



To: Chairwoman Schmidt, and Members, Senate Public Health and Welfare Committee
From: Rachel Monger, Vice President of Government Affairs
Date: January 31, 2017

Testimony in Support of Senate Bill 69

Thank you, Chairman and Members of the Committee. I am Rachel Monger, Vice President of Government Affairs for LeadingAge Kansas, the state association for not-for-profit aging services. We have 150 members across Kansas, which include not-for-profit nursing homes, retirement communities, hospital long-term care units, assisted living, homes plus, housing, low-income housing, home health agencies, home and community based service programs, PACE and Meals on Wheels. Our members serve more than 25,000 elders each day.

We are writing to the Committee today in support of SB 69, and its provisions to ensure efficiency, timeliness and fairness between KanCare providers and the KanCare MCOs. As we enter year five of managed care, our primary concerns continue to be administrative burdens and the timeliness of payment for services.

KanCare has dramatically increased the administrative burden on providers. The administrative burden that comes with the challenge of working with three insurance companies with three different sets of rules and procedures has not lessened. The burden being borne by providers is significant, and adds to the cost of care for persons on Medicaid. Costs with which Medicaid reimbursement has never been able to keep pace. The increased administrative costs for our members make their service to vulnerable elders harder to sustain. It is a danger to the quality and capacity of the Medicaid system. We strongly support any opportunities to lessen this burden.

Timeliness of payment for nursing homes is more essential than ever before. Between KanCare cuts, a medicaid eligibility backlog and CMS overreach, nursing homes are suffering constant financial struggles. These factors come on top of a health care workforce crisis and a medicaid reimbursement rate that is inadequate on the best of days. Any measures taken to narrow the window for payment delays and inject fairness into the claim denial process will go a long way in the health and welfare of aging services providers.

Senate Bill 69 brings uniformity to MCO credentialing, prior authorizations and denial codes. It sets a reasonable time limit for appeals and grievance resolutions, and guarantees the opportunity for a provider to obtain a review of their claim from an independent third party. All of these requirements offer needed relief for providers, and strengthens the quality of our medicaid system.

For all of these reasons we respectfully request that the Committee support the passage of SB 69.