

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:07a.m. on March 9, 2010, in Room 346-S of the Capitol.

All members were present.

Committee staff present:

Nobuko Folmsbee, Office of the Revisor of Statutes
 J.G. Scott, Kansas Legislative Research Department
 Heather O'Hara, Kansas Legislative Research Department
 Jonathan Tang, Kansas Legislative Research Department
 Stephen Huggins, Chief of Staff, Appropriations Committee
 Kathy Holscher, Committee Assistant, Appropriations Committee

Conferees appearing before the Committee:

John Federico, Kansas healthcare Association, proponent
 Steve Albrecht, Golden Living Centers, proponent
 Jeff Messidor, Eventide Convalescent Center, proponent
 Fred Benjamin, COO Medica lodges, Inc., proponent
 Monte Hoffman, Windsor Place, proponent
 Bill McDaniels, Department on Aging, proponent
 Andy Huckaba, Lakeview Village, opponent
 Chet Sumaczeuicz, Santa Marta, opponent
 Joanne Mulligan, Santa Marta, opponent
 Joanna Randel, Good Samaritan Center, opponent

- Attachment 1 HB 2673 Background, Kansas Legislative Research Department
- Attachment 2 HB 2673 Overview, Kansas Legislative Research Department
- Attachment 3 HB 2673 Testimony, Representative Bethell
- Attachment 4 HB 2673 Testimony, Kansas Health Care Association
- Attachment 5 HB 2673 Testimony, Kansas Department on Aging
- Attachment 6 HB 2673 Testimony, Golden Living
- Attachment 7 HB 2673 Testimony, Medicalodges, Inc.
- Attachment 8 HB 2673 Testimony, Windsor Place
- Attachment 9 HB 2673 Testimony, Santa Marta Retirement Community
- Attachment 10 HB 2673 Testimony, Santa Marta Resident Council Chair
- Attachment 11 HB 2673 Testimony, Lakeview Village
- Attachment 12 HB 2673 Testimony, Good Samaritan Center
- Attachment 13 HB 2673 Testimony, Eventide Convalescent Center

HB 2673 - Assessment of quality assurance fee on skilled nursing care facilities to improve the quality of care

Estelle Montgomery, Kansas Legislative Research Department, presented background information on HB 2673, (Attachment 1), and an overview of HB 2673, (Attachment 2). This bill would create a provider assessment program for skilled nursing facilities to generate new state funds and draw down additional federal funds, she stated. Ms. Montgomery reviewed the qualifications, duties and functions of the Kansas Health Policy Authority, Quality Care Improvement Panel, and the establishment of a Quality of Care Assessment Fund.

Estelle Montgomery responded to questions from committee members. She stated that approximately 90 % of the facilities would not be affected but that others that would lose additional medicaid funds. As requested, additional information on the 36 states that have implemented a provider assessment program will be made available to committee members, she stated. Ms. Montgomery noted that the more Medicaid or Medicare beds in a skilled nursing facility the more reimbursement dollars the facility would receive. After the fourth year reimbursement amounts will decrease and at the beginning of the fifth year the bill would be up for interpretation if renewed.

Representative Bethell provided testimony as a proponent of HB 2673, (Attachment 3). He stated that with

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Minutes of the House Appropriations Committee at 9:07a.m. on March 9, 2010, in Room 346-S of the Capitol.

by \$22 per bed per day to make up for the Medicaid cut, but with this bill a cost of \$3.60 per licensed bed per day, he noted. Representative Bethell discussed the quality care fund and stated that 1% of the fund would be for operational expenses, and he stated that board members are not compensated.

John Federico, Kansas Healthcare Association, provided testimony as a proponent of **HB 2673**, (Attachment 4). He reviewed the skilled nursing facility provider assessment and stated that this would maximize federal matching funds and benefit over 300 facilities.

Bill McDaniel, Commissioner, Kansas Department on Aging, provided testimony as a proponent of **HB 2673**, (Attachment 5). He reviewed the provider assessment model, which reflects the impact on the facilities. He noted that the provider assessment would generate approximately \$30.4 million that could be leveraged with federal dollars for total expenditures of \$86.6 million.

Mr. McDaniel responded to questions from committee members. He stated that as the statute is currently written, a maximum of \$2,550 per bed would meet the Center for Medicaid and Medicare services (CMS) requirements. Mr. McDaniel stated that the tax restores some Medicaid dollars lost in the 10% cut, and noted that this bill would fund the Medicaid shortfall. He noted that for every thirty cents in the State General Fund, seventy cents would be the federal match. Mr. McDaniel stated that the increase in administrative costs of 1% includes start-up costs, equipment and two staff positions. The passing of increased taxes could off-set Medicaid cuts, and other revenue streams could be adopted, it was noted. If this bill passed, the economy recovered, and Medicaid cuts were restored, the statute could be sunset and there would be no violation of federal mandates. He discussed the Kansas Health Policy Authority, which is the state Medicaid agency and responsible for regulations, state plans or amendments. The federal match funds are allocated when quarterly statements are submitted, which is based on the State Medicaid expenditures.

Steve Albrecht, Division Director of Government Relations, Golden Living, provided testimony as a proponent of **HB 2673**, (Attachment 6).

Mr. Albrecht responded to questions from committee members regarding Type A communities that would be exempt from the bill. There are a limited number of federal government exemptions included for continuing care retirement centers and veterans homes. Kansas would be required to conduct additional tests to ensure a broad based assessment that is uniform and distributed equally, he noted. The 10% reduction was based on SGF budget cuts, which reduce the federal match dollars, and the stimulus dollars the state received provided a higher federal match percentage, which was added to what the federal government already matches States have to prove qualified Medicaid expenditures prior to receiving matching funds. He discussed the budget impact at the community level and quality care for residents.

Fred Benjamin, Chief Operating Officer, Medica lodges, Inc., presented testimony as a proponent of **HB 2673**, (Attachment 7).

Monte Hoffman, Executive Director, Health Management of Kansas, presented testimony as a proponent of **HB 2673**, (Attachment 8).

Chet Surmaczewicz, Executive Director, Santa Marta Retirement Community, presented testimony as an opponent of **HB 2673**, (Attachment 9).

Jo Ann Mulligan, Chairperson Resident Council of Santa Marta Independent Living, presented testimony as an opponent of **HB 2673**, (Attachment 10).

Any Huckaba, Chairman of the Board, Lakeview Village, presented testimony as an opponent of **HB 2673**, (Attachment 11).

Joanna Randall, Executive Director, Good Samaritan Society, presented testimony as an opponent of **HB 2673**, (Attachment 12).

Ms. Randall responded to question from a committee member regarding the hospital assessment tax. She

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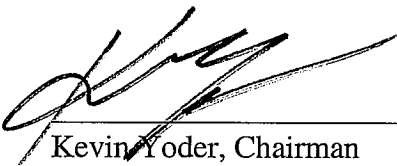
stated that hospitals have third party payers. Any efforts to make up the difference would be passed on to the private payer, Ms. Randall noted.

Jeff Messidor, Director of Operations, Eventide Convalescent Center, presented testimony as a proponent of HB 2673, (Attachment 13).

Chairman Yoder closed the hearing on HB 2673. He stated that the hearing will resume at the next committee meeting.

The next meeting is scheduled for March 10, 2010.

The meeting was adjourned at 11:00 a.m.



Kevin Yoder, Chairman

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March 9, 2010

House Bill 2673

Background

- HB 2673 would create a provider assessment program for skilled nursing facilities in the state of Kansas.
- A provider assessment is a mechanism used to maximize the amount of federal funding for the state by generating new state funds. After collection, the additional funds would be used to draw down additional federal funds. This results in increased Medicaid payments to providers for Medicaid eligible services.
- Kansas has implemented a provider assessment for hospitals.
- Currently, 36 states have a form of the provider assessment program for skilled nursing care facilities.
- There are currently 344 skilled nursing facilities in Kansas.

Provider assessment qualifications

- HB 2673 would establish an assessment on all licensed beds within skilled nursing care facilities.
- The Center for Medicaid and Medicare Services (CMS) guidelines state that a provider assessment must be uniformly enforced across all skilled nursing facilities to be approved.
- Certain categories of facilities can be excluded but all facilities of that type must be excluded from the assessment. HB 2673 would exclude the Kansas Soldiers' Home and the Kansas Veteran's Home from the assessment.

Prescribing powers, duties and functions of the assessment

- HB 2673 would establish the Kansas Health Policy Authority as the state agency to calculate and implement the provider assessment.
- The stipulations of the assessment include:

- After the first three years, the assessment amount shall be adjusted to be no more than 60.0 percent of the assessment collected in previous years. This establishes a downward collection trend for the assessment;
- A facility will only be assessed on the number of beds that the facility is licensed for as of July 1st each year. Therefore, the assessment amount due will be calculated once, but paid quarterly;
- If a facility de-licenses beds after July 1st of each year, the facility will not be reimbursed of the assessment already collected but it will not have to pay for the de-licensed beds moving forward;
- If an organization has more than one licensed facility then the assessment will be applied to each separate facility;
- Burden of the assessment is not allowed to be passed on to private payers;
- Per CMS guidelines, there is no guarantee a facility will have increased reimbursements to offset the expenditures.

Establishment of a Quality of Care Assessment Fund

- HB 2673 would establish a fund where all assessments and penalties collected through the program would be deposited.
- All funds collected would be used to finance initiatives designed to maintain or increase the quantity and quality of nursing care in licensed facilities. No funds would be allowed to be transferred to the State General Fund at any time.
- The assessment funds shall be used exclusively to pay for:
 - Administrative expenses incurred by the Kansas Health Policy Authority;
 - Increased nursing facility payments to fund covered services to Medicaid beneficiaries;
 - Reimburse initial portions of the Medicaid share of the assessment;
 - Restore the 10.0 percent provider reduction implemented from January 1-June 30, 2010;
 - And, restore funding for FY 2010 re-basing and inflation.
- If there are any additional funds available, HB 2673 would specify that these must be used for quality enhancement for skilled nursing facilities.
- A fine will be assessed of the lesser of \$500 per day or 2.0 percent of the amount owed by the facility if it fails to pay the full amount of the assessment.
- The assessment is null and void if CMS does not approved the authority of the program and/or if the rates made to the nursing facilities are reduced below the rates

calculated on June 30, 2010 adjusted for the 10.0 percent reduction, rebasing and inflation.

- Should the program is deemed null and void all funds assessed will be returned to the facilities.

Prescribing powers, duties and functions of the assessment

- HB 2673 would establish a Quality Care Improvement Panel.
- The panel would consist of representatives from Kansas Homes and Services for the Aging, Kansas Health Care Association, Kansas Advocates for Better Care, an executive of a Kansas adult care home not affiliated with any of the trade organizations specified in the bill, Kansas Foundation for Medical Care, the Kansas Department on Aging, and the Kansas Health Policy Authority.
- Members of the panel shall serve without compensation or expenses.
- The panel will annually report to the legislature concerning the activities of the panel.
- The provision of HB 2673 would expire in four years.
- The act would take effect upon publication of the *Kansas Register*.

Overview of House Bill No. 2673

Nobuko Folmsbee
Assistant Revisor
Office of Revisor of Statutes

March 9, 2010

The House Bill No. 2673 allows the Kansas Health Policy Authority (Authority) to assess a quality care assessment per licensed bed in the skilled nursing care facility. Rules and regulations would fix the assessment on all facilities but the assessment could not exceed the maximum percentage of nursing facility inpatient revenues allowed under federal law. No rules and regulations shall grant any exception or exemption from the quality care assessment.

The assessment would be annually uniform per licensed bed and paid quarterly. Beds licensed after July 1 each year would pay a prorated amount of the annual assessment, but refund would not be made based on a reduction of the number of licensed beds in the facility. A facility is not allowed to create a separate line-item charge for the assessment or be guaranteed that additional payment would equal or exceed the amount of its quality care assessment. The payment for assessment would be allowable cost for medicaid reimbursement purposes.

The quality care fund is created in the state treasury and administered by the Authority. The moneys in the fund would be used to finance initiatives to maintain or improve the quantity and quality of skilled nursing care in the facilities. If the moneys in the fund are transferred to the state general fund, the quality care assessment shall terminate after 30

days of the transfer and the Authority would discontinue the assessment. Moneys in the fund would be used to pay administrative expenses in performing the activities, to increase nursing facility payments to fund covered services to medicaid beneficiaries within medicare upper payment limits, to reimburse the medicaid share of the assessment as a pass-through medicaid allowable cost, and to restore the medicaid rate reductions and funding for fiscal year 2010. Any remaining amount would be used for quality enhancement of skilled nursing facilities.

If a facility is late in paying the assessment, the Authority could assess a penalty which would be remitted to the fund. The assessment would start on July 1, 2010, and when the federal government approves the amendment to the state plan for medicaid and the facilities have been compensated retroactively at the increased rate for services provided after July 1, 2010. Subsections (a) through (f) would be null and void, if the CMS would not approve the medicaid plan amendment or the rates of payments made to facilities are reduced below the rates calculated on June 30, 2010, increased by revenues in the fund and matched by federal financial participation and re-basing.

The 9-member quality care improvement panel is established in order to administer and select the reimbursements of moneys in the fund. The panel would report to the legislature before January 10 concerning the activities of the panel during the preceding calendar year and present any recommendations.

The provisions of this section would expire after 4 years of the certified date of implementation.

BOB BETHELL

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COMMITTEE ASSIGNMENT

CHAIR: AGING AND LONG TERM CARE
 MEMBER: COMMERCE AND LABOR
 CORRECTIONS AND JUVENILE
 JUSTICE
 ELECTIONS

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TOPEKA

Chairman Yoder and members of the House Appropriations Committee, I come before you today in support of HB 2673.

Mr. Chairman and committee members in previous discussion of this bill the author (that would be me) has been called disingenuous, I would remind you that synonyms of that word are: insincere, untruthful, hypocritical, deceitful, devious and dishonest. I can only assure you that I have never been concerned about what is said about me as long as it is true. Those of you who know me, I believe, would never use words like that to describe me, or at least it would be my hope that I have never given you reason.

The Apostle Paul said "we do not wrestle against flesh and blood but against powers and principalities of darkness". If I might I will paraphrase that in this way "we do not wrestle against principles but against the powers of politics and positions."

A United States Senator has been quoted as saying "you are entitled to your opinion, but you cannot have your own facts. The facts are simple:

1. There seems to be no stomach for tax increases, at least on the side of the House.
2. The 10% SGF cut in essence is a 33% cut to the providers of care.
3. There are 345 nursing facilities in Kansas including the Long Term Care Units of Hospitals.
4. There are less than 7% of those facilities that will pay more, due to HB 2673, than returned.
5. The facilities negatively affected serve less than 15% of their occupancy with Medicaid funding.
6. Without HB 2673 Kansas citizens will lose approximately \$56,000,000.00.
7. Of those facilities that gain the average is \$179,246.00
8. Of those facilities that lose the average is \$55,314.00
9. Provider will cease services to the needy, some have begun limiting Medicaid recipient
10. Thirty six states (36) have supported this concept. Try it you'll like it!

Mr. Chairman in 2004 the Legislature of Kansas passed Senate Substitute for House Bill 2912 overwhelmingly by the Senate and House. The vote was 40/0 and 122/0 respectively and the opponents of HB 2673 were proponents of that bill. I guess if someone else is being taxed that's okay but don't tax me. The recipients of the benefit of that bill are very pleased with the results.

We, as leaders of Kansas, must step up be Statesmen and Stateswomen and do the correct thing for the citizens of Kansas by maintaining our principles and providing care for the most vulnerable of our society.

I ask for this committee's support of HB 2673.

Appropriations Committee
 Date 3-9-10
 Attachment 3-1

Provider Assessment Model for SB 546 and HB 2376 As Introduced

Provider Name	City	Assmt	Restore 10% Cut	Rebase & Inflate	Quality Enhanc.	Mdcd Pass-Thru	Net Impact
Village Manor	Abilene	-95,400	64,920	169,441	0	55,184	194,146
Alma Manor	Alma	-53,000	36,377	94,943	0	22,448	100,768
Life Care Center of Andover	Andover	-204,050	96,043	250,673	0	73,470	216,137
Anthony Community Care Center	Anthony	-63,600	55,502	144,861	0	44,159	180,923
Arkansas City Presbyterian Manor	Arkansas City	-79,500	52,216	136,284	0	36,108	145,108
Medicalodges Arkansas City	Arkansas City	-59,625	84,909	221,614	0	41,222	288,121
Deseret Nursing & Rehab at Arma, Inc	Arma	-90,100	55,932	145,982	0	60,134	171,947
Ashland Health Center - LTCU	Ashland	-46,375	14,556	37,991	0	25,790	31,962
Atchison Senior Village	Atchison	-76,850	57,108	149,053	0	40,859	170,169
Dooley Center	Atchison	-60,950	93,883	245,034	0	54,753	332,720
Medicalodges Atchison	Atchison	-103,350	53,205	138,865	0	55,848	144,568
Attica Long Term Care	Attica	-79,500	61,329	160,068	0	47,366	189,264
Good Samaritan Society-Atwood	Atwood	-60,950	32,865	85,777	0	25,448	83,141
Lake Point Nursing Center	Augusta	-151,050	78,985	206,150	0	89,902	223,987
Baldwin Care Center	Baldwin City	-79,500	46,915	122,449	0	34,202	124,067
Quaker Hill Manor	Baxter Springs	-100,700	53,440	139,478	0	67,252	159,470
Catholic Care Center Inc.	BELAIRE	-235,850	136,853	357,185	0	84,371	342,559
Belleville Health Care Center	Belleville	-103,350	47,400	123,715	0	47,006	114,771
Great Plains of Republic County, Inc	Belleville	-50,350	47,191	123,168	0	31,365	151,374
Great Plains of Mitchell County, Inc	Beloit	-53,000	27,358	71,403	0	31,048	76,809
Hilltop Lodge Nursing Home	Beloit	-148,400	72,031	188,001	0	69,896	181,529
Bonner Springs Nursing and Rehabilitt	Bonner Springs	-66,250	56,162	146,583	0	46,838	183,334
Hill Top House	Bucklin	-38,425	29,287	76,440	0	18,862	86,164
Buhler Sunshine Home, Inc.	Buhler	-72,875	42,834	111,795	0	34,476	116,230
Life Care Center of Burlington	Burlington	-102,025	64,442	168,194	0	51,064	181,674
Caney Nursing Center	Caney	-76,850	35,985	93,921	0	66,470	119,526
Eastridge Nursing Home	Centralia	-54,325	36,683	95,742	0	31,193	109,293
Applewood Rehabilitation	Chanute	-60,950	51,078	133,313	0	60,580	184,021
Chanute Health Care Center	Chanute	-102,025	75,073	195,940	0	55,591	224,578
Heritage Health Care Center	Chanute	-70,225	44,266	115,534	0	35,992	125,567
Chapman Valley Manor	Chapman	-79,500	33,608	87,717	0	33,215	75,041
Cheney Golden Age Home Inc.	Cheney	-79,500	52,199	136,239	0	37,794	146,732
Cherryvale Care Center	Cherryvale	-78,175	48,875	127,565	0	44,239	142,505
Chetopa Manor	Chetopa	-50,350	26,833	70,035	0	29,755	76,274
The Shepherd's Center	Cimarron	-42,400	30,723	80,186	0	23,579	92,087
Clay Center Presbyterian Manor	Clay Center	-33,125	24,483	63,900	0	12,296	67,554
Medicalodges Clay Center	Clay Center	-67,575	49,860	130,133	0	30,248	142,666
Clearwater Ret. Community	Clearwater	-84,800	46,509	121,389	0	39,709	122,806
Community Care, Inc.	Clifton	-38,425	16,046	41,880	0	20,855	40,356
Park Villa Nursing Home	Clyde	-47,700	26,247	68,506	0	18,781	65,834
Coffeyville Regional Medical Center	Coffeyville	-26,500	520	1,358	0	271	-24,350
Medicalodges Coffeyville	Coffeyville	-53,000	41,141	107,378	0	38,073	133,592
Windsor Place	Coffeyville	-218,625	168,472	439,711	0	146,230	535,788
Windsor Place at Iola, LLC	Coffeyville	-86,125	60,163	157,026	0	44,535	175,599
Deseret Nursing & Rehab at Colby	Colby	-92,750	32,662	85,248	0	39,312	64,472
Prairie Senior Living Complex	Colby	-71,550	60,209	157,145	0	38,263	184,067
Pioneer Lodge	Coldwater	-34,450	29,110	75,978	0	22,783	93,421
Medicalodges Columbus	Columbus	-63,600	46,302	120,849	0	34,588	138,139
Mt Joseph Senior Village, LLC	Concordia	-99,375	51,068	133,288	0	62,833	147,814
Sunset Nursing Center	Concordia	-66,250	28,798	75,163	0	22,984	60,694
Spring View Manor	Conway Springs	-76,850	28,481	74,334	0	34,399	60,364
Golden Living Center-Chase Co.	Cottonwood Falls	-67,575	37,101	96,835	0	41,719	108,080
Council Grove Healthcare Center	Council Grove	-106,000	66,101	172,523	0	58,827	191,451
Hilltop Manor	Cunningham	-94,075	44,351	115,755	0	46,231	112,261
Derby Health and Rehabilitation	Derby	-98,050	4,374	11,417	0	4,903	-77,356
Westview Manor, Inc.	Derby	-159,000	79,344	207,088	0	110,932	238,363
Hillside Village	DeSoto	-64,925	31,836	83,091	0	43,498	93,500
Dexter Care Center	Dexter	-53,000	34,041	88,848	0	33,810	103,699
Lane County Hospital - LTCU	Dighton	-27,825	14,518	37,892	0	12,881	37,466
Good Samaritan Society-Dodge City	Dodge City	-86,125	60,339	157,485	0	55,780	187,479
Manor of the Plains	Dodge City	-66,250	29,764	77,684	0	29,754	70,953
Trinity Manor	Dodge City	-79,500	56,989	148,742	0	36,705	162,936
Medicalodges Douglass	Douglass	-55,650	27,039	70,572	0	31,945	73,907
Golden Living Center-Downs	Downs	-67,575	27,605	72,049	0	30,157	62,236
Country Care Home	Easton	-66,250	34,360	89,678	0	35,118	92,907
Golden Living Center-Edwardsville	Edwardsville	-135,150	141,318	368,840	0	123,566	498,574
Golden Living Center-Kaw River	Edwardsville	-66,250	61,869	161,477	0	51,094	208,190
Golden Living Center-Parkway	Edwardsville	-66,250	56,012	146,192	0	53,324	189,279
Golden Living Center-El Dorado	El Dorado	-98,050	49,732	129,800	0	80,117	161,598
Lakepoint Nursing Center-El Dorado	El Dorado	-155,025	89,300	233,073	0	93,349	260,696

Provider Assessment Model for SB 546 and HB 2376 As Introduced

Provider Name	City	Assmt	Restore 10% Cut	Rebase & Inflate	Quality Enhanc.	Mdcd Pass-Thru	Net Impact
Morton County Hospital	Elkhart	-106,000	65,535	171,047	0	53,513	184,096
Woodhaven Care Center	Ellinwood	-72,875	47,130	123,010	0	42,606	139,871
Good Samaritan Society-Ellis	Ellis	-68,900	39,309	102,597	0	32,985	105,992
Good Sam Society-Ellsworth Village	Ellsworth	-79,500	37,520	97,928	0	35,768	91,717
Emporia Presbyterian Manor	Emporia	-79,500	37,432	97,697	0	26,441	82,069
Flint Hills Care Center, Inc.	Emporia	-95,400	54,426	142,052	0	58,745	159,822
Holiday Resort	Emporia	-159,000	111,990	292,293	0	72,471	317,753
Enterprise Estates Nursing Center, I	Enterprise	-64,925	39,211	102,342	0	38,269	114,897
Golden Living Center-Eskridge	Eskridge	-79,500	80,233	209,408	0	70,586	280,726
Medicalodges of Eudora	Eudora	-98,050	50,760	132,483	0	48,620	133,812
Eureka Nursing Center	Eureka	-100,700	87,857	229,306	0	62,517	278,980
Kansas Soldiers Home	Fort Dodge	0	0	0	0	0	0
Fort Scott Manor	Fort Scott	-68,900	53,336	139,206	0	48,398	172,041
Medicalodges Fort Scott	Fort Scott	-80,825	72,458	189,115	0	52,776	233,524
Fowler Nursing Home	Fowler	-37,100	17,786	46,421	0	9,960	37,066
Frankfort Community Care Home, Inc.	Frankfort	-63,600	30,280	79,030	0	30,635	76,345
Golden Living Center-Fredonia	Fredonia	-62,275	46,397	121,097	0	39,448	144,667
Sunset Manor, Inc	Frontenac	-172,250	87,093	227,312	0	102,943	245,097
Emerald Pointe Health & Rehab Centre	Galena	-63,600	48,324	126,125	0	53,699	164,549
Galena Nursing & Rehab Center	Galena	-76,850	51,421	134,208	0	47,510	156,288
Garden Valley Retirement Village	Garden City	-152,375	57,711	150,626	0	79,547	135,510
Homestead Health & Rehab	Garden City	-39,750	46,272	120,771	0	20,292	147,586
Meadowbrook Rehab Hosp., LTCU	Gardner	-53,000	37,500	97,874	0	25,584	107,957
Medicalodges Gardner	Gardner	-108,650	139,519	364,145	0	89,614	484,628
Anderson County Hospital	Garnett	-42,400	50,363	131,446	0	36,688	176,097
Golden Heights Living Center	Garnett	-67,575	43,165	112,660	0	36,445	124,695
The Heritage	Girard	-78,175	37,807	98,676	0	41,274	99,582
The Nicol Home, Inc.	Glasco	-37,100	10,409	27,167	0	13,226	13,701
Medicalodges Goddard	Goddard	-79,500	64,316	167,866	0	45,639	198,322
Bethesda Home	Goessel	-75,525	82,493	215,306	0	44,446	266,719
Good Samirtan Society-Sherman Co.	Goodland	-79,500	69,133	180,437	0	47,267	217,336
Cherry Village Benevolence	Great Bend	-60,950	33,913	88,513	0	40,246	101,722
Great Bend Health & Rehab Center	Great Bend	-180,200	83,009	216,654	0	77,531	196,995
Halstead Health and Rehab Center	Halstead	-79,500	41,766	109,008	0	49,691	120,965
Lakewood Senior Living of Haviland	Haviland	-66,250	59,104	154,261	0	64,383	211,498
Good Samaritan Society-Hays	Hays	-102,025	44,475	116,080	0	41,068	99,598
St. John's of Hays	Hays	-79,500	45,818	119,584	0	41,465	127,367
St. Johns Victoria	Hays	-115,275	61,919	161,609	0	60,349	168,602
Haysville Healthcare Center	Haysville	-157,675	141,430	369,132	0	98,075	450,961
Medicalodges Herington	Herington	-76,850	45,447	118,617	0	48,682	135,895
Schowalter Villa	Hesston	-139,125	122,393	319,445	0	69,180	371,892
Maple Heights of Hiawatha	Hiawatha	-74,200	64,768	169,044	0	52,905	212,516
Highland Care Center	Highland	-58,300	35,129	91,686	0	25,812	94,327
Dawson Place, Inc.	Hill City	-58,300	29,808	77,798	0	38,532	87,838
Parkside Homes, Inc.	Hillsboro	-91,425	53,925	140,745	0	36,842	140,088
Salem Home	Hillsboro	-78,175	57,174	149,224	0	44,387	172,611
Medicalodges Jackson County	Holton	-92,750	66,182	172,734	0	46,045	192,211
Tri County Manor Living Center, Inc.	Horton	-66,250	30,295	79,071	0	40,743	83,859
Howard Twilight Manor	Howard	-58,300	36,629	95,601	0	32,983	106,912
Sheridan County Hospital	Hoxie	-50,350	24,074	62,833	0	15,696	52,253
Pioneer Manor	Hugoton	-76,850	55,249	144,199	0	34,023	156,620
Pinecrest Nursing Home	Humboldt	-63,600	27,177	70,931	0	42,452	76,959
Deseret Nursing & Rehab at Hutchinson	Hutchinson	-132,500	57,973	151,310	0	103,468	180,251
Golden Plains	Hutchinson	-141,775	126,712	330,718	0	99,404	415,059
Good Sam Society-Hutchinson Village	Hutchinson	-119,250	94,687	247,134	0	64,974	287,545
Hutchinson Hospital SNF	Hutchinson	-19,875	0	0	0	0	-19,875
Ray E. Dillon Living Center	Hutchinson	-79,500	54,602	142,511	0	46,974	164,588
Wesley Towers	Hutchinson	-172,250	84,761	221,226	0	53,877	187,613
Regal Estate	Independence	-72,875	47,125	122,996	0	43,884	141,130
Windsor Place at Independence	Independence	-78,175	27,363	71,416	0	18,952	39,555
Pleasant View Home	Inman	-164,300	135,352	353,269	0	94,125	418,446
Iola Nursing Center	Iola	-68,900	34,156	89,146	0	52,420	106,822
Hodgeman Co Health Center-LTCU	Jetmore	-41,075	14,388	37,553	0	14,954	25,820
Stanton County Hospital- LTCU	Johnson	-34,450	21,317	55,639	0	17,244	59,750
Valley View Senior Life	Junction City	-136,475	84,465	220,453	0	73,370	241,812
Kansas City Presbyterian Manor	Kansas City	-213,325	231,320	603,746	0	154,070	775,812
Lifecare Center of Kansas City	Kansas City	-108,650	93,499	244,033	0	70,581	299,463
Medicalodges Kansas City	Kansas City	-59,625	72,959	190,422	0	49,283	253,039
Medicalodges Post Acute Care Center	Kansas City	-161,650	143,488	374,504	0	103,527	459,870
Providence Place	Kansas City	-119,250	0	0	0	0	-119,250

Provider List by City

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Provider Name	City	Assmt	Restore 10% Cut	Rebase & Inflate	Quality Enhanc.	Mdcd Pass-Thru	Net Impact
Deseret Nursing & Rehab at Kensingto	Kensington	-55,650	30,943	80,761	0	27,604	83,658
The Wheatlands	Kingman	-71,550	32,657	85,235	0	27,830	74,172
Medicalodges Kinsley	Kinsley	-66,250	35,377	92,334	0	43,411	104,872
Kiowa Hospital District Manor	Kiowa	-53,000	22,703	59,255	0	26,838	55,796
Rush Co. Memorial Hospital	La Crosse	-33,125	15,203	39,679	0	18,929	40,685
Rush County Nursing Home	Lacrosse	-74,200	39,144	102,165	0	34,411	101,520
High Plains Retirement Village	Lakin	-53,000	55,395	144,581	0	31,167	178,144
Golden Living Center-Lansing	Lansing	-79,500	32,276	84,241	0	34,414	71,431
Larned Healthcare Center	Larned	-106,000	83,346	217,532	0	72,398	267,276
Brandon Woods at Alvamar	Lawrence	-185,500	125,349	327,161	0	84,388	351,398
Lawrence Memorial Hospital SNF	Lawrence	-15,900	0	0	0	0	-15,900
Lawrence Presbyterian Manor	Lawrence	-66,250	30,195	78,810	0	23,948	66,704
Pioneer Ridge Retirement Community	Lawrence	-79,500	41,568	108,493	0	22,196	92,757
Medicalodges Leavenworth	Leavenworth	-106,000	67,652	176,570	0	73,415	211,637
Delmar Gardens of Lenexa	Lenexa	-331,250	176,791	461,424	0	224,595	531,560
Lakeview Village	Lenexa	-159,000	17,705	46,209	0	17,026	-78,061
Leonardville Nursing Home	Leonardville	-79,500	32,666	85,259	0	31,070	69,495
Wichita County Health Center	Leoti	-31,800	22,238	58,040	0	19,432	67,910
Good Samaritan Society-Liberal	Liberal	-92,750	65,269	170,352	0	51,538	194,409
Southwest Medical Center SNF	Liberal	-23,850	0	0	0	0	-23,850
Wheatridge Park Care Center	Liberal	-72,875	44,944	117,303	0	20,834	110,205
Mid-America Health Center of Lincoln	Lincoln	-53,000	21,376	55,791	0	18,474	42,640
Bethany Home Association	Lindsborg	-174,900	87,191	227,567	0	68,566	208,424
Linn Community Nursing Home	Linn	-86,125	45,768	119,456	0	35,743	114,842
Sandstone Heights	Little River	-60,950	44,524	116,207	0	30,747	130,528
Logan Manor Community Health Service	Logan	-47,700	19,203	50,119	0	25,424	47,046
Louisburg Care Center	Louisburg	-79,500	57,220	149,345	0	46,474	173,540
Good Samaritan Society-Lyons	Lyons	-74,200	42,931	112,049	0	41,281	122,061
Meadowlark Hills Retirement Communit	Manhattan	-139,125	77,611	202,564	0	33,754	174,804
St. Joseph Village, Inc.	Manhattan	-127,200	76,994	200,953	0	58,211	208,958
Stoneybrook Retirement Community	Manhattan	-111,300	68,743	179,419	0	68,165	205,028
Jewell County Hospital	Mankato	-45,050	16,434	42,894	0	22,904	37,182
St. Luke Living Center	Marion	-42,400	33,646	87,815	0	23,266	102,327
Riverview Estates, Inc.	Marquette	-68,900	29,471	76,919	0	31,166	68,657
Cambridge Place	Marysville	-153,700	67,158	175,283	0	75,537	164,278
Deseret Nursing & Rehab at McPherson	Mcpherson	-53,000	50,333	131,369	0	22,944	151,646
The Cedars, Inc.	Mcpherson	-149,725	96,314	251,380	0	84,679	282,649
Meade District Hospital, LTCU	Meade	-75,525	24,877	64,929	0	27,614	41,895
Trinity Nursing & Rehab Ctr	Merriam	-159,000	125,765	328,245	0	89,481	384,491
Good Samritan Society-Minneapolis	Minneapolis	-90,100	51,143	133,482	0	53,404	147,929
Great Plains of Ottawa County, Inc.	Minneapolis	-35,775	16,925	44,174	0	9,372	34,696
Minneola Nursing Home	Minneola	-47,700	23,069	60,210	0	20,401	55,979
Bethel Home, Inc.	Montezuma	-67,575	79,411	207,263	0	45,509	264,608
Moran Manor	Moran	-62,275	47,256	123,338	0	33,052	141,372
Memorial Home for the Aged	Moundridge	-98,050	69,093	180,334	0	38,327	189,704
Moundridge Manor, Inc.	Moundridge	-108,650	93,125	243,057	0	60,324	287,857
Mt. Hope Nursing Center	Mt. Hope	-66,250	42,115	109,921	0	29,181	114,968
Villa Maria, Inc.	Mulvane	-84,800	46,017	120,103	0	34,899	116,219
Golden Living Center-Neodesha	Neodesha	-66,250	47,007	122,688	0	42,959	146,405
Ness County Hospital Dist.#2	Ness City	-56,975	44,438	115,984	0	28,201	131,648
Asbury Park	Newton	-117,925	119,859	312,831	0	66,476	381,241
Kansas Christian Home	Newton	-121,900	121,826	317,966	0	65,948	383,840
Newton Presbyterian Manor	Newton	-79,500	48,551	126,718	0	34,066	129,834
Bethel Care Center	North Newton	-79,500	58,941	153,836	0	29,489	162,767
Andbe Home, Inc.	Norton	-92,750	57,380	149,761	0	41,403	155,794
Village Villa	Nortonville	-56,975	40,544	105,819	0	29,880	119,268
Logan County Hospital LTCU	Oakley	-60,950	0	0	0	0	-60,950
Logan County Manor	Oakley	-49,025	30,559	79,759	0	25,781	87,074
Decatur County Hospital	Oberlin	-47,700	17,109	44,655	0	10,262	24,326
Good Samaritan Society-Decatur Co.	Oberlin	-62,275	34,311	89,550	0	23,557	85,143
Aberdeen Village, Inc.	Olathe	-79,500	37,243	97,204	0	23,636	78,584
Good Samaritan Society-Olathe	Olathe	-185,500	166,951	435,742	0	95,912	513,105
Hoeger House	Olathe	-22,524	0	0	0	0	-22,524
Johnson County Nursing Center	Olathe	-148,400	171,118	446,617	0	110,980	580,314
Pinnacle Ridge Nursing and Rehabilitt	Olathe	-124,550	83,172	217,079	0	78,670	254,370
Royal Terrace Nrsng. & Rehab. Center	Olathe	-194,775	180,481	471,056	0	118,053	574,816
The Plaza Health Services at Santa Mar	Olathe	-42,400	0	0	0	0	-42,400
Villa St. Francis	Olathe	-225,250	163,773	427,448	0	114,903	480,875
Deseret Nursing & Rehab at Onaga	Onaga	-60,950	38,192	99,681	0	31,128	108,051
Osage Nursing & Rehab Center	Osage City	-74,200	52,306	136,519	0	38,184	152,810

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Peterson Health Care, Inc.	Osage City	-71,550	42,748	111,571	0	49,088	131,857
Life Care Center of Osawatomie	Osawatomie	-145,750	96,038	250,660	0	80,214	281,163
Parkview Care Center	Osborne	-88,775	47,624	124,298	0	37,023	120,171
Hickory Pointe Care & Rehab Ctr	Oskaloosa	-79,500	42,567	111,099	0	51,375	125,541
Deseret Nursing & Rehab at Oswego	Oswego	-42,400	42,653	111,325	0	32,467	144,046
Ottawa Retirement Village	Ottawa	-139,125	78,560	205,042	0	73,553	218,030
Brookside Manor	Overbrook	-92,750	45,816	119,579	0	48,920	121,565
Delmar Gardens of Overland Park	Overland Park	-159,000	136,309	355,765	0	103,337	436,411
Garden Terrace at Overland Park	Overland Park	-215,975	100,055	261,145	0	64,729	209,954
Indian Creek Healthcare Center	Overland Park	-159,000	161,072	420,399	0	107,958	530,429
Indian Meadows Healthcare Center	Overland Park	-68,900	124,555	325,088	0	42,451	423,193
Manorcare Hlth Services of Overland	Overland Park	-249,100	140,922	367,808	0	104,543	364,173
Overland Park Nursing & Rehab	Overland Park	-135,150	89,503	233,604	0	67,714	255,672
The Forum at Overland Park	Overland Park	-79,500	0	0	0	0	-79,500
The Sweet Life at Grand Court	Overland Park	-132,500	0	0	0	0	-132,500
Villa Saint Joseph	Overland Park	-159,000	101,435	264,746	0	62,210	269,390
Village Shalom, Inc.	Overland Park	-100,700	56,078	146,363	0	30,031	131,771
Riverview Manor, Inc.	Oxford	-66,250	42,671	111,371	0	39,847	127,640
Medicalodges Paola	Paola	-123,225	137,838	359,758	0	118,442	492,813
North Point Skilled Nursing Center	Paola	-78,175	62,787	163,874	0	42,982	191,468
Elmhaven East	Parsons	-76,850	29,022	75,747	0	36,431	64,350
Elmhaven West	Parsons	-66,250	32,332	84,386	0	46,125	96,592
Good Samaritan Society-Parsons	Parsons	-74,200	60,232	157,206	0	43,457	186,696
Parsons Presbyterian Manor	Parsons	-56,975	33,474	87,366	0	33,989	97,854
Legacy Park	Peabody	-72,875	60,932	159,033	0	51,099	198,190
Westview Manor of Peabody	Peabody	-68,900	62,308	162,623	0	68,900	224,931
Phillips County Retirement Center	Phillipsburg	-60,950	54,090	141,175	0	34,242	168,557
Cornerstone Village, Inc.	Pittsburg	-127,200	88,199	230,199	0	66,364	257,563
Golden Living Center-Pittsburg	Pittsburg	-127,200	79,226	206,780	0	85,614	244,420
Medicalodges Pittsburg South	Pittsburg	-79,500	62,450	162,994	0	58,257	204,200
Mt. Carmel Regional Medical Ctr. SNF	Pittsburg	-21,200	742	1,936	0	1,181	-17,341
Rooks County Senior Services, Inc.	Plainville	-60,950	37,711	98,426	0	40,614	115,800
Brighton Gardens of Prairie Village	Prairie Village	-59,625	0	0	0	0	-59,625
Somerset-Claridge Court	Prairie Village	-46,375	0	0	0	0	-46,375
Lakewood Senior Living of Pratt, LLC	Pratt	-92,750	49,028	127,962	0	45,746	129,986
Pratt Regional Medical Center	Pratt	-67,575	39,811	103,906	0	29,444	105,586
Prescott Country View Nursing Center	Prescott	-79,500	25,667	66,992	0	40,585	53,745
Prairie Sunset Manor	Pretty Prairie	-45,050	23,913	62,413	0	18,670	59,946
Protection Valley Manor	Protection	-55,650	51,543	134,527	0	45,965	176,386
Gove County Medical Center	Quinter	-64,925	43,789	114,290	0	31,567	124,721
Grisell Memorial Hosp Dist #1-LTCU	Ransom	-45,050	31,211	81,461	0	26,051	93,674
Richmond Healthcare and Rehabilitati	Richmond	-79,500	30,049	78,427	0	42,279	71,255
Lakepoint Nursing Ctr-Rose Hill	Rose Hill	-74,200	38,648	100,871	0	34,367	99,686
Rossville Healthcare & Rehab Center	Rossville	-100,700	79,572	207,682	0	58,015	244,569
Russell Regional Hospital	Russell	-34,450	15,878	41,442	0	13,303	36,173
Wheatland Nursing & Rehab Center	Russell	-78,175	55,093	143,793	0	54,663	175,374
Apostolic Christian Home	Sabetha	-124,550	59,902	156,345	0	49,326	141,023
Sabetha Nursing Center	Sabetha	-66,250	40,083	104,615	0	37,862	116,310
Smokey Hill Rehabilitation Center	Salina	-132,500	90,772	236,915	0	97,024	292,210
Holiday Resort of Salina	Salina	-79,500	39,561	103,255	0	33,599	96,916
Kenwood View Nursing Center	Salina	-108,650	71,055	185,453	0	67,105	214,962
Pinnacle Park Nursing and Rehabilita	Salina	-79,500	58,278	152,104	0	47,883	178,764
Salina Presbyterian Manor	Salina	-79,500	28,149	73,469	0	15,039	37,157
Windsor Estates	Salina	-79,500	46,768	122,065	0	42,606	131,939
Satanta Dist. Hosp. LTCU	Satanta	-58,300	29,409	76,759	0	31,151	79,019
Park Lane Nursing Home	Scott City	-98,050	86,125	224,786	0	53,087	265,948
Pleasant Valley Manor	Sedan	-112,625	64,996	169,640	0	74,026	196,037
Sedgwick Healthcare Center	Sedgwick	-82,150	73,295	191,300	0	46,033	228,479
Country View Estates Care Home	Seneca	-64,925	25,326	66,100	0	25,047	51,548
Crestview Manor	Seneca	-45,050	28,095	73,327	0	20,334	76,706
Good Samaritan Society	Sharon Springs	-37,100	19,442	50,745	0	22,611	55,698
Sharonlane Nursing Home	Shawnee	-127,200	86,654	226,166	0	68,808	254,427
Shawnee Gardens Nursing Center	Shawnee	-192,125	125,614	327,854	0	89,986	351,329
The Sweet Life at Rose Hill	Shawnee	-140,450	0	0	0	0	-140,450
Deseret Nursing & Rehab at Smith Ctr	Smith Center	-53,000	23,906	62,396	0	23,687	56,989
Smith County Memorial Hospital LTCU	Smith Center	-37,100	16,674	43,520	0	12,823	35,917
Mennonite Friendship Manor, Inc.	South Hutchinson	-166,950	121,408	316,876	0	75,782	347,117
Golden Living Center-Spring Hill	Spring Hill	-63,600	25,932	67,682	0	46,100	76,113
Good Sam Society-St. Francis Village	St. Francis	-67,575	56,339	147,045	0	45,525	181,335
Leisure Homestead at St. John	St. John	-39,750	33,374	87,107	0	21,175	101,906

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Community Hospital of Onaga, LTCU	St. Mary's	-54,325	50,465	131,715	0	29,977	157,832
Prairie Mission Retirement Village	St. Paul	-68,900	29,138	76,050	0	32,078	68,366
Leisure Homestead at Stafford	Stafford	-66,250	25,128	65,585	0	31,295	55,758
Sterling Presbyterian Manor	Sterling	-79,500	51,511	134,443	0	48,987	155,441
Solomon Valley Manor	Stockton	-45,050	34,153	89,139	0	25,146	103,388
Seasons of Life Living Center	Syracuse	-63,600	40,071	104,586	0	38,455	119,513
Tonganoxie Nursing Center	Tonganoxie	-119,250	66,504	173,575	0	68,024	188,853
Westwood Manor	Topeka	-71,550	63,356	165,360	0	50,197	207,364
Aldersgate Village	Topeka	-276,925	250,911	654,878	0	157,391	786,256
Brewster Place	Topeka	-104,675	23,681	61,808	0	12,032	-7,153
Brighton Place North	Topeka	-45,050	42,383	110,620	0	41,622	149,575
Countryside Health Center	Topeka	-79,500	76,852	200,584	0	70,122	268,059
Eventide Convalescent Center, Inc.	Topeka	-117,925	70,153	183,099	0	80,678	216,005
IHS of Brighton Place	Topeka	-66,250	52,054	135,861	0	48,323	169,989
Lexington Park Nursing and Post Acut	Topeka	-119,250	51,520	134,467	0	29,220	95,957
Manorcare Health Services of Topeka	Topeka	-159,000	135,389	353,367	0	97,246	427,002
McCrite Plaza Health Center	Topeka	-79,500	25,709	67,100	0	30,186	43,495
Plaza West Care Center, Inc.	Topeka	-200,075	167,478	437,118	0	124,589	529,110
Providence Living Center	Topeka	-108,650	75,974	198,291	0	97,945	263,559
Rolling Hills Health Center	Topeka	-147,075	107,815	281,398	0	85,381	327,519
The Kansas Rehabilitation Hospital LTC	Topeka	-25,175	0	0	0	0	-25,175
Topeka Community Healthcare Center	Topeka	-106,000	109,974	287,031	0	86,945	377,949
Topeka Presbyterian Manor Inc.	Topeka	-159,000	135,184	352,830	0	90,981	419,995
Greeley County Hospital, LTCU	Tribune	-42,400	22,013	57,453	0	19,341	56,407
Western Prairie Care Home	Ulysses	-92,750	78,092	203,819	0	60,325	249,486
Valley Health Care Center	Valley Falls	-53,000	55,679	145,323	0	47,191	195,193
The Lutheran Home - Wakeeney	Wakeeney	-53,000	22,713	59,280	0	30,989	59,982
Trego Co. Lemke Memorial LTCU	Wakeeney	-49,025	36,567	95,441	0	28,663	111,647
Golden Living Center-Wakefield	Wakefield	-63,600	31,457	82,101	0	36,224	86,182
Good Samaritan Society-Valley Vista	Wamego	-66,250	43,252	112,888	0	25,286	115,177
The Centennial Homestead, Inc.	Washington	-66,250	23,612	61,626	0	31,783	50,771
Wathena Nursing & Rehab Center	Wathena	-79,500	39,770	103,799	0	41,385	105,454
Coffey County Hospital	Waverly	-55,650	31,441	82,062	0	26,641	84,494
Deseret Nursing & Rehab at Wellington	Wellington	-58,300	41,569	108,496	0	39,573	131,338
Golden Living Center-Wellington	Wellington	-72,875	56,579	147,670	0	54,025	185,398
Sumner Regional Medical Center SNF	Wellington	-17,225	0	0	0	0	-17,225
Wellsville Manor	Wellsville	-67,575	35,384	92,353	0	54,248	114,411
Westy Community Care Home	Westmoreland	-75,525	46,570	121,547	0	34,808	127,399
Wheat State Manor	Whitewater	-86,125	54,377	141,923	0	51,881	162,056
Family Health & Rehabilitation Cente	Wichita	-95,400	8,180	21,351	0	9,540	-56,329
Sandpiper Healthcare and Rehab Cente	Wichita	-192,125	95,338	248,833	0	110,005	262,051
Abal Home	Wichita	-87,450	84,233	219,848	0	83,319	299,950
College Hill Nursing and Rehab Cente	Wichita	-127,200	144,023	375,900	0	111,796	504,519
Deseret Nursing & Rehab at Wichita	Wichita	-123,225	102,518	267,572	0	84,104	330,969
Golden Living Center-Wichita	Wichita	-78,175	86,532	225,848	0	69,753	303,958
Homestead Health Center, Inc.	Wichita	-106,000	71,710	187,163	0	50,054	202,927
Kansas Masonic Home	Wichita	-159,000	113,906	297,295	0	72,117	324,317
Lakepoint Nursing and Rehabilitation	Wichita	-157,675	86,553	225,902	0	74,530	229,310
Lakewood Senior Living of Seville	Wichita	-132,500	63,534	165,824	0	89,601	186,459
Life Care Center of Wichita	Wichita	-159,000	67,821	177,013	0	45,376	131,210
Manorcare Health Services of Wichita	Wichita	-157,675	146,662	382,787	0	101,557	473,330
Medicalodges Wichita	Wichita	-96,725	113,509	296,258	0	71,028	384,069
Meridian Nursing & Rehab Center	Wichita	-140,450	100,415	262,084	0	112,893	334,943
Park West Plaza	Wichita	-56,975	0	0	0	0	-56,975
Riverside Village Inc	Wichita	-47,700	0	0	0	0	-47,700
The Health Care Center@Larksfield Pl	Wichita	-119,250	21,499	56,112	0	13,148	-28,491
Via Christi Hope	Wichita	-31,800	0	0	0	0	-31,800
Wichita Presbyterian Manor	Wichita	-79,500	36,846	96,167	0	21,320	74,833
Golden Living Center-Wilson	Wilson	-66,250	36,043	94,071	0	28,674	92,538
Jefferson Co. Memorial Hospital-LTCU	Winchester	-66,250	39,246	102,432	0	40,382	115,810
Cumbernauld Village, Inc.	Winfield	-55,650	25,620	66,867	0	19,617	56,454
Good Samaritan Society-Winfield	Winfield	-92,750	64,941	169,495	0	51,862	193,548
Kansas Veterans Home	Winfield	0	0	0	0	0	0
Winfield Rest Haven, Inc.	Winfield	-66,250	48,540	126,689	0	47,155	156,134
Deseret Nursing & Rehab at Yates Ctr	Yates Center	-66,250	27,798	72,552	0	27,006	61,106
Totals		-30,172,899	19,448,305	50,760,076	0	16,217,551	55,980,084
Affected Providers		345	326	326	0	327	345
Providers with Net Gain							319
Providers with Net Loss							23
Providers with Neutral Impact							3

Provider List by City



Testimony In Support of HB2673

John Federico on Behalf of the Kansas Health Care Association

House Appropriations Committee

March 9, 2010

On behalf of the KHCA, I urge your support for the HB2673. The elements contained in HB2673, a skilled nursing facility provider assessment, has been discussed in the Kansas Legislature for many years and should be given a high priority given the funding crisis we are currently experiencing.

A provider assessment is a bona fide legal funding source used to reimburse Medicaid-covered expenses. It is governed by the Centers for Medicare & Medicaid Services (CMS). Its purpose is to maximize federal matching funds to help bring Medicaid reimbursement rates closer to the actual costs of providing care.

Some states have been availing themselves of this supplemental funding mechanism since 1992, and in total more than 36 states currently have some form of provider assessment legislation in place and are eligible for these federal matching fund monies.

The passage of HB2673 would allow the Kansas Department on Aging to submit a plan to CMS on behalf of the state to start the flow of money back into the state.

As important as it is to know what the bill IS, it is equally important to know what the bill IS NOT.

1. It Is Not A Granny Tax.

The name itself tells you all you need to know, it is an assessment placed on a facility, not an individual.

2. It is Not An Assault on Private Pay Residents.

Again, it is not an assessment on any individual resident, but rather the facility. In contrast, HB2673 goes a long way to ensure no increases in private pay rates. Under the current funding system, where the Medicaid reimbursement rate does not cover the actual cost of providing care for Medicaid residents, the private pay residents are asked to shoulder the shortfall.

3. HB2673 Was Not Drafted To Punish Facilities That Only Cater To The Wealthy.

CMS requires that the assessment plan be 1) broad-based; 2) that the assessment be imposed at a uniform rate, and; 3) that it not include any direct or indirect "hold-harmless" provisions.

Appropriations Committee

Date 3-9-10

Attachment 4-1

In short, the plan submitted to CMS cannot play favorites. Its purpose is to help close the Medicaid funding gap. If the business plan you have chosen to put in place does not require that you care for a high Medicaid census, in other words, that you cater to the private pay resident, you will not benefit as much under this proposal.

4. This Bill Is Not a Gimmick.

It is a well-established funding mechanism that has been around since 1992 and one that 36 other states are taking advantage of.

In 2004 the Kansas legislature saw fit to pass provider assessment legislation to benefit the hospitals. It passed the Senate 40-0 and the House 122-0. Under what rationale should we support efforts to maximize federal funding our hospitals but not our nursing homes?

With that, on behalf of the caregivers across the state who care for the frail elderly, we respectfully ask that you support HB2673. It is a bill that would greatly benefit over 300 skilled nursing facilities in our state and bring in critical federal dollars to the facilities in your Districts.



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March 2010



Quality Care Assessment Act (QCAA) Impact (HB2673 and SB546)

House District 20 – Representative Kevin Yoder

<u>Affected Facilities In Your District</u>	<u>KS Dept. On Aging 10% Medicaid Cut: (6mos)</u>	<u>Financial Impact With Passage of HB2673 and SB546</u>
Indian Creek Healthcare Center	(\$161,072.33)	\$530,428.71
Manorcare Health Services of OP	(\$140,922.48)	\$364,172.94
Specialty Hospital of Mid-America dba Indian Meadows	(\$124,554.70)	\$423,193.06
The Forum at Overland Park	(\$0.00)	(\$79,500.00)
Villa St Joseph	(\$101,435.10)	\$269,390.27
Village Shalom, Inc	(\$56,077.63)	\$131,770.79
<u>Total Financial Impact of Medicaid Cuts to Facilities in District 20</u>		(\$584,062.24)
<u>Total Financial Impact With Passage of HB2673 and SB546</u>		\$1,639,455.77

NOTE: HB2673 and SB546 are modeled after the hospital provider assessment legislation that was passed in 2004 by a vote of 122-0 in the Kansas House and 40-0 in the Kansas Senate.

Contact Information
 Cindy Luxem
 Office: 785-267-6003 or Cell: 785-230-3127

4-3

Statewide Data on Kansas Housing Home Revenues and expenses By House District

The following information comes from the required full year Medicaid cost reports covering the State fiscal year 2008 (July 1, 2005 through June 30, 2007) using CY2008 costs

**Number of Providers reflects only those homes providing Medicaid services
And which have filed full year costs for CY 2008:**

House District: 20 Representative Yoder Number of Providers: 5

Occupancy Data

Total Medicaid Days:	83,328
Total Medicare Days:	28,327
Total Private Pay Days:	65,813
Total Resident Days:	177,468
Avg. Occupancy Data:	87.89%
Avg. Medicaid Utilization:	48.09%

Economic Expenditures – Allowable Expenditures

Total Direct Health Care Costs:	\$17,357,533
Total Indirect Health Care Costs:	\$7,747,408.00
Total Operating Costs:	\$7,018,800.00
Total Ownership Costs:	\$2,763,947.00
Total Liability Insurance:	\$535,373.00
Total Other Insurance:	\$121,680.00
Criminal Background Checks:	\$23,347.00
Total Utilities:	\$728,343.00
Total Property Tax:	\$197,402.00

Employee Salaries and Number Employed

Total Number of Employees:	915
Direct Care Employees (2):	525
Indirect Care Employees (1):	298
Total Salaries Paid:	\$18,980,390
Direct Care Salaries:	\$12,968,562

Impact of Medicaid Cuts: (\$584,062.24)

NOTE: Information provided by Consultants from BKD, LLP.

1 – Indirect Care includes: Dietary, Laundry, Housekeeping, Medical Records, OT, PT, ST, Recreation Therapy, Respiratory Therapy, Resident activity, Social Work, Other Health Care, Psych Therapy, Administrator, Co-Admin, Other Admin, Plate Operating.

2 – Direct Care includes: LMHT, LPN, Med Aide, Nurse Adie, RN, Restorative Aide

4-4

**House Appropriations Committee
March 9, 2010**

HB 2673/Provider Assessment

**Bill McDaniel, Commissioner
KDOA Program and Policy**

Chairman Yoder and members of the committee, thank you for the opportunity to appear today in support of HB 2673. I am Bill McDaniel, Commissioner of Program and Policy at the Kansas Department on Aging (KDOA).

A provider assessment for Kansas nursing homes is not a new idea. It has been proposed several times as a means of financing increases in nursing facility rates and quality improvement initiatives. While recognizing the value of such programs adopted in other states, KDOA remained neutral with regard to adopting such an assessment in Kansas. The neutral position was based on the fact that the provider community has been split on the issue

KDOA has shifted its position to support of the provider assessment because of the current fiscal crisis which has limited the State's ability to fund Medicaid services, including nursing facility rates. The provider assessment is a legitimate method of leveraging additional federal funds for the nursing home program and is approved by the Centers for Medicare and Medicaid Services (CMS). Currently, 36 states and the District of Columbia utilize a nursing home provider assessment.

The Department on Aging administers long term care services under KSA 75-5945 and would administer the assessment as described in HB 2673. KDOA has tracked this issue closely, maintained on-going discussions with the nursing home provider associations and considered the experience of our consultants in evaluating provider assessment proposals.

KDOA staff members participated in the Kansas Health Policy Authority (KHPA) Nursing Facility Provider Assessment Advisory Committee meetings and were actively involved in the related technical workgroup meetings, which occurred periodically in 2008 and 2009. The technical workgroup prepared a report, "Nursing Facility Provider Assessment Parameters and Impact Analysis," which was presented and accepted by the KHPA board in January. Many of the parameters and mechanisms recommended in the report are included in HB 2673.

I have included with my testimony a Provider Assessment Summary based on the parameters found in HB 2673 with the exception of quality enhancement factor. The assessment fee was calculated at \$1,325 per bed. The impact is that 319 NF providers would be paid more than they paid in, 23 would be paid less and three (3) would have no impact. The provider assessment would generate approximately \$30.4 million that could be leveraged with federal dollars for total expenditures of \$86.6 million. I will cover the parameters in the attachment.

Provider Assessment Model for SB 546 and HB 2376 As Introduced

Assessment Parameters

Assessment Basis

All providers are assessed an uniform fee per licensed bed except for the two state operated facilities

Uniform Assessment Rate	1,325
Total Assessable Beds	22,978
Estimated Assessment Revenue	30,445,850

Statistical Tests

Percent of Total Revenue
(Must be less than 5.5%)

2.80%

P1/P2
Must be > 1 if not broad based

P1	0.5274
P2	0.5327
P1/P2	0.990047

B1/B2
Must be > 1 if not broad or uniform

B1	0.0000001672
B2	0.0000001689
B1/B2	0.990047

Assessment Revenue Use

NF Reimbursement Program Adjustments

Restore 10% Cut (Jan-Jun '10)

Total Benefit

19,448,305

Homes Impacted

326

Inflate and Rebase Provider Rates

13.05%

50,760,076

326

Quality Enhancement Increase to NF Incentive Factor

0.00%

0

0

Pass-Through for Medicaid Share of Assessment

16,217,551

327

Administrative Expenses

Total Cost

Additional FTE's

95,406

Consulting Fees

30,000

One-Time Start-Up Costs

5,000

Total Expenditures for Program Enhancements and Administration

All Funds

86,556,339

Surplus/(Shortage)

State General Funds

FMAP 65%

30,294,719

151,131

Fiscal Impact Analysis

NF Program/Provider Fiscal Impact Analysis

Total Increase to NF Program Expenditures

86,425,933

Net Increase to NF Program Expenditures

55,980,083

Average Provider Impact

163,207

Number of Providers with Net Gain

319

Avg Gain

179,246

Max Gain

786,256

Number of Providers with Net Loss

23

Avg Loss

-52,146

Max Loss

-140,450

Number of Providers with 0 Impact

3



Testimony on HB 2673
House Appropriations Committee
Steve Albrecht, Divisional Director of Government Relations, Golden Living
March 9, 2010

Mr. Chairman and members of the Appropriations Committee, my name is Steve Albrecht, Divisional Director of Government Relations for Golden Living and I am submitting testimony in support of House Bill 2673.

Golden Living is a long-term care provider operating 16 Golden Living Centers in Kansas and on average, over 70% of the residents we care for rely on Medicaid to pay for the long term care services they need. Approximately 70% of our operating costs are labor-related in terms of providing Direct Care to residents. Over 715 full-time staff are employed by Golden Living throughout Kansas with annual wages and employee benefits totaling \$19,110,000. This adds up to \$2,441,000 in taxes (payroll, property and workers compensation) paid to the state. In addition, Golden Living utilizes local community resources for many items and services (food and operating supplies, equipment rental, utilities, etc.) we use in providing health care services, totaling \$7,320,000 in 2008. All told, Golden Living has a \$33,630,000 financial impact in the state of Kansas.

Nationally, Golden Living operates over 300 nursing homes and assisted living facilities in 22 states and we are well aware of the many challenges facing legislatures across the country as they strive to address the needs and costs of Medicaid during these difficult economic times. HB 2673 offers a solution for fiscal relief to the state and its Medicaid program. Similar quality assurance fees or provider assessments are being used in 36 states plus the District of Columbia for reimbursement of Medicaid covered services. Golden Living operates in many states where this is being done and it has brought much-needed support for Medicaid.

The time to act on this solution has never been more needed than right now. In the 2010 State Budget reimbursement rates for nursing homes were frozen and since then the Kansas Department on Aging has implemented a 10% reduced payment plan as of Jan. 1, 2010. These cuts have gone too deep and I am very concerned about the effects this will have on the residents we care for and our employees. HB 2673 offers an opportunity to provide relief from these cuts and will help residents, providers, local economies and the state.

HB 2673 will have an especially positive impact in our local communities by helping providers stay in business and not reduce access to quality long term care services. Without this much needed support there will be a negative impact at the community level as providers struggle to retain jobs, limit purchases of goods and services in their communities and most importantly, strive to continue to provide the best quality care for residents.

I know there are some who claim providers will absorb the cost of paying the assessment by increasing private pay rates. Golden Living's experience in states with similar provider fees is that we have not added the per day assessment amount to our private pay rates. In fact, the additional support from HB 2673 can help eliminate the existing funding shortfall and prevent

Appropriations Committee
Date 3-9-10
Attachment 6-1

providers from looking at their private pay rates as a way to help address the shortfall due to the cuts. Without the relief provided by HB 2673 providers will need to consider raising private pay rates because they will have no where else to go to make up for their Medicaid losses. It is also important to note that HB 2673 specifically states providers may not pass the cost of the fee on to their private pay rates.

The Kansas legislature has an opportunity to enact a solution to address the needs of frail and elderly Kansans. On behalf of our residents and our employees I strongly urge you to vote in favor of HB 2673.

Thank you for your time and consideration.

Contact Information:

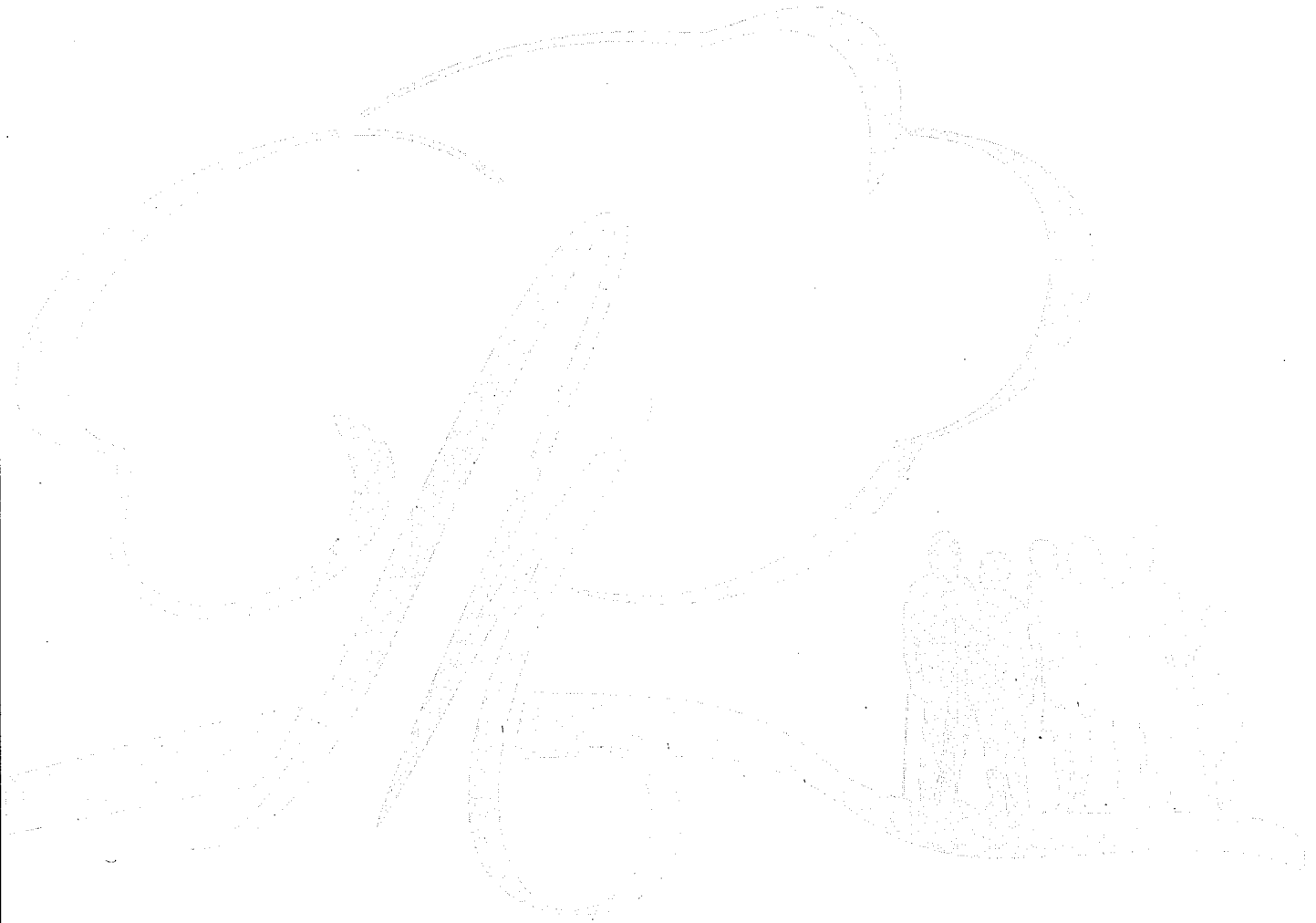
Steve Albrecht, Divisional Director of Government Relations

Stephen.albrecht@goldenliving.com

317-353-6308



MEDICALODGES, INC.



201 West 8th Street

Coffeyville, KS 67337

www.medicalodges.com

ph. 620-251-6700 fx. 620-251-6427

Appropriations Committee

Date 3-9-10

Attachment 7-1

"100% Employee-Owned Company"

TESTIMONY
KANSAS HOUSE APPROPRIATIONS COMMITTEE
FRED BENJAMIN
CHIEF OPERATING OFFICER
MEDICALODGES, INC.

MARCH 9, 2010

GOOD MORNING MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE.
THANK YOU FOR THE OPPORTUNITY TO ADDRESS YOU TODAY. MY NAME
IS FRED BENJAMIN AND I AM THE CHIEF OPERATING OFFICER OF
MEDICALODGES. HEADQUARTERD IN COFFEYVILLE, WE ARE THE
LARGEST GROUP OF SKILLED CARE FACILITIES IN KANSAS, OPERATING
2700 BEDS AND EMPLOYING 1900 PEOPLE, THE VAST MAJORITY OF WHICH
ARE IN RURAL KANSAS. IN MOST COMMUNITIES WE ARE THE ONE OF THE
TWO OR 3 LARGEST EMPLOYERS. WE ALSO OPERATE IN MO. AND OK, BUT
THE VAST MAJORITY OF OUR OPERATIONS ARE IN KANSAS. IN ADDITION,
WE ARE PROVIDERS OF ASSISTED LIVING, RESIDENTIAL CARE AND HCBS
SERVICES. MEDICALODGES IS EMPLOYEE OWNED AND HAS BEEN SERVING
KANSAS FOR ALMOST 50 YEARS. SOME OF MY NOT-FOR-PROFIT
COLLEAGUES HAVE ALLEGED THAT ALL OF THE PROFITS GENERATED BY
FOR-PROFIT PROVIDERS GO TO INVESTORS. IN OUR CASE, AND WE ARE
THE LARGEST IN KANSAS, ANY REVENUES IN EXCESS OF EXPENSE GO
FIRST TO UPDATING OUR FACILITIES AND IF ANYTHING REMAINS, THOSE
FUNDS GO TO OUR EMPLOYEE PENSION PLAN.

I AM HERE THIS MORNING TO SPEAK IN SUPPORT OF SB 546/HB 2673, THE QUALITY CARE ASSESSMENT ACT. I WOULD LIKE TO CLARIFY A FEW KEY POINTS. FIRST, YOU SHOULD KNOW THAT FOR-PROFIT COMPANIES LIKE MEDICALODGES CARE NOT ONLY FOR MEDICAID BENEFICIARIES, BUT ALSO FOR MANY PRIVATE -PAY RESIDENTS. THE IMPLICATION OF THIS IS THAT IF THE ASSESSMENT ACT IS NOT PUT INTO LAW, WE WILL BE FORCED TO RAISE RATES TO A SIGNIFICANT NUMBER OF PRIVATE PAY RESIDENTS ANYWAYS, SO THERE IS NO EASY WAY OUT. SOME PRIVATE PAY RESIDENTS WILL SEE INCREASES NO MATTER WHAT. IT IS JUST A MATTER OF HOW MANY AND WHERE. THEREFORE, I WOULD RESPECTFULLY SUGGEST THAT YOUR GUIDING PRINCIPLE SHOULD BE TO SEEK THE GREATER GOOD. MY UNDERSTANDING IS THAT OF THE 330 NURSING HOMES IN KANSAS, ONLY 20 WILL NOT RECEIVE MORE MONEY THAN THEY ARE ASSESSED. WHILE I UNDERSTAND THIS DILEMNA, THE GREATER GOOD, IT SEEMS TO ME, IS TO GET \$71 MILLION OF FEDERAL MATCHING FUNDS TO HELP SAVE 310 FACILITIES. ANOTHER KEY POINT IS THAT WHEN PRIVATE PAY RESIDENTS RUN OUT OF MONEY AT SOME NOT-FOR-PROFIT FACILITIES, THEY ARE ASKED TO MOVE. WE KNOW THIS BECAUSE WE TAKE THEM IN WHEN THIS HAPPENS. FURTHER, NOT-FOR-PROFIT FACILITIES CAN GENERATE ADDITIONAL FUNDS VIA TAX-DEDUCTABLE DONATIONS. JUST AS IT IS OUR BUSINESS DECISION TO ACCEPT MEDICAID, IT IS THE BUSINESS DECISION OF OTHERS NOT TO

ACCEPT MEDICAID. WE BELIEVE THAT OUR TRADITION OF CARING FOR THE POOR AND VULNERABLE IS A MOST HONORABLE WAY TO OPERATE.

AS MEDICALODGES COO, IT HAS BEEN MY RESPONSIBILITY TO DEVELOP OUR CORPORATE RESPONSE TO THE 10% MEDICAID REDUCTION. OVER THE COURSE OF A 30 YEAR CAREER, I HAVE IMPLEMENTED 2%, 3%, EVEN 5% REDUCTIONS, BUT NEVER 10%. THIS IS A SURVIVAL ISSUE FOR MANY FACILITIES. IT WAS WITH A HEAVY HEART THAT WE IMPLEMENTED AN EMPLOYEE WAGE FREEZE, AN IMMEDIATE HALT TO ALL RENOVATION PROJECTS, AND THE REDUCTION OF A LIMITED NUMBER OF NON-PATIENT CARE POSITIONS. AS YOU KNOW, LABOR IS THE LARGEST COMPONENT OF OUR BUDGET AND THE PEOPLE THAT WE EMPLOY ARE GENERALLY AT THE LOWER END OF THE WAGE SCALE, MANY IN RURAL COMMUNITIES. PUTTING THESE PEOPLE IN THE UNEMPLOYMENT LINE CANNOT BE GOOD PUBLIC POLICY WHEN OTHER ALTERNATIVES ARE AVAILABLE. WE HAVE BEEN WATCHING THE PROGRESS OF THIS LEGISLATION CAREFULLY TO SEE IF A LARGER SCALE REDUCTION OF POSITIONS WILL BE NECESSARY. YOU SHOULD ALSO KNOW THAT WE WORK VERY HARD AT BEING EFFICIENT. WE HAVE BEEN MEETING WITH OUR VENDORS FOR MONTHS TO FIND BETTER AND LESS EXPENSIVE WAYS TO OPERATE. MANY NON-CRITICAL PROGRAMS AND EXPENDITURES THAT MAKE NURSING HOME EXISTENCE MORE PLEASANT LIE IN THE BALANCE. WE WILL CONTINUE TO

PROVIDE QUALITY CARE TO OUR SENIORS BECAUSE IT'S ONE OF OUR
CORE VALUES BUT, WE HAVE TO MAKE PAYROLL. THE BANK, THE FOOD
SUPPLIERS AND THE PHARMACY HAVE TO BE PAID. THIS IS TRULY A
CRISIS AND I'M REALLY GLAD THAT I DON'T HAVE YOUR JOBS. BUT I AM
GLAD THAT THERE IS A REASONABLE SOLUTION THAT SERVES THE
GREATER GOOD AND THAT SOLUTION IS HB 2673. IN SUMMARY, I ASK
YOU: IF NOT THIS PROGRAM, THEN WHAT? IF NOT NOW, WHEN? THANK
YOU FOR YOUR TIME AND FOR LISTENING.

HEALTH MANAGEMENT OF KANSAS, INC.

Windsor Place

Offices: 2921 W. First Coffeyville, KS 67337 620-251-5190

Testimony on House Bill 2673

Chairman Yoder and members of the Appropriations Committee, thank you for the opportunity to deliver comments on HB 2673.

I am Monte Coffman, Executive Director of Health Management of Kansas, Inc., which is a long-term care organization based in Coffeyville. We provide services through three nursing facilities, two assisted living facilities and a home and community based home care agency serving 1300 persons.

Today, you give consideration to a provider assessment program as a vehicle to help resolve the Medicaid funding crisis. Historically, our organization has opposed the provider assessment approach. We believed it caused a fundamental shift of the burden to pay for services from the state's constitutional responsibility to providers.

However, today's reality changes that. The economy has contracted so significantly. Tax collections are down by amounts once thought impossible. This has led to repeated cuts in Medicaid reimbursements, the most recent being a 10% rate reduction. The total reductions in Medicaid cuts has been severe and the impact far reaching.

The significance of these reductions coupled with there being no additional available State resources for Medicaid increases has led our organization to change our position on the provider assessment.

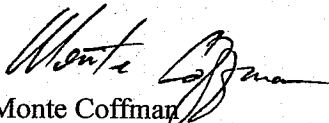
Today, we still hold to the belief that the obligation to provide adequate Medicaid funding is the State's constitutional responsibility. But with no State resources available, we wish to contribute to a solution which will provide for Medicaid rate restoration.

Therefore, we will support this bill with the following conditions:

1. The language and bill provisions be written in a manner which would create a lock box and prevent future sweeping of these account funds.
2. The Legislature would monitor and plan for the appropriate funding transitions at the end of this four-year program.

Thank you, Chairman Yoder and committee members for your consideration.

Respectfully submitted,



Monte Coffman
Executive Director
Health Management of Kansas
d/b/a Windsor Place
Coffeyville, KS 67337

Recognizing that all life is precious, we will diligently serve the needs of each who enter here in a dignified manner.

Appropriations Committee
Date 3-9-10
Attachment 8

To: Chairman Yoder, and Members of the House Social Services Budget Committee
From: Chet Surmaczewicz, Executive Director, Santa Marta Retirement Community
Date: March 9, 2010
Re: Opposition to HB 2673

My name is Chet Surmaczewicz I am the Executive Director and President of Santa Marta Retirement community in Olathe Kansas. Santa Marta is a Continuum Care Retirement Community with 166 independent live units, 32 assisted living units, 32 Skilled Units and 17 Memory Support units. Santa Marta is a nonprofit community sponsored by the Archdiocese of Kansas.

Santa Marta's unique structure ensures that residents who choose to move to our campus will receive services they need, when they need them, regardless of how extensive their need may be, or how their personal resources are impacted. In essence, we insure them against the need to rely on Medicaid to fund their long term care needs.

Although we must operate within strict fiscal guidelines to ensure we can meet the needs of residents who commit to Santa Marta, we do subsidize the cost of our programs for a portion of our residents. We recently extended this subsidy to a particular resident in need of extensive healthcare services. Had we not been proactive with this individual she would have likely moved in to another nursing home, and sought services through the Medicaid program.

Our programs encourage individuals to plan ahead, and to ensure they will never need to rely on Medicaid to fund their long term care. We believe the state of Kansas should also be encouraging this type of activity, not punishing, or discouraging it through a tax.

This bill sends the wrong message to the most vulnerable class of individuals in our community—those who have worked hard their whole life and have managed through challenging times. Santa Marta residents have saved their whole life to age in a comfortable environment with the security of a continuum care community. This new tax will jeopardize the security they presently have and we ask that you not pass HB 2673.

Thank you for this opportunity to address the committee. I would be happy to answer questions about our organization.

*Santa Marta*SM

13800 W. 116th Street • Olathe, Kansas 66062
Phone (913) 906-0990 • Fax (913) 906-0911 • www.santamartaretirement.com



March 8, 2010

Dear Chairman Yoder and Members of the House of Appropriations Committee

I am a 73-year old resident of Santa Marta Retirement Community. A not-for profit organization sponsored by the Catholic Archdiocese of Kansas City, Kansas. Santa Marta is a CCRC with Independent Living, Assisted Living, Memory Support, and Skilled Nursing. A portion of our monthly fee goes toward pre-paying for health care should our infirmities require 24-hour nursing care.

I am writing to urge you to oppose the nursing home bed tax.

Prior to my retirement I worked as a professional nurse in long-term care; the last 27 years in administration.

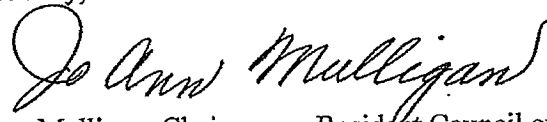
I heartily oppose the nursing home bed tax House Bill 2673 and Senate Bill 546. It is unthinkable that persons in your position would want to tax the frail elderly, our most vulnerable population. Nursing Home residents have no paid lobbyists, no organizations to represent them. Most are too ill physically or mentally to even oppose this legislation. Private paying residents are already paying more to compensate for the deficit created by Medicaid residents.

My years in long-term care speak for themselves; I am an advocate for the frail elderly. My husband and I both continue to volunteer in health care in our retirement. Please consider a broader based tax then just the residents themselves.

VOTE NO ON THE NURSING HOME BED TAX

Thank You for your time and attention. I look forward to hearing from you.

Yours truly,



Jo Ann Mulligan, Chairperson Resident Council of Santa Marta Independent Living
13800 W. 116th St. #1106
Olathe, KS 66062



13800 W. 116th Street • Olathe, Kansas 66062
Phone (913) 906-0990 • Fax (913) 906-0911 • www.santamartaretirement.com



A LIFE CARE SENIOR LIVING COMMUNITY SPONSORED BY THE ARCHDIOCESE OF KANSAS CITY IN KANSAS

Appropriations
Date 3-9-10
Attachment 10



February 26, 2010

RE: House Bill 2673/Senate Bill 546

Dear Legislator:

I am the President/CEO of Lakeview Village, the largest non-profit Continuing Care Retirement Community (CCRC) in Kansas. Founded by a group of ministers over 45 years ago, we currently serve about 800 residents on our 96 acre campus in Lenexa, KS. We are unique in being the only "Type A" life care community in the state with a large licensed nursing home of 120 beds (expanding to 172 beds by June). The only other two Type A communities are Santa Marta (Olathe) with 48 nursing beds and Claridge Court (Prairie Village) with 35 beds.

In exchange for a one-time Entry Fee, Type A communities provide food, housing, medical services and licensed nursing care for the remainder of the retiree's life, even if the resident has exhausted their financial resources. In essence, a portion of the Entry Fee serves as long term care insurance to provide future nursing care. Residents chose our facility after years of saving and planning to assure them of care as their future needs may require, without having to rely on families, friends or state Medicaid funding. **Our retirement community, for 45 years, has relieved the state from any obligation to provide Medicaid funding for our life care residents.**

In recent years our nursing care center has accepted 8 or 9 Medicaid-reimbursed residents from outside our life care community. **Although the legislation would restore the 10% Medicaid cuts on these few beds, we would pay the provider tax on all 172 of our nursing beds.** Current provider tax estimates are \$1,460/bed/year. The bill allows a maximum of approximately \$3,000/bed/year. This would have the following financial impact on us:

<u>Current Est. @ \$4/day</u>		<u>Max. Allowed @ \$8.22/day</u>	
172 beds X \$1,460/yr	(\$251,000)	172 beds X \$3,000/yr	(\$516,000)
10% Medicaid Reimbursement	\$36,000	10% Medicaid Reimbursement	\$36,000
Annual Provider Tax Loss	(\$215,000)	Annual Provider Tax Loss	(\$480,000)

Because we contractually provide licensed nursing services to our life care residents based on a one-time entry fee, there is no mechanism to charge them extra to make up for this tax. Given our unique life care classification and the fact that we have and will continue to relieve the State of Kansas from Medicaid support of our life care residents, **we request that Type A life care communities be specifically waived from paying the assessment.** We are adding 52 nursing beds in the coming months. Payment of this tax jeopardizes our expansion and the addition of 50+ jobs and nearly \$1.5 million in additional payroll infused into the Kansas economy.

We appreciate your serious and timely consideration of this important matter.

Sincerely,

James K. Frazier
President /CEO

Andy Huckaba
Chairman of the Board

9100 Park St., Lenexa, KS 66215
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Appropriations
Date 3-9-10
Attachment 11



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To: Representative Yoder, Chair, and Members
House Appropriations Committee

From: Joanna Randall, Executive Director
Good Samaritan Society – Communities of Olathe

Date: Tuesday, March 9, 2010

I want to thank you for allowing me to testify today before your committee. My name is Joanna Randall and I am the Executive Director for the Good Samaritan Society – Communities of Olathe. Collectively, our campus serves approximately 550 seniors.

I wanted to speak to you specifically about House Bill 2673 and how the bill could potentially affect our campus in Olathe. The Bill will affect two of our buildings in Olathe, the Hoeger House and the Good Samaritan Center.

Hoeger House is a 17-bed short-term rehabilitation facility where residents and community members come to receive therapy so that they can go back to their home and live independently. Because our model is to provide short-term care and focus on their therapy needs, our revenue stream comes through Medicare. Medicaid does not fit in the mission of Hoeger House. Hoeger House's mission is to get people back to their strongest and healthiest state so that they can return home and hopefully remain independent. We feel our work at Hoeger House helps individuals remain healthier longer, reducing their potential reliance on Medicaid. This bill would impair this mission.

The Good Samaritan Center is a 140-bed skilled nursing facility and has approximately 70% of our residents utilizing Medicaid. It is not clear but some say that this Bill might financially help the Good Samaritan Center; however, I still don't feel that it is right to pass this bill because elderly across the state of Kansas will end up having the expense of the taxes passed onto them.

The tax rate is not set in the bill, so it is difficult to determine the impact that this Bill might have on the Good Samaritan Center and how negatively impacted Hoeger House will be. The bottom line is, regardless of how the bill might affect our facilities in Olathe, I believe the bill has bad policy. It is not right to tax nursing homes because those expenses will be passed on to our private paying residents on our campus.

I am asking you to please oppose House Bill 2673. I believe that the Kansas Legislature can and should find more suitable ways to fund our state health insurance program for the poor. Please vote NO on House Bill 2673.

Thank you for your time. I would be happy to answer any questions you may have.

Appropriations Committee
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Attachment 12



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Testimony
House Appropriations Committee
Jeff Moszeter, Eventide Convalescent Center
Kansas Health Care Association
March 9, 2010

Chairman Yoder and Members of the Committee

My name is Jeff Moszeter and I am the Director of Operations at Eventide Convalescent Center in Topeka. We support HB 2673 for the following reasons:

At Eventide we have 74 residents with 54 Medicaid as their primary source of payment.

Since the 10% cuts were announced, we have a freeze on all wages. We were not able to do any incentives for the staff. In this family home, the owner has afforded employee an annual incentive for nine years. An example of this incentive in the last year gave employees a bonus based on their salary. A benefit such as this promotes good care of residents, and goes a long way to build loyalty. To maintain quality staff we all know it is not just about how much someone is compensated but we would hate to lose the quality staff person because we cannot pay additional money.

The reality of these cuts is the private pay resident will have to make up for this lack of income we have no other place to turn. With the rates being frozen in FY 2010 and now the 10% payment reduction our home will be raising the private pay rates April 1st. We have to do this, there is no other solution.

We are looking at how to control food costs. We are repairing equipment we currently have rather than buying new equipment.

Eventide is a family business. If we go out of business 70 employees lose their jobs at least 35% are single parents. Our residents are unique. Eighteen of our residents are on a ten step program to control excessive fluid intake. The disease is called "water intoxication". We work the residents through a ten-step program to prepare them to live in the community.

I appeared before this committee several years ago in support of the provider assessment. My opinion has not changed but the circumstance is even greater now. We are not hearing about any other solutions or ideas. Please support HB 2673 to bring additional federal dollars at a time when the state needs any revenue it can find.

Thank you for your time.

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Attachment 13