



May 31, 2023

Sarah Fertig
State Medicaid Director
Division of Health Care Finance
Kansas Department of Health and Environment (KDHE)
900 SW Jackson St., 9th Floor
Topeka, KS 66612

Dear Director Fertig:

As the state of Kansas begins the competitive reprourement process for the state's Medicaid managed care program, KanCare, I am writing to share ideas to stimulate innovations that could improve the program. With nearly 500,000 KanCare members, the reprourement process for KanCare 3.0 offers an opportunity to improve the health and experience of enrollees.

The United Methodist Health Ministry Fund's mission is to improve the health of all Kansans. Our three areas of focus are: **Access to Care, Thriving Children and Engaged Congregations and Communities**. We work to ensure that there is sustainable financing for care so providers can remain viable, and that the delivery system provides integrated care, including behavioral health services, with ample attention paid to our state's rural communities. This in turn results in better health care access for all Kansans.

In all our work, we position our efforts in the context of several guiding principles: advancing equity in all policies, prioritizing community involvement, supporting primary care so that prevention is paramount especially for young children, and investing in innovations that promote these principles, such as addressing health-related social needs and the social drivers of health.

Establishing an equitable and effective managed care system from the ground up is vital to reaching these goals and improving the health of KanCare enrollees. In hopes that you will take our input into consideration, we are offering comments which are both data driven and based on stakeholder feedback. These comments are the first in a series of comments that we will submit for your consideration and review.

Centering KanCare Enrollees in the KanCare 3.0 Procurement Process

During the virtual information and feedback sessions concerning the development of a request for proposal (RFP) for the 2025 KanCare Managed Care Organizations' (MCOs) contracts, KDHE presented that the goals of the reprourement process are to:

- Improve program innovation, remove unnecessary restrictions
- Address operational issues for healthcare providers
- Fix current contract where it is difficult to enforce
- Improve contract where it is too restrictive
- Implement program priorities and input from the public and stakeholders

While these goals are admirable and should be outcomes of the process, I would urge KDHE to rethink its goals for this KanCare 3.0 reprourement process by prioritizing KanCare enrollees. I would propose that KDHE center enrollees in the goal setting for this process and focus on how the reprourement process can:

- Improve the health of KanCare enrollees
- Enhance the experience of KanCare enrollees with their insurer and the health system
- Reduce disparities and advance health equity of enrollees

While these goals may be aligned with the existing goals, it is critical that KanCare 3.0 is developed to improve the health and experience of enrollees and as a vehicle to improve health equity and outcomes.

The Power of Medicaid Managed Care Contracts

The broad reach of Medicaid and the Children’s Health Insurance Program (CHIP), as well as the proliferation of managed care delivery systems, render state Medicaid managed care contracts powerful tools for advancing health and health care priorities that are in alignment with our own.

Medicaid managed care contracts are tied to the Medicaid State Plan, as well as state and federal initiatives aimed at improving health outcomes for individuals and populations. With new MCO contracts, KDHE can do more than in the past to support children’s health and development, narrow health disparities, and ensure critical community linkages and supports for families with children.

KDHE has the authority – and obligation – to require a level of excellence in health care delivery that can improve health care quality and produce better health outcomes in both the short term and over time. KDHE also can incentivize and assist Managed Care Organizations to perform at the highest levels, placing significant value on continuous quality improvement.

We strongly urge KDHE, as it prepares the KanCare 3.0 RFP, to leverage strategies that will convey a clear message to bidders about the state’s expectations. KDHE can demonstrate its willingness to assist through the use of incentives and rewards for bidders that put their best ideas and intentions on the table and, most importantly, for contractors that show steady progress toward specified goals. For example, in crafting the RFP, KDHE can:

- require bidders to respond to specific questions aimed at distinguishing their approach to addressing issues of concern to KDHE and KanCare’s enrollees;
- require at least one cross-plan Performance Improvement Plan (PIP) focused on driving *statewide change* and use of a public-facing dashboard to contribute to transparency;
- utilize tools that are meaningful to the business model of MCOs, such as improving performance on required health care measures, sustaining provider networks and increasing membership:
 - award “points” toward contracts for “best responses” and innovation;
 - use auto-assignment algorithms that are patient-centered and family-focused to reward improved performance;
 - enforce the 85% Medical Loss Ratio (MLR) and increase to 88% with MCOs permitted to “count” a portion of expenditures on specific priorities (such as advancing equity, community involvement/reinvestment, attention to health-related social needs, enriching primary care services) toward the higher rate.

Proposed Questions on Areas of Concern for KanCare Enrollees and their Families

As noted, in order to distinguish among MCO approaches to care, the KanCare 3.0 RFP can require specific responses to questions, enabling bidders to demonstrate their understanding of Kansas’ unique environment and to explain how their plan would improve the health and well-being of the state’s Medicaid enrollees.

Below are our recommendations for questions in four broad, cross-cutting areas of concern for which the Health Fund has been vigorously engaged and sees the need for closer attention.

Advancing Equity:

- How will you ensure that equity concerns are addressed to ensure better health outcomes?
- What will you do to improve data collection, stratification and reporting to drive and demonstrate equity improvements?
- How will you ensure that clinicians, other providers and enrollees are full partners in addressing health care disparities?
- What will you do to focus needed attention on the health and well-being of rural Kansans?

Expanding Workforce Capacity

- How will you deploy Community Health Workers to ensure that KanCare enrollees have sufficient access to their important services?
- How will you make Doula services available, especially in rural communities?
- How will you ensure that pediatric medical homes are the central focus of care for children and families and that attention is paid to expanded care teams?
- How will you utilize peer support and parent peer support to expand the capacity of the behavioral health team to better meet the needs of beneficiaries, especially children and families?
- How can you deploy community paramedicine models to build emergency medical and transportation services in Kansas, especially in rural Kansas?
- How can you support home visiting programs and/or pilots to support children and parents/caregivers through enhanced services and screenings; linking families to community supports and resources; and home visitors; recruit a more diverse workforce; and address health-related social needs?

Improving Maternal Health, including integrated physical/behavioral health care

- Given Kansas' extension of Medicaid coverage to 12 months post-partum, what will you do to ensure a robust set of benefits are available to this group?
- Describe how you will ensure a two-generation approach to care, including screening and treatment for caregiver depression?
- What tools will you use to ensure that families know about new coverage and services?

Addressing Social Drivers of Health

- How will you ensure comprehensive screening and effective referrals for health-related social needs?
- How will you forge meaningful partnerships with community organizations to address SDOH?

Accountability, Transparency and Oversight

As KDHE develops new contracts it is critical to ensure that there is appropriate accountability, transparency, and oversight mechanisms built into KanCare 3.0. While the goal is to avoid the need for punitive action, the best way to avoid that is by planning for it in the RFP and contracting process. Please consider requiring setting clear goals and benchmarks and clearly state KDHE's intention to enforce them. This should be grounded in thorough and intentional data reporting and as well as consistent and accessible data sharing.

To hold MCO's accountable for performance, please consider withholds for falling far short of goals without responding with a plan to fix and do not allow auto assignment until corrections are made.

The RFP Process

Thank you again for the opportunity to offer comments. As KDHE goes forward in developing the KanCare 3.0 RFP, it is critically important to solicit the views of stakeholders and communities that have much to gain and lose in this process: enrollees and their families, providers, previously marginalized groups, including residents of rural communities and others. We encourage KDHE to continue to promote opportunities to voice concerns and opinions throughout Kansas, now and once contracts are awarded. Meaningful representation of these groups on committees concerned with the health issues addressed here will build a better health care system for all Kansans and result in a healthier state.

Sincerely,

A handwritten signature in black ink, appearing to read "David Jordan".

David Jordan, President and CEO
United Methodist Health Ministry Fund