million, an increase of \$13.2 million, or 20.2 percent, above the current year revised estimate. The request includes \$68.7 million from the State General Fund, an increase of \$14.1 million, or 25.8 percent, above the current year revised estimate. The request includes 176.6 FTE positions.

The agency's request includes \$55.4 million, all from the State General Fund, for debt service payments. The request is an increase of \$13.5 million, or 32.3 percent, above the current year revised estimate. In FY 2010, several bonds were restructured which reduced debt service payments. Those reductions are not carried forward to FY 2011, which accounts for the increase.

Without debt service, the agency requests FY 2011 operating expenditures totaling \$23.1 million, a reduction of \$312,245, or 1.3 percent, below the current year revised estimate. The request includes \$13.3 million from the State General Fund, an increase of \$565,382, or 4.4 percent, above the current year revised estimate.

## Governor's Recommendation

The **Governor** recommends \$77.4 million, an increase of \$12.8 million, or 19.8 percent above the Governor's FY 2010 estimate. The recommendation includes \$67.6 million from the State General Fund, an increase of \$13.7 million, or 25.4 percent, above the FY 2010



recommendation. When compared to the agency's request, the Governor's recommendation is a reduction of \$1.1 million, or 1.4 percent. The State General Fund recommendation is a reduction of \$1.1 million, or 1.6 percent.

The recommendation includes \$55.2 million, all from the State General Fund, for debt service payments. Without the debt service, the Governor's recommendation totals \$22.2 million, including \$12.4 million from the State General Fund. The recommendation, absent debt service, is an all funds reduction of \$471,112, or 2.1 percent, below the FY 2010 recommendation and a State General Fund increase of \$406,515, or 3.4 percent, above the FY 2010 recommendation. The State General Fund increase includes \$150,000 for a gubernatorial transition team, and an increase in the Public Broadcasting Council grant for debt service payments.

The Governor accepted the agency's reduced resources decreasing the agency's State General Fund request by 5.0 percent, across-the-board. The Governor did not include the agency's enhancement request totaling \$242,664 for the Public Broadcasting Council. The reductions are partially offset by an increase of \$13.5 million in debt service payments and scheduled rate increases in the employer's contribution to Group Health Insurance and KPERS benefits. The Governor concurs with the agency's request for FY 176.6 FTE positions.

### **House Budget Committee**

The **Budget Committee** concurs with the Governor's recommendation with the following adjustment:

1. Delete \$406,515, all from the State General Fund, in order to reduce the Governor's FY 2011 operating budget recommendation to the Governor's FY 2010 level.

### **House Appropriations Committee**

The **House Appropriations Committee** concurs with the House Budget Committee with the following adjustments:

1. Add \$256,515, all from the State General Fund, to restore funding for debt service principal payments for the Public Broadcasting Council (PBC). The PBC's debt service was restructured for FY 2010 and required interest only payments. The principal payments resume in FY 2011.
2. Review, at Omnibus, a report prepared by the agency regarding the cost of the new Financial Management System. The committee requests the report include an update on the progress of the implementation of the system, the total costs of the system, any cost savings created by the system, a list of agencies that will not use the system and the reasons those agencies cited for not using the system, and the cost savings should those agencies use the system.

## Senate Subcommittee Report

**Agency:** Department of Administration

**Bill No.** SB 556

**Bill Sec.** 51

**Analyst:** Gorges

**Analysis Pg. No.**

**Budget Page No.** 1

<u>Expenditure Summary</u>	<u>Agency Request FY 2011</u>	<u>Governor Recommendation FY 2011</u>	<u>Senate Subcommittee Adjustments</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 68,668,357	\$ 67,567,596	\$ (213,260)
Other Funds	9,783,292	9,783,292	(295,170)
Subtotal	<u>\$ 78,451,649</u>	<u>\$ 77,350,888</u>	<u>\$ (508,430)</u>
<b>Capital Improvements</b>			
State General Fund	\$ 25,830,864	\$ 19,237,314	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 25,830,864</u>	<u>\$ 19,237,314</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 104,282,513</u></u>	<u><u>\$ 96,588,202</u></u>	<u><u>\$ (508,430)</u></u>
FTE positions	176.6	176.6	0.0
Non FTE Uncl. Perm. Pos.	5.8	5.8	0.0
<b>TOTAL</b>	<u><u>182.4</u></u>	<u><u>182.4</u></u>	<u><u>0.0</u></u>

### Agency Request

The **agency** requests FY 2011 operating expenditures totaling \$78.5 million, an increase of \$13.2 million, or 20.2 percent, above the current year revised estimate. The request includes \$68.7 million from the State General Fund, an increase of \$14.1 million, or 25.8 percent, above the current year revised estimate. The request includes 176.6 FTE positions.

The agency's request includes \$55.4 million, all from the State General Fund, for debt service payments. The request is an increase of \$13.5 million, or 32.3 percent, above the current year revised estimate. In FY 2010, several bonds were restructured which reduced debt service payments. Those reductions are not carried forward to FY 2011, which accounts for the increase.

Without debt service, the agency requests FY 2011 operating expenditures totaling \$23.1 million, a reduction of \$312,245, or 1.3 percent, below the current year revised estimate. The request includes \$13.3 million from the State General Fund, an increase of \$565,382, or 4.4 percent, above the current year revised estimate.

## **Governor's Recommendation**

The Governor recommends \$77.4 million, an increase of \$12.8 million, or 19.8 percent above the Governor's FY 2010 estimate. The recommendation includes \$67.6 million from the State General Fund, an increase of \$13.7 million, or 25.4 percent, above the FY 2010 recommendation. When compared to the agency's request, the Governor's recommendation is a reduction of \$1.1 million, or 1.4 percent. The State General Fund recommendation is a reduction of \$1.1 million, or 1.6 percent.

The recommendation includes \$55.2 million, all from the State General Fund, for debt service payments. Without the debt service, the Governor's recommendation totals \$22.2 million, including \$12.4 million from the State General Fund. The recommendation, absent debt service, is an all funds reduction of \$471,112, or 2.1 percent, below the FY 2010 recommendation and a State General Fund increase of \$406,515, or 3.4 percent, above the FY 2010 recommendation. The State General Fund increase includes \$150,000 for a gubernatorial transition team, and an increase of \$322,804 in the Public Broadcasting Council grant for debt service payments. These increases are partially offset by reductions throughout the agency.

The Governor accepted the agency's reduced resources decreasing the agency's State General Fund request by 5.0 percent, across-the-board. The Governor did not include the agency's enhancement request totaling \$242,664 for the Public Broadcasting Council. The reductions are partially offset by an increase of \$13.5 million in debt service payments and scheduled rate increases in the employer's contribution to Group Health Insurance and KPERS benefits. The Governor concurs with the agency's request for FY 176.6 FTE positions.

## **Senate Subcommittee**

The **Senate Subcommittee** concurs with the Governor's recommendation with the following adjustments and notations:

1. **Gubernatorial Transition Funding.** Delete \$150,000, all from the State General Fund, for a Gubernatorial Transition Team. By statute, the Governor's recommendation must include funding for a transition team for the next Governor. The statute does not require the legislature to appropriate the funds.
2. **Longevity Bonus Payments.** Delete \$358,430, including \$63,260 from the State General Fund, for longevity bonus payments. The agency would be required to make the payments from existing resources.
3. **Debt Service Payments.** The Subcommittee notes 81.6 percent of the agency's State General Fund operating budget is for debt service.
4. **Public Broadcasting Council Debt Service.** The Subcommittee notes that it considered further reductions in the agency's budget, which would have included reductions to the Public Broadcasting Council (PBC). The Subcommittee notes that the PBC receives grant funding from the State General Fund. Within the grant funding, the PBC pays for debt service interest and principal on equipment for the conversion of television and radio to digital signals. PBC's debt service was restructured as part of the Governor's recommendation for FY 2010 to require interest only payments. For FY 2011, the principal payments resume, which reflects an increase of \$322,804, all from the State General Fund.

5. The Subcommittee notes that, absent PBC debt service funding, and the funding for the gubernatorial transition team, the Governor's FY 2011 recommendation is actually below the FY 2010 recommendation. If the PBC funding were deleted, the agency's budget would be \$11,877,433, or 1.1 percent, below the Governor's FY 2010 recommendation.

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February 25, 2010

## Senate Bill 546

### Background

- SB 546 would create a provider assessment program for skilled nursing facilities in the state of Kansas.
- A provider assessment is a mechanism used to maximize the amount of federal funding for the state by generating new state funds. After collection, the additional funds would be used to draw down additional federal funds. This results in increased Medicaid payments to providers for Medicaid eligible services.
- Kansas has implemented a provider assessment for hospitals.
- Currently, 36 states have a form of the provider assessment program for skilled nursing care facilities.
- There are currently 344 skilled nursing facilities in Kansas.

### Provider assessment qualifications

- SB 546 would establish an assessment on all licensed beds within skilled nursing care facilities.
- The Center for Medicaid and Medicare Services (CMS) guidelines state that a provider assessment must be uniformly enforced across all skilled nursing facilities to be approved.
- Certain categories of facilities can be excluded, but all facilities of that type must be excluded from the assessment. SB 546 would exclude the Kansas Soldiers' Home and the Kansas Veteran's Home from the assessment.

### Prescribing powers, duties and functions of the assessment

- SB 546 would establish the Kansas Health Policy Authority as the state agency to calculate and implement the provider assessment.

- The stipulations of the assessment include:
  - After the first three years, the assessment amount shall be adjusted to be no more than 60.0 percent of the assessment collected in previous years. This establishes a downward collection trend for the assessment;
  - A facility will only be assessed on the number of beds that the facility is licensed for as of July 1st each year. Therefore, the assessment amount due will be calculated once, but paid quarterly;
  - If a facility de-licenses beds after July 1st of each year, the facility will not be reimbursed of the assessment already collected but it will not have to pay for the de-licensed beds moving forward;
  - If an organization has more than one licensed facility then the assessment will be applied to each separate facility;
  - Burden of the assessment is not allowed to be passed on to private payers;
  - Per CMS guidelines, there is no guarantee a facility will have increased reimbursements to offset the expenditures.

### **Establishment of a Quality of Care Assessment Fund**

- SB 546 would establish a fund where all assessments and penalties collected through the program would be deposited.
- All funds collected would be used to finance initiatives designed to maintain or increase the quantity and quality of nursing care in licensed facilities. No funds would be allowed to be transferred to the State General Fund at any time.
- The assessment funds shall be used exclusively to pay for:
  - Administrative expenses incurred by the Kansas Health Policy Authority;
  - Increased nursing facility payments to fund covered services to Medicaid beneficiaries;
  - Reimburse initial portions of the Medicaid share of the assessment;
  - Restore the 10.0 percent provider reduction implemented from January 1-June 30, 2010; and
  - Restore funding for FY 2010 re-basing and inflation.
- If there are any additional funds available, SB 546 would specify that these must be used for quality enhancement for skilled nursing facilities.
- A fine will be assessed of the lesser of \$500 per day or 2.0 percent of the amount owed by the facility if it fails to pay the full amount of the assessment.

- The assessment is null and void if CMS does not approved the authority of the program and/or if the rates made to the nursing facilities are reduced below the rates calculated on June 30, 2010 adjusted for the 10.0 percent reduction, rebasing and inflation.
- Should the program is deemed null and void all funds assessed will be returned to the facilities.

### **Prescribing powers, duties and functions of the assessment**

- SB 546 would establish a Quality Care Improvement Panel.
- The panel would consist of representatives from Kansas Homes and Services for the Aging, Kansas Health Care Association, Kansas Advocates for Better Care, an executive of a Kansas adult care home not affiliated with any of the trade organizations specified in the bill, Kansas Foundation for Medical Care, the Kansas Department on Aging, and the Kansas Health Policy Authority.
- Members of the panel shall serve without compensation or expenses.
- The panel will annually report to the legislature concerning the activities of the panel.
- The provision of SB 546 would expire in four years.
- The act would take effect upon publication in the *Kansas Register*.

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TOPEKA  
 Testimony for Senate Bill 546  
 Senate Ways and Means  
 February 25, 2010

Chairman Emler members of the Senate Ways and Means Committee, I am Bob Bethell and I appear before you today in support of SB 546.

SB 546 deals with an assessment on the nursing facilities in Kansas. The concept of such an assessment or without the "wordsmithing" tax is one that I know will philosophically be opposed by some members of the Senate and this committee. In the past the concept has been referred to as a "granny tax" or a "bed tax." The use of assessment in some ways is also a misnomer in that we really should not be discussing anything but the accessing of services that are vital to the well being of some of the most vulnerable of our society.

In this committee, I know that you are confronted with the argument that certain programs are necessary of being funded by the Legislature of Kansas because they are "constitutionally" mandated. I would propose today that there are many mandates that are presented in many ways. Some are constitutionally mandated, some are due to statute, some are social issues and some, I suggest, are moral mandates. Hubert Humphrey said "a society will be judged on how it treats those in the dawn of life, those in the twilight of life and those in the shadow of life." The book of Isaiah in the first chapter says, stop doing wrong, learn to do right! Seek justice, encourage the oppressed. Defend the cause of the fatherless, plead the case of the widow.

In 2004 the Legislature both the House and Senate passed and Governor Sebelius signed into law a bill similar to SB 546. I might remind this committee that at that time it was decided in the House by a vote of 122 to 0 to pass that bill and the Senate concurred with a vote of 40 to 0. The magic numbers of the Legislature were achieved, 63, 21, and 1. I do not want to speak for those affected by the bill of that day but I believe the results are appreciated today. That bill created a "provider tax" for the hospitals of Kansas. Today SB 546 proposes to do the same for the nursing facilities in Kansas. I would also bring to the attention of all that are members of this committee and those who are listening to and those who will read this testimony that the provision of care for the aged of our society is a Federal Mandate.

There are approximately 23,000 nursing home beds in Kansas and approximately 50% of those beds are occupied by 12,500 persons receiving Medicaid assistance mandated by the Federal Government. I point out these are people not beds.

The November allotments/cuts by Governor Parkinson cut 10% of the State General Funds (SGF) dedicated to the Medicaid program of Kansas. To make the explanation of the impact clear let me state that a 10% cut to SGF is in reality not a 10% cut. The 10% cut causes a 23% cut in Federal Dollars making a total of 33%. A cut of \$3.00 leaves \$7.00 on the Federal table and the provider of Medicaid

Senate Ways & Means Cmte  
 Date 2-25-2010  
 Attachment 8



services loses a total of \$10.00. Cuts of this magnitude are unsustainable by the providers of services. Businesses will stop doing business either with those receiving Medicaid assistance or in some cases entirely. Decisions such as that will cause the loss of jobs, families will suffer many headed by single parents but most of all vulnerable people lose services that are necessary for their well being.

You will hear from opponents of this bill that "it taxes the private pay resident" of the nursing home. In 2007 the Legislature passed and the Governor signed into law a bill that changed the procedure for reimbursement of the nursing facility Medicaid rate. The effect of that bill was to raise the reimbursement from 85% of the cost of providing services in a nursing facility to 95% of the cost. I mention that is cost not charge. The business of long term care has for as long as I have been licensed as a Nursing Home Administrator been charging (is that another "wordsmithing" of the word tax?) the private pay resident the amount of the short fall of Medicaid to fully fund the cost of care.

With the November cuts the subsidy continues and actually increases. Attached to this testimony is a chart that lists the Medicaid funding shortfall and the amount of increase in Private Pay rate to make up for the cuts. The average amount necessary to be added to the Private Pay rate to make up for the Medicaid cut is approximately \$22.00 per day. The range is from \$8.00 per day or \$2,920.00 annually to \$100.00 per day or \$36,500.00 annually. This amount will be an additional cost to the very people that some want to protect. The argument is that a tax will drive the private pay into Medicaid assistance quicker by using their private funds at a higher rate. There is truth in that position, however let me point out that the assessment/tax would be at a rate of \$4.00 per day, much less than the average of \$22.00 per day or \$8,030.00 annually without the provisions of SB 546.

I would also again remind the committee that I am philosophically against the "granny" tax but I want to save Granny and cost her less.

Without SB 546 there will be a loss of care to the very people we are mandated to care for and protect, not to mention we have a moral obligation to provide the care.

Ladies and gentlemen we are faced with an issue that is not philosophical, it is not partisan, it is not black and white and it is not easy. It is however clear. We need to step up and become statesmen and do what all of us have been elected to do, what is correct for the people we represent. I have struggled with this decision and if I might I will use a little of the humor that has been with me most of my life. Today we are not choosing between Jesus Christ and Jesse James we are choosing between Frank and Jesse James. I encourage you to choose the lesser of what some would call the "evils".

Back to Isaiah 1:18 Come now, let us reason together.

Mr. Chairman, I will stand for any questions.

**Vote Tally - Alphabetical**

Vote #	Date	Bill Number	Question		
439	05/01/2004	H Sub for SB 12	On motion to concur in House amendments		
		All Members	Republicans	Demo	
	For	40	100%	30	100%
	Against	0	0%	0	0%
	Present	0	0%	0	0%
	Not Voting	0	N/A	0	N/A
<b>Yea (40)</b>					
David Adkins, R-7th		Barbara Allen, R-8th		Jim Barnett, R-17th	
Jim Barone, D-13th		Donald Betts Jr., D-29th		Karin Brownlee, R-23rd	
Pete Brungardt, R-24th		Mark A. Buhler, R-2nd		Bill Buntten, R-20th	
Stan Clark, R-40th		David R. Corbin, R-16th		Les Donovan, R-27th	
Christine Downey, D-31st		Jay Emler, R-35th		Mark Gilstrap, D-5th	
Greta Goodwin, D-32nd		David Haley, D-4th		Henry Helgerson, D-28th	
Anthony Hensley, D-19th		Tim Huelskamp, R-38th		David Jackson, R-18th	
Nick Jordan, R-10th		Phillip Journey, R-26th		Dave Kerr, R-34th	
Janis Lee, D-36th		Bob Lyon, R-3rd		Stephen R. Morris, R-39th	
Kay O'Connor, R-9th		Lana Oleen, R-22nd		Ed Pugh, R-1st	
Larry Salmans, R-37th		Derek Schmidt, R-15th		Jean Schodorf, R-25th	
Chris Steineger, D-6th		Mark Taddiken, R-21st		Ruth Teichman, R-33rd	
Robert Tyson, R-12th		Dwayne Umbarger, R-14th		John Vratil, R-11th	
Susan Wagle, R-30th					

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Aug. PP. increase is \$22 a day -

	Private Pay rate	
	Increase per day	
	To recoup	Medicaid cut
	MCD Cut at 10%	at 10%
Gove County Medical Center	13.17	(108,192.39)
Hodgeman Co Health Center-LTCU	9.32	(29,595.30)
Jewell County Hospital	11.28	(53,371.72)
St. Luke Living Center	15.93	(83,067.10)
Great Plains of Ottawa County, Inc.	3.82	(26,613.55)
Rush Co. Memorial Hospital	15.63	(42,303.80)
Sheridan County Hospital	6.10	(50,979.71)
Trego Co. Lemke Memorial LTCU	19.36	(98,704.68)
Lane County Hospital - LTCU	11.80	(43,779.72)
Great Plains of Republic County, Inc	23.96	(126,411.00)
Salem Home	21.19	(145,739.99)
Smith County Memorial Hospital LTCU	6.52	(37,242.12)
Mitchell County Hospital LTCU	17.34	(77,557.15)
Decatur County Hospital	3.30	(29,322.27)
Jefferson Co. Memorial Hospital-LTCU	22.04	(94,004.30)
Bethesda Home	25.18	(188,697.30)
Grisell Memorial Hosp Dist #1-LTCU	19.03	(69,459.39)
Ness County Hospital Dist.#2	13.42	(90,852.63)
Seasons of Life Living Center	24.07	(124,298.66)
Stanton County Hospital- LTCU	14.27	(58,296.60)
Satanta Dist. Hosp. LTCU	18.10	(99,420.38)
Morton County Hospital	13.03	(173,326.25)
Meadowbrook Rehab Hosp., LTCU	38.87	(108,673.30)
Attica Long Term Care	23.10	(159,332.56)
Coffeyville Regional Medical Center	1.85	(804.05)
Pratt Regional Medical Center	13.20	(97,009.98)
Wichita County Health Center	22.85	(58,572.72)
Anderson County Hospital	96.40	(141,990.69)
Bethel Care Center	9.26	(120,504.77)
Friendly Acres, Inc.	25.06	(275,091.20)
Legacy Park	44.59	(144,173.65)
Medicalodges Wichita	60.20	(270,247.44)
Brewster Place	2.28	(47,687.95)
Topeka Presbyterian Manor Inc.	23.14	(375,384.86)
Medicalodges Pittsburg South	56.87	(165,436.68)
Valley View Senior Life	18.03	(188,335.81)
Wheat State Manor	22.93	(180,448.03)
Medicalodges Post Acute Care Center	62.97	(387,895.40)
Tri County Manor Living Center, Inc.	19.70	(83,061.62)
Meridian Nursing & Rehab Center	69.56	(334,289.47)
Catholic Care Center Inc.	11.94	(351,542.79)
Villa St. Francis	21.05	(400,028.54)
Kansas Masonic Home	17.61	(293,002.64)
Cherry Village Benevolence	22.68	(97,314.45)
Homestead Health Center, Inc.	16.70	(170,017.35)
Westview of Derby	39.55	(304,600.50)
Lakepoint Nursing Center-El Dorado	23.16	(264,322.04)

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Trinity Nursing & Rehab Ctr		(351,744.64)
Medicalodge of Atchison	24.77	(164,366.46)
Deseret Nursing & Rehab at Wichita	41.52	(250,228.47)
Meadowlark Hills Retirement Communit	5.66	(152,839.23)
Eventide Convalescent Center, Inc.	24.61	(202,429.36)
Pinnacle Ridge Nursing and Rehabilit	31.70	(238,447.26)
Kenwood View Nursing Center	25.21	(185,325.84)
Life Care Center of Osawatomie	32.14	(250,068.69)
Golden Living Center-Downs	12.12	(76,644.02)
St. John's of Hays	17.34	(122,294.40)
Pioneer Manor	11.22	(122,886.36)
Halstead Health and Rehab Center	29.51	(157,313.16)
Kansas City Presbyterian Manor	56.75	(644,573.59)
Wichita Presbyterian Manor	8.45	(86,752.40)
Golden Plains	43.22	(277,167.98)
Haysville Healthcare Center	34.21	(360,718.06)
Medicalodges Leavenworth	61.04	(187,926.90)
Medicalodges Clay Center	15.73	(95,248.76)
Brookside Manor	17.55	(169,766.54)
Heritage Health Care Center	25.91	(100,834.64)
Tonganoxie Nursing Center	26.07	(190,407.74)
Lawrence Presbyterian Manor	10.26	(94,385.81)
Windsor Estates	18.26	(136,130.32)
Medicalodges Goddard	26.98	(157,560.26)
Topeka Community Healthcare Center	81.96	(290,213.03)
Life Care Center of Andover	13.27	(251,888.55)
Emporia Presbyterian Manor	8.98	(110,306.00)
Royal Terrace Nrsg. & Rehab. Center	30.13	(371,188.90)
McCrite Plaza Health Center	11.26	(102,069.22)
Rolling Hills Health Center	29.44	(217,895.73)
Life Care Center of Overland Park	7.08	(236,606.40)
Lakepoint Nursing and Rehabilitation	23.49	(234,115.15)
Manorcare Health Services of Wichita	41.61	(332,512.46)
Specialty Hospital of Mid-America SN	59.76	(192,964.98)
Garden Valley Retirement Village	18.53	(171,631.46)
Delmar Gardens of Lenexa	39.15	(559,486.92)
Holiday Resort	15.31	(253,551.83)
Trinity Manor	12.93	(128,865.36)
Manorcare Health Services of Topeka	35.93	(356,562.45)
THE HEALTH CENTER AT BRANDON WOC	15.27	(325,750.27)
Mt. Carmel Regional Medical Ctr. SNF	18.96	(3,318.61)
Manorcare Hlth Services of Overland	16.57	(376,245.66)
Villa Saint Joseph	14.47	(258,133.30)
Regal Estate	24.20	(135,336.20)
Pinnacle Park Nursing and Rehabilita	26.61	(138,086.19)
Hilltop Lodge Nursing Home	14.05	(214,203.76)
Delmar Gardens of Overland Park	41.34	(404,118.82)
Salina Presbyterian Manor	3.99	(64,667.54)
Stoneybrook Retirement Community	37.97	(153,327.43)
College Hill Nursing and Rehab Cente		(322,546.88)
Windsor Place	38.82	(507,110.40)
Iola Nursing Center	33.40	(52,437.00)

Atchison Senior Village	15.70	(131,518.11)
Medicalodges Fort Scott	40.91	(165,344.26)
Lake Point Nursing Center	21.42	(265,441.46)
Ashland Health Center - LTCU	19.78	(67,505.21)
Clay Center Presbyterian Manor	11.01	(49,054.59)
The Nicol Home, Inc.	7.37	(33,292.13)
Mt Joseph Senior Village, LLC	20.77	(158,138.27)
Sunset Manor, Inc	22.14	(256,506.62)
The Heritage	14.56	(89,836.16)
Medicalodges Herington	22.14	(122,918.13)
Baldwin Care Center		(110,534.42)
Shawnee Gardens Nursing Center		(336,218.15)
Howard Twilight Manor	23.05	(115,039.67)
Ellsworth Good Samaritan Ret. Villag	14.86	(124,410.00)
Homestead Health & Rehab	17.77	(133,001.38)
Hill Top House	15.73	(65,549.87)
Richmond Healthcare and Rehabilitati		(91,964.88)
Good Samaritan Society-Junction City	33.95	(164,194.29)
The Legacy at Park View	25.56	(174,249.62)
Bethel Home, Inc.	31.24	(187,893.05)
Kansas Christian Home	23.70	(272,352.01)
Newton Presbyterian Manor	15.08	(153,803.34)
Village Villa	20.98	(63,543.48)
Good Samaritan Society-Olathe	18.09	(389,950.38)
Bethany Home Association	9.63	(230,207.61)
Memorial Home for the Aged	11.87	(158,611.81)
Medicalodge East of Coffeyville	54.54	(106,356.75)
Crestview Manor	9.36	(57,346.63)
Andbe Home, Inc.	11.35	(132,642.67)
Leonardville Nursing Home	7.33	(86,597.78)
Park Lane Nursing Home	16.52	(191,130.05)
Cheney Golden Age Home Inc.	13.56	(137,164.24)
Clearwater Ret. Community	14.98	(116,018.76)
Riverview Manor, Inc.	18.43	(97,064.45)
The Centennial Homestead, Inc.	8.67	(65,741.41)
Medicalodge East of Kansas City		(180,675.18)
Life Care Center of Burlington	15.05	(151,634.10)
Good Samaritan Society-Winfield	25.26	(170,916.14)
Great Bend Health & Rehab Center	12.46	(222,245.98)
Chapman Valley Manor	9.46	(87,181.03)
Schowalter Villa	19.05	(304,255.68)
St. Johns Victoria	14.13	(160,711.78)
Good Sam Society-Hutchinson Village	23.01	(226,609.80)
Good Samirtan Society-Sherman Co.	23.01	(185,932.58)
Logan Manor Community Health Service	18.46	(73,881.72)
Linn Community Nursing Home	8.97	(110,182.93)
Dodge City Good Samaritan Center	30.05	(177,707.97)
Prescott Country View Nursing Center	10.65	(89,798.36)
Good Samaritan Society-Hays	9.62	(127,000.99)
Good Samaritan Society-Lyons	22.43	(128,384.89)
Good Samaritan Society-Liberal	18.98	(179,941.19)
Parkview Care Center	10.51	(101,316.60)

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Mt. Hope Nursing Center	10.60	(92,357.96)
Mid-America Health Center of Lincoln	-	-
Protection Valley Manor	51.89	(123,444.50)
Leisure Homestead at Stafford	10.43	(73,517.81)
Parkside Homes, Inc.	10.86	(142,982.42)
Good Samritan Society-Minneapolis	22.53	(167,547.09)
Westy Community Care Home	11.45	(105,511.89)
Medicalodges of Eudora	13.87	(131,534.44)
Enterprise Estates Nursing Center, I	16.33	(98,800.43)
Park Villa Nursing Home	8.60	(51,262.55)
Medicalodges Jackson County	16.76	(133,082.41)
Fowler Nursing Home	5.00	(32,419.70)
Emerald Pointe Health & Rehab Centre		(75,744.79)
Riverview Estates, Inc.	12.37	(75,371.33)
Mennonite Friendship Manor, Inc.	16.56	(303,570.54)
Moundridge Manor, Inc.	17.29	(212,468.37)
Deseret Nursing & Rehab at Smith Ctr	11.90	(60,282.90)
Hilltop Manor	10.17	(121,293.09)
Dexter Care Center	21.68	(80,481.24)
Peterson Health Care, Inc.	31.49	(112,635.46)
Villa Maria, Inc.	13.33	(128,376.03)
Country View Estates Care Home	9.15	(56,086.94)
Minneola District Hospital	9.73	(69,376.48)
The Shepherd's Center	15.61	(72,317.84)
Elmhaven East	11.44	(78,693.44)
Deseret Nursing & Rehab at Oswego	72.21	(96,402.28)
Medicalodges Columbus	28.21	(103,926.14)
Medicalodge of Kinsley	28.46	(145,511.52)
Rossville Healthcare & Rehab Center		(196,104.51)
Valley Health Care Center	90.88	(137,142.50)
Belleville Health Care Center	11.08	(123,227.51)
Lakewood Senior Living of Seville	36.62	(199,868.99)
Golden Living Center-Wichita		(210,013.64)
Medicalodge East Healthcare Center	50.49	(214,291.44)
Medicalodge of Paola		(329,625.00)
Rush County Nursing Home	14.15	(95,363.98)
Greeley County Hospital, LTCU	10.05	(60,722.93)
Abal Home		(202,457.00)
Elmhaven West	36.89	(117,815.84)
Parsons Presbyterian Manor	28.11	(119,344.43)
Chetopa Manor	20.32	(72,207.17)
Deseret Nursing & Rehab at Colby	11.32	(74,461.61)
Country Care Home	17.46	(103,631.63)
Arma Care Center	27.91	(95,405.66)
Windsor Place at Independence	6.01	(43,864.24)
Highland Care Center		(65,376.37)
Arkansas City Presbyterian Manor	15.63	(133,412.90)
IHS of Brighton Place	27.89	(131,104.51)
Community Hospital of Onaga, LTCU	17.52	(97,383.28)
Pleasant Valley Manor	33.07	(188,540.88)
Medicalodge of Gardner		(329,162.24)
Deseret Nursing & Rehab at Hutchinsco		(116,851.20)

Woodhaven Care Center	23.33	(148,200.10)
Citizens Medical Center	16.46	(137,333.66)
Anthony Community Care Center	30.34	(135,006.95)
Logan County Manor	14.45	(94,642.66)
Countryside Health Center	79.63	(189,914.27)
Sedgwick Healthcare Center	25.57	(184,946.01)
Sabetha Nursing Center	22.34	(100,176.11)
Beverly Health & Rehab-Wellington	46.22	(157,717.25)
Golden Living Center-Chase Co.	30.99	(98,194.78)
Leisure Homestead at St. John	15.28	(59,277.05)
Beverly Health & Rehab-El Dorado		(159,580.69)
Windsor Place at Iola, LLC	19.94	(132,753.42)
Village Manor	23.16	(206,060.88)
Friendship Manor of Pratt	13.88	(114,859.13)
Coffey County Hospital	11.18	(64,922.43)
Moran Manor	27.21	(99,324.24)
Louisburg Care Center		(157,879.14)
Friendship Manor Rehab Ctr of Havila		(147,046.90)
Council Grove Healthcare Center	18.99	(166,302.86)
Chanute Health Care Center	26.02	(176,670.82)
Flint Hills Care Center, Inc.	26.73	(109,642.40)
Colonial Manor of Wathena		(101,293.75)
Colonial Manor Nursing & Care Center	15.91	(112,448.87)
Solomon Valley Manor	19.50	(85,483.55)
High Plains Retirement Village	22.32	(127,104.42)
Deseret Nursing & Rehab at Kensingto	13.36	(71,249.61)
Community Care, Inc.	11.70	(45,923.76)
North Point Skilled Nursing Center	31.11	(149,777.74)
Hickory Pointe Care & Rehab Ctr	26.46	(148,042.73)
Deseret Nursing & Rehab at Yates Ctr	12.40	(57,150.44)
Deseret Nursing & Rehab at Wellingto	35.16	(137,504.35)
Lifecare Center of Kansas City	52.71	(255,057.20)
Fort Scott Manor	54.70	(127,119.58)
Larned Healthcare Center	37.98	(180,183.25)
Ottawa Retirement Village	18.78	(216,938.74)
Hillside Village	45.76	(113,948.35)
Indian Trails Manor		(181,993.34)
Beverly Health & Rehab-Fredonia	40.81	(120,196.82)
Beverly Health & Rehab of Neodesha	33.87	(122,771.43)
Golden Living Center-Parkway	86.45	(184,820.06)
Edwardsville Convalescent Center		(159,966.77)
Golden Living Center-Edwardsville		(359,971.72)
Golden Living Center-Spring Hill	48.26	(132,807.89)
Golden Living Center-Wilson	14.93	(80,796.87)
Caney Nursing Center	55.19	(116,459.93)
Lakepoint Nursing Ctr-Rose Hill	13.81	(104,506.64)
Golden Living Center-Wakefield	27.94	(79,796.22)
Golden Living Center-Eskridge		(192,557.75)
Bonner Springs Nursing and Rehabilit	52.16	(150,950.33)
Beverly Rehabilitation Center	34.85	(209,237.69)
Westview Manor of Peabody		(151,318.39)
Wheatland Nursing & Rehab Center	41.69	(143,522.87)

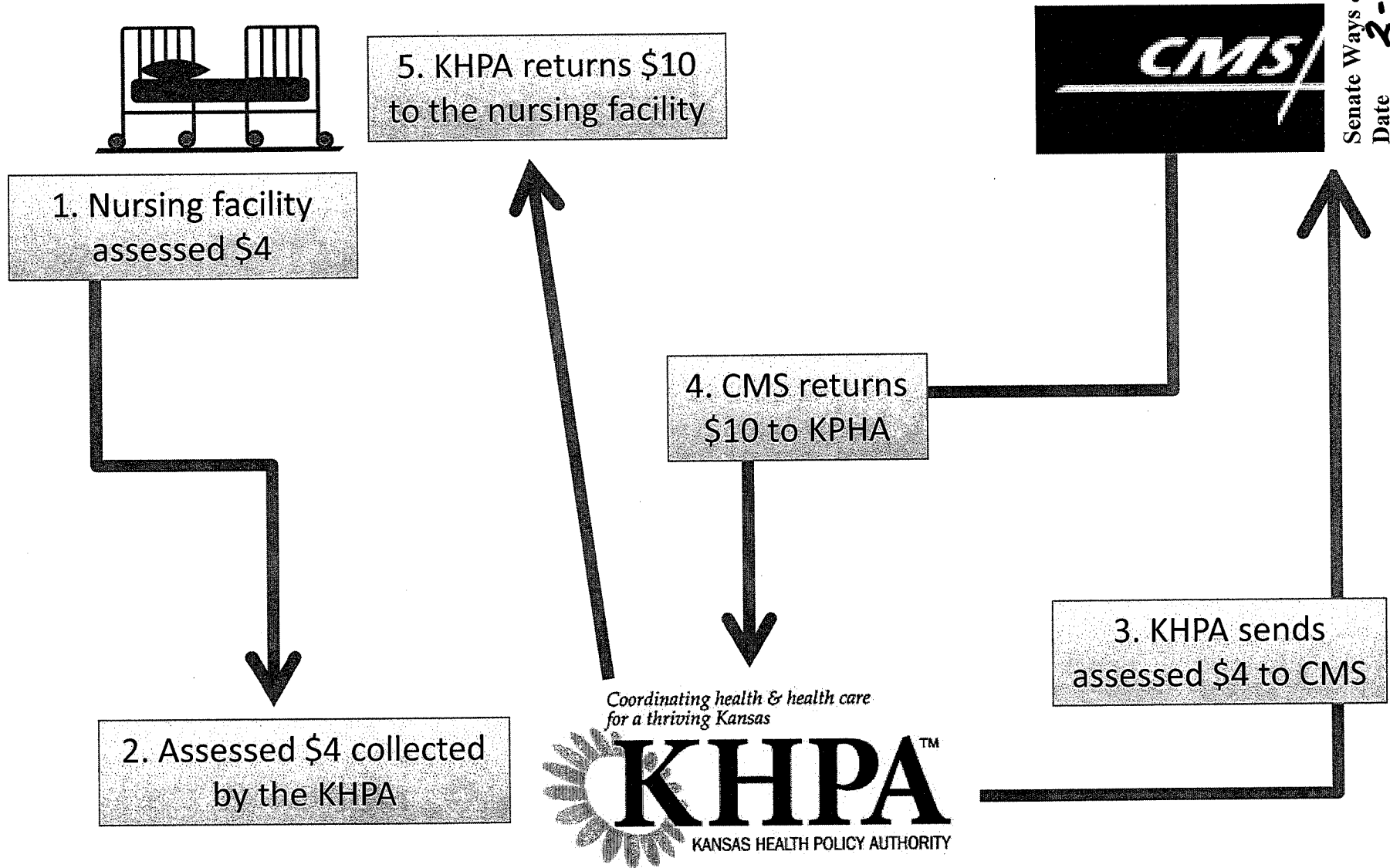
Kiowa Hospital District Manor	13.89	(85,396.78)
Pinecrest Nursing Home	29.34	(82,332.92)
Medicalodge of Douglass	23.25	(93,751.68)
Deseret Nursing & Rehab at McPherson	15.01	(99,426.48)
The Lutheran Home - Wakeeney	16.01	(63,814.05)
Alma Manor	12.24	(64,468.95)
Quaker Hill Manor	58.18	(148,544.53)
Galena Nursing & Rehab Center	36.77	(138,583.41)
Applewood Rehabilitation		(128,255.68)
Brighton Place North		(95,889.81)
Cherryvale Care Center	19.96	(122,782.38)
Maple Heights of Hiawatha	32.33	(165,919.68)
Phillips County Retirement Center	14.90	(101,117.18)
Golden Heights Living Center	19.15	(119,108.26)
Johnson County Nursing Center	71.60	(483,151.40)
Aldersgate Village	30.95	(674,042.05)
The Wheatlands	8.14	(80,455.18)
Eastridge Nursing Home	20.71	(96,556.31)
Manor of the Plains	15.32	(121,770.42)
Wesley Towers	8.63	(233,928.83)
Cambridge Place	14.81	(180,686.54)
Ray E. Dillon Living Center	27.46	(156,267.40)
Sunset Home, Inc.	7.28	(63,647.17)
Sharon Lane Health Services	24.17	(199,792.23)
Overland Park Nursing & Rehab		(275,849.64)
Plaza West Care Center, Inc.	52.93	(473,075.26)
Dooley Center		(195,483.28)
The Health Care Center@Larksfield Pl	2.05	(61,465.20)
Prairie Mission Retirement Village	12.51	(85,793.73)
Indian Creek Healthcare Center	46.71	(416,786.13)
Cumbernauld Village, Inc.	7.96	(78,042.95)
Life Care Center of Wichita	12.31	(166,164.56)
Holiday Resort of Salina	12.09	(113,081.12)
Winfield Rest Haven, Inc.	37.59	(148,349.32)
Lexington Park Nursing and Post Acut	8.57	(114,643.73)
Village Shalom, Inc.	10.25	(134,372.96)
Prairie Sunset Manor	12.91	(70,160.95)
Pioneer Ridge Retirement Community	6.73	(81,471.89)
Aberdeen Village, Inc.	8.01	(97,996.67)
Lakeview Village	1.96	(65,788.40)
Russell Regional Hospital	6.97	(40,275.44)
St. Joseph Memorial Hospital	23.75	(63,614.40)
Wheatridge Park Care Center	6.98	(74,437.66)
Cornerstone Village, Inc.	20.98	(217,464.98)
St. Joseph Village, Inc.	15.18	(232,421.73)
Via Christi Hope		(118,101.55)
Good Sam Society-St. Francis Village	32.15	(161,569.11)
Pioneer Lodge	22.16	(67,991.86)
Decatur Co. Good Samaritan Center	8.46	(87,236.23)
Ellis Good Samaritan Center	16.76	(105,284.68)
Dawson Place, Inc.	22.63	(85,549.85)
Good Samaritan Society-Parsons	24.22	(138,152.12)



Pleasant View Home	23.10	(366,184.88)
The Cedars, Inc.	24.66	(336,080.43)
Meade District Hospital, LTCU	7.03	(73,718.56)
Apostolic Christian Home	8.77	(143,794.46)
Deseret Nursing & Rehab at Onaga	20.55	(76,775.40)
Good Samaritan Society-Valley Vista	9.90	(86,845.14)
Atwood Good Samaritan Center	10.77	(87,827.53)
Buhler Sunshine Home, Inc.	17.26	(141,170.61)
Sterling Presbyterian Manor	28.43	(175,923.75)
Rooks County Senior Services, Inc.	28.26	(107,971.02)
Spring View Manor	8.14	(82,612.84)
Good Samaritan Society	18.96	(52,288.77)
Frankfort Community Care Home, Inc.	14.22	(81,301.50)
Sandstone Heights	13.89	(107,514.00)
Osage Nursing Center	19.56	(120,999.02)

6,758.53  
294  
22.99

# Simplified Nursing Facility Provider Assessment Example Chart

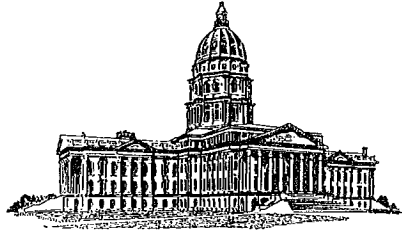


Senate Ways & Means Cmte  
Date **2-25-2010**  
Attachment

STATE OF KANSAS  
HOUSE OF REPRESENTATIVES

STATE CAPITOL  
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10405 W. 52ND TERRACE  
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**CINDY NEIGHBOR**  
18TH DISTRICT

COMMITTEE ASSIGNMENTS  
ENERGY AND UTILITIES  
FINANCIAL INSTITUTIONS  
HEALTH AND HUMAN SERVICES  
INSURANCE

Thank you, Mr. Chairman, for allowing me to speak before your committee today in support of the Quality Care Assessment Act. Over the past year, I have become very involved in my community with our local nursing homes. With the 10% Medicaid cuts, over 300 nursing homes are in jeopardy of closing.

I know at one of my nursing homes over 75% of the patients are from my local community, with 25% coming from outside the area. Cuts have already been made at the nursing home, but the issues now come down to patient care and the needs of the individuals. This nursing home has been in my community for over 55 years and is now in danger of closing without the funding being restored.

At a time when our population is aging, I find it hard to see these nursing homes close and patients have no alternative location because of financing and availability. In many cases, these facilities may be the only one in the community. Not only does this place a burden on the system, but at a time when we are worried about unemployment, there would be a loss of approximately 27,000 jobs. This has an even greater impact on all of our local communities.

In difficult times, such as those we are currently experiencing, we have a responsibility to look for solutions to critical problems. I believe the bill you have before you today provides that short term solution for our skilled nursing homes to continue to serve the most needy without taking money from the State General Fund and places a sunset for removal when our economic challenges improve.

Again, thank you for allowing me to come before you today and address this very critical need. I will stand for questions at the appropriate time.

*Representative Cindy Neighbor*  
Representative Cindy Neighbor

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Date 2-25-2010  
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**SHARON**  
**L · A · N · E**  
**HEALTH SERVICES**

February 25, 2010

Committee Members,

My name is Harry G. Baum, Ed.D., My wife, Connie and I own and operate Sharon Lane Health Services, 10315 Johnson Drive, Shawnee, KS 66203. Sharon Lane Health Services is a 96 bed Skilled Nursing Facility with 25 Rehabilitation beds and 71 long-term beds. Sharon Lane Health Services has been in the Shawnee since the early 1960s providing services for the elderly and jobs for the community. We bought this facility as a 66 bed long-term care building in 2001 and in 2004 opened a \$2.3 million dollar 30 bed addition. We are an independent owner/operator with one facility. We are truly a family owned and operated business, which is, I believe, the backbone of the Kansas economy. My wife is the Director of Nursing, my daughter is the Administrator, my son-in-law is our Plant Engineer, my son works in environmental services and my other daughter is a health-care attorney and gives us legal advice and my 14 year old grand-daughter volunteers.

Since we have operated this facility we have increased services to this area by providing full-service rehabilitation for residents that was not provided before. We have increased the number of jobs we provided to Shawnee by 50% in 9 years. Our residents are composed of 65% Medicaid patients, 20% Medicare patients and 15% private paying patients.

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We rely on Medicaid reimbursement as a major part of the funding to take care of our residents. Our Medicaid case-mix rate is approximately \$125 per day for each resident. This is below the state's average and I'm told by my Medicaid cost accountant that the reason we have a below average rate is that we run a very efficient operation and watch what we spend. We don't meet the maximum amounts for costs on the Medicaid formula so we don't get as much. Even so, our costs for caring for each resident are still about \$15 per day above the Medicaid reimbursement rate. We have consistently operated at about 88-90% of capacity and we have a very good reputation in our community. Even though we operate a very efficient facility and have been under-funded in the past we have been able to more than adequately meet our resident's needs. Last year we were one of 12 facilities out of about 365 in the State of Kansas given a no-deficiency survey.

One of the main reasons is because of our dedicated staff. An example of this is one of our nursing assistants was awarded the Nursing Assistant of the Year by Kansas Health Care Association. We have many more dedicated staff. We had 116 full time employees that live in and around the Shawnee, KS area.

Then, late last year we received the news that January 1<sup>st</sup> of this year we would be cut 10% of our Medicaid reimbursement for the rest of the year with the possibility of more cuts coming next year. Ten percent represents about \$16,000 per month in our revenue. This has caused us to redo our budget and make additional cuts to staff and services in order to keep our business model solvent.

The number of employees has been trimmed down from 116 employees at the end of 2009 to 103 because of the cuts. All salary increases have been suspended. This directly affects nursing care (higher resident to staff ratios), activities for residents (no more outside activities), food service (reduction in special food related events), housekeeping services (staff reductions) and maintenance (staff reductions) for the building. In addition, continuing remodeling and upgrading on the older building will have to stop as every last resource we have will have to be used to keep minimum requirements going for our residents to say nothing of meeting all the regulations that seem to get more complex and stringent each year.

Fortunately there is one bright spot that can help our situation, it can bring back most of this loss of funding to the state through federal matching funds **without any additional tax burden on our state citizens, but we need your help.**

**The Quality Care Assessment legislation that has been introduced in the House and Senate: HB 2673. SB 546.**

I have personal experience with just such a program in the State of Missouri. I was an owner/operator in Missouri about 20 years ago when Missouri passed this legislation and received matching funds from the federal government. In Missouri, at that time, it was a Godsend. We, and many like us, were wondering how we were going to make payrolls and continue to stay in business. The federal matching dollars allowed us to keep operating despite budget cuts by the State of Missouri.

This is much like the situation we have now in the State of Kansas.

The same roadblocks to this legislation I heard then, just like now. And just like then, it is a minority voicing objection to this funding. It was called a “granny tax” and other volatile word-smithing by the opposition. This is NOT a tax of any sort. It is an assessment to members of the industry that will more than double from its benefit of matching funds and 95% of the members of this industry are for the legislation.

Fortunately, in the State of Missouri, the legislature listened to the industry and had great common sense, fortitude and foresight and passed the legislation. This money has been flowing into Missouri, The District of Columbia and 36 other states since.

Once again, I believe family owned companies such as Sharon Lane Health Services is the backbone of the Kansas economy. It has become extremely difficult to continue to operate with less and less.

**Most of all and Most importantly we are not able to provide the services to Kansas’s most vulnerable residents – our frail elderly – at a time when they are needing it most and more are continuing to enter our system. We need you to act now and get these additional dollars that will NOT COST the taxpayers of the state anything.**

**Thank you for listening to and understanding the needs of a most important part of our local economy.**



# Lakewood Rehabilitation Center OF HAVILAND

I work with three facilities in the state of Kansas. Two of these facilities are skilled nursing facilities, specializing and working with the geriatric population. The third facility is a nursing facility for mental health in which I have been administrator at for 16 years. For you that may not realize there are only 11 nursing facilities for mental health in the state of Kansas. These facilities specialize in working with clients with severe and persistent mental illness that do not need the structure of a state hospital and are not ready to live in an independent community setting.

When I was asked to testify before this committee I debated how to explain the effects of the 10% Medicaid reduction. Should I just give you budget concerns? For example:

- Lakewood Rehabilitation will lose \$150,000 over the year
- The census of the facilities in which I am affiliated are 90% Medicaid
- Loss of money constitutes cutbacks on services

Or do I present the economic impact –

- Lakewood Rehabilitation is the 5<sup>th</sup> largest employer in Kiowa County, losing employees who must move to look for other employment will cause a decline through businesses and schools in a county already struggling.
- Closure of this nursing facility for mental health could effect arenas across the state, inclusive of the legal/judicial system, law enforcement, homeless shelters, and a bigger strain on mental health centers and state hospitals

Or finally do I appeal to your passion of how you would want your family member taken care of –

- An over abundance of staffing
- Availability of whatever they want instead of just what they need

Just to name a couple.

I don't believe that is how I need to reach you.....

My dad always told me that to make it through any situation you have to always look at ways to compromise. The idea of compromise is what I would like to propose to you.

Kansas Health Care Association has found an avenue for funding thru Provider Assessment. As a federal program funds could be made available for the nursing homes. Because of the Medicaid usage in our facilities in Pratt and Wichita this program would allot approximately \$537,000 to these two facilities in funding. Though the program would not directly affect the nursing facilities for mental health with

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would however restore the 10% Medicaid reduction for those facilities and allow for adjustment for rates.

Another idea of compromise is the use of a sliding scale for Medicaid reductions for skilled nursing facilities and nursing facilities for mental health. The following explanation is simplified as I am just going to by an average basic rate.

Average monthly room rate - \$3,000

If the patient liability was \$3,000 to \$1,501 the state would withhold 10% of Medicaid payment

If the patient liability was \$1,500 to \$1 the state would withhold 5% of Medicaid payment

If the patient liability was \$0 the state would withhold nothing of Medicaid payment

For example, currently if a resident's liability is \$1,000 and the state pay amount is \$2,000 the state is withholding \$200 payment. Under the sliding scale the state would take from the state pay amount 5%, which would be \$100.

This would be helpful for the three facilities in which I am affiliated as we have numerous Medicaid residents that pay a low liability, so the state withholds more from our facilities even though we are paid a lower Medicaid rate overall.

In summary, we know that many entities of the state of been affected by the budget cuts. We know that cuts have to be made and we are willing to do our part. What we are asking is that you as our legislators look at the possibilities that we have brought to you. In the mean time please support Senate Bill #546.

Thank you for allowing me to testify. I look forward to working together.

Karel Page  
Regional Administrator  
Lakewood Senior Living LLC

12-2



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(785) 267-6003 Phone  
(785) 267-0833 Fax  
www.khca.org Website  
khca@khca.org E-mail

kcal

ahca.

February 25, 2010

Committee Members:

My name is Steve Hatlestad, I have been in the long term care profession for 33 years. I have lived in Kansas since 1989 working with Kansas and Missouri nursing homes. Currently, I am the Vice-President of skilled nursing homes with Americare, Inc. a small Missouri company.

Today, I am here as the Chairman of the Kansas Health Care Association. I am here today to offer support of SB 546 on behalf of providers in the state of Kansas.

We understand the difficult decision the Governor made when he asked for 10% cuts in Medicaid funding. But we cannot stand by and wait for action by the legislature in finding revenues streams to fund the care our Kansas seniors depend on and deserve.

There is an emotional impact on what these cuts are doing to seniors and staff. We as providers have an obligation to our staff and our residents. Our homes are in small towns across Kansas and in many of these communities we are the health care facility. If homes begin to close as we suspect they might if something is not done to stop the cuts there will be an access issue. And as more of us age, we do not want access to good care to be unavailable because of the state's inability to support providers in Kansas.

Some would say that SB 546 will raise the private pay rate. This is not the case. In fact, there is a safety net written into the legislation that would keep the assessment from being directly passed on to residents. But we have to stop the bleeding. Are we so naïve to believe that homes will continue to operate "in the hole" to Medicaid and that this would not ultimately have an affect on the private pay rate?

SB 546 or Quality Care Assurance Act is a revenue stream 36 states plus the District of Columbia currently have in effect in their state. Why are we leaving federal dollars on the table when 36 other states are enjoying the benefit of those revenues? In 2004 when the legislature decided to support similar legislation for the hospital providers the legislation passed 40-0 in the Senate and 122-0 in the House. We understand the Centers for Medicare and Medicaid require the legislation to not hold providers harmless so this means there are winners and losers in any model put forward. It is simply a business decision some homes choose to not accept Medicaid residents if at all.

At a time when our rates were frozen in 2009 for FY 2010 and now the 10% Medicaid cut with the future not looking very good for enhanced revenues, we respectfully ask for your support of SB 546. The seniors of the Kansas and those who provide their care need your help more now than ever.

Thank you .

Steve Hatlestad

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Date 2-25-2010  
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511 Paramount Street, Sabetha, KS 66534  
785-284-3471 Fax: 785-284-3697

February 25, 2010

To: Chairman Jay Emler and Members of the Senate Ways and Means Committee

**PLEASE OPPOSE SENATE BILL 546**

I want to thank you for allowing me to testify today before your committee. My name is Ed Strahm and I am the Administrator of the Apostolic Christian Home in Sabetha. We are a Continuing Care Retirement Community with the continuum of care from independent living to skilled nursing care. We have about 220 residents on our campus. Many of our residents in our nursing home, including my dad, have advanced to the point they can no longer care for themselves. They are among the frailest, most vulnerable members of our society.

In round numbers, our nursing home patient revenue is about \$4.4 million dollars. Senate Bill 546 could translate into an annual tax on our home of \$242,000, if it goes up to the federally permitted maximum – which is what the bill allows.

Since there have been no accurate facility-specific numbers on this new tax on nursing home care, no one really knows how our home will come out. Over the past several months I have seen different lists of “winners” and “losers.” In some, Apostolic Christian Home is a “loser”, in some we are a “winner.” But how are Senate Bill 546 supporters defining winner? If the amount of tax our home pays is less than what we get in Medicaid restoration, then are we a “winner?” That is like saying that if a friend borrows \$100 dollars and I pay him \$40 to get it back, I’m a winner.

I am asking you to please consider other ways the responsibility of caring for our frail elders can be shared by our society as a whole - not by a relatively small, vulnerable segment of our society. Make sure you are making decisions based on accurate facility-specific data. Make sure you understand the burden this proposed tax will place on nursing home residents who pay for their own care, because we will have no choice other than to pass on the tax as a rate increase to them.

Again, I thank you for allowing me to testify here today, and I urge you to vote NO on Senate Bill 546. A vote against 546 is a vote for our State’s elders.

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