KHCA kcal
Caring for Seniors in the Heartland

1100 SW Gage Blvd.
Topeka, Kansas 66604-1761
(785) 267-6003 Phone
(785) 267-0833 Fax
khca.org
khca@khca.org

AHCA AMERICAN HEALTH CARE ASSOCIATION NCAL NATIONAL CENTER FOR ASSISTED LIVING

Senate Committee on Ways and Means
Chairman Ty Masterson
March 8, 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.

Thank you for the opportunity to address SB 457 concerning the quality care assessment program for Kansas nursing homes. I am here today to discuss the single most important issue facing the adult care home world!

The Quality Care Assessment was first enacted in 2010, with a sunset in 2014. You approved the extension of this program in 2013 for a 2016 sunset. Today, we are here seeking an extension to 2020. The funds garnered by the assessments were used to leverage federal dollars to provide necessary funding for nursing home reimbursement through the Kansas Medicaid program. The funds help nursing homes provide quality care. NO State General Fund dollars are used.

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 a national 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 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.

KHCA kcal

Caring for Seniors in the Heartland

care

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

workforce & wages

direct

nearly 30,000 jobs generating over $710 million in annual wages

indirect

leveraging an additional $213 million in additional jobs and wages

$923 million Total Wages Generated from Kansas Long Term Care

economic impact

direct

generate $1.2+ billion into the Kansas economy

indirect

leverage an additional economic impact of $533 million

tax revenue

state/local

generate nearly $52 million

federal

generate $177+ million

1100 SW Gage Blvd, Topeka, KS 66604 P: 785-267-6003 F: 785-267-0833 www.khca.org
Contact Cindy Luxem CEO/President with questions

Data from 2014 provider cost reports