



1505 SW Fairlawn Road, Suite B
Topeka, KS 66604
Phone: 785-273-4393
Fax: 785-273-8681
Email: kace@kaceks.org
Website: www.kaceks.org

Testimony

Haely Ordoyne, Legislative Committee Co-Chair
Kansas Adult Care Executives Association

Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services
and KanCare Oversight

Friday, February 16, 2018

Chairman Hawkins and Members of the Committee:

Thank you for the opportunity to share our concerns regarding obstacles experienced by adult care executives working in the KanCare system.

The Kansas Adult Care Executives (KACE) is a non-partisan, non-profit professional association serving nursing home administrators and assisted living operators in Kansas. Our membership includes 300 individual administrators and operators from both the non-profit and for-profit adult care sectors. Our members are located throughout the state of Kansas and several members serve as both the administrator and owner of their facilities.

Our members report that once residents are determined to be eligible for KanCare there are few, if any problems, receiving payment. However, there are still significant issues dealing with the KanCare Clearinghouse, even for facilities that are in the liaison program. The system for communicating with the state continues to be seriously flawed and issues surrounding the delay in eligibility are impacting ancillary service providers as well as nursing facilities.

Flawed Communication Between the State and Facilities

Communication between the KanCare Clearinghouse and providers continues to be an issue. We were optimistic that this would improve with the new liaison program. Unfortunately, providers are not allowed to send documentation directly to the liaison team. We still need to send all documentation to the Clearinghouse, where we are experiencing the same problems that we have experienced since the Clearinghouse was created.

One of the biggest issues is that there is no system for acknowledging receipt of faxed documents. One of the most common means of transmitting documents among our members is via fax. This tends to be the most cost-effective tool that complies with HIPAA requirements. It seems the Clearinghouse still doesn't have a system for acknowledging the receipt of documents sent by fax in a timely manner. In some cases, we have sent the requested documents but they are not

registered as being received by the Clearinghouse until months after they were sent. This can mean that a resident's application is denied for lack of documentation or that there is a delay in determining eligibility.

Another problem facing our members is the short deadlines for responding to Clearinghouse requests for further documentation. It is not unusual for family members of our residents to contact us saying that they just received a document request in the mail and they need to respond in one or two days. Usually what ends up happening is that our staff calls the Clearinghouse to request an extension for the family, often spending hours on the phone in the process. This happens on a daily basis for some of our members, taking time away from the primary role of caring for residents.

Eligibility Delays Impact Ancillary Service Providers as Well as Nursing Facilities

Nursing facilities are not the only ones negatively impacted by delays in determining KanCare eligibility. Other entities that provide services to nursing home residents have lost money as well, including pharmacies, hospitals, clinics, and dental providers. In fact, some pharmacies have stopped providing medications to "Medicaid pending" residents because the risk is too great that they will not be paid. As a result, the nursing facility is forced to pay for the medications up front. This can end up being tens of thousands of dollars per month that the facility may never be reimbursed in addition to not being paid for the cost of caring for the resident if their Medicaid application is denied.

Conclusion

The problems that we are experiencing are not isolated to a few situations here and there. We estimate that nursing facilities led by our members are experiencing delays with as many as 90 percent of their Medicaid dependent residents. This is a significant problem for our members and I appreciate the opportunity to share our concerns with you today. I am happy to stand for questions at the appropriate time.