

KENTUCKY HEALTH & HUMAN SERVICES DELIVERY SYSTEM TASK FORCE

Minutes of the 3rd Meeting of the 2023 Interim

August 22, 2023

Call to Order and Roll Call

The 3rd meeting of the Kentucky Health & Human Services Delivery System Task Force was held on August 22, 2023, at 3:00 PM in Room 171 of the Capitol Annex. Senator Stephen Meredith, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Representative David Meade, Co-Chair; Senator Stephen Meredith, Co-Chair; Senator Shelley Funke Frommeyer, Representative Samara Heavrin, Representative Kimberly Poore Moser, Representative Amy Neighbors, Representative Sarah Stalker.

Guests: Eric Friedlander, Secretary, Cabinet for Health & Family Services; Adam Mather, Inspector General, Office of Inspector General, Cabinet for Health & Family Services; Michele Barnes, Executive Director, Office of Human Resource Management, Cabinet for Health & Family Services; Lisa Lee, Commissioner, Department for Medicaid Services, Cabinet for Health & Family Services; Amy Staed, CEO, Kentucky Association of Private Providers; and Steve Shannon, Executive Director, Kentucky Association of Regional Programs.

LRC Staff: Samir Nasir, Logan Bush, and DJ Burns.

Approval of Minutes

A motion to approve the July 24, 2023, minutes was made by Representative Moser, seconded by Representative Meade, and approved by a voice vote.

Discussion of Nursing Home Inspections

Adam Mather, Inspector General, Office of Inspector General, Cabinet for Health & Family Services (CHFS), discussed causes for survey delays of nursing homes, vacancy and turnover rates, and solutions. Eric Friedlander, Secretary, Cabinet for Health & Family Services, discussed solutions including wage increases for nurse surveyors and the creation of a nurse career ladder.

In response to questions and comments from Senator Meredith, Mr. Mathers stated that the decision to suspend surveys during the covid pandemic was from the Center for Medicaid Services (CMS). Secretary Friedlander stated that starting in 2019, the staffing numbers for surveyors began falling. He stated the cabinet has begun hiring through a

temporary agency to help improve the staffing issues. Mr. Mathers stated catching up on the backlog of surveys will take a year, the normal survey takes 3 to 5 days but with the backlog of complaints that process is extended.

In response to questions and comments from Senator Funke Frommeyer, Secretary Friedlander stated that the cabinet has hired a recruiter who is focusing on recruitment for the Office of Inspector General and Department for Community Based Services (DCBS).

In response to questions and comments from Representative Moser, Mr. Mathers stated that CMS has standards for certifications and recertifications. Secretary Friedlander stated that when fully staffed there are more options for flexibility. He stated pulling resources from the Department for Public Health would be an option if the workers were certified.

In response to questions and comments from Representative Stalker, Secretary Friedlander stated that the cabinet revived the program to assist in reimbursement for college classes.

In response to questions and comments from Representative Neighbors, Mr. Mathers stated that 53 positions are currently vacant for nurse surveyors and he would like to see a total of 83 positions filled. Secretary Friedlander stated that student loan debt forgiveness could help with making these positions more attractive to applicants.

In response to questions and comments from Senator Meredith, Mr. Mathers stated that the backlog of complaints is due to lack of personnel issues and duplicate complaints on the same issue inflating the numbers.

Discussion of Turnover Rates & Vacancy Rates within CHFS

Michelle Barnes, Executive Director, Office of Human Resources Management, Cabinet for Health & Family Services, discussed CHFS recruitment, retention, and turnover rates.

In response to questions and comments from Senator Meredith, Ms. Barnes stated that currently there is only one recruiter and the personnel cabinet has begun asking recruiting companies to assist in hiring employees. She stated the recruiter reports

directly to herself and reaches out to the Personnel Cabinet to discuss classification and compensation for recruits.

In response to questions and comments from Senator Funke Frommeyer, Secretary Friedlander stated that he doesn't believe there are any state mandates for nurses to have covid vaccines. He stated he would investigate the issue and send the information to committee members.

In response to questions and comments from Representative Stalker, Ms. Barnes stated that there is a regulation for educational assistance which states the employee must remain employed with the state for 6 months after the courses are finished and depending on if the employee is obtaining their associates or bachelor's degree up to three classes a semester will be reimbursed.

In response to questions and comments from Senator Meredith, Ms. Barnes stated that all the stats provided today were for fulltime positions and currently the cabinet has approximately 500 federally funded time limited (FFTL) positions. Secretary Friedlander stated that he would get the number of non-merit positions within the cabinet and send that to committee members.

Discussion of Payment Rates for Medicaid Contracts

Lisa Lee, Commissioner, Department for Medicaid Services, Cabinet for Health & Family Services, discussed background information on Kentucky Medicaid, Medicaid fee schedules, and provider tax summary. Eric Friedlander, Secretary, Cabinet for Health & Family Services, discussed provider tax summary and other rates associated with Medicaid.

In response to questions and comments from Senator Meredith, Commissioner Lee stated that directed payments are included in the medical loss ratio. Secretary Friedlander stated that he has discussed with the managed care organizations the fact that these directed payments have taken the risk off them. He stated that directed payments are the state share of the difference between the Medicaid rate and the average commercial rate for services and that payment is used for the directed payments to hospitals.

In response to questions and comments from Representative Heavrin, Secretary Friedlander stated that the psychiatric residential treatment facility II (PRTF II) rates have not been increased in a decade and the cabinet is looking into raising those rates.

In response to questions and comments from Representative Moser, Commissioner Lee stated that if there is a rate change providers should receive notification prior to that change and those providers can reach out with any concerns. Secretary Friedlander stated that provider feedback helped the cabinet catch a rate that had decreased due to federal Medicaid guidelines and the state was able to raise the rate.

Update on Waiver Programs

Amy Staed, CEO, Kentucky Association of Private Providers, discussed 1915(c) waivers waitlist, funding for 1915(c) waivers, and recommendation for the legislature. Steve Shannon, Executive Director, Kentucky Association of Regional Programs, discussed eliminating the 1915(c) waiver waitlist.

In response to questions and comments from Representative Moser, Mr. Shannon stated that waitlist management is a great idea to help with duplicate members being on different waitlists and to assess participants needs.

In response to questions and comments from Senator Meredith, Mr. Shannon stated that the cost of not funding the 1915(c) waivers to eliminate the waitlist is great and can affect the state in many ways throughout the system.

Adjournment

There being no further business, the meeting was adjourned at 5:03 PM.