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Testimony on:
Presumptive Medical Disability

presented to:
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by:

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Presumptive Medical Disability (PMD) Update

My name is Marci Nielsen, Executive Director, of the Kansas Health Policy Authority. I am going to update you on the progress of the Presumptive Medical Disability process (PMD), implemented by KHPA and SRS almost a year ago on September 1, 2006. The PMD process provides the disability screening for persons applying for General Assistance (GA) and MediKan. The primary advantage of the PMD process is that we can now offer a full range of Medicaid benefits to those GA recipients with the most severe disabilities. Federal funding is also available for these individuals.

Background: The screening process used by the PMD is modeled after the Social Security Administration's (SSA) disability determination process. Information regarding the individual's disability is obtained during a telephone interview – we call it a telephone consultation. Medical evidence is then requested from the individual's medical providers in order to substantiate the claim. All of the information is then complied and evaluated according to standards established by Social Security. If the medical and vocational information confirm significant impairments which prevent employment, the individual is eligible for General Assistance as well as Medicaid. Individuals who have an impediment to work but do not appear to meet the SSA guidelines are enrolled in GA and MediKan. Both groups must continue to pursue Social Security benefits as a condition of continued eligibility.

I want to share with you that soon after implementing the new process, it became evident there were some problems. The process to interview, gather medical evidence and evaluate each individual is very time-consuming. The PMD team was initially understaffed and inexperienced in this line of work. There were also issues with equipment. Although staff has since been able to work through these concerns, a backlog of referrals and a declining total caseload were quick to result.

By January of 2007, the declining enrollment in MediKan was cause for concern. MediKan enrollment had dropped from 4,473 in June of 2006 to 3,630 in January of 2007. KHPA responded by collaborating with community partners and developing a plan to improve these numbers. During the last session, the Governor and Legislature recognized there was a need to implement the recovery plan and KHPA was appropriated $300,000 to hire additional PMD team (PMDT) members with the express purpose of reducing the backlog.

"Catch-Up" Plan Progress: Prior to hiring additional staff, KHPA had to first secure adequate space to house the additional workers. Sufficient space for the PMDT, and other recent KHPA staff members, was found in the Mills Building - which sits adjacent to Landon. Telephones, computers and other equipment was obtained and the move to Mills was completed in early July, 2007. To date, 8 new PMD staff members have been hired and trained and are in the work rotation. Although the process to reduce the backlog has been bumpy, we feel we are now going full speed ahead with the effort. As of August 8, 87 telephone interviews have been completed ahead of schedule. The backlog is expected to be significantly reduced by the end of September. Our ultimate goal is to reduce the wait time for a telephone consultation from 45 days to 15 days. Most importantly, we hope to reduce our overall processing time from about 90 days to 45 days.

The involvement and participation of advocates and other community organizations is critical to the ultimate success of the program. We are very excited to tell you about a change in our agreement with Kansas Legal Services (KLS) that we hope will also have a significant impact on the PMD process. KLS has been responsible for providing Social Security advocacy services to General Assistance recipients for several years. Most of the work tied to this contract has been conducted after an eligibility determination had been completed.

A change in this contract will now turn the focus toward the initial application – by reimbursing KLS for assisting the applicant/recipient with the initial telephone interview. By assisting the applicant to better articulate his or her true situation to the PMD, more accurate determinations as well as faster processing time frames should result. We anticipate this process will be implemented in September, 2007.

Although the "catch-up" plan has not been completed, we have already seen a turn around in enrollment. When considered together, the enrollment in MediKan in June 2007 plus those enrolled in Medicaid as a result of the PMD process totaled 4,311, almost back to the enrollment from the same period the previous year of 4,473.

Future Changes: Advocates and other stakeholders have communicated to KHPA, as well as SRS, concerns regarding the capacity of the current program design to provide the most necessary services to this vulnerable population. In response, SRS recently facilitated an initial discussion with key advocates to obtain input on elements to consider for a modified General Assistance program. Healthcare coverage is a critical element in this overall design and KHPA is an active participant in this discussion. Although we feel that it is essential to preserve the basic PMD process, as it is the gateway to Medicaid, there is certainly room to explore other options while keeping the overall goals of healthcare reform in mind. A well-developed policy initiative is expected to evolve over the next few months.

Thank you for this opportunity to provide the Committee with an update on Presumptive Medical Disability and I will be glad to take questions.