

Thank you for having me today. My name is Christine Bacci, and I am with a Ks Medicaid Agency operating as Impact Home Health and Thrive Therapy of Kansas. We currently provide HCBS services to more than 415 members each week – representing the PD, BI, and FE waivers and employ more than 600 caregivers and therapists in over 40 counties throughout Kansas. Today, I want to talk to you about the recent Home Health regulations that were changed and are now impacting our ability to continue to provide HCBS services.

In January of this year, the KS Legislative Research Department presented a memorandum to you regarding the changes to the home health regulations that became effective in May 2022 resulting from concerns from home health providers. It cited that at the September 26-27, 2022, meeting of the Joint Committee, Secretary of Health and Environment Stanek stated that “although the regulations had gone into effect, KDHE would **not** enforce the regulations in the areas of concern while it reviews and amends them using feedback from the providers.” I am here today to tell you that it is not being followed.

In June of this year, Impact Home Health was surveyed by KDHE and 3 of the 5 deficiencies that we were cited for all centered around the new controversial regulations. Specifically, the completion of a health assessment for staff that is completed by a licensed professional, the completion of a two-step TB skin test, the completion of a 10-topic required competency training, and the in-person evaluation of all HCBS services every 90 days. For an agency that is 100% a Medicaid HCBS provider, this was devastating. So, please allow me to explain how these regulation changes impact the care that we can provide and are causing a substantial burden on an already burdened agency.

We are tasked with providing HCBS services to more than 400 members in their homes. Most of our members are affected by resource insufficiency as reflected in the home environments and conditions that we work in. We routinely deal with poor living conditions, disadvantaged and unsafe neighborhoods, a lack of basic utilities, loss of housing, and severe pest control issues. Add to these conditions increasing physical and mental health limitations and I have described our typical HCBS member. These concerns coupled with a low payrate because of current reimbursement rates means that it takes a special type of worker that is willing to work within these conditions.

We currently have about 500 unlicensed caregivers that are willing to work with our members in these conditions providing personal care services. Most of these unlicensed caregivers are low-income, single mothers who also face a lifestyle of resource insufficiency and routinely make less than \$25,000 per year. These are caregivers who cannot afford for an agency to tell them that they must go to a doctor for a health assessment prior to beginning work. These are caregivers who lack consistent transportation for an agency to tell them that they must come back to the office two different times for a TB skin test and even when our agency offers this test free of charge, these same caregivers cannot afford the replacement cost when they are unable to return to have the test read. The timing from the start of a new hire with the agency and the completion of these new requirements, coupled with the current delay in receiving background checks from APS, is causing us to delay the start of care as much as 3 weeks for HCBS members.

The current cost of a vial of TB testing serum for 50 tests is \$840. None of the cost to stock the serum and to pay a licensed nurse to be present in the office to administer the test for new hires is currently reimbursed by Medicaid – these are all costs lost to agency that is already running on pennies serving this population.

Our agency was already performing every 55 days in-person supervision of care by licensed professionals. To now be forced to add additional supervisory staff to perform 90 day in-person employee supervisions is another cost prohibitive expense that our agency is forced to carry and unable to be reimbursed.

For agency-directed PCS services, our agency averages a gross profit of only \$3.64 per hour. From those dollars, we must employ an Administrator, Registered Nurse, HR, Staffing Coordinators, billing and payroll, compliance, and QA personnel. We must pay for our office and utilities, company vehicles, mileage, gas, and insurance. The new regulations are completely and overwhelmingly causing a burden on agencies with margins that were already stretched completely thin. These restrictions coupled with a system that is already plagued by delays and incorrect payments and we are finally beginning to lose our financial battle of being solvent and continuing to provide services to our HCBS members. This has forced us to begin to be unable to accept HCBS members for care in many areas in just the last 90 days. I urge you to review the new

regulatory changes and their impact on Kansas Home Health Agencies before we are forced to shut our doors.

Thank you for your time and consideration.