



**An independent voice for
those served by KanCare.**

March 5, 2025

Senate Committee on Ways and Means

RE: KDHE Budget

Chairman Billinger and members of the Senate Committee on Ways and Means: thank you for the opportunity to testify on behalf of the KanCare Advocates Network (KAN). KAN is a coalition of more than 50 organizations. Our partners advocate on behalf of and serve the 400,000 Kansans who depend upon the Kansas Medicaid program, KanCare, and its seven Home and Community Based Services (HCBS) waiver programs for their health care and long-term supports and services.

We appreciate the legislature's goal to keep a tight rein on the budget but adequately funding programs and policies to support people with disabilities and older adults with home-based services and supports is not only the most fiscally responsible course of action but also is the right thing to do. With that as our collective goal, we make the following requests:

Creating Rate Parity Among Waivers

KanCare's success relies on a strong provider network. Inadequate reimbursement rates hinder network capacity, prolong waiting lists, and create inequities across HCBS waivers. Competitive and equitable rates are essential to attract and retain direct care workers, ensure accessibility, and improve outcomes for KanCare members.

KDHE's review of reimbursement rates and the upcoming actuarial study are important steps toward addressing these issues. Despite additional and welcomed funding from the 2024 Legislature, the continuation of uneven rate increases only widens the disparity across services. Without rate parity, providers struggle to hire and retain staff, risking financial instability and forcing individuals with disabilities into more expensive institutional care.

As you craft the FY 26 budget, we ask you to hold Medicaid providers harmless of cuts and support agency efforts to build equity, expand provider capacity, and reduce reliance on expensive institutional settings, benefiting both residents and taxpayers.

Adjust the Protected Income Level for the Medically Needy

KAN supports the Kansas Mental Health Coalition in its request to increase in the Protected Income Level for the Medically Needy Program. The current limit of \$475/month is among the lowest in the nation and spenddown requirements are unnecessarily complex preventing individuals from accessing the medical care they need. The Medically Needy program (sometimes referred to as a “spenddown”) offers coverage to people who have monthly income above the maximum allowable amount and applies to: *children under 19, pregnant women, adults 19-64 who are not disabled, adults over 65 not receiving long term care and persons who have been determined disabled by Social Security.*

Many adults with a mental illness are subject to the spenddown limits which may prevent them from getting care they need, when they need it. They are forced to incur medical debt before they seek medical care, they either create a debt they cannot pay or avoid getting the medical care they need.

We ask that you include in your budget recommendations funding of \$940,000 SGF/\$1.8 million AF to set the Medically Needy Income Level at 100% of Social Security Income.

Improving Network Capacity

Growing network capacity is one of the priorities of KanCare. The request by Oral Health Kansas to increase reimbursement rates to dentists not only improves the health of Kansans but also would significantly improve KanCare’s provider network.

Dentists report that low reimbursement rates are the top barrier to becoming Medicaid providers causing nearly 40% of Kansas counties with Medicaid dental providers. In Kansas, only 30% of dentists bill Medicaid. But a recent rate increase to Missouri’s dental rates led to a 43% rise in providers participating in the Missouri Medicaid program.

We ask that you include \$16.9 million SGF/\$44.3 million AF to increase Medicaid dental reimbursement rates.

Access to Alzheimer’s Care

We also ask that you **add \$32,000 SGF to fund coverage for medical care to diagnose and care planning for people with Alzheimer’s.** This can be accomplished by creating a new billing code for these healthcare services. Cognitive assessment and care planning services (CPT code 99483) is a health service not covered by Kansas Medicaid. This additional funding for care planning results in cost savings through fewer hospitalizations by covering services such as cognition and safety evaluations, measuring behavioral symptoms and overseeing prescription medications.

As the number of aging Kansans increase, so will the number people who will be diagnosed with Alzheimer’s and related dementias. More than 95% of people with Alzheimer’s and other dementias have one or more chronic conditions. Alzheimer’s complicates the management of these conditions which increases costs.

Funding these services would be priceless for the more than 90,000 Kansans who are caring for the more than people diagnosed with dementia.

Medicaid Expansion

Once again, we ask you to support Medicaid expansion. Year after year, expanding Medicaid has been a top priority of KAN's legislative platform. We support expansion because the health and quality of life of thousands of our friends, neighbors and family members who do not have health insurance, would be greatly improved.

Expanding Medicaid not only provides health coverage to direct care workers but also helps seniors and Kansans with disabilities avoid costly institutionalization and remain in their home. Attracting and retaining direct care workers saves Kansas millions of taxpayer dollars and encourages the development of community-based home care services.

Thank you for the opportunity to testify on the KDHE budget and we ask you to support these budget requests.

On behalf of the KanCare Advocates Network

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