



**COTTONWOOD**  
I N C O R P O R A T E D

2801 West 31st Street  
Lawrence, Kansas 66047  
785•842•0550  
Fax: 785•842•6102

DATE: March 15, 2012  
TO: Brenda Landwehr, Chair  
Members, House Health & Human Services Committee  
FROM: Sharon S. Spratt, CEO – Cottonwood, Incorporated  
RE: HB 2457

Thank you for allowing me the opportunity to speak with you today. My name is Sharon Spratt and I am the CEO for Cottonwood, Incorporated. I have worked in the Developmental Disability field for nearly 40 years and been witness to the many positive changes that now allow for individuals with Intellectual/Developmental Disabilities (I/DD) to live full and rewarding lives in their own communities. Where futures were once bleak, they are now bright with opportunity. We have made great gains. I am here today to voice my hopes that those gains are not undone by carelessly leaping ahead without due consideration.

Knowing that Medicaid Reform was high on the radar nationally, and in an effort to be proactive, our state association InterHab, at its fall 2010 Strategic Planning Retreat, formed a Medicaid Reform/Managed Care Task Force. I, along with Ron Pasmore of KETCH in Wichita, serve as Co-Chairs for the Task Force. The Task Force's early predictions were confirmed with the announcement that the new Administration would propose a fully encompassing Managed Care plan for Medicaid reform.

Our Task Force went quickly to work – researching what was happening in other states and contacting professionals on a national level to learn more. A few of us met with Lt. Gov. Colyer in February and have continued since then to meet with members of the Administration to share our concerns about being included in KanCare. We learned that while many states were implementing some sort of Managed Care model, it was only for medical and mental health services. We also learned that day and residential services for persons with I/DD were being excluded, or carved out.

In October 2011, eight members of our state association, InterHab, attended a Managed Care Summit in Washington, DC. The Summit was sponsored by ANCOR, The American Network of Community Options and Resources, a national group which advocates for organizations serving persons with developmental disabilities. The summit was neither 'pro- managed care' nor 'anti-managed care', but was merely a forum where the experiences of the States were being reported. It was at that summit we learned that only four states have included long term services for persons with I/DD in their Managed Care plans and they all vary in different ways. While medical needs of persons with I/DD were covered by medical managed care models, their day, residential and case management services generally were not. That is an important point.

*"We help people with disabilities shape their own futures."*

[www.cwood.org](http://www.cwood.org)

When we looked at what's really happening in these and other states, we found again as we had previously, that states are excluding long term supports and services for persons with I/DD from their Managed Care system.

We believe that Medicaid Waiver Services for persons with I/DD are not a good fit for Managed Care. Our system initiated Medicaid Reform over 15 years ago with the implementation of the Developmental Disability Reform Act (DDRA) which includes a capitated Tiered System of services. The costs of our system are predictable and there are strong systems in place to manage the I/DD system effectively efficiently and without undue conflict of interest, using a peer-based quality oversight system.

We, in the DD field, have worked tirelessly over the past 40+ years to correct the misimpression that the people we support are 'sick'. They are not 'sick'. These individuals have life-long, 24/7 disabilities and we provide daily supports and services to help them live a safe and productive life.

Recently, the administration acknowledged that Kansas, in its push for Managed Care, proposes things that no other state is doing – i.e. full implementation of managed care including day, residential and case management services for persons with I/DD into a managed care model. You have heard the problems and concerns from other states, most recently Kentucky and day and residential-type services are carved out of the Kentucky plan.

It's too much change, too fast, by the administration. MCOs readily admit they have not served our population in other states where they operate Managed Care.

We urge you to support the 'carve out' of I/DD Services in the KanCare proposal. Once again, thank you for the opportunity to voice my concerns. Please support HB 2457.

Sincerely,



Sharon S. Spratt

CEO

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