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January 6, 2017

Megan K. Buck, Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations
Department of Health and Human Services
601 East 12th Street, Suite 355
Kansas City, Missouri 64106

Dear Ms. Buck,

Enclosed is the State's response to the CMS draft report of the TA Waiver Evidence Package in response to the December 7, 2016 letter provided by CMS. This letter will provide an overview of difficulties faced with management of the State's HCBS programs as the programs were moved into a managed care environment.

Prior to managed care, Kansas had a robust system in place for reviewing paper case file documentation of fee for service case management entities. In the move to managed care, KDADS faced challenges implementing an electronic review system of the Managed Care entities electronic records. In 2013 KDADS developed and implemented a web-based tool, Quality Review Tracking (QRT) that allows for case file documentation to be uploaded directly to KDADS by the MCOs.

KDADS and KDHE conducted onsite reviews of 2013 and 2014 MCO data. The results from these reviews for 2013 and 2014 have been provided to CMS through the 372 reporting as well as the referenced TA Waiver Evidence package. Some measures, including Health and Welfare, Provider Qualifications and Level of Care were not captured during this review.

As these results were reviewed, KDADS identified many areas in which there was a lack of compliance with the Waiver requirements, which included primarily a lack of proper documentation. KDADS discussed opportunities for remediation with the MCOs as issues were identified. This majority of negatives results were attributed to lack of documentation.

KDADS implemented new quality oversight and monitoring processes following the MCO reviews. In the summer of 2015, the following changes were put into place:

1. KDADS conducted a reorganization which included a transfer of HCBS review staff to a separate commission within the agency that focuses on program compliance. This move established checks and balances within the review process.
2. The agency developed internal procedures and policies with input from KDHE to ensure the review process was well documented and provided assurance of consistency across the quality review staff.
3. Enhancements were made to the QRT system.

KDADS identified critical issues with the HCBS review process beginning in 2013 and has worked to put changes in place to ensure services provided meet the needs of the members on the waiver and federal guidelines. The attached document will provide CMS with specific responses as requested in the December 7, 2016 letter.

Respectfully,

Michael Randol, MBA
Division Director and State Medicaid Director
Kansas Department of Health and Environment
Division of Health Care Finance