



To: Senate Ways and Means Committee

From: Rachelle Colombo
Director of Government Affairs, Kansas Medical Society

Date: January 27, 2018

Re: SB 300; concerning the Kansas medical assistance program

The Kansas Medical Society appreciates the opportunity to provide comments in support of SB 300, which requires legislative approval prior to securing new contracts for the Kansas medical assistance program, KanCare. Since its inception, KMS has been supportive of efforts to move the Medicaid population into a managed care system. This support has been based, in large part, on the goal of improving health outcomes and access while avoiding cost-shifting onto providers.

Unfortunately, the transition to managed care has not been without difficulty for providers and patients and many inefficient processes and long-standing problems have yet to be fully resolved. Late in 2016, in the fifth year of the program's existence, it was declared non-compliant with Federal law. At the same time, provider reimbursement rates were reduced despite a previous commitment to maintain and improve reimbursement rates. As a result, KMS joined with other provider groups to introduce HB 2069 and SB 69 (combined into HB 2026) to rectify systemic issues that have failed to resolve and continue to prove problematic for providers over the life of the program. The bill focused on uniform standards, credentialing processes, clear guidelines for prior authorizations and a timely appeals process in an effort to ensure continued provider participation. Additionally, requirements to improve communication and education regarding MCO billing practices were addressed. Though the bill passed with strong support from the legislature, recent review of the newly passed measures reveals that KanCare has failed to resolve several of these long-standing issues sufficiently.

KMS has endeavored to provide continued, clear communication about issues affecting provider participation to both the legislature and administration so as to encourage the program's ability to provide healthcare access for vulnerable Kansans. This has included participation in the Lieutenant Governor's Health Care Work group and various other stakeholder meetings to discuss and resolve ongoing issues. While communication has continued, provider confidence in the program is waning.

Kansas physicians participate in providing care for Medicaid patients because they believe all Kansans should have access to quality care. They have continued to do so even with the increased difficulties of participating in KanCare and declining reimbursement rates that do not cover the cost of their services. Despite the ongoing assurances of the Kansas Department of Health and Environment that they are aware of these issues and working to resolve them and nearly a year after the passage of HB 2026 re-affirmed the legislature's desire to affectively administer care to vulnerable Kansans, much of the program's underlying problems remain.

Considering these factors, the Kansas Medical Society supports increasing legislative oversight into the administration and extension of KanCare and any substantial changes to the program from this point forward. We respectfully respect your favorable consideration of SB 300. Thank you.