

**Comments to Senate
Public Health & Welfare Committee
Regarding Medicaid Reform
January 19, 2011**

Madame Chair and members of the committee, I am Shannon Jones representing the Kansas Association of Centers for Independent Living (KACIL).

We support KanCare's goal to shift reliance from costly institutional settings such as nursing facilities to a more preferred and cost effective home and community based services system. However, the Governor budget does NOT reflect that goal. Instead, the Gov proposed 2013 budget reduces yet again the HCBS/ PD to \$118.6M to serve 6,100 persons. The Physically Disabled waiver has been reduced by \$22.0 M over the past three years. We now have a waiting list of 3,369 persons. Will savings from KanCare be used to eliminate waiting lists?

We have concerns about the way in which HCBS waiver programs are being handled under Medicaid Reform. We think Home and Community Based Service (HCBS) waiver programs should be an integral part of KanCare. Our CILs are working on the frontline across the state see on a daily basis that the HCBS waiver programs make a significant difference in lowering the utilization of institutional care. This effort has not been accidental. In the mid 1970s, nursing home beds paid for by SRS was approximately 14,000. Beginning in the 1980s, Centers for Independent Living began to emerge and now they make a statewide network providing these important HCBS. Through the work of the CILs and state government and concerned Kansans the nursing home beds paid for by KDOA stays in the range of 10,000 and could go lower, but it will take all of us working together to make this happen. We need a very direct and public statement saying the policy of the State of Kansas is to maintain persons in their homes and communities through maximum use of HCBS.

Centers for Independent Living are the community providers for self-directed home and community based services.

CILs have already experienced excessive burdens and substantial rate cuts due to the swift implementation of administrative changes in preparation of Medicaid reforms:

- Provider rates have been reduced with the implementation of Fiscal Management Services (FMS) on November 1, 2011 where SRS & KDOA, without input from providers determined to further reduce the administrative rate from \$140/member /month to \$115. This reduction has created substantial hardship for CILs.
- In addition, the recent implementation of Kansas AuthentiCare or electronic visitor verification system, providers were told this would reduce paperwork for them This is not the case, in fact it has created twice the amount of paperwork and staff time.
- The above changes have resulted in some consumer's to lose their right to self direct their services, and SRS has repeatedly sent out emails reporting 'glitches' in the system, requiring additional time for changes to be made and repeated changes to numerous re-submittals of Plans Of Care (POC) to the MMIS system.

Governor Brownback states in his State of the State, "I propose Kansas be a national leader in helping the disabled find meaningful jobs. All Kansans should have the opportunity to pursue their dreams. With jobs providing an off ramp from Medicaid, we will be able (to) help those in need of services and reduce our waiting list." KACIL endorses that statement. We have been doing that work for the last thirty years. Kansans with disabilities, especially those under age 65, may need a bit of assistance from the State to get on the off ramp and speed down I-70. They need help through the adequate funding of HCBS and funding to eliminate the waiting list. They need financial help to be job ready on a smaller scale, but not different than the funding in the Governor's Budget of Spirit Aerosystems (\$4.4M) or Siemens Incentive (\$720,000.) or Learjet Incentive (\$7.5M.) as they provide employment and jobs. In one instance its one or two jobs at a time with the other it is hoped the jobs will be in the thousands.

At this point, the picture for Aerosystems, Siemens, and Learjet is brighter than the picture for Kansans with disabilities.