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March 15, 2013

The Honorable Mary Pilcher-Cook, Chair Senate Committee on Public Health and Welfare Committee

Reference: In support of HB 2025 - KanCare Oversight Committee

Good afternoon Madam Chair and Committee Members. My name is Ernest Kutzley. I am the Advocacy Director for AARP Kansas. We represent more than 337,000 members in Kansas. Thank you for this opportunity to express our comments in *support* of the need for a KanCare oversight committee.

The turn to Medicaid Managed Long-Term Care placed many of the state's frailest and most vulnerable residents into a long-term care program that lacked the oversight to ensure enrollees would receive the care and services they need.

In shifting to a comprehensive managed care program, robust managed care organization (MCO) contract oversight and monitoring is critical to ensure that capitated payments do not create incentives for MCOs to stint on needed care and services for this very vulnerable population. Robust oversight is also imperative to ensure that all reporting requirements and performance standards are being met and that they are leading to improved quality and access. A recent AARP Public Policy Institute report points out that "although contracts between states and MCOs establish standards and requirements, such contracts are empty promises if states are unable to monitor and enforce plan compliance and performance.

Based on the experience of states that have successfully implemented Medicaid managed care, we are convinced state governments must take a hands-on management approach to effectively oversee managed care contracts. They should review and approve a clear and detailed delineation of service organization and delivery as well as identify metrics they will use to assess the contracts and performance of the MCOs across a range of relevant areas, including network adequacy, guality, consumer experience, and resource use. These contracts should be made available for public inspection.

In addition, the state should demonstrate that it will collect and monitor data that can be used to assess the quality of care in the program. Tracking quality of care for older adults and people with disabilities requires particular oversight capacities that may differ from those required to oversee standard managed care plans covering acute and primary care services for younger people without disabilities.

Finally, a state should also provide an independent sounding board for review and assessment of the program during the critical transition period and afterward. This should require any waiver amendments or contract amendments to come before the committee before submission or implementation. It should also provide a forum for review of annual reports on quality.

This type of robust and effective oversight is needed to ensure improvements to the system and provide transparency to the operation of the program that will allow consumers to review quality measures, contract requirements and network capacity and access and an opportunity to air concerns about the operation of the managed care system and MCOs.

We support the House amendments:

- To include members of House Health and Human Services Committee and the Senate Committee on Public Health. Again,
- Requiring a comparison and review of caseload data based on persons served among the information reported by the State agencies,
- Requiring the addition of comparison data for both caseload and expenditure data related to long term care facilities. Historically, the HCBS Oversight Committee did not provide oversight for long term care in all settings, specifically, adult care facilities such as nursing homes and assisted living facilities.
- Adding language directing the committee to meet at least three times during the legislative session and at least once during each of the remaining quarters.
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We would suggest that the KanCare Oversight Committee should have the authority to meet at any time and at any place within the state on call by the chairperson.

AARP believes the state must assure access to high quality long- term services and supports for the frailest Medicaid beneficiaries. Therefore, AARP supports HB 2025 and respectfully requests that this committee support HB 2025.

Respectfully, Ernest Kutzley