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Rep. Landwehr and members of the Joint Committee on Home and Community Based Services and KanCare Oversight, thank you for the opportunity to offer written comments on behalf of the KanCare Advocates Network (KAN). KAN is a coalition of more than 50 organizations advocating on behalf of and serving the 400,000 Kansans who depend upon KanCare, and its seven Home and Community Based Services (HCBS) waiver programs for their health care and long-term supports and services. KAN's mission is to advocate for policies and programs to strengthen home and community-based services for KanCare members.

Services can only be grown and maintained by sustainable funding that keeps pace with the costs of providing them. However, the current patchwork approach to addressing provider rates separately creates inequities and inconsistencies. This uneven playing field makes it difficult for service providers to recruitment and retain staff. While job functions may be similar, providers of waiver services with lower reimbursement rates find it difficult to compete with providers who are funded at a higher reimbursement rate. Understandably, all things being basically equal, employees will choose the higher paying job, leaving the other providers and their populations understaffed and underserved.

An investment in any of the waivers is always appreciated, but increasing rates for some service providers but not others creates an unhealthy imbalance across the others and worsens the current staffing shortage. The increased funding approved by the 2023 and 2024 legislatures and KanCare members was a critical first step, but the increases weren't applied equitably across waivers. After years of underfunding, rate parity is necessary to improve the accessibility and availability to the health and social services programs that improve the health and quality of KanCare members.

The Kansas Department of Health and Environment has made rate parity a priority and commissioned an actuarial study of reimbursement rates and utilization. They are also doing comparison of Kansas with states of similar size and composition. We appreciate the State's recognition that a more formalized and standardized approach to rate setting is needed and their efforts to remedy rate disparities to avoid further exacerbating the problem.

As KDHE moves forward with these efforts, we ask for your support in the development of a long-range plan to establish rate parity across all HCBS waivers.