



To: Senate Public Health and Welfare Committee
From: Rachelle Colombo
Director of Government Affairs
Date: January 30, 2017
Subject: SB 69; concerning the Kansas program of medical assistance; process and contract requirements; claims appeals.

The Kansas Medical Society appreciates the opportunity to appear today in support of SB 69, concerning KanCare compliance, processes and contract requirements. KMS has been supportive of efforts to move the Medicaid population into a managed care system, particularly the goal to improve health outcomes and access while avoiding cost-shifting onto providers.

Unfortunately, as we enter the fifth year of the KanCare program, several processes are inefficient and non-compliant with Federal law and the state has reduced providers' reimbursement rates. In an effort to ensure the ongoing success of the KanCare program and provide healthcare access for vulnerable Kansans, KMS has endeavored to provide continued, clear communication about issues affecting provider participation.

The substance of SB 69 deals with those systemic issues within KanCare that have failed to resolve and have continued to prove problematic for providers over the life of the program. Uniform standards, credentialing processes, clear guidelines for prior authorizations, and timely appeal processes are imperative for continued provider participation. Additionally, communication and education must improve so that providers have a reasonable understanding of MCO billing practices. Dealing with three different standards on credentialing, prior authorizations, appeals processes and billing practice is difficult for providers and administrative staff and will serve as a deterrent to participation.

Kansas physicians participate in providing care for Medicaid patients because they believe all Kansans should have access to quality care. They have continued to do so even with increased difficulties of participating in KanCare and declining reimbursement rates that do not cover the cost of their services. Though we have been assured the Kansas Department of Health and Environment is aware of these issues and working to resolve them, it is our hope that the passage of SB 69 would demonstrate the state's commitment to partnering with providers in affectively administering care to vulnerable Kansans.

We respectfully request that the committee favorably consider SB 69 for passage. Thank you.

Senate Public Health and Welfare

Date 2.3.17

Attachment 2