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Caring for Seniors in the Heartland

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House Committee on Appropriations
Chairman Ryckman
March 23, 2016

SB 457- Proponent

Mr. Chairman and Committee Members-

I am Cindy Luxem, CEO/President of the Kansas Health Care Association and Kansas Center for Assisted Living, a trade association with a membership of nursing homes, assisted living, residential health care, home plus, and nursing facilities for mental health. We are the oldest and largest nursing home trade association in Kansas. Our membership takes care of 20,000 elders across the state each and every day. The homes who care for these elders directly employ more than 45,228 Kansans. There is a senior care home in each and every county one of the 105 counties in the state and KHCA/KCAL has a member home in the majority of those counties.

Thank you for the opportunity to address SB 457 concerning the quality care assessment program for Kansas nursing homes.

The Quality Care Assessment was first enacted in 2010. The funds garnered by the assessment were used to leverage federal dollars to provide necessary funding for nursing home reimbursement through the Kansa Medicaid program. The funds help nursing homes provide quality care.

SB 457 in necessary to extend the sunset on this program to July 1, 2020.

Under the current statute, the program will sunset on July 1, 2016. This would have a devastating effect on nursing home providers resulting in a loss of 51 million dollars. This translates into about a $10.50 a day decrease for every resident on the Medicaid program. We understand that the state is in no position to make up this loss. According to the 2013 Eljay shortfall report, the difference between actual cost of care and what a home is reimbursed is already short by $12.45 per Medicaid resident per day. Losing an additional $10.50 per Medicaid resident per day would be devastating. Homes would shutter and elders would be denied access to care. We can't let this happen.

SB457 also allows for an increase in the assessment which would allow the state to rebase the nursing home rates, as required by law, without adding additional costs to the state. Kansas nursing homes rates are calculated on a cost based system which looks at a three year average of rates. The current rebasing should be based on 2012, 2013 and 2014. Instead, it is based on 2010, 2011 and 2012. Rates continue to fall behind. SB 457 is the solution without using any additional state dollars.

Please support SB 457 the solution for funding quality care in Kansas nursing homes.

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care

Our state's 331 nursing homes provide vital health care services to nearly 20,000 vulnerable Kansans every day.

workforce & wages

direct	indirect
nearly 30,000 jobs generating over $710 million in annual wages	leveraging an additional $213 million in additional jobs and wages

$923 million Total Wages Generated from Kansas Long Term Care

economic impact

direct	indirect
generate $1.2+ billion into the Kansas economy	leverage an additional economic impact of $533 million

tax revenue

state/local	federal
generate nearly $52 million	generate $177+ million

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Contact Cindy Luxem CEO/President with questions

Data from 2014 provider cost reports