

## SENATE BILL No. 326

By Committee on Ways and Means

2-15

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AN ACT concerning social welfare; relating to payment schedules for providers of adult care home services; amending K.S.A. 39-708c and repealing the existing section.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. K.S.A. 39-708c is hereby amended to read as follows: 39-708c. (a) The secretary of social and rehabilitation services shall develop state plans, as provided under the federal social security act, whereby the state cooperates with the federal government in its program of assisting the states financially in furnishing assistance and services to eligible individuals. The secretary shall undertake to cooperate with the federal government on any other federal program providing federal financial assistance and services in the field of social welfare not inconsistent with this act. The secretary is not required to develop a state plan for participation or cooperation in all federal social security act programs or other federal programs that are available. The secretary shall also have the power, but is not required, to develop a state plan in regard to assistance and services in which the federal government does not participate.

(b) The secretary shall have the power and duty to determine the general policies relating to all forms of social welfare which are administered or supervised by the secretary and to adopt the rules and regulations therefor.

(c) The secretary shall hire, in accordance with the provisions of the Kansas civil service act, such employees as may be needed, in the judgment of the secretary, to carry out the provisions of this act. The secretary shall advise the governor and the legislature on all social welfare matters covered in this act.

(d) The secretary shall establish and maintain intake offices throughout the state. The secretary may establish and create area offices to coordinate and supervise the administration of the intake offices located within the area. The number and location of intake offices and area offices shall be within the discretion of the secretary. Each intake office shall be open at least 12 hours of each working week on a regularly scheduled basis. The secretary shall supervise all social welfare activities of the intake offices and area offices. The secretary may lease office or business space,

1 but no lease or rental contract shall be for a period to exceed 10 years. A  
2 person desiring public assistance, or if the person is incapable or inca-  
3 pacitated, a relative, friend, personal representative or conservator of the  
4 person shall make application at the intake office. When it is necessary,  
5 employees may take applications elsewhere at any time. The applications  
6 shall contain a statement of the amount of property, both personal and  
7 real, in which the applicant has an interest and of all income which the  
8 applicant may have at the time of the filing of the application and such  
9 other information as may be required by the secretary. When a husband  
10 and wife are living together the combined income or resources of both  
11 shall be considered in determining the eligibility of either or both for  
12 assistance unless otherwise prohibited by law. The form of application,  
13 the procedure for the determination of eligibility and the amount and  
14 kind of assistance or service shall be determined by the secretary.

15 (e) The secretary shall provide special inservice training for employ-  
16 ees of the secretary and may provide the training as a part of the job or  
17 at accredited educational institutions.

18 (f) The secretary shall establish an adequate system of financial re-  
19 cords. The secretary shall make annual reports to the governor and shall  
20 make any reports required by federal agencies.

21 (g) The secretary shall sponsor, operate or supervise community work  
22 experience programs whereby recipients of assistance shall work out a  
23 part or all of their assistance and conserve work skills and develop new  
24 skills. The compensation credited to recipients for the programs shall be  
25 based upon an hourly rate equal to or in excess of the federal minimum  
26 wage hourly rate. The programs shall be administered by the secretary.  
27 In the programs, the secretary shall provide protection to the recipient  
28 under the workmen's compensation act or shall provide comparable pro-  
29 tection and may enter into cooperative arrangements with other public  
30 officials and agencies or with private not-for-profit corporations providing  
31 assistance to needy persons in developing, subject to the approval of the  
32 secretary, the programs under this section.

33 (h) The secretary may receive, have custody of, protect, administer,  
34 disburse, dispose of and account for federal or private commodities,  
35 equipment, supplies and any kind of property, including food stamps or  
36 coupons, which are given, granted, loaned or advanced to the state of  
37 Kansas for social welfare works, and for any other purposes provided for  
38 by federal laws or rules and regulations or by private devise, grant or loan,  
39 or from corporations organized to act as federal agencies, and to do all  
40 things and acts which are necessary or required to perform the functions  
41 and carry out the provisions of federal laws, rules and regulations under  
42 which such commodities, equipment, supplies and other property may be  
43 given, granted, loaned or advanced to the state of Kansas, and to act as

1 an agent of the federal government when designated as an agent, and do  
2 and perform all things and acts that may be required by the federal laws  
3 or rules and regulations not inconsistent with the act.

4 (i) The secretary may assist other departments, agencies and insti-  
5 tutions of the state and federal government and of other states under  
6 interstate agreements, when so requested, by performing services in con-  
7 formity with the purpose of this act.

8 (j) The secretary shall have authority to lease real and personal prop-  
9 erty whenever the property is not available through the state or a political  
10 subdivision of the state, for carrying on the functions of the secretary.

11 (k) All contracts shall be made in the name of "secretary of social and  
12 rehabilitation services," and in that name the secretary may sue and be  
13 sued on such contracts. The grant of authority under this subsection shall  
14 not be construed to be a waiver of any rights retained by the state under  
15 the 11th amendment to the United States constitution and shall be subject  
16 to and shall not supersede the provisions of any appropriations act of this  
17 state.

18 (l) All moneys and property of any kind whatsoever received from the  
19 Kansas emergency relief committee or from any other state department  
20 or political subdivision of the state shall be used by the secretary in the  
21 administration and promotion of social welfare in the state of Kansas. The  
22 property may be given, loaned or placed at the disposal of any county,  
23 city or state agency engaged in the promotion of social welfare.

24 (m) The secretary shall prepare annually, at the time and in the form  
25 directed by the governor, a budget covering the estimated receipts and  
26 expenditures of the secretary for the ensuing year.

27 (n) The secretary shall have authority to make grants of funds, com-  
28 modities or other needed property to local units of government under  
29 rules and regulations adopted by the secretary for the promotion of social  
30 welfare in local units of government.

31 (o) The secretary shall have authority to sell any property in the sec-  
32 retary's possession received from any source whatsoever for which there  
33 is no need or use in the administration or the promotion of social welfare  
34 in the state of Kansas.

35 (p) The secretary shall adopt a seal.

36 (q) The secretary shall initiate or cooperate with other agencies in  
37 developing programs for the prevention of blindness, the restoration of  
38 eyesight and the vocational rehabilitation of blind persons and shall es-  
39 tablish a division of services for the blind. The secretary may initiate or  
40 cooperate with other agencies in developing programs for the prevention  
41 and rehabilitation of other handicapped persons.

42 (r) The secretary shall develop a children and youth service program  
43 and shall administer or supervise program activities including the care

1 and protection of children who are deprived, defective, wayward, miscre-  
2 ant, delinquent or children in need of care. The secretary shall cooperate  
3 with the federal government through its appropriate agency or instru-  
4 mentality in establishing, extending and strengthening such services and  
5 undertake other services to children authorized by law. Nothing in this  
6 act shall be construed as authorizing any state official, agent or represen-  
7 tative, in carrying out any of the provisions of this act, to take charge of  
8 any child over the objection of either of the parents of such child or of  
9 the person standing *in loco parentis* to such child except pursuant to a  
10 proper court order.

11 (s) The secretary shall develop plans financed by federal funds or  
12 state funds or both for providing medical care for needy persons. The  
13 secretary, in developing the plan, may enter into an agreement with an  
14 agent or intermediary for the purpose of performing certain functions,  
15 including the making of medical payment reviews, determining the  
16 amount due the medical vendors from the state in accordance with stan-  
17 dards set by the secretary, preparing and certifying to the secretary lists  
18 of medical vendors and the amounts due them and other related functions  
19 determined by the secretary. The secretary may also provide medical,  
20 remedial, preventive or rehabilitative care and services for needy persons  
21 by the payment of premiums to the federal social security system for the  
22 purchase of supplemental medical insurance benefits as provided by the  
23 federal social security act and amendments thereto. Medicaid recipients  
24 who were residents of a nursing facility on September 1, 1991, and who  
25 subsequently lost eligibility in the period September 1, 1991, through  
26 June 30, 1992, due to an increase in income shall be considered to meet  
27 the 300% income cap eligibility test.

28 (t) The secretary shall carry on research and compile statistics relative  
29 to the entire social welfare program throughout the state, including all  
30 phases of dependency, defectiveness, delinquency and related problems;  
31 develop plans in cooperation with other public and private agencies for  
32 the prevention as well as treatment of conditions giving rise to social  
33 welfare problems.

34 (u) The secretary may receive grants, gifts, bequests, money or aid of  
35 any character whatsoever, for state welfare work. All moneys coming into  
36 the hands of the secretary shall be deposited in the state social welfare  
37 fund provided for in this act.

38 (v) The secretary may enter into agreements with other states or the  
39 welfare department of other states, in regard to the manner of determin-  
40 ing the state of residence in disputed cases, the manner of returning  
41 persons to the place of residence and the bearing or sharing of the costs.

42 (w) The secretary shall perform any other duties and services nec-  
43 essary to carry out the purposes of this act and promote social welfare in

1 the state of Kansas, not inconsistent with the state law.

2 (x) The secretary shall establish payment schedules for each group of  
3 health care providers. Any payment schedules which are a part of the  
4 state medicaid plan shall conform to state and federal law. The secretary  
5 shall not be required to make any payments under the state medicaid  
6 plan which do not meet requirements for state and federal financial  
7 participation.

8 (1) The secretary shall consider budgetary constraints as a factor in  
9 establishing payment schedules so long as the result complies with state  
10 and federal law.

11 (2) The secretary shall establish payment schedules for providers of  
12 hospital and adult care home services under the medicaid plan that are  
13 reasonable and adequate to meet the costs which must be incurred by  
14 efficiently and economically operated facilities in order to provide care  
15 and services in conformity with applicable state and federal laws, regu-  
16 lations, and quality and safety standards. The secretary shall not be re-  
17 quired to establish rates for any such facility that are in excess of the  
18 minimum necessary to efficiently and economically meet those standards  
19 regardless of any excess costs incurred by any such facility.

20 (3) *On and after July 1, 2001, payment schedules for providers of*  
21 *adult care home services under the medicaid plan shall not use the 85%*  
22 *rule in computing reimbursement. As used in this paragraph (3), the "85%*  
23 *rule" means the 85% minimum occupancy rule and the resulting formula*  
24 *adjustments based on this rule under Kansas Administrative Regulation*  
25 *30-10-18 and other similar rules and regulations. Authorized expenditures*  
26 *not otherwise accounted for in the reimbursement rate of the facility, not*  
27 *under the control of the facility and required by the state of Kansas or*  
28 *federal mandates shall be reimbursed by the state as a direct-cost pass-*  
29 *through.*

30 (4) *On and after July 1, 2001, payment schedules for providers of*  
31 *adult care home services under the medicaid plan shall establish plant*  
32 *operating costs and the real and personal property fee as separate cost*  
33 *centers. The real and personal property fee shall be adjusted upward for*  
34 *inflation from the 1984 base or the date of last rebasing or the date of*  
35 *construction if built after 1984 using the RS means-cost index and shall*  
36 *be updated and rearranged annually.*

37 (y) The secretary shall maintain a system of centralized payment for  
38 all welfare expenditures.

39 Sec. 2. K.S.A. 39-708c is hereby repealed.

40 Sec. 3. This act shall take effect and be in force from and after its  
41 publication in the statute book.

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