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Written Testimony April Holman, Kansas Adult Care Executives Senate Bill 457 Senate Ways and Means Committee Tuesday, March 8, 2016

Chairman Masterson and Members of the Senate Ways and Means Committee:

Thank you for the opportunity to register our support for Senate Bill 457, which would extend and update the Kansas Nursing Home Provider Assessment.

The Kansas Adult Care Executives (KACE) is a non-partisan, non-profit professional association serving nursing home administrators and assisted living operators in our state. The majority of our members are nursing home administrators licensed and regulated by the Board of Adult Care Home Administrators. While our association has generally limited its legislative advocacy to issues that directly pertain to professional licensing and regulation in the past, the importance of Senate Bill 457 to the adult care field moved our Board of Directors to lend their support to the bill.

The Kansas Nursing Home Provider Assessment has become a significant source of funding for Kansas nursing homes since its enactment in 2010. Although it was a divisive issue prior to 2010, that is no longer the case with the industry and professional associations in our field joining forces in support of Senate Bill 457.

The key provisions of the legislation would extend the assessment for four more years and adjust the rate to \$4,908 per licensed bed annually. With the exception of technical changes, all other components of the Kansas Nursing Home Provider Assessment would remain unchanged.

If the Kansas Nursing Home Provider Assessment was allowed to sunset at the end of June under current law, it is projected that over 300 providers would experience a net loss of revenue. In fact, the average loss is estimated at \$93,485 while providers with larger Medicaid populations would be hit even harder. This significant negative impact could result in the closure of small homes and effect the ability of homes to accept new Medicaid residents.

Our members have devoted their lives to ensuring that vulnerable elders receive the highest quality of care and the wellbeing of our members is very closely tied to the financial stability of their employers. For these reasons, we respectfully request your support for Senate Bill 457.