

LeadingAge Kansas Recommendations for Following Senate Provisions

Section 71114: Reducing State Medicaid Costs

Why 90-Day Retroactive Medicaid Eligibility Matters for Nursing Home Residents

It's a federal safeguard. The 90-day retroactive Medicaid eligibility ensures nursing home residents aren't financially ruined just because they didn't apply immediately. It covers care while eligibility is being determined—often during a crisis.

Delays are common and unavoidable. Many residents exceed the 60-day mark due to dementia, need for a guardian, complex asset documentation, or family stress. There's no national tracking, but provider experience shows it's frequent.

Without 90 days, costs fall on families and facilities. Any care provided before the retroactive window begins (e.g., days 61–90 under a 60-day rule) becomes **unpaid**. Families may face tens of thousands in out-of-pocket costs, and nursing homes absorb losses.

Cutting to 60 days would create bottlenecks. Homes may refuse Medicaid-pending admissions to avoid uncompensated care. This slows hospital discharges and increases strain on health systems—especially in rural areas.

It risks facility closures. Revenue losses from shortened coverage could reduce staffing, limit admissions, and in some cases, force facilities to shut down.

Recommendation: Restore language for retroactive eligibility to **90 days for individuals enrolling as traditional Medicaid beneficiaries**.

KanCare Data on Retroactive Eligibility Usage

- In the last 12 months, **1,054 applications** were approved for retroactive NF coverage.
 - **623 applications** were approved for **more than 1 month** of retro coverage.
 - 431 applications were approved for 1 month of retro coverage.
- In the last 12 months, **36% of the applications** received the full **3 months of retro coverage**.

LeadingAge Kansas is Neutral on These Senate Provisions

Section 71121 – State Directed Payments. Kansas nursing homes and aging services providers do not currently receive state-directed payments. However, cuts to hospital payments could indirectly harm care coordination and discharge planning between hospitals and nursing homes.

Section 71122 – Requirements regarding waiver of uniform tax requirements for Medicaid provider tax. We support the Senate language. It seems to clarify the rules while preserving flexibility for states like Kansas with many small and rural providers.

LeadingAge Kansas Supports These Senate Provisions

Section 71113 – Prohibition on the Final Staffing Rule for Nursing Facilities. We support the Senate language. Two courts have already struck down the staffing provisions, and blocking enforcement will save costs without further straining the workforce or limiting access to care for seniors.

Section 71120 – Provider taxes. We support the Senate language. It will not affect Kansas, as the state has not expanded Medicaid.

Removal of Expansion of Unrelated Business Taxable Income. We support the Senate's removal of this provision. Some providers offer transportation benefits, including Uber reimbursements, to aid recruitment and retention. Taxing these benefits would undermine those efforts at a critical time.

Removal of Increase in Tax on Net Investment Income of Private Foundations. We support the Senate's removal of this provision. Increasing taxes on private foundations could reduce charitable giving and harm service availability in small communities.