



Topeka Independent Living Resource Center

785-233-4572 V/TTY • FAX 785-233-1561 • TOLL FREE 1-800-443-2207
501 SW Jackson Street • Suite 100 • Topeka, KS 66603-3300

**Testimony on Financial Management Services
to the
Joint Committee on Legislative Budget**

**Presented by:
Ami S. Hyten, Assistant Executive Director**

Topeka Independent Living Resource Center, Inc. (TILRC) is a disability advocacy and service agency with a mission to advocate for justice, equality and essential services for a fully integrated society for all people with disabilities. We are a federally recognized Center for Independent Living; our agency is operated and controlled by a majority of people with significant disabilities.

Our involvement with the HCBS delivery system evolves out of our agency's commitment to ensuring the availability of essential services to maximize the independence of people with disabilities. Supporting consumers by offering services in a way that maximizes independence and consumer choice and control over services is the focus of our work. We have been involved in the development of HCBS in Kansas since the programs' earliest days. We appreciate the opportunity to appear before this Joint Committee today and share our perspective on recent developments and the implementation of Financial Management Services (FMS) across the past year.

Just under a year ago, the State of Kansas made a major change to the payment structure for Personal Assistance Services under the Home and Community Based Services (HCBS) Waiver programs. Last session, this body spent significant time receiving and considering testimony about the administrative rate set for the Financial Management Service portion of self-directed services. This body, in fact, passed a small adjustment to the initial rate, offering providers the hope that the costs associated with implementing the new system, further complicated by the implementation of the electronic verification and visit system, would be somewhat defrayed. For that consideration, we extend our sincere appreciation.

The proposed increase was line-item vetoed, and the FMS rate has remained \$115.00 per person per month. Briefly, here have been the consequences we have observed through the implementation of these changes across the past year:

1. Our agency has "downsized." We closed our satellite office in Wichita, putting four people with significant disabilities out of work. We have eliminated three more positions, all related to HCBS, all previously held by people with significant disabilities.

**Joint Legislative Budget Committee
September 12 and 13, 2012
Attachment: 12**

Advocacy and services provided by and for people with disabilities.

2. The flexibility providers were previously able to provide to beneficiaries has been severely restricted as a result of the increased administrative demands, and the reduced resources. Some examples include:

- a. Providers are unable to "advance" payment for services provided when plans of care are not in authorization status.
- b. If consumers have a monthly client obligation, providers are requiring payment of the monthly obligation "up front," requiring the collateral of a credit card, or requiring consumers to authorize access to bank accounts to automatically capture unpaid obligations. For our agency, we have recently eliminated the practice of making payments arrangements with consumers.
- c. Providers are no longer willing to assume responsibility for payment to third-party Medicaid services such as durable medical equipment or assistive services.

3. Across the summer, several long-standing providers closed for business, including a local agency that provided FMS for self-directing consumers, agency-directed home health services, and Carelink home and health monitoring.

Our greatest concern about the continued strain on providers operating under the rapid changes and reduced resources from the past year is that consumers are losing a critical support system for self-direction, the most cost-effective long term services available. Service providers have historically provided the front line of support for self-directing consumers, helping with skill-building for managing services, supporting consumers in resolving issues with their in-home workers, and even helping consumers screen and interview potential in-home workers. In our agency, staff and resources historically dedicated to these types of services are now used primarily helping people research and resolve issues related to the electronic verification and visit system.

Thank you again for your mindful attention to the issues relating to creating meaningful community services and supports for Kansans with disabilities.