



Statement to the HHS Bipartisan Commission on Medicaid Reform

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Good afternoon. Thank you for the opportunity to speak to you today. My name is Bob Kay. I am the President and Chief Executive Officer of Lutheran Social Services of Northern New England. As an affiliate of Lutheran Social Services of New England, LSS Northern New England provides services in Maine, New Hampshire and Vermont. We help to support and improve the lives of people by providing services such as community supports for persons with disabilities to foster and residential care for children and youth, refugee resettlement and adoption. A similar array of services is provided in Massachusetts, Rhode Island and Connecticut by our sister affiliate Lutheran Community Services of Southern New England. We are also members of Lutheran Services in America and the Lutheran Services in America Disability Network.

Regarding the topic for this hearing today, Technology and Quality, one thing is certain: If the goals of this Commission are to be met -- reducing costs while continuing to provide essential services --- there must be major consideration given to the role of technology in both the administrative and programmatic areas. I would like to draw upon my experience to give you a few examples of how the availability of technology (or lack thereof) has a tremendous impact on the quality of supports individuals with developmental disabilities receive.

Administrative workloads

Modern technological advances can make the entire process of eligibility determination, enrollment, billing, tracking and regulatory compliance an efficient and low cost activity. Right now, in many places, it is far from that. I've been given several examples from our administrative staff in several states about the mountains of seemingly senseless paperwork, duplication of effort, unnecessary repeat steps, rejected submissions, lost claims, missing digits, inverted numbers, and other typical flaws of a labor-intensive cumbersome bureaucratic system. In order to keep the programs functioning, this means the continual added expense of a growing clerical staff and costly cash flow loans while waiting for payment problems to be untangled. What a waste! So much could be saved by investing in technological research and improvements that would result in a simplified, electronic system that would speed the process, reduce or eliminate errors, and be user friendly.

Massachusetts: Reporting of simple program census numbers that are required by the state of Massachusetts in our youth residential programs requires the time of four people each month to handle information that could be processed more efficiently with available technology. Currently, the census data is recorded by hand in three locations and faxed to the administrative office where it is encoded by the accounts receivable clerk to create the required information. These forms require signatures at the program level and the use of electronic versions are not accepted.

Up to date technology would allow us to use legally valid electronic passwords as signatures to speed up the process and eliminate the potential for errors in documentation and re-keying of data from the faxed versions. Additionally, the creation of a monthly form would result in time each month to attend to the direct concerns of the individuals in our care.

New Hampshire: Although the Medicaid billing process varies by program, the common problem faced is receiving timely and accurate information. If we bill Medicaid and the information is not entered exactly as it is in the Medicaid system, the claim will be denied. Unfortunately, the information received may have passed through several individuals prior to our receipt thus increasing the chance of error. A simple transposition or spelling error will result in a denial. We do not immediately know that there is a problem as it could take up to a month to receive the denial notification. We bill on a biweekly basis, so if we are unaware of the problem, we will once again incorrectly bill, continuing the cycle until we are notified. Once we receive the denial, we need to research the problem and re-bill, all of which takes additional staff time. It can be months before we are paid for the original claim, which also can create a cash flow issue.

By not having a direct link with current information, the extra time & work involved can really be costly.

Program Systems

The same is true in the programmatic area. People with disabilities can live a much fuller, productive, and independent life with the addition of the many innovative technological supports which are now available but not covered by Medicaid. Medicaid policy should provide adequate and equitable reimbursement for services provided on the basis of individual needs. If Medicaid determines a person's individual need and provides funding based on that need, funds could be used to provide in-home supports.

But without Medicaid approval for these assistive devices, the result is often MORE costly with additional personnel and staff-intensive programming and care-taking. This is a matter of concern with the growing workforce shortage, which adds to the importance of encouraging the research and development of technological supports. Fewer and fewer paid staff will be available to perform routine personal care interventions which a person with a disability could perform independently with the proper technological supports.

There are options available that can provide technological assistance for individuals with developmental disabilities in their homes and communities. There are many examples of in home supports often called "Smart Houses."

Maine: LSS North operates one such "Smart House" in Maine for people with developmental disabilities who are also deaf. The home is equipped with many electronic devices which provide visual means of communication, from computers to fire alarms. None, however, are reimbursable through Medicaid. We've been fortunate in being able to raise funds from private sources for these enhancements, but not everyone can do that, and we could not do it on a large scale.

Dr. David Braddock from the University of Colorado mentions more examples of useful technology that can help people with developmental disabilities access needed supports. Items such as PDA's with simpler operating instructions that are "context-aware"; improved voice recognition systems; advances in wireless technology, GPS, broadband, and nanoelectronics; improved access to computers & the Internet; and dramatic increase in price-performance of computing technology can be used to enhance the quality of life for people with disabilities.

In summary, I would encourage this Commission to recommend that every opportunity for technological research and implementation in both the administrative and programmatic areas be made high priorities, as this has the potential to bring great cost savings and a higher quality of life to those living with developmental disabilities.

Thank you for the opportunity to speak to you today. I would be happy to have you visit us at any of our New England locations to see first hand how Medicaid funds are being used to support people with developmental disabilities. For organizations like ours, changes in Medicaid policy mean changes in the quality of life for people with developmental disabilities. Policy changes also determine how we are able to provide supports. We are happy to be of any assistance in giving you the picture of how your recommendations will affect human lives.

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