



**KANSAS ADULT CARE EXECUTIVES**

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Written Testimony

April Holman, Kansas Adult Care Executives

Senate Bill 457

House Appropriations Committee

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Chairman Ryckman and Members of the House Appropriations Committee:

Thank you for the opportunity to support 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. Passage of this bill is of urgent importance to the adult care field in Kansas for the following reasons:

- 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 with the average loss estimated at \$93,485. This is enough to put some small homes with a high Medicaid case mix out of business.
- Kansas nursing homes work to improve the quality of care provided to residents every day. In fact, our providers exist in the most regulated field other than nuclear energy with volumes of regulations at the federal and state levels, standard annual surveys (inspections), additional surveys for injuries and complaints, and surveys for fire and

emergency safety. Between civil monetary penalties for survey deficiencies, the high-stakes CMS Five Star system, and market forces our providers are very motivated to provide the highest level of care possible for residents.

- The current Kansas Provider Assessment rate has not kept up with inflation resulting in insufficient revenues for increases in the Medicaid reimbursement to reflect the increased cost that providers are incurring for supplies, personnel, technology, and maintenance. Senate Bill 457 would provide relief to nursing facilities struggling to keep up with costs.

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.