

1 A CONCURRENT RESOLUTION directing a study of provider reimbursement
2 and the continuing viability of private providers whose primary source of funding is state
3 and federal dollars provided through the Supports for Community Living Waiver
4 Program.

5 WHEREAS, the Supports for Community Living (SCL) waiver provides essential
6 services to vulnerable populations; and

7 WHEREAS, thousands of individuals are able to more fully participate in their
8 communities and homes as a result of the SCL waiver services and other identical
9 services provided by SCL providers under similar waivers; and

10 WHEREAS, Supports for Community Living waiver services, and other identical
11 waiver services, have played an important role in preventing or curtailing Medicaid cost
12 growth while providing these essential services; and

13 WHEREAS, private providers that provide SCL waiver services or services
14 identical to the SCL services have endured stagnant reimbursement rates for 13 years; and

15 WHEREAS, costs of living have greatly increased over the previous 13 years; and

16 WHEREAS, SCL service providers have experienced rising wage and benefit
17 competition over the previous 13 years; and

18 WHEREAS, several thousand individuals are on waiting lists for 1915(c) services,
19 including more than 2,400 in the Supports for Community Living Waiver Program alone;
20 and

21 WHEREAS, a 2004 statute that directed the Medicaid Program to recognize cost
22 increases and current wage and benefit levels in the Supports for Community Living
23 waiver when setting reimbursement rates has not been followed; and

24 WHEREAS, a 5.5 percent tax has been assessed on providers of SCL services or
25 services identical to SCL services provided under similar waivers since 2004; and

26 WHEREAS, in complying with federal regulations, this broad-based, uniformly
27 imposed 5.5 percent tax does not hold SCL waiver providers, or providers of identical

1 services under other waivers harmless; and some of these funds could be forwarded to
2 ensure the continuing viability of this vital program and providers, and

3 WHEREAS, KRS 142.363 requires the Department for Medicaid Services to ensure
4 that a portion of the proceeds from the 5.5 percent tax provides for rate increases so that
5 SCL providers can combat cost increases within their industry; and

6 WHEREAS, funds received from the 2004 statute establishing the 5.5 percent tax
7 have apparently only been used within the Medicaid general fund and have not been
8 directed to bolster SCL waiver services or identical services, despite extensive waiting
9 lists and a growing financial impact to providers of these essential waiver services; and

10 WHEREAS, a robust SCL waiver system and 1915(c) waiver system requires viable
11 providers to provide these needed services;

12 NOW, THEREFORE,

13 ***Be it resolved by the House of Representatives of the General Assembly of the***
14 ***Commonwealth of Kentucky, the Senate concurring therein:***

15 ➔Section 1. (1) That the Program Review and Investigations Committee of
16 the Legislative Research Commission is directed to complete a comprehensive study of
17 reimbursement for providers that receive payments for Supports for Community Living
18 waivers or identical waiver services within the 1915(c) Medicaid waiver programs by
19 December 1, 2017.

20 (2) This study shall examine past representations made by and to providers of
21 SCL waivers or identical waiver services via statute, administrative regulation, or in
22 legislative testimony.

23 (3) The study shall also examine trends in the private-pay Medicaid waiver
24 provider industry, including cost-of-living increases, wage, and benefit growth, and total
25 payments by this industry via provider tax into the state general fund.

26 ➔Section 2. Additional interim joint and statutory committees are encouraged to
27 research and discuss action and steps to take before the beginning of the 2018 Regular

1 Session of the General Assembly to determine how to establish a robust and viable SCL
2 waiver and identical waiver services within the 1915(c) waiver program within the
3 Commonwealth.

4 ➔Section 3. Provisions of Sections 1 to 2 of this Concurrent Resolution to the
5 contrary notwithstanding, the Legislative Research Commission shall have the authority
6 to alternatively assign the issues identified in this Concurrent Resolution to an interim
7 joint committee or subcommittee thereof, and to designate a study completion date.