

Rob Siedlecki, Acting Secretary

Senate Public Health and Welfare Committee

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**The Proposed Closing of Kansas
Neurological Institute**

**Disability & Behavioral Health Services
Ray Dalton, Deputy Secretary**

For Additional Information Contact:
Gary Haulmark, Director of Legislative Affairs
Docking State Office Building, 6th Floor North
(785) 296-3271

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The Proposed Closing of Kansas Neurological Institute

Chairwoman Schmidt and members of the Committee, thank you for the opportunity to appear before you today to present information about the proposed closure of Kansas Neurological Institute (KNI).

As you are probably aware, the Kansas Facilities Closure and Realignment Commission's November 2009 report recommended that KNI be closed. It further recommended that SRS develop community placement criteria for people receiving services at KNI and Parsons State Hospital (PSH), and require those meeting the criteria to transfer to community based services; and that remaining individuals be served at Parsons State Hospital.

As a result, former Governor Parkinson issued Executive Order 10-01 to address the findings of the Closure and Realignment Commission as they relate to Parsons State Hospital and KNI closure and did not accept the commission's recommendations for KNI and Parsons State Hospital. SRS formed an advisory committee, made up of community providers and parents and guardians of people served by KNI and Parsons State Hospital, to develop a plan for the downsizing and possible consolidation of the two facilities.

Governor Sam Brownback through his budget supports the Commission's recommendations in regards to the closure of KNI.

We strongly believe that persons with disabilities should not spend their lives institutionalized and cut off from the community. Everyone deserves to improve their lives, and particularly those who are most vulnerable in society.

We understand that any change or transition is always difficult. And the concerns expressed by families, caregivers, advocates and the residents themselves are legitimate and we are taking them very seriously.

We are committed to a gradual transition, in which every person that currently resides at KNI will be treated with the utmost respect, sensitivity and care.

And we expect nothing less than excellence on the part of community service providers that will welcome those residing at KNI into group homes and other appropriate arrangements in the community.

Let me make this clear, this is not just a cost reduction issue. We want to improve outcomes and care for persons with developmental disabilities that will be transferring to the community. We want persons with disabilities to thrive and we will hold community providers accountable to this goal.

We believe that persons with disabilities have the right to live in the community, just like everyone else, as has been stated in U.S. Supreme Court decisions, the Americans with Disabilities Act, Federal guidelines, international conventions on disabilities, and particularly in the work of advocates, families, and persons with disabilities themselves.

With the direction from the Governor's Budget to begin the closure of KNI over a period of 23 months starting in FY2012, the advisory committee that was used to address Governor Parkinson's Executive order for the downsizing of KNI can be used to develop plans for the closure of KNI. In particular the advisory committee can be used to:

- Develop robust parent/guardian education and information strategies to help ensure they understand the community services available to support the success of community placements.
- Ensure SRS, the state hospitals, CDDOs and community service providers work with parents/guardians to ensure individualized person-centered support planning is in place to fully identify and meet the needs of each person transferring to community services.
- Ensure CDDOs and SRS work together to ensure appropriate community capacity needs are addressed.
- Ensure existing comprehensive quality monitoring systems will be utilized for the ongoing monitoring of services and outcomes for each person who moves to the community.

Response to Concerns that Have Been Expressed about the Closure of KNI

Does capacity exist in community service programs to meet the needs of that many people?

There are currently 8,006 Kansans receiving HCBS/MRDD waiver services. Of those people, 2,134 (27%) have a Tier 1 rating (indicating the most intensive service need). During the first six months of FY11, over 240 people were moved off of the MRDD services waiting list and into community services, and 33 of them have a Tier 1 service rating.

Does the community have the capability to provide the appropriate support to people with severe disabilities like those living at KNI?

When Winfield State Hospital was closed in 1998, 135 people with a Tier 1 service rating moved to community based services and have thrived there. The 74 people with Tier 1 service rating currently at KNI present the same type of support needs as many of those who made the successful transition from Winfield.

Will it be more dangerous for the people living at KNI to move to community services, and will it result in more deaths?

Our experience with the closure of Winfield State Hospital did not show this to be the result. Kansas has carefully, thoughtfully and successfully accomplished similar hospital closures in the past and in preparing for this closure we will include measures to ensure that service quality is objectively assessed and that safety nets are available.

What are the projected cost savings associated with the closure of KNI?

Based on information provided to the Closure and Realignment Commission, and on FY2009 data, the estimated annual savings, after all people have transitioned to community services (including that 75% of the people will have Super Tier increased funding rate and that there will be additional medical costs) are:

\$14,398,523 (AF)

\$6,054,578 (SGF)

What are the average costs for services for someone living at KNI vis-à-vis someone served in the community with HCBS/MRDD waiver-funded services?

The comparative costs based upon FY10 expenditures are:

KNI annual average cost per person: \$180,471

Based upon level of support needed, we estimate this annual average cost for KNI residents moving to HCBS waiver services to be: \$86,646

Is it fair to the people on the waiting list getting zero support to continue this level of spending at KNI.

Will the medical costs be more in the community?

There will be an increase in Medicaid-funded physical health costs when KNI residents move to the community, and this has been factored into the projected savings. Our experience from the closure of Winfield State Hospital, and our experience with people receiving MRDD waiver services do not indicate that there will be an extraordinarily large increase in the medical costs.

What is the effect of this closure on the MRDD waiver waiting list?

No direct effect. The people at KNI are currently receiving a Medicaid-funded service, and are entitled to receive such service adequate to meet their needs. By closing KNI and transferring each person to HCBS/ MRDD waiver-funded services, they would be shifting the type and location of their services and would be transferring the funds necessary to access those services.

We feel confident, Chairwoman Schmidt, that we can achieve the necessary projected savings while improving outcomes for all those involved in this transition.

This concludes my testimony and I will be glad to answer any questions you might have.