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TO: Chairman Rep. Carpenter and Honorable Members of the Special Committee on Targeted Case Management

FROM: Rachel Neumann, Chief Operating Officer, COF Training Services

RE: Testimony on the Capacity and Conflict of Interest Challenges in Targeted Case Management

Honorable Chair and Distinguished Members of the Committee,

Thank you for the opportunity to share the importance of maintaining the capacity of Kansas' Targeted Case Management (TCM) system. I testify today not only as the Chief Operating Officer of COF Training Services but also from my personal journey through the TCM field, where I began as a Targeted Case Manager and later served as Director of Targeted Case Management. My experiences in these roles provide valuable insights into the challenges and opportunities within the TCM system.

I began my career at COF Training Services in 2014 as a Direct Support Professional. After earning my bachelor's degree in 2015, I was promoted to Targeted Case Manager, working with individuals who received Home and Community-Based Services (HCBS) waiver support and those on the waiting list. Early in this role, I realized how complex our system is and how critical TCMs are in helping individuals navigate it, especially those waiting for services.

As Director of Case Management, I gained a deeper understanding of the system's operational barriers. The TCM billing structure, which limits billable activities to 15-minute increments and excludes time for travel, training, and professional development, severely hampers our ability to maintain sustainable services. In 2016, while working on HCBS Final Settings Rule compliance, COF's leadership encountered challenges related to TCM conflict of interest. We sought guidance from the Kansas Department for Aging and Disability Services (KDADS), but at the time, they were unable to provide clear directions on compliance.

In response, our agency attempted to mitigate conflict of interest by separating TCM from the main provider entity, establishing an independent LLC. However, my efforts to create a sustainable independent TCM business model revealed significant obstacles. The business model I developed would barely break even. It required the CEO to carry a full caseload, provided uncompetitive wages, outsourced all administrative functions, and offered no benefits. As a young single mother, I could not justify working under such conditions, let alone building a sustainable agency, so I transitioned into operations within COF.

Around the same time, two new case managers expressed interest in establishing their own independent TCM agency. We supported their efforts, ceasing new referrals and preparing families for the transition. Unfortunately, both ventures were unsuccessful, and our catchment area faced a severe



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shortage of TCM capacity. The local Community Developmental Disability Organization (CDDO) eventually requested that we reopen for referrals.

Over the following years, we sought further guidance on conflict mitigation but received little direction. In the absence of state leadership, we took internal steps to address conflict of interest. We updated policies and procedures, introduced training on conflict-free case management, implemented firewalls between supervision and service provision, and created a separate board committee to oversee the TCM department. During this time, our TCM department continued to operate at a growing loss—surpassing \$300,000 annually—due to stagnant billing rates and the need to subsidize wages to recruit and retain qualified staff.

In 2023, the legislature passed a significant rate increase for TCM services, alleviating some financial strain. However, even with this increase, we still operate at an annual loss of \$50,000, and the structural barriers to maintaining capacity without substantial organizational support persist. As a business leader, it feels counterintuitive to advocate for continuing to subsidize this service, but as a passionate advocate for the individuals we serve, I understand the profound consequences if we fail to maintain TCM capacity.

It has been over a decade since the HCBS Final Settings Rule was enacted, yet the state has not developed a comprehensive plan to mitigate TCM conflict of interest while preserving system capacity. There have been factors impeding the development of a transition plan including federal political shifts in the enforcement of the Settings Rule as well as the global pandemic that significantly disrupted policy development. It is my understanding that the Centers for Medicare & Medicaid Services (CMS) is now pressuring the state to establish a rushed transition, which could have detrimental impacts on the individuals we serve.

As stakeholders in this vital service, we urge the committee to involve us in the solution and transition planning process. Ensuring a thoughtful and inclusive approach is essential to safeguarding the people in our care, as well as those still awaiting services.

A Personal Note

While my professional experience informs much of my testimony, my passion for this field is deeply personal. I grew up alongside my sister, who has Autism and co-occurring mental health challenges. Throughout her childhood, despite numerous stays in psychiatric treatment facilities, no one informed us about the waiver program or how to connect her to services. It wasn't until I entered this field professionally that I discovered the system and helped her connect with a case manager.

Her case manager was invaluable, particularly with helping me navigate the differences in service systems between Kansas (where I worked) and Missouri (where she lived). In 2018, her need for a more stable home life led me to make the difficult decision to move her from Missouri—where she had



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established funding and resources—to my home in Kansas, where she faced a 10+ year waiting list. Her case manager now serves as a lifeline, helping me navigate her care and ensuring I am not her only support. If anything were to happen to me, her connection to her case manager would safeguard her future.

In conclusion, preserving TCM capacity and addressing conflict of interest are critical not just for operational reasons but for the lives of those who depend on these services. I urge this committee to ensure KDADs works collaboratively with providers like COF to ensure the sustainability and effectiveness of Kansas' TCM system.

Thank you for your time and consideration.

Rachel Neumann
Chief Operating Officer
COF Training Services