

## MINUTES

### JOINT COMMITTEE ON HOME AND COMMUNITY BASED SERVICES OVERSIGHT

October 11-12, 2011  
Room 548-S—Statehouse

#### Members Present

Senator Carolyn McGinn, Chairperson  
Representative Bob Bethell, Vice-chairperson  
Senator Laura Kelly  
Senator Kelly Kultala  
Senator Dwayne Umbarger (October 12 only)  
Representative Barbara Ballard (October 12 only)  
Representative David Crum (October 11 only)  
Representative Jerry Henry

#### Members Absent

Representative Barbara Ballard (October 11 only)  
Representative David Crum (October 12 only)  
Representative Brenda Landwehr (October 11 and 12)  
Senator Dwayne Umbarger (October 11 only)

#### Staff Present

Iraida Orr, Kansas Legislative Research Department  
Jay Hall, Kansas Legislative Research Department  
Amy Deckard, Kansas Legislative Research Department  
Renaee Jefferies, Office of the Revisor of Statutes  
Katherine McBride, Office of the Revisor of Statutes  
Nobuko Folmsbee, Office of the Revisor of Statutes  
Jan Lunn, Committee Secretary

#### Conferees

Suzanne Wikle, Director of Policy and Research, Kansas Action for Children (KAC)  
Jason Wesco, Deputy Director, Kansas Association for the Medically Underserved (KAMU)  
Dr. Edward Hammond, President, Fort Hays State University  
Dr. Dan Minnis, DDS, Private Practice Dentist, Pittsburg, Kansas  
Kevin Robertson, Executive Director, Kansas Dental Association  
Dr. Paul Kittle, DDS, Pediatric Dentist, Leavenworth, Kansas  
Dr. John Fales, DDS, Pediatric Dentist, Olathe, Kansas  
Sara Arif, Director of Public Affairs, Kansas Department on Aging (KDOA)  
Robert Siedlecki, Secretary, Kansas Department of Social and Rehabilitation Services (SRS)  
Christine Ladner, Assistant Attorney General, Kansas Attorney General's Office

Cindy Luxem, Chief Executive Officer and President, Kansas Center for Assisted Living (KCAL)  
Denise German, Senior Vice President, Skilled Healthcare  
Joe Perkin, Senior Vice President, Midwest Health Management  
Shannon Jones, Executive Director, Statewide Independent Living Council of Kansas (SILCK), on behalf of the Centers for Independent Living (CILs)  
Tom Laing, Executive Director, InterHab  
Debra Zehr, President/CEO, Kansas Association of Homes and Services for the Aging (KAHSA)  
Mike Smith, Administrator, Wheat State Manor, Whitewater

## **Tuesday, October 11 Morning Session**

Senator McGinn called the meeting to order and welcomed those attending.

### **Overview of Approved Budget for FY 2011 and FY 2012**

Amy Deckard, Kansas Legislative Research Department discussed the Home and Community Based Services (HCBS) Historical Waiting List, Waiver Expenditures from the State General Fund (SGF), and Waiver Expenditures from all funding sources (Attachments 1, 2, and 3). Ms. Deckard clarified that FY 2012 agency requests are less than the FY 2012 approved amount for HCBS waiver expenditures (all funding sources) due to the unavailability of Senior Care Act data. As soon as information becomes available, it will be distributed to the Committee members. In response to a question relating to an explanation for the reduction in the waiting list for the Senior Care Act waiver from October 2009 to Omnibus 2010, Ms. Deckard indicated she would furnish that information at a later time.

### **Kansas Dental Project, Licensure of Registered Dental Practitioners**

Suzanne Wikle, Kansas Action for Children, spoke concerning the Kansas Dental Project, which creates a mid-level dental provider called a Registered Dental Practitioner (RDP) as a means to address the dental workforce shortage in Kansas, particularly in rural and underserved areas. She outlined the proposed 2012 legislation and described the key elements and goals contained in the proposal (Attachment 4).

Jason Wesco, Kansas Association for the Medically Underserved, discussed the impact of creating a mid-level practitioner on safety net clinics in the state. He indicated implementation of the project would expand high-quality dental care in Kansas, increase the work force pool, and allow expansion of care within the safety net environment (Attachment 5).

Dr. Edward Hammond, President, Fort Hays State University (FHSU), offered further information concerning the education of registered dental practitioners in Kansas (Attachment 6). He explained FHSU intends to offer a baccalaureate program to train RDPs in Kansas. At the current time, dialogue regarding curriculum options is occurring with the Kansas Board of Regents. Dr. Hammond envisions private donation funding for initiating the program with tuition funding sustaining it. The location of FHSU will assist placement of RDPs in sparsely populated communities in Western Kansas. He encouraged support of this proposal which he said would enhance high-quality dental care in rural areas, create strong jobs, and enhance communities.

Dr. Dan Minnis, DDS, Private Practice Dentist, Pittsburg, Kansas, discussed his practice (Attachment 7) and reasons for his support of the proposed mid-level practitioner program. He described barriers to dental access and stressed the importance of evaluating new models that will enhance access and provide additional services to the underserved population in Kansas.

Written testimony in support of the RDP program was submitted by:

- Brenda Sharpe, President and CEO, REACH Healthcare Foundation, Merriam, (Attachment 8);
- Maggie Smet, President, Kansas Dental Hygienists' Association (KDHA) (Attachment 9);
- Tanya Dorf Brunner, Executive Director, Oral Health Kansas (Attachment 10);
- Anna Lambertson, Executive Director, Kansas Health Consumer Coalition (KHCC) (Attachment 11);
- Dave Sanford, CEO, GraceMed, Wichita (Attachment 12);
- Mitzi McFatrach, Executive Director, Kansas Advocates for Better Care, Lawrence (Attachment 13);
- Dr. Melinda Miner, DDS, Private Practice Dentist, Hays (Attachment 14);
- Kim Moore, President, United Methodist Health Ministry Fund, Hutchinson (Attachment 15);
- Nick Wood, Systems Change Advocacy Coordinator and Lead Investigator, Disability Rights Center of Kansas (DRC) (Attachment 16);
- Heidi Lowry, CEO, Rawlins County Dental Clinic (Attachment 17);
- Michael J. Hammond, Executive Director, Association of CMHCs of Kansas, Inc. (Attachment 18); and
- William Craig, PhD, President and CEO, Lakemary Center, Paola (Attachment 19).

Kevin Robertson, Executive Director, Kansas Dental Association (KDA), spoke in opposition to the creation of a new licensed non-dentist clinician (Attachment 20). Mr. Robertson discussed findings from a recent Bureau of Oral Health report that identified four dental deserts in Kansas and projected that 14 strategically placed dentists in Western Kansas could improve that area's access to dental services. He reported on various initiatives the Kansas Dental Association has developed such as the proposed expansion in the scope of practice for dental hygienists contained in 2011 SB 132, which provides for an Extended Care Permit III (ECP III) Dental Hygienist. The ECP III could practice in nursing homes, prisons, indigent health clinics, head start programs and with children in schools. This expanded scope of practice excludes surgical procedures. Mr. Robertson reported that the August 2011 KMAP report listed 633 enrolled Medicaid dental providers (40 percent of state's licensed, practicing dentists) and 338 participating dentists (20 percent of state's licensed, practicing dentists). The Kansas Dental Association has approximately 1050 active, practicing dentists (77 percent of the state's licensed practicing dentists). He clarified the Dental Association is unopposed to programs that increase the scope of care delivered by licensed dental hygienists. He encouraged additional evaluation of this bill and requested that KDA be involved in developing any scope of practice or list of procedures included in the proposal.

Dr. Paul Kittle, DDS, Pediatric Dentist, Leavenworth, provided information concerning his professional background and credentials; he spoke in opposition to the RDP proposal (Attachment 21). He shared that the core issue is one of safety and education and indicated that

this bill would lower the standards of care for children. Dr. Kittle reported on barriers to dental access, encouraged any effort and money be used for education and prevention and asked that committee members oppose this legislative attempt to socialize dentistry.

Dr. John Fales, DDS, Pediatric Dentist, Olathe, spoke in opposition to the RDP proposal. Dr. Fales reviewed efforts he and his staff have made to provide dental care to those in need. He reviewed Medicaid reimbursement issues for children and indicated barriers to care include: transportation, state funding, and limited time for working parents/guardians to meet appointment dates. Dr. Fales discussed dental care and indicated that allowing a non-dentist to treat Kansas citizens is not a responsible act (Attachment 22).

In response to Committee members' questions, the following responses are listed below:

- Ms. Wikle indicated that she would furnish the list of procedures a RDP would be allowed to perform.
- Ms. Wikle reported the curriculum (still in development) would be a 3- or 4-year program containing two different types of supervision direct and general. The complete proposal will be ready prior to the 2012 Session.
- Ms. Wikle explained there were questions concerning the education component of the proposal in 2011 and therefore, the bill did not progress during the session. Broader support of the bill is expected during the 2012 Session.
- Dr. Hammond clarified that a proposal cannot be submitted to the Board of Regents until the Legislature passes the bill. He indicated he was confident private funding could be raised for initial costs such as classrooms and laboratories; it is anticipated tuition costs would sustain the program following start-up expenses. Dr. Hammond reported it would be possible, in the long-term, to offer a virtual classroom experience for the didactic portion of the program.
- Dr. Hammond indicated that he had no firm commitments for donations at the current time but expressed confidence that needed funds would be raised.
- Information was requested from legislative research staff, or Mr. Robertson, concerning the definition of "participating dentist" for Kansas dentists reimbursed through Medicaid, whether the definition covers a certain period of time, and if so, what are the time periods, how many Medicaid dental claims are filed within the time period defined for "participating dentist," and the percentage of Medicaid visits or the claim percent of the participating dentist's total practice.
- Mr. Robertson discussed the definition of "dental deserts" referenced in his testimony as 20 miles from a dentist. This includes portions or all of Wallace, Logan, Greeley, Lane, Ness, Hodgeman, Haskell, Clark, Kiowa, Comanche, Barber, and Gray counties. Currently, there are 13 counties without a dentist. The expansion of dental services in his testimony refers to populating some of the areas with dental satellite offices to facilitate a dentist serving that particular area from his/her primary practice.

- Mr. Robertson indicated it was unknown at the current time whether adult Medicaid dental service reimbursement will be included in SB 132 for consideration during the 2012 Session.

Senator McGinn recessed the meeting at 12:00 noon.

### **Afternoon Session**

#### **Department on Aging Follow-up and Update on Provider Assessment Advisory Panel**

Sara Arif, Director of Public Affairs, Kansas Department on Aging, provided follow-up to her testimony heard at the September 23, 2011, meeting ([Attachment 23](#)). Ms. Arif discussed the HCBS Time Standardization process, HCBS Reimbursement, Home Tele-Health Disease Criteria, and the Quality Care Fund Panel. She also discussed the Financial Management Services (FMS) system scheduled for implementation on November 1, 2011, which is a federally mandated system designed for individuals who choose to self-direct their care. Training has been completed for providers within SRS and KDOA. The electronic verification and monitoring system (EV&M), scheduled for implementation on January 9, 2012, is a web-based scheduling, time and attendance tracking and billing system designed specifically for the diverse needs of individuals eligible for Medicaid home and community-based services.

Responses to committee members' questions appear below:

- Ms. Arif indicated that 32 FMS providers have been approved; she could not answer how many providers had submitted contracts and were awaiting approval. However, she indicated that a list of accepted providers approved by SRS and KDOA was sent to beneficiaries in order to provide an enrollment option. She acknowledged that there were known issues resulting in postponement of the implementation date from September 1 to November 1. In response to the question of whether a contingent plan for expediting contract approvals prior to November 1 existed, Ms. Arif responded that the agency is working hard to ensure all contracts are approved. Ms. Arif was requested to furnish the number of contracts and the names of the organizations whose contracts were not approved by the implementation date of November 1 to Ms. Orr, Legislative Research Department, for dissemination to Committee members.
- With regard to the question of whether there were current FMS providers, still in the application and approval process, that the State felt could be unqualified to continue in that role. Ms. Arif responded that she knew of none.
- It was suggested that if submitted FMS applications are unapproved by the November 1 deadline, FMS eligibility to provide services should be extended pending review of a provider's submitted application. Ms. Arif indicated that all the applicants who had a reasonable chance of approval were included on the list sent out but agreed to look at this issue again.
- Ms. Arif indicated the Tele-health project was implemented October 1, and case managers have been trained. Program capacity is unlimited, and it is matter of

case managers enrolling eligible clients in the program. The Tele-health project was a bid process with three vendors bidding to provide the EV&M that will be used for tracking providers' services and time. First Data was the successful bidder.

- Ms. Arif could not provide information concerning the number of potential Tele-health clients. She also clarified that individuals previously served at Windsor Place will continue to be served. The Home and Community Based Services Frail Elderly waiver (HCBS/FE) home Tele-health services follow the CMS telemonitoring definition which Medicare does not cover; eligible Medicaid beneficiaries can enroll in the Tele-health service.
- Regarding confirmation of a predicted 14 percent (\$4.3 million) savings resulting from the HCBS Time Standardization process in the frail elderly (FE) waiver program, Ms. Arif responded that out of that 14 percent savings, a 10 percent rate increase in provider reimbursement would be implemented for Assisted Living and Home Plus providers. Also, the 14 percent savings would be reduced when additional, outstanding time requests are processed and paid.
- Ms. Arif confirmed that all FMS providers who decide to discontinue providing service will be tracked. She indicated that some providers have reported they will no longer accept HCBS clients in their facilities, and it is hoped that will not come to fruition.
- With regard to the 10 percent rate reimbursement to Assisted Living and Home Plus facilities, Ms. Arif indicated that actuarial studies were performed, which resulted in the 10 percent rate increase.
- Ms. Arif clarified the projected savings resulting from the implementation of the EV&M system is 3 percent and any savings will be used to fully fund Meals on Wheels, HCBS/FE, Senior Care Act, and the Nutrition Program.

## **SRS Follow-up**

### *Fraud and Abuse Programs*

Rob Siedlecki, Secretary, SRS, provided responses to questions posed at the August 23, 2011, meeting. He submitted two reports ([Attachments 24 and 25](#)) for Committee members' review. Secretary Siedlecki began by describing SRS' anti-fraud efforts, which included hiring a Director of Fraud Investigations, Kenley Thompson. A recent, concentrated investigation was conducted in Wichita, which related to Vision cards reported as lost multiple times. When a Vision card is reported as lost a third time, a fraud investigation is begun to determine whether fraud exists. Secretary Siedlecki indicated as a result of this investigation, numerous offenses were discovered including the identification of benefits disbursed to fleeing felons, potential fraud, and other issues which totaled approximately \$75,000 in program cost savings.

Considerable discussion was heard concerning the recent Kansas Health Solutions (KHS) alleged fraud and whether the fraud was discovered through an internal KHS audit and its subsequent alert to federal and state agencies or through discovery by SRS in the process of

contract negotiation. A Committee member asked if SRS validated or verified the status of a provider organization that is established as a not-for-profit entity. Secretary Siedlecki indicated he would follow-up with that information. Additional questions were heard related to not-for-profit entities filing proper forms and taxes, and what process SRS had in place to react to those investigations in a timely manner following a report of potential fraud or abuse. Secretary Siedlecki was encouraged to initiate timely responses to fraud and abuse reports.

With regard to the discussion related to Vision cards, Secretary Siedlecki indicated alcohol and tobacco can be purchased with the cash assistance benefit but not from the food stamp benefit.

A Committee member requested that Secretary Siedlecki report the detail concerning the Vision Card fraud statistics previously referenced. Mr. Siedlecki indicated that in Wichita for a two-month period, there were 1,489 people who had lost their Vision card three times. There were: one fleeing felon accessing benefits, one person in prison accessing benefits, 12 fraud suspects, and 41 potential fraud suspects (likely to be fraud). An additional 375 clients were flagged due to previous card losses. Secretary Siedlecki explained the illegal use of cards reported as lost. In addition, the Secretary indicated prosecution would occur for those illegally using, buying or selling cards. Penalties could be incarceration, sanctions, and fines through the civil and criminal judicial processes.

A Committee member indicated Secretary Siedlecki had indicated that a beneficiary can lose cards multiple times, obtain replacement cards, and continue to receive benefits; he requested clarification of the process. Secretary Siedlecki reported the food stamp program is a federal program and a state cannot deny benefits. However, the state can take other action with the Temporary Assistance for Needy Families (TANF) benefit. If a state proves fraud or that a beneficiary knowingly intended fraud, all benefits can be denied. If fraud cannot be proved, benefits will continue but will be monitored closely.

Secretary Siedlecki indicated that a personal identification number (PIN) or the use of a special code by beneficiaries using a Vision card would do little to prevent abuse.

Secretary Siedlecki reported his agency initiated the "Fleeing Felon Program" in September 2011. He explained the process matches a federal felon list to Kansas beneficiaries. Felons are ineligible for benefits, and it is hoped the program will assist in locating felons and result in benefit savings. During the last several weeks, the system has assisted in locating 95 separate warrants with an approximate program savings of \$75,000, identified 17 fleeing felons, apprehended and incarcerated 64 felons, identified 4 already incarcerated and receiving food stamps, and terminated the food stamp benefits for those who were identified and remain at large. Program savings of \$12,000 are projected. It was requested by a Committee member that a cost/benefit analysis of the "Fleeing Felon Program" be generated and submitted during the 2012 Session. The report should include savings from program benefit reductions and expenses for the program.

### *Federal Funding Opportunities*

Related to federal funding, Secretary Siedlecki reported that all federal grant opportunities would be considered. However, SRS would not accept grant monies that would further socialized medicine in this country or any funding related to the Patient Protection and Affordable Care Act (ACA). He indicated a federal grant was written for a family marriage funding program; however, Kansas was not awarded the grant. Secretary Siedlecki indicated he

could not speak to the issue concerning the status of Kansas returning grant funding to the federal government and whether the federal government reduced those dollars from the federal deficit bottom line.

### *College of Direct Supports*

Secretary Siedlecki reported that the College of Direct Supports will be reinstated as a result of an impending agreement between SRS and InterHab. Secretary Siedlecki stated his recollection of the agreement being considered by the parties was that InterHab would provide \$22,000 for administrative costs and SRS would provide \$130,000 for the program for the balance of FY 2012. Funding exists to cover these costs.

### *Psychiatric Residential Treatment Facilities*

With regard to Psychiatric Residential Treatment Facility (PRTF) underutilization, Secretary Siedlecki reported SRS staff is reviewing every PRTF screen (in or out of a PRTF) to ensure appropriate decisions are made and documented. In working with MHCs and others, the standard created is to provide services that are in the best interest of the child. The Secretary indicated progress has been made to ensure children are receiving appropriate services. Responding to the question of whether SRS tracks children that have been in the PRTF system as to their current location, and whether they have been mainstreamed in the school system; the Secretary indicated he could get that information for Committee members.

Further clarification was requested concerning the screening process for potential placement in a PRFT (prior to SRS conducting a secondary screen). Secretary Siedlecki reported mental health centers (MHCs) continue to screen children for placement to or discharge from a PRFT; SRS is performing an additional level of screening following the MHC recommendation. In response to a question as to whether SRS had a clinical psychologist on staff, Secretary Siedlecki indicated he would report back to Committee members with the answer to the question. In a case where the SRS secondary screen does not agree with the findings from the MHC screen, a Committee member asked if the SRS social worker would possess veto power over the MHC screening team. Secretary Siedlecki indicated if there was disagreement between the reviewing entities (SRS and MHC), SRS would work with MHCs to determine appropriate services. A Committee member indicated communication would occur with those impacted to assess the effectiveness, efficiency, and timeliness of the current structure.

A Committee member requested that Secretary Siedlecki furnish a copy of a letter sent out in January 2011 concerning the utilization of PRTFs.

At the current time, there are no SRS concerns regarding placement decisions by MHCs. Children are receiving necessary services, whether placed in a PRTF or referred for other community services. Placement in a PRTF is based on stabilization of the child's condition, not on a specific length of time.

### *Faith-based Initiative*

Secretary Siedlecki reported SRS continues to build a database of all providers, both faith-based and community groups, for notification of the program's progress, conference

announcements, and other communications. The purpose is to ensure there are local groups providing local solutions to local problems, and to build partnerships rather than initiatives.

Secretary Siedlecki indicated the list had been sent to legislators for their information and clarified that SRS had not contacted individuals and groups on the list.

#### *HCBS Standardization and Reimbursement*

Secretary Siedlecki discussed the Financial Management System (FMS) November 1 deadline, indicating SRS is fast tracking all FMS providers to ensure applications are processed and approved prior to the deadline.

At the request of Secretary Siedlecki, Elizabeth Phelps, SRS, responded that FMS is federally mandated by the Centers for Medicare and Medicaid Services (CMS). Each FMS provider contracted by SRS and KDOA provides payroll services to eligible participants or representatives. Prior to the November 1 implementation date, reimbursement made to the beneficiary included funding for both the payroll agent (administrative fees) and the direct care/support provider. CMS suspected there was variation in administrative fees, and mandated the separation of the administrative fee from the provider payment. SRS, through various studies on actual administrative fee costs, set the administrative fee rate at \$115 per month per person (PMPP) from \$140 PMPP; the direct care/support provider rate was unchanged.

Given the FMS rate reduction from \$140 to \$115, a Committee member inquired whether the direct care/support provider rate or monies allocated for direct care provider services had been reduced. Secretary Siedlecki responded that there had been no provider rate cuts.

It was requested that a written (visual) supplement be furnished to Committee members that reflects the direct care/support provider service rate prior to and after FMS implementation, the administrative rate prior to and after FMS implementation, a complete breakdown of activities/areas included in administrative fee (i.e., overhead, rent), and all details relevant to the new method of administering these waivers.

Ms. Phelps indicated there are 42 FMS payroll agents across the state; a payroll agent is approved through submitting information to SRS. The applicant also is required to have a Medicaid Management Information System (MMIS) fiscal agent through which SRS collaborates to build the systems necessary for claims processing.

#### *SRS Office Closures and Reorganization*

Secretary Siedlecki reported there were nine local SRS offices targeted to close, which was in response to the Legislative mandate to cut \$42 million in expenses, including \$1 million in administrative expenses. SRS was able to collaborate with cities and counties to keep five offices open. Under the arrangement, the local governments (cities, counties and sometimes both) agreed to pay the state's costs to keep the offices running. Expenses include rent, utilities, copy machine rentals and other business costs.

Secretary Siedlecki reported that as a result of the closure of field offices, there is a savings of \$554,000 from the state general fund (SGF) and approximately \$1 million from all funds in 2011. Annualized figures are: \$589,000 from SGF and \$1.07 million in all funds. The

five communities whose offices were not closed are funding the SGF portion, which is \$225,000. There were no staff reductions in the SRS offices that closed, and space was available in other offices to accommodate staff who were relocated. The state was able to coordinate occupancy of several closed offices with other entities so that the state is not obligated to pay rent for closed offices. Secretary Siedlecki noted the savings were in overhead expenses such as rent, copy machines and phones.

Secretary Siedlecki reported that no current statute requires amendment as a result of the new the city/county partnerships, but he recommended that the SRS budget include money for the state to resume covering those costs. If approved by the Legislature, the state would once again pay for SRS field office operating expenses. Secretary Siedlecki also stated no additional SRS office closures would be recommended.

In response to a question concerning whether SRS had submitted a reinstatement of SRS funding for local/county offices to the Governor for the fiscal year ending in 2013, Secretary Siedlecki indicated he had not. Secretary Siedlecki stated he would work with the legislature to develop a budget that funds these offices, if that is the Legislature's intention for the 2014 fiscal year.

#### *SRS Legislative Proposals – FY 2012*

Secretary Siedlecki indicated there would be two proposals:

- A \$5 million request for the implementation of research-based programs to strengthen the abilities of families to strengthen and nurture their own children. These programs focus on early intervention to strengthen the family unit.
- A \$200,000 request for the remodeling of a cottage transitional living house on the Parsons State Hospital and Training Center campus.

Secretary Siedlecki informed Committee members that a \$2 million supplemental request would be submitted for FY 2012 to remodel the Myer Building at Larned State Hospital for the sexual predator treatment program.

With regard to what actions SRS will take to mitigate fire hazard issues at Rainbow Mental Health Facility, Secretary Siedlecki reported the state plans to leave a 6- to 10-bed unit operating at Rainbow while it completes six months of work to fix the fire hazards at Rainbow. The open beds at Rainbow will be utilized by law enforcement in emergent situations prior to transferring those admissions to the Osawatomie campus. Current Rainbow patients will be temporarily moved to the state facility in Osawatomie for the time it takes to complete the Rainbow project. The plan does not include expansion of Rainbow or the addition of fencing around the facility. SRS will pay for Rainbow patients to be moved to Osawatomie in addition to any incurred expenses by law enforcement when the 6-10 bed emergent unit at Rainbow is used.

Secretary Siedlecki indicated funding for the project at the Rainbow Mental Health Facility would be covered by \$575,000 from welfare reform savings. Expanding on welfare reform savings, Secretary Siedlecki reported the Temporary Assistance to Needy Families (TANF) program will be revised to provide assistance to needy families for 48 months instead of

60 months, and benefits for illegal aliens will be eliminated. Those changes are scheduled within the next several months.

### *Other Issues*

Discussion was heard related to the Manhattan Early Head Start program and its enrollment reduction, which resulted in SRS using the remaining funding to underwrite a fatherhood initiative. Secretary Siedlecki was asked to explain why the remaining funds were not allocated to another Head Start program, when the legislative intent was to use funding for children's services in the program and not to enhance other initiatives. Secretary Siedlecki indicated his understanding of the Legislature's intent for the use of funding within the Early Head Start Program. It was noted by a Committee member that the legislative intent was to serve children; in the future, more specificity will be included as it relates to legislative intent.

Concerning welfare reform specific to the TANF program, Secretary Siedlecki was asked whether a "household" is being redefined. Secretary Siedlecki reported that married and unmarried households will be treated equally. TANF and Child Care Assistance will now include the income of an unmarried boyfriend or girlfriend as part of a household in determination of benefits. Same-sex couples are excluded from the definition of a household. Several other examples of a "household" were provided. Secretary Siedlecki indicated SRS would work individually with families to determine accurate benefit assistance for a defined family unit. Secretary Siedlecki was requested to furnish the criteria or template it will use to determine the definition of a family unit and eligible benefits when multiple families live under the confines of one roof.

Secretary Siedlecki indicated that as part of welfare reform, a program is being developed that focuses on training or educating unwed mothers for employment; this program would be separate from the marriage initiative. Committee members requested a progress report concerning this program during the 2012 Session.

Secretary Siedlecki indicated that while the "Quarterly Report – Disability & Behavioral Health Services" was labeled as "draft," it was indeed a finalized report ([Attachment 25](#)).

### **Wednesday, October 12 Morning Session**

Chairperson McGinn noted that staff from the Kansas Legislative Research Department had submitted information to be used as a resource for the discussion of human trafficking in Kansas ([Attachment 26](#)).

### **Status of Human Trafficking in Kansas**

Christine Ladner, Assistant Attorney General, Kansas Attorney General's Office (AG), described her past professional experience, credentials, and her work as Chairperson of the Advisory Board on Human Trafficking. She provided an overview of human trafficking in Kansas ([Attachment 27](#)), defined the term "human trafficking," discussed the Trafficking Victims Protection Act (TVPA), provided information related to the profitability of human trafficking, cited individual case studies in Kansas, and discussed the key elements and goals in Kansas as being prevention, protection, prosecution, and partnership. Discussion was heard concerning prosecution, penalties, and sentencing guidelines. Ms. Ladner provided information related to

victims' services programs and discussed the Dallas human trafficking investigation model. She stressed the importance of recognizing the signs of human trafficking and the importance of reporting suspected human trafficking to authorities. Information also was heard about the work and goals of the Attorney General's Human Trafficking Advisory Board.

Responding to Committee members' questions, Ms. Ladner indicated:

- In 2006, there were 11 documented cases of human trafficking in Kansas; in 2007 there were 10; in 2008 there were 9 cases; 17 cases in 2009; 22 cases in 2010; and there have been 28 cases from January through August, 2011.
- A recurring defense theme is prostitution which could account for difficulties in prosecuting human trafficking. Other difficulties are: victims are often uncooperative, lack of evidence, jurisdictional boundaries, the need for cultural change on the part of law enforcement, and lack of data concerning the crime. Kansas is fortunate to possess a high level of collaboration between state and federal law enforcement authorities, which enhances prosecutorial potential.
- The advent of technology has served to enhance investigative tools, but it also has served as a means to exploit and to recruit victims.
- Time frames from closing an investigation to a pre-trial hearing and subsequent trial can take long periods of time, sometimes years.
- Coordination and communication between grassroots organizations who attempt to raise awareness and to assist in the battle against human trafficking is limited. The creation of the Human Trafficking Advisory Board in the Attorney General's office offers a method to better coordinate communication and information among stakeholders.
- In May 2011, the Advisory Board applied for a grant from the Office of Justice Programs within the U.S. Department of Justice. Kansas did not receive the grant. At the next Board meeting, discussion will center on new avenues of pursuing funding and potential legislative issues. The May 2011 grant was the second application since the creation of the Human Trafficking Advisory Board.
- With regard to the training and infrastructure needed to accommodate victims of exploitation and to prosecute their traffickers, the cost to Kansas has not been estimated. Given the current economy, it is unrealistic to assume federal funding would be available. Therefore, the need for safe homes for victims, counseling, and reintegration into a school or job environment exists. Committee members encouraged the use of existing facilities within the state as safe homes and pursuing additional grant funding.
- If an offender is prosecuted, his or her assets can be seized.
- An introductory conversation has occurred between representatives from the AG's office and SRS to ensure that social workers in the field and law

enforcement possess the resources to enhance human trafficking investigations, to protect the victim, and to bring investigations to prosecution.

- Kansas has been selected to participate in a nationwide Human Trafficking Enhanced Enforcement Initiative, which is designed to streamline federal criminal investigations and prosecutions. This is a federal pilot project focusing on high-impact cases and does not result in any funding for the state.
- In terms of the State's needs (*i.e.*, education, social services, crime) and funds to support those needs, Ms. Ladner shared she was unqualified to prioritize the issue of human trafficking when compared to the other state needs indicated, but she indicated the problem was significant.

Following Ms. Ladner's presentation and questions, Secretary Siedlecki was asked about his commitment to move human trafficking issues to a level of prosecutorial involvement with the AG's office. Secretary Siedlecki declared his commitment and indicated Deputy Secretary Anna Pilato is working on the education component for social workers to ensure recognition and appropriate responses to the human trafficking issue in Kansas.

Committee members viewed a public service announcement concerning human trafficking. This CD is available in the Kansas Legislative Research Department.

Chairperson McGinn called attention to ([Attachment 28](#)), "Look Beneath the Surface," which was submitted by SRS and describes the role of health care providers in identifying and helping victims of human trafficking.

Senator McGinn recognized Secretary Siedlecki to respond to information that was submitted from the morning session:

- "Financial Management Service (FMS): Breakdown of \$12.24/Hour Attendant Care Rate ([Attachment 29](#));
- "Psychiatry Residential Treatment Facilities Program (PRTF)–Information Requested by HCBS Oversight Committee 10.11.11" ([Attachment 30](#)); and
- Myers and Stauffer "State of Kansas System Transformation Grant Cost Study" ([Attachment 31](#)).

Secretary Siedlecki's responses, or those of his staff, to Committee members' questions appear below:

- While the pre-FMS rate and the post-FMS rate is the same, \$12.24, the Post-FMS example for the attendant care class follows:

The existing service provider's average hourly rate is \$8.98 plus \$1.58/hour to cover taxes, FICA, and worker's compensation. An additional \$1.68/hour is deducted to create a pool of money to pay the \$115 FMS rate.

- When working with an average, some direct care/support providers will get more and some will get less. Concern was expressed that the state has set limits on what caregivers can be paid and has limited what consumers can offer to caregivers in terms of benefits and pay increases. Following considerable discussion, it was learned that a letter had been sent to providers earlier in the week. Committee members requested a copy of the letter.
- With regard to the reduction in the FMS payment rate, which resulted from the Myers and Stauffer study, the establishment of the rate took place in the spring between the Secretaries of SRS and KDOA and various staff members. Secretary Siedlecki confirmed that FMS providers were advised of the FMS rate reduction without participation in the decision-making process. For future decisions such as this, Committee members suggested the legislative intent would be to include stakeholders in the decision-making process.
- Ms. Sara Arif, Kansas Department on Aging, reported that the Myers and Stauffer study began 2-3 years ago and was conducted in phases. Phase Five began in January 2011 and continues through October 2011, and focused on the development of a partnership with the Secretaries of SRS and KDOA to create strategies to implement study recommendations. Implementation was to have taken place in January 2011; it was postponed until September 2011, and further delayed until November 1, 2011.

### **Provider Presentations on Impact of SRS and Department on Aging Program Changes**

Cindy Luxem, Chief Executive Officer and President, Kansas Center for Assisted Living (KCAL) representing more than 200 providers of long-term care services spoke concerning the acceptance of SRS changes, and their concern that these changes could drive the consumer or family to choose a nursing home setting because of the certainty of the funding (Attachment 32). Ms. Luxem referenced a recent AARP scorecard report that ranked Kansas ninth in the nation in providing long-term services and supports. She stressed the importance of maintaining Kansas' standard in providing long-term care services and HCBS supports. She indicated that while provider rates were not cut, reductions occur in the number of units a consumer or family can receive. Ms. Luxem indicated associations were given an opportunity to respond to SRS and KDOA recommendations; yet, very few of their recommendations were accepted. The Kansas Health Care Association surveyed 221 assisted living, residential health care and Home Plus facilities; a 21 percent response rate was received (attached to her testimony). She concluded that, with the implementation of these program changes, providers will choose to discontinue providing services, which will result in relocation from a home environment into a skilled nursing home facility.

In response to a question as to whether Committee members could see the changes in the program, Ms. Arif indicated the changes could be found at:

[http://www.aging.ks.gov/Manuals/FSM/FSM\\_TOC.pdf](http://www.aging.ks.gov/Manuals/FSM/FSM_TOC.pdf)

Denise German, Vice President of Operations, Vintage Park Assisted Living Facilities, expressed her concern that the changes to the HCBS program discussed will reduce reimbursement to provider facilities as much as 20-30 percent (Attachment 33). Facilities may choose to discontinue participation in the program or may discontinue admitting consumers to

the HCBS program. The result of these decisions would force consumers into a skilled facility, costing the State of Kansas more than assisted living centers. She encouraged collaboration with the Kansas Health Care Association to find alternatives to the program changes proposed.

Joe Perkin, Regional Vice President for Midwest Health Management, described his company as encompassing 20 assisted living communities in Nebraska, Iowa, Oklahoma, and one in Topeka. He indicated that 200 HCBS clients currently are served in these communities (Attachment 34). Mr. Perkin reported that the program changes will result in a 23 percent reimbursement reduction in his facilities. While a 10 percent reimbursement increase will occur, that will not mitigate the initial reduction enough to allow additional clients admission to his facilities. The program will force assisted living consumers to a nursing facility.

In response to Committee members' questions:

- Mr. Perkin indicated the program changes are not due to a technical cut, rather, it is the standardization of the program that is responsible. Mr. Perkin indicated that his business model does allow properties to close; some properties are able to absorb the reductions, some are not.
- Mr. Perkin described the percentage of actual costs paid for by HCBS waivers prior to the program changes discussed. He indicated that typically a resident has a protected income limit of approximately \$700. The facility is reimbursed an average of \$1,300-\$1,400 monthly. The standardized program will reimburse a facility 20-25 percent less monthly. The standardized program results in a negative impact for assisted living residents and for the facility providing services.
- Mr. Perkin indicated there has been limited dialogue with government agencies concerning the issue. No solution has been reached other than admissions to a skilled facility should assisted living facilities close or limit HCBS admissions.

Shannon Jones, Statewide Independent Living Council of Kansas (SILCK), expressed the concerns of her members relative to the implementation date of November 1 for FMS (Attachment 35). Concerns fall into two categories: further reduction of provider rates and disruption of the HCBS system. She indicated the reduction from \$140 PMPP to \$115 PMPP was made without input or consideration from Centers for Independent Living (CIL). Ms. Jones discussed system disruption, projected savings resulting from the FMS reduction and where those savings will be allocated, contracts that have not been approved, funding reductions and their impact, plans of care and coding not entered into the system, CILs' anticipated layoffs, and how the handling of monthly client obligation payment would be impacted. Ms. Jones spoke to the Myers-Stauffer study, which she indicated could be flawed based on parameters submitted by SRS and KDOA (see Attachment 31, page 23). She urged Committee members to consider the delay of FMS implementation until January 9 (to coincide with the EV&M implementation) and to reconsider administrative rates.

In response to questions, Ms. Jones indicated:

- She would provide information concerning duties and responsibilities of an HCBS FMS.
- Ms. Jones projected the entry of plans of care into the FMS system could take another sixty days.

Chairperson McGinn requested clarification concerning the expansion of Home and Community Based Services as a goal to reduce the number of consumers entering a skilled nursing facility. Mark Dugan, Chief of Staff in the office Lt. Governor Colyer, was in the audience and asked to respond. Mr. Dugan indicated that as a general, guiding principle, services provided in the home under the HCBS waiver are better and more cost effective.

Committee members requested clarification on the variances in attendant care wage rates. Secretary Shawn Sullivan, Kansas Department on Aging, was in the audience and responded that there is one pay rate for each waiver. Variability occurs when the direct care/support worker serves clients on different waivers.

Secretary Sullivan also provided that:

- The greatest impact from the standardization has been on 1,400 clients in assisted living or Home Plus settings. From August 1, 2011, to September 1, 2011, there was an average 13 percent cut for those 1,400 residents without the 900-1,000 additional time requests, which are currently being processed. This evaluation resulted in the 10 percent increase for providers caring for this population.
- While some providers may have experienced a 20-25 percent reimbursement reduction, the average was 13 percent. KDOA staff continues to work with facilities to ensure standards were administered appropriately. In addition, the issue of outstanding time requests could have contributed to the 20-25 percent reductions cited by providers.
- The original HCBS waiver system was not intended for assisted living; it was added several years after the initial implementation. Standardization changes may reflect HCBS inadequacies. In the long term, additional changes that use a market-by-market approach will be recommended to better serve those in less restricted environments.
- In assisted living environments, night support was suspended from the HCBS standards several years ago.

### *Other Issues*

At the request of a Committee member, Secretary Siedlecki was encouraged to review the FMS implementation timeline, consider the volume of work to enter plans of care, and to work with the groups who have expressed concern. Secretary Siedlecki indicated that if a FMS provider was unable to accomplish a contract by the November 1 deadline due to cause or fault by SRS, he would revise the rules to ensure the FMS applicant/provider would not be penalized.

A Committee member requested SRS re-evaluate their Release of Information form that is used when a constituent has requested assistance from his or her legislator relating to specific issues with SRS. The Committee member indicated the form is broad, contains sensitive and personal information, and permits the legislator to disseminate its contents. It was suggested that Secretary Siedlecki review the form and limit its broad scope.

## Afternoon Session

### Provider Presentations on Impact of SRS and Department on Aging Program Changes (continued)

Tom Laing, Executive Director, InterHab, provided comments concerning the meeting on October 11 and updated Committee members on the work of the community developmental disability (DD) network ([Attachment 36](#)). He discussed the reinstatement of the College of Direct Supports program, encouraged support of the registered dental practitioner legislation to address dental access issues, and agreed with the FMS provider comments previously heard. He indicated that with any major program change, attention to adequate and reasonableness in rate paying and attention to the clarity in the new way business will be done is required. Mr. Laing reported with regard to PRTFs, the timeliness for referral is occasionally an issue. He noted Lake Mary Center serves children with DD and co-occurring mental illness. For children with dual diagnoses, the timeliness of services referral is critical, and he encouraged Committee members to vigilantly monitor the issue.

In response to a question concerning the FY 2013 budget proposal for the College of Direct Supports, Mr. Laing indicated he would furnish that information to committee members at a later time.

Contracts between SRS and Community Developmental Disability Organizations (CDDOs) soon may be forthcoming and given the delays experienced in contract negotiations and execution, Mr. Laing recommended that the 2012 Legislature consider carrying over to the FY 2013 budget the funds not spent from the waiting list reduction appropriation. In addition, he recommended inclusion of whatever funding is added for the waiting list during the 2012 session.

Mr. Laing indicated he understood it was likely the State will release a request for proposal (RFP) to transfer control of the State's Medicaid program to a contractor. He encouraged the Legislature fully examine any such plan, and he recommended that the HCBS/DD program be carved out of any managed care RFP, and further recommended a Legislative special committee address the managed care issue.

In response to Mr. Laing's testimony, Committee members inquired if an RFP for management of the State's Medicaid program had been released or was being considered. Mike Dugan, Chief of Staff in the Lt. Governor's office, was in the audience and responded that the sub-cabinet group working on Medicaid reform continues to meet with advocates. He indicated the Lt. Governor will announce a Medicaid reform package sometime in the next several months.

Mr. Laing reported that speculations concerning the restructuring of State agencies and program assignment could be possible. He attached his organization's position on this topic, and he indicated his commitment to work closely with the Administration and the Legislature should this approach be taken.

In response to questions, Mr. Laing indicated:

- All CDDOs were concerned about the FMS program changes and specifically, the issue concerning the delay in receiving executed contracts. In addition, the

rationale for reducing the FMS rate per unit of service from the originally agreed upon rate of \$140 to \$115 was unclear. Feedback has been received that the new plans of care are below the standard of those being used prior to the program change.

Written testimony was submitted by Jane Kelly, Executive Director, Kansas Home Care Association ([Attachment 37](#)).

### **Diversification in HCBS by Small Rural Nursing Homes**

Debra Zehr, Executive Director, Kansas Association of Homes and Services for the Aging (KAHSA) spoke concerning the services her association's 160 members provide to 25,000 older Kansans daily. Ms. Zehr discussed initiatives within the past 15 years to relocate Medicaid beneficiaries from nursing homes to community settings, with virtually no effort to build HCBS capacity or access. She indicated her support for funding stream diversification to solidify and improve relationships with communities, advancing policy that transition to new models that include HCBS, and frontier/rural county partnerships to build capacity. As part of her testimony, she described a pilot project designed to downsize and redeploy not-for-profit nursing homes to create a balanced, coordinated long-term service and support delivery system in one to two frontier counties ([Attachment 38](#)). Ms. Zehr shared various ideas to help with HCBS capacity building and recruitment of new community service providers, data sharing, transportation for adult day care services, and emphasized the importance of incentives to help nursing homes diversify. Ms. Zehr introduced Mr. Mike Smith from Whitewater, Kansas, who, in his role as an administrator of Wheat State Manor, has employed concepts to shift the paradigm from a skilled nursing facility to a consumer preference model of diversification that builds on home based and community services.

Mike Smith, Administrator, Wheat State Manor, Whitewater, Kansas discussed his facility's efforts to serve not only as a nursing home but as a community resource (no written testimony). Wheat State Manor is owned and operated by nine Christian churches and governed by a Board of Directors. Wheat State Manor provides skilled nursing care for 65 residents; it is funded by private pay, Medicare, Medicaid, and is a VA contract facility. The facility provides short-term respite services, offers hospice care, cares for Alzheimer patients, provides in- and out-patient therapy, operates a privately funded meals on wheels program, and offers adult day care on a limited basis. Mr. Smith emphasized this represents the evolution of a skilled facility, in a small community, that has focused on meeting community needs and serving in a resource capacity. The long-term strategy is: to provide some level of around-the-clock, in-house care, to deconstruct the medical model into a consumer driven preference model, and to add more support to allow people to stay in their own homes (i.e., tele-health, medication management, home health care, video conferencing).

Responding to Committee members' questions, Mr. Smith indicated:

- With regard to Veterans Administration (VA) patients, the VA contracts with a fixed number of nursing homes and refers to those facilities when the veteran will not receive services in a VA facility. The service provided is identical to that provided at a VA facility; the mechanism for payment is different. Mr. Smith could not speak to whether the referral is the result of a veteran's preference or whether the referral is due to limited space in a VA facility.

- The VA reimbursement is similar to Medicare's process. The VA pay categories fall into four groups: rehabilitation, special care, clinically complex, or reduced physical function. The Medicaid rate is increased by a multiplier based on the pay categories which creates a per diem reimbursement rate.
- The veterans present to Wheat State either under the VA contract due to a service-connected disability, under private pay, or under Medicare or Medicaid. Wheat State provides resources to assist the veteran in obtaining Medicaid eligibility when funds are depleted.

Additional information was submitted to Committee members in response to earlier discussion and is listed as:

Attachment 39 was submitted by SRS and relates to PRTFs;

Attachment 40 was submitted by SRS and relates to FMS and EV&M systems;

Attachment 41 was submitted by SRS and relates to HCBS and FMS; and

Attachment 42 was submitted by Kansas Legislative Research Department and relates to *Olmstead v L.C.*, 527 U.S. 581 (1999).

Chairperson McGinn summarized the discussion from the meeting and indicated the Committee would develop its consensus recommendations for inclusion in the report to the Legislature.

Consensus recommendations follow:

### **Kansas Dental Project**

The Committee held an informational hearing concerning the mid-level registered dental practitioners proposals contained in SB 192 and HB 2280. Both bills reside in each respective chamber's health committees. In addition, the Committee heard information concerning ongoing activities including: the Regents plans to study work force issues, the Medicaid 140 initiative of the Kansas Dental Association, and updates regarding two bills passed during the 2011 Session (the franchise bill and the hospital dental clinic expansion for counties with populations under 50,000. It is anticipated that the subject of expanded dental care will be a topic for discussion during the 2012 Session.

- The Committee recommended all interested parties develop a consensus agreement for discussion during the 2012 Legislative Session.

### **Department on Aging Follow-up, SRS Follow-up**

The Committee heard testimony concerning the KDOA and SRS implementation of the Financial Management System (FMS) beginning on November 1, the rate paid to FMS providers, SRS' delay in approving contractual agreements to FMS providers by November 1,

the implementation of the EV&M system on January 9, 2012, and the volume of plans of care FMS organizations have to enter prior to the November 1 deadline. The Committee recommended that:

- The implementation dates for the FMS and EV&M systems occur simultaneously on January 1, 2012;
- Appropriate State agencies contact the Centers for Medicare and Medicaid Services (CMS) to request a change in the FMS implementation date. It is recognized that CMS is accountable to grant any extension and that State agencies request a December 1, 2011, implementation date for the FMS component;
- In the event that an extension is not achieved, all current providers' contracts be extended without penalty, and all providers are held harmless;
- SRS and KDOA work with provider organizations to assist in solutions to alleviate the required entry of plans of care; and
- Each chamber's appropriations committees re-evaluate the FMS provider rate of \$115 early in the 2012 Session.

## **Human Trafficking**

The Committee heard testimony concerning the increase of human trafficking in Kansas. The Committee recommended that:

- The Kansas State Department of Social and Rehabilitation Services and the Attorney General's Office continue not only to explore grant opportunities to address the growing problem of human trafficking in Kansas, but also to search for prevention funding that could decrease this crime and victimization;
- The state work with the federal government on further coordination to fight human trafficking and decrease its impact; and
- The Kansas State Department of Social and Rehabilitation Services act to secure safe homes or facilities within the State to house victims of human trafficking for the provision of education, therapy, safety, rehabilitation, and other services needed to reintegrate victims into their home communities. The staff of the Attorney General's Office and SRS are to work on language to accomplish this task.

## **Waiting List Funding**

The Committee discussed the delays in SRS/CDDO contract negotiations and its impact on the Developmental Disability (DD) waiting list. The contract delays resulted in a freeze on the release of legislative appropriations to serve persons on the waiting list.

- The Committee recommends that the 2012 Legislature not expend unused funds that were appropriated for waiting list reduction for FY 2012 by the 2011 Legislature, and that those funds be carried over and added to FY 2013 in addition to any amount added during the 2012 Session to reduce the waiting list.

### **Psychiatric Residential Treatment Facilities (PRTFs)**

The Committee heard testimony related to PRTF screenings by SRS and Community Mental Health Centers. The Committee asked SRS to provide a report of children discharged from a PRFT, whether they have been mainstreamed into the public or private education systems, readmitted, and other relevant information.

- The Committee recommended that the SRS provide the report as a matter of record in the 2012 Legislative Report;
- The Committee also recommended that report be furnished to the Joint Committee on Legislative Budget in preparation for its hearing on November 14, 2011;
- The Committee recommended a letter referenced as Attachment 39, from Rick Shults, Director of the Division of Disability and Behavioral Health Services, SRS, be included in the 2012 Legislative Report; and
- The Committee recommended SRS continue meeting with PRTF providers to compare data and impact, that the providers continue to compile their own data, and that the Legislature revisit the PRTF issue in each chamber's appropriate committees during the 2012 Session to hear from SRS, providers, and families concerning PRTF referrals and to address issues of appropriate care and changes in the referral process.

### **SRS Release of Information Form**

The Committee discussed the SRS Release of Information Form, which is used when a legislator has been asked by a constituent to follow-up with some issue involving SRS.

- The Committee recommended SRS re-evaluate whether the Release of Information Form is necessary, violates an individual's right to privacy, and whether the process could include SRS' response and resolution to the problem reported to the legislator without revealing a constituent's personal information.

### **SRS Fraud and Abuse**

The Committee heard testimony concerning Medicaid fraud and abuse:

- The Committee requested that SRS furnish Committee members with a job description of the fraud investigators within its program; and

- The Committee requested a complete and accurate report of the fraud discovered, as well as a cost/benefit analysis of the fraud program, including what is spent and benefit savings. It was suggested a report containing data from a six-month time period could provide meaningful information.

### **Managed Care**

The Committee heard discussion concerning the possibility of a managed care program being included in Medicaid reform:

- The Committee recommended that any pending request for proposal (RFP) the State is considering relative to the implementation of a Medicaid managed care program in Kansas exclude HCBS/DD services; and
- In addition, the Committee recommended that the 2012 Legislature impanel an oversight committee specifically focused on the policy and implementation questions connected with the managed care approach to Medicaid programs.

The minutes of the August 23, 2011, meeting were distributed and reviewed. *Upon a motion by Representative Ballard to approve the minutes as submitted, and a second by Senator Kelly, the motion passed.*

Prepared by Jan Lunn  
Edited by Iraida Orr

Approved by the Committee on:

\_\_\_\_\_  
November 4, 2011

(Date)