

Midland CARE Services  
KDOA Budget Request  
July 11, 2006

Madam Secretary and Ms. DeBoer:

As the CEO of Midland Care Connection, I come before you today to request the Department include additional funding in the FY '08 budget for PACE in Northeast Kansas. Midland is a provider of a continuum of services which currently includes hospice, palliative care, adult day care, respite services, and grief counseling. The addition of PACE into this continuum complements Midland 's mission and provides a model of care that meets what frail elders want: to continue in the community for as long as possible, to have one-stop shopping of health care services, and to be provided coordinated comprehensive individualized care.

We are appreciative of the commitment this department has given in the past to support the introduction and growth of PACE in our State. Our application is currently under review by CMS and we anticipate their response prior to August 30<sup>th</sup> of this year.

In preparation for serving frail individuals at our PACE site, we're nearing completion of a million dollar renovation project and submitting a grant application to CMS focusing on Rural PACE. Of the seven counties in our original application, Pottawatomie is the only one that meets the federal definition of rural for purposes of this grant. In our grant proposal we are requesting expansion into another rural county in fiscal year '08. We know we have expertise in providing healthcare services to rural areas and therefore are seeking an additional 150 slots. In our initial request we sought a maximum census of 150 participants. This request was made to ensure that enough individuals participated in the program to maximize economies of scale and to spread the risk.

Negotiations with representatives of KDOA and Midland for monthly payments for the initial 75 participants awarded Midland reflected a 25% per member per month (PMPM) savings to the state. This is based on the State of Kansas Midland Region Upper Payment Limit Development Methodology. PACE is a model of care that makes good economic sense for Kansas and supports the concept of culture change for long term care.

As a not-for profit organization, we at Midland understand the importance of being good stewards of the resources allotted us while striving to meet participants healthcare needs. We believe that the PACE model allows for good stewardship of Kansas tax dollars while providing wrap-around acute, preventative and long-term care services to frail Kansas elders. We're asking for an increase of a 150 slots for the Topeka PACE program and to provide for future sustainable growth of the PACE model of service delivery in rural areas.

Respectfully submitted,  
Karren Weichert