

March 14, 2012

TO: House Committee on Health and Human Services

FR: Tom Laing, Executive Director, InterHab
Matt Fletcher, Associate Executive Director, InterHab

RE: Legislation under consideration regarding the KanCare proposal

Thank you, Representative Landwehr, and members of the committee, for holding these hearings. We appreciate the efforts that you and other legislators are investing in the evaluation of the vast changes being proposed by KanCare, and in the formulation of legislation to address concerns that have already been identified.

We support efforts by the administration to explore ways by which to assure better health outcomes for persons served by Medicaid, as well as the ongoing efforts of Secretaries Moser and Sullivan to work with stakeholders in the community to answer questions and explore alternatives.

Nevertheless, no amount of good intent can overcome the huge problems that we see with the KanCare proposal, which will not just frustrate the Administration's intentions, but will disrupt the efficient stability of the community DD system, and thereby the lives of the persons who the community system is currently charged with serving. Therefore:

- We support efforts to delay the implementation of KanCare, as is proposed in the House resolution currently being circulated, and which has been submitted in the Senate;
- We support efforts to remove Medicaid long-term care services and supports from KanCare, as is proposed in HB 2457; and,
- We support the establishment of strong guidelines for the oversight of any Medicaid managed care programs that might be adopted in the future, as is proposed by HB 2573.

After more than a year of careful review of the Administration's plans, and managed care models all over the country, our members have come to the following conclusions regarding KanCare, which are detailed in the excellent testimony attached, prepared by Matt Fletcher in our office in conjunction with the work group of community professionals who have studied this most closely:

- The undertaking is so complex and unprecedented, and is moving so fast, that many unanswered questions and unaddressed challenges will still be on the table in January, when this program is intended to go on line, which assures enormous unnecessary and disruption in the lives of people currently served in the community DD systems.
- The proposal promises to be more costly and administratively complex, at the expense of persons in need of disability services, by replacing the current single State agency oversight process with three MCOs plus the State agency. (Replacing one administrative role with four administrative entities, is an obvious flaw in this proposal).
- The insurance companies which have bid on the KanCare proposal have inadequate experience with which to address long term services and supports, and there has been inadequate vetting as to their capacity to overcome this lack of experience.
- The role of the State elected leaders should be to lead, and to maintain their roles and responsibilities for the administration and financing of the community DD system. The KanCare proposal off-loads that responsibility into the hands of unelected corporate leaders of for-profit insurance companies.

We urge active and intentional legislative involvement yet this session to either prevail upon the administration to slow this process, or if the Administration will not do so, to take steps in the remaining weeks of this session to slow it down or stop it, by mandate of the Legislature.

We have been told the train is on the tracks and is ready to roll, and that we should get out of the way. Instead we see it in the same way as most of our stakeholders and families. The train cannot leave the station as long as we are standing on the tracks. We ask you to join us, stand with your communities and with us. Keep this train from leaving the station.