



KDADS Post-Session Stakeholder Meeting



**JUNE 11 – IROQUOIS CENTER FOR HUMAN
DEVELOPMENT, INC., GREENSBURG, KS**

JUNE 13 – KDADS, TOPEKA, KS, LOWER LEVEL



Agenda

- KDADS budget with legislative adjustments
- Review of relevant legislation and provisos
- Program updates and initiatives
- Time for questions and feedback



KDADS BUDGET ADJUSTMENTS FY 2019



Caseload and Waiver Adjustments

➤ Caseload Adjustments

- Fall 2019 Human Services Caseload Adjustment – The Governor recommended an increase of \$165,486,558, including \$80,470,000 from the State General Fund.
- HCBS Waiver Expenditures Adjustment – The Governor recommended a decrease of \$100,400,313, including \$43,664,516 from the State General Fund.
- Spring 2020 Human Services Caseload Adjustment – The Legislature deleted \$6,780,000, including \$2,870,000 from the State General Fund.

5

The Right Care, at the Right Time, in the Right Place



Care Increase

➤ CARE Increase - Client Assessment, Referral and Evaluation

- KDADS received \$154,585 all funds, including \$38,646 State General Fund to increase reimbursements for the CARE program:
 - This funding increases reimbursements from \$90 to \$100 for Level 1 assessments and from \$325 - \$358 for Level II Assessments.
 - The CARE program provides individuals information on long-term care options and assists when determining the appropriate placement.
 - Assessments are conducted by the local Aging and Disability Resource Centers (ARDCs) or may be performed by a hospital assessor if an individual is transitioning to a nursing facility from a hospital.

6

The Right Care, at the Right Time, in the Right Place



Community Crisis Stabilization and Clubhouse Model

- **Community Crisis Stabilization Fund and Clubhouse Model Program**
 - KDADS received an additional \$2,335,000 State General Fund to replace anticipated revenues from the Kansas Lottery Fund for the Community Crisis Stabilization Fund and the Clubhouse Model Program:
 - \$2.1 million State General Funds for CMCH Crisis Centers and \$250,000 for the Clubhouse Model.

- **Clubhouse Model Expansion**
 - KDADS received an additional \$196,304 State General Fund to provide start-up funding for three additional Clubhouse Model programs in Hutchinson (\$43,281), Topeka (\$53,523) and Olathe (\$49,500):
 - Also included in this amount is \$50,000 for travel and training expenses for 16 individuals to attend the Clubhouse training in St. Louis, MO.



KDADS BUDGET ADJUSTMENTS FY 2020



Caseload and Waiver Adjustments

➤ Caseload Adjustments

- Fall 2019 Human Services Caseload Adjustment – The Governor recommended an increase of \$249,656,558, including \$90,500,000 from the State General Fund.
- HCBS Waiver Expenditures Adjustment – The Governor recommended a decrease of \$49,918,212, including \$36,552,645 from the State General Fund.
- Spring 2020 Human Services Caseload Adjustment – The Legislature deleted \$24,450,000, including \$6,400,000 from the State General Fund.



Nursing Facilities

➤ Nursing Facility Rate Increase

- Nursing Facilities in Kansas received a 1.0% increase in reimbursement rates. This is a total of \$6.8 million all funds with \$2.8 million State General Funds.



Home and Community Based Services (HCBS)

➤ HCBS Rate Increase

- The providers of Medicaid Home and Community-Based Services (HCBS) waiver services received a 1.5% increase in reimbursement rates. This includes \$10.0 million all funds and \$4.2 million State General Funds:
 - The increased rates include the following Medicaid HCBS waivers: Autism; Frail Elderly (FE); Intellectual/Developmental Disability (I/DD); Physical Disability (PD); Severe Emotionally Disturbed (SED); Technology Assisted (TA); and Brain Injury (BI).



Protected Income Level (PIL)

➤ Protected Income Level Increase

- The Protected Income Level (PIL) for Medicaid Home and Community-Based Services (HCBS) waiver recipients and individuals in the Program for All Inclusive Care for the Elderly (PACE) was increased to \$1,177 (approximately 150% of SSI):
 - Funding for this increase is \$12.4 million all funds and \$5.3 million State General Fund.
 - PIL increased from \$747 to \$1,177 per month.



Community Mental Health Centers (CMHC)

➤ Community Mental Health Center Grants

- Community Mental Health Centers in Kansas received an additional \$5 million State General Funds.

13

The Right Care, at the Right Time, in the Right Place



Home and Community-Based Services (HCBS)

➤ Home and Community Based Services Wait List for Medicaid HCBS I/DD and Medicaid PD

- KDADS received \$5.0 million all funds and \$2.08 million State General Funds for I/DD.
- KDADS received \$1.0 million all funds and \$416,600 State General Funds to reduce the wait list for PD waivers:
 - This funding will allow approximately 107 individuals to move off the I/DD wait list and 55 to move off the PD wait list.

14

The Right Care, at the Right Time, in the Right Place



Drug and Alcohol Services

➤ Drug and Alcohol Services for Non-Medicaid Services

- KDADS received \$500,000 all State General Fund for additional drug and alcohol substance abuse services for individuals not eligible for Medicaid Services.



Information Technology

➤ Information Technology Initiatives

- The Legislature added \$30,797, all from the State General Fund, to adopt, in part, GBA No. 1, Item 1, for additional information technology modernization funding for FY 2020.



Program for All Inclusive Care for the Elderly

- **Program for All Inclusive Care for the Elderly (PACE)**
 - The Governor's recommendation included \$6,820,556, including \$3,061,056 from the State General Fund, to increase the reimbursement rates for the Program for All-Inclusive Care for the Elderly (PACE).



Pay Increase

- **State Employee Pay Increase**
 - There is a 2.5% salary increase for all state employees, with the exception of Judges, Legislators and the Executive Branch.



Questions?



LEGISLATIVE PROVISOS



KDADS - Traumatic Brain Injury Proviso

- FY 19 – Expenditures shall be made from the LTC – medical assistance – Nursing Facility account of KDADS and KDHE to make applications and modifications, no later than July 1, 2019, to the current traumatic brain injury home and community-based services Medicaid waiver program. KDADS shall restore the unduplicated waiver slot count to 723 and lower such waiver's entry age to birth and add acquired brain injuries to such waiver.
- FY 20 – Expenditures shall be made from the KanCare non-caseloads account of KDADS and KDHE to make applications and modifications, no later than July 1, 2019, to the current traumatic brain injury home and community-based services Medicaid waiver program. KDADS shall restore the unduplicated waiver slot to 723 and lower such waiver's entry age to birth and add acquired brain injuries to such waiver.



KDHE Provisos – Impact KDADS

- FY 2019 – **Institution for Mental Disease (IMD) Exclusion** - The Legislature added language to require the agency to seek a waiver from the IMD exclusion rule in FY 2019.
- FY 2020 – **Institution for Mental Disease (IMD) Exclusion** - The Legislature added language to require the agency to seek a waiver from the IMD exclusion rule in FY 2020.



KDHE Provisos – Impact KDADS Continued...

- FY 2019 – **Behavioral Health Services** - Add modified language to require the agency to facilitate a detailed review of the costs and reimbursement rates for behavioral health services, including mental health and substance use disorder treatment, in FY 2019; and add further language to require such report be provided to the Senate Committee on Ways and Means Social Services Subcommittee and the House Committee on Social Services Budget in January 2020.
- FY 2020 – **Behavioral Health Services** – Add modified language to require the agency to facilitate a detailed review of the costs and reimbursement rates for behavioral health services, including mental health and substance use disorder treatment, in FY 2020; and add further language to require such report be provided to the Senate Committee on Ways and Means Social Services Subcommittee and the House Committee on Social Services Budget in January 2021.



KDHE Provisos – Impact KDADS Continued...

- FY 2019 – **Psychiatric Residential Treatment Facility (PRTF)** - The Legislature added language to require each Medicaid managed care organization (MCO) to provide a quarterly report to the Robert G. (Bob) Bethell Joint Committee on Home and Community-Based Services and KanCare Oversight each time the Committee meets, detailing the following: the total number of members waiting for PRTF placement; the average, minimum and maximum, number of days MCO members have been waiting for the PRTF placement; the average, minimum and maximum, information regarding the length of stay for MCO members in PRTF placements; and the number and reasons for denials of PRTF placement for FY 2019; and add further language to require such reports also be provided to the Legislative Budget Committee, Senate Committee on Ways and Means, and the House Committee on Appropriations.



KDHE Provisos – Impact KDADS Continued...

- **FY 2020 – Psychiatric Residential Treatment Facility (PRTF)** - The Legislature added language to require each Medicaid managed care organization (MCO) to provide a quarterly report to the Robert G. (Bob) Bethell Joint Committee on Home and Community-Based Services and KanCare Oversight each time the Committee meets, detailing the following: the total number of members waiting for PRTF placement; the average, minimum and maximum, number of days MCO members have been waiting for the PRTF placement; the average, minimum and maximum, information regarding the length of stay for MCO members in PRTF placements; and the number and reasons for denials of PRTF placement for FY 2020; and add further language to require such reports also be provided to the Legislative Budget Committee, Senate Committee on Ways and Means, and the House Committee on Appropriations.



OTHER LEGISLATIVE BUDGET COMMITTEE RECOMMENDATIONS



Home and Community-Based Services (HCBS)

- The House Budget Committee is concerned that as of January 2019 there were 3,985 individuals on the wait list for the Medicaid HCBS I/DD waiver and 1,481 individuals on the Medicaid PD waiver. The Budget Committee encourages KDADS to continue to examine and explore ways to decrease the wait lists for these services in FY 2020.



RECEIVERSHIP LEGISLATION



Receivership Statute Amendments – SB 15

- Over the past year, KDADS has taken 22 adult care homes into receivership due to insolvency or because life-threatening or endangering conditions exist at the facility(ies). In many instances, the facilities were in serious jeopardy of losing access to critical vendors such as food service, durable medical equipment, basic sanitary supplies, staffing agencies, and utilities.
- Many facilities lacked adequate funds to cover the upcoming payroll, and staff payroll checks had bounced in the recent past. Staff were unknowingly left without insurance, worker's compensation, and other employment benefits even though premiums were still being deducted from the employees' checks. In a couple instances, former operators had improperly used resident trust funds for their own use, leaving the residents with a negative balance.



Highlights to Amended Statutes

- Increased scrutiny of the initial application and change of ownership process.
- Language which makes an individual or entity ineligible to obtain an adult care home license for 10 years following a receivership action.
- Defines "insolvent" to mean that the adult care home, or any individual or entity that operates an adult care home or appears on the adult care home license, has stopped paying debts in the ordinary course of business or is unable to pay debts as they come due in the ordinary course of business.
- Amends the receiver's powers and duties into actions that *shall* be taken by the receiver and actions that the receiver *may* take if the funds available permit such expenditures. These amendments ensure that: (1) receivership funds are used, directly or indirectly, for the protection of the residents' health, safety, welfare, and continuity of care; (2) the receiver is entitled to immediate use of all proceeds of any accounts receivable to discharge the powers and duties of the receiver; and (3) the civil monetary penalty fund is protected from unnecessary expenditures.



STATE HOSPITAL BUDGET ADJUSTMENTS

31

The Right Care, at the Right Time, in the Right Place



Kansas Neurological Institute – FY 2019 and FY 2020

➤ Kansas Neurological Institute (KNI) Revenue Shortfall

- KNI received \$853,494 State General Fund for FY 19 and \$854,494 State General Fund for FY 20, through a Governor's Budget Recommendation (GBR), to reduce shrinkage and cover a revenue shortfall due to early billing.

32

The Right Care, at the Right Time, in the Right Place



Larned State Hospital – FY 2019

- **Larned State Hospital (LSH) Revenue Shortfall**
 - LSH received \$253,867 State General Fund, through a Governor's Budget Recommendation (GBR), to reduce shrinkage.
- **Larned State Hospital (LSH) Disproportionate Share Hospital (DSH) Shortfall**
 - LSH received \$617,164 State General Fund and a reduction of the same amount from Title XIX, through a Governor's Budget Recommendation (GBR), to reduce an anticipated DSH revenue shortfall.
- **Larned State Hospital (LSH) Uninterrupted Power Supply (UPS)**
 - LSH received \$54,405 State Institution Building Fund for an uninterrupted power supply.



Larned State Hospital – FY 2020

- **Larned State Hospital (LSH) Revenue Shortfall**
 - LSH received \$253,867 State General Fund, through a Governor's Budget Recommendation (GBR), to reduce shrinkage.
- **Larned State Hospital (LSH) Disproportionate Share Hospital (DSH) Shortfall**
 - LSH received \$617,164 State General Fund and a reduction of the same amount from Title XIX, through a Governor's Budget Recommendation (GBR), to reduce an anticipated DSH revenue shortfall.
- **Larned State Hospital (LSH) Reduce Turnover and Vacancy Rates**
 - LSH received \$186,931 State General Fund for salary adjustments to reduce turnover and the number of vacant positions.



Larned State Hospital – FY 2020 Continued...

➤ Larned State Hospital (LSH) Personal Protective Device

- LSH received \$567,850 State General Fund General Fund for Personal Protective Devices(PPD) and Staff. The funding includes 143,000 for PPD and \$424,850 for nine safety and security officers.



Osawatomie State Hospital/ Adair Acute Care FY 2019

➤ Adair Acute Care (AAC) Revenue Shortfall

- AAC received \$2,014,366 State General Fund, through a Governor's Budget Recommendation (GBR), to reduce shrinkage.

➤ Adair Acute Care (AAC) Disproportionate Share Hospital (DSH) Shortfall

- AAC received \$1,122,529 State General Fund and a reduction of the same amount from Title XIX, through a Governor's Budget Recommendation (GBR), to reduce an anticipated DSH revenue shortfall.
- AAC received \$2,300,000 State General Fund and a reduction of the same amount from Title XIX, from the Legislature, to adopt GBA No.1, Item 6, to reduce an anticipated DSH revenue shortfall.



Osawatomie State Hospital/ Adair Acute Care FY 2020

- **Adair Acute Care (AAC) Revenue Shortfall**
 - AAC received \$2,014,366 State General Fund, through a Governor's Budget Recommendation (GBR), to reduce shrinkage.

- **Adair Acute Care (AAC) Disproportionate Share Hospital (DSH) Shortfall**
 - AAC received \$1,122,529 State General Fund and a reduction of the same amount from Title XIX, through a Governor's Budget Recommendation (GBR), to reduce an anticipated DSH revenue shortfall.



Parsons State Hospital & Training Center – FY 2019 and FY 2020

- **Parsons State Hospital & Training Center (PSH&TC) Revenue Shortfall**
 - PSH&TC received \$951,224 State General Fund for FY 19 and FY 20, through a Governor's Budget Recommendation (GBR), to reduce shrinkage and cover a revenue shortfall due to early billing.



Questions?



STATE HOSPITAL LEGISLATIVE PROVISIO



Larned State Hospital Proviso

- FY 20 – The Legislature added language directing the agency to provide a report to the Legislative Budget Committee prior to the beginning of the 2020 Legislative session on the impact of the funding on vacancy and turnover:
 - In regards to the \$186,931 received for salary adjustments to reduce turnover and the number of vacant positions at Larned State Hospital for FY 2020.



Osawatomie State Hospital Proviso

- FY 20 – The Legislature added language directing the agency to create a comprehensive plan to end the moratorium at Osawatomie State Hospital, which prohibits voluntary admissions and limits involuntary patient admissions at 166 patients, and report this plan by January 2020 to the House Social Services Budget Committee, the House Health and Human Services Committee, and the Senate Public Health and Welfare Committee.



COMMISSION PRIORITIES



KDADS – Five Commissions

- Aging & Disability Community Services & Programs Commission
- Behavioral Health Commission
- Finance and Information Services Commission - Nursing Facility Rate Setting
- State Hospitals Commission
- Survey, Certification and Credentialing Commission



KDADS – Social Determinants of Health

➤ **Aging & Disability Community Services & Programs Commission**

- Housing, Safety, Nutrition, Employment, Education, Family/Caregiver Supports

➤ **Top Priorities:**

- Waiver Renewals and Amendments
- Final Settings Rule – Community Inclusion
- Eligibility – Provisional Plan of Care
- Physical Disability Waiver Offers
- 1115 Physical Disability (PD) and Serious Mental Illness (SMI) Work Opportunity



KDADS – Social Determinants of Health

➤ **Behavioral Health Commission**

- Housing, Safety, Nutrition, Employment, Education, Family/Caregiver Supports

➤ **Top Priorities:**

- Medicaid Substance Use Disorder (SUD) and Mental Health Institution for Mental Disease (MH IMD) Exclusion Applications
- Mental Health Task Force Recommendations
- Infrastructure Implementation



KDADS – Social Determinants of Health

- Finance and Information Services Commission - Nursing Facility Rate Setting
 - Housing, Safety, Nutrition, Employment, Education, Family/Caregiver Supports
- Top Priorities:
 - Client Assessment Referral Evaluation (CARE) Level I and Level II Processes
 - Mental Health Institution for Mental Disease (MH IMD) Exclusion – Nursing Facilities for Mental Health (NFMHs)
 - Resource Utilization Group (RUG) Impact

47

The Right Care, at the Right Time, in the Right Place



KDADS – Social Determinants of Health

- Survey, Certification and Credentialing Commission
 - Housing, Safety, Nutrition, Family/Caregiver Supports
- Top Priorities:
 - Adult Care Home Receiverships Regulations
 - Provider Education Regarding Intellectual and Developmental Disabilities (I/DD) Licensing
 - Shared Living Regulations
 - Psychiatric Residential Treatment Facility (PRTF) Regulations
 - Crisis Intervention Centers (CIC) Regulations

48

The Right Care, at the Right Time, in the Right Place



KDADS – Social Determinants of Health

➤ **State Hospitals Commission**

- Housing, Safety, Nutrition, Family/Caregiver Supports

➤ **Top Priorities:**

- Mobile Competency
- Plan to add Regional Beds
- Plan to end the Moratorium at Osawatomie State Hospital (OSH)
- Expand OSH Certification
- Plan to enact recommendations from the Mental Health Task Force Report
- Updates to the Care & Treatment Act
- Assess laws related to competency and organic disorders



Participant Feedback