



Testimony: Aging and Long Term Care

January 26

Thank you for the opportunity to submit testimony. **Saint Francis Community Services** has a rich history of serving troubled youths and their families over 60 years. We provide a range of services from family preservation, reintegration/foster care foster care homes, which we do so under contract with the state, as well as, drug and alcohol services, and residential services and community supports. Through those programs last year we served over 2000 children and families, in 54 rural and frontier counties, with 12 offices and over 550 full and part time employees. In July of this year our Family Preservation Services expanded into Region 3 based on the SRS designation. St. Francis is a non-profit organization.

2010 POLICY AGENDA~

SERVING A RURAL POPULATION

The needs, perspectives and culture of our rural and frontier population shall be reflected in decisions and policies that shape services to children and families at all levels.

MENTAL HEALTH AND BEHAVIORAL SERVICES

All children in the child welfare system will have access to quality, and timely mental health and behavioral health services designed to sustain and reunite families.

MANAGING POSITIVE SYSTEMS CHANGE

System changes that impact children and families must be adequately funded, accompanied by plans to build system capacity, and have a process for monitoring and evaluating performance against outcomes.

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The system serving children and families will reflect regional differences, ensure access to critical services and effectively manage change

As the legislature moves forward with deliberations on how to address the significant budget shortfall, we believe it is our obligation to provide legislators with the impact their decisions are having on services that are critical to the state. Specifically those services that respond to the needs of some of Kansans most vulnerable children and families.

Every single provider affected by these cuts is faced with untenable choices. Choices that affect who will get services and who won't knowing that the need far outstrips the available resources. As one of the organizations that provides foster care, family preservation and adoption services for the child welfare system, these cuts come on top of a substantial reduction in the contract which required a considerable reduction in staffing and restructuring that has put a strain on our capacity to meet service outcomes.

In addition to testimony already heard by this committee impact to SFCS is felt primarily in our outpatient services and our Psychiatric Residential Treatment Centers (PRTF). By way of example:

- ∞ Because other services on which we rely to serve our population are also impacted by Medicaid cuts such as mental health services. We are experiencing significant cost shifts which we will not be able to absorb over the long term without making additional cuts in the scope of services.
- ∞ Mental Health Centers can no longer financially support a sliding fee schedule for court ordered services. As a result we have been required to pick up responsibility for services that are critical to achieving reintegration and permanency. These include Parenting Evaluations,

Psychological evaluations and others.

- ∞ The 10% cut has also affected the rate for outpatient services to children in foster care through our clinic. Services affected include individual, group and family therapy. The rate was already below our actual costs for providing services. As a result we are concerned about how this will hinder our ability to bring families together sooner.
- ∞ Children on the MR/DD waiver are no longer eligible for respite care. A service that provides needed support for caretakers. SFCS is picking up the cost to help parents avoid placement disruptions but will have to make cuts in other areas to compensate.
- ∞ Our PRTF services are a cost based system. Consequently, it forces us to reduce expenses such as staff and compliment of services. This reduction in the rates will impact future reimbursement and ability to pay for services if the state builds future payments on the reduced cost. In other words as each month passes with the reduced rates we continue to lose ground in providing services as the monthly losses continue to accumulate.

It is also important for the committee to keep in mind that since the PRTFs are cost based the reductions not only have a current year impact, but have an impact in the following year. The reductions are compounded and will actually result in reductions of greater than 10%.

It is difficult to understand how the strategy of reducing Medicaid rates will aid the state in making up the shortfall in the FY 2011 budget. In fact we believe it is quite the opposite. The loss of these dollars will fuel an erosion of basic supports and key intervention services that in the long run will be more costly to the state than the savings generated in the short term.

As you gather information, it is our hope that this committee will seek alternatives to leaving a significant amount of Medicaid dollars on the table. These dollars provide a critical foundation for helping us meet our child welfare outcomes in the state as well as support for all of the collateral services on which we rely.

Conclusion

We are very aware of the potential \$400 M shortfall in the FY 2011 budget. We understand that this legislature and state leadership will have to look at a variety of options to ensure stability and recovery for our state. To that end, we hope this testimony provides information you need that must be factored into the eventual choices this legislature must face.

Please feel free to contact us if you have any further questions.

Respectfully submitted,

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