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Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and
KanCare Oversight

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Testimony provided by:
Mark Schulte, KACE Legislative Co-Chair
Kansas Adult Care Executives Association

Representative Landwehr, Senator Gossage, Members of the Committee:

Thank you for the opportunity to comment, share, and be part of today's committee hearing.

The Kansas Adult Care Executives (KACE) is a non-partisan, non-profit professional association serving nursing home administrators and assisted living operators in Kansas. Our membership includes individual administrators and operators from both the not for profit and for-profit adult care sectors. KACE members are located throughout the state of Kansas and represent state licensed only and CMS licensed adult care homes.

Medicaid Application Delays

KACE members are experiencing Medicaid determination applications for nursing facility and home and community-based waiver applications taking longer than 45 days with subsequent denials. Some applications take as long as six months to get approval. Nursing facility Medicaid will reimburse back to the application date, but applications for state licensed only adult care homes such as assisted living and home plus care settings do not back date reimbursement to the original application date. Reimbursement for state licensed only adult care homes begins when the application is approved. For applications that take over 45 days the adult care home absorbs the costs of care until the applications are approved. The KDHE Medicaid eligibility leadership team meets with KACE and other stakeholders regularly, and KACE is thankful for those opportunities to share provider feedback directly with the agency. During those meetings this year the agency has reported 18-20% of all long-term care applications are over 45 days old, but some of those are pending for the consumer to send in more information. Reimbursement for both assisted living and nursing facility settings is extremely important. KDHE Eligibility leadership staff continue to be good partners, and KACE is thankful for the opportunity to work with the agency towards lessening the number of applications over 45 days old.

Nursing Facility Reimbursement

KACE is thankful that the Kansas Department of Aging and Disability Services FY25 budget submitted by the Governor includes funding necessary to fully rebase provider rates and provides estimated funding necessary to transition to the PDPM payment model. Fully rebasing provider rates each year is necessary to acknowledge the most recent costs experienced by providers over the last 3 years. While the Medicaid add-on included in the FY25 budget is less than it was in FY24, it will help to keep nursing facilities open over the next 12 months and KACE is thankful to the legislature for approving the funds.

Conclusion

Residents who receive Medicaid represent a larger percentage of those being cared for than when the nursing facility reimbursement program was designed. Private pay and Medicaid reimbursement values cannot become drastically different for consumers, and providers cannot continue to lose money each day they provide care for residents who make up a large portion of the total number of Kansas elders being cared for in nursing facilities.

Timely Medicaid application processing is critical for providers to ensure excellent quality of care is provided. Timely processing impacts reimbursement, which remains a paramount need for providers. KACE looks forward to future opportunities to provide insights that will help improve the nursing facility reimbursement program.

Healthcare workforce development is a top priority to ensure Kansas citizens have access to the care they deserve in the community of their choice. KACE stands ready to assist on all issues impacting elder care in Kansas.