

Testimony on House Bill 2591

Committee on Health and Human Services

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Kansas Department of Health and Environment

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Good morning Chairman Hawkins and members of the committee. I am Jon Hamdorf, Medicaid Director and Director of the Division of Health Care Finance and I am here on behalf of KDHE to provide neutral testimony for HB 2591 as it is currently proposed.

We believe that this bill can be successfully implemented as written. A three-year continuation of the KanCare program as of January 1, 2018 will allow us adequate time to work collaboratively with legislators and stakeholders to develop a new 1115 waiver application and a comprehensive request for proposal (RFP) for a new procurement in 2022.

We do encourage the committee to consider incorporating a few agreed upon program features in the 1115 waiver extension that has been submitted to CMS which we feel could bring great value to the program over the next three years. Examples of these programs would be an institution for mental disease (IMD) exclusion waiver which would extend and enhance access to behavioral health services and for expenditure authority for telehealth services not currently allowed by CMS. Since both of these would be included in the 1115 waiver, they must be cost neutral to the state and expansion of behavioral health services and telehealth are both priorities of the state.

One aspect of this bill that we would respectfully ask the committee to reconsider is the termination of the current RFP we are processing. We do support removing sections of the RFP to adhere to the requirement to keep the program similar to as it was on January 1, 2018, but we do feel there is real value in going through a new procurement. The benefits include:

- Reduce the risk of potential litigation from canceling the RFP
- Promote competition in securing bids for the three-year extension
- Provide higher negotiating power to the state in procuring contracts
- Reduce the risk that bidders may not bid on future RFPs

We appreciate and recognize that the bill will require the Kansas Department of Health and Environment (KDHE) and Kansas Department of Aging and Disability Services (KDADS) to report annually to the house committee on health and human services and the senate committee on public health and welfare on the progress of planning the program going forward. While the requirement is an annual update, we hope to work with legislators on a much more frequent basis to ensure that we are aligned moving forward.

House Health and Human Services

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