

M I N U T E S

SPECIAL COMMITTEE ON WAYS AND MEANS - A
June 6, 1977

Chairman Wint Winter called the Ways and Means - A interim committee meeting to order at 9:30 a.m. on June 6, 1977. Members attending, in addition to Senator Winter, were: Representative Mike Glover, Representative Mike Hayden, Representative Rex Hoy, Representative Ruth Luzzati, Representative Irving Niles, Senator Joseph Warren, and Representative George Wingert. Members absent were: Representative R.E. Arbuthnot, Senator Joseph C. Harder, and Senator Billy Q. McCray. Staff members present were: Chris Badger, Louis Chabira, Emalene Correll, Robert Epps, Norman Furse, Ray Hauke, Julie Mundy, and Marlin Rein.

Chairman Winter introduced a new member of the Legislative Research Department's fiscal staff, Mr. Chris Badger, and announced that the first item of business would be a review of all topics assigned to the Ways and Means - A Committee during the legislative interim. Staff advised the Committee that the prepared outlines of each interim topic were rough drafts. The outlines were prepared for the purpose of capturing the Committee's wishes and expectations regarding each of the assigned topics. Staff members began reading individual topical outlines which they had prepared. Copies of the proposed outlines are attached. The outlines discussed were:

Proposal No. 65 - Community Mental Health and Retardation Facilities

Staff reviewed this outline which will include an overview of Community Mental Health and Retardation Facilities, a clarification of roles and relationships between state and community programs, and a review of financial support of state and community programs. The topical outline is attached.

Staff inquired of the Committee's desire to visit some of the facilities that will be reviewed as a part of this topic. Representative Luzzati indicated a desire to visit some of the facilities and questioned whether it was more desirable to visit facilities as a group or individually. Senator Winter indicated that he thought individual visits were often more beneficial than group tours.

Representative Niles stated that he thought the Committee should review the administration of institutional programs and problems resulting from the difficulty in filling vacant positions.

Proposal No. 66 - State SRS Institutions and Programs

Staff reviewed this outline, the subject of which will include an overview of SRS institutions, review of current programs, examination of the department's five-year plan regarding institutions, and consideration of the future role of institutions given the existence of comparable community-based facilities.

Representative Glover inquired whether the institutions to be considered were only those under the jurisdiction of the Department of SRS. The resulting discussion indicated that only SRS institutions were proposed for review as a part of this topic. Representative Hayden proposed that an addition to this topic be the involvement of other state-operated institutions as they relate to SRS institutions. He specifically requested a review of the relationship between the State Security Hospital at Larned with other institutions in the state correctional system.

Proposal No. 67 - Wichita Branch of the University of Kansas
Medical Center

Staff reviewed this topic which will include consideration of the historical development of the Wichita branch, review of present programming, consideration of the facility's unique role, study of the facility's space requirements, and clarification of the future role of the Wichita branch.

Senator Warren inquired whether this topic should include reviews of this facility and its effect on retaining medical practitioners in Kansas. The ensuing discussion concluded that retention of medical school graduates in Kansas is to be a separate topic during the interim.

Proposal No. 69 - Retention of Medical School Graduates in Kansas

Staff reviewed this topic which will include consideration of whether a problem exists in retention of medical school graduates, review of current efforts to encourage the location of physicians in Kansas, identification of efforts other states have undertaken to retain physicians, and survey of factors which contribute to choice of locations made by medical school graduates.

Representative Hayden proposed an addition to the outline of a review of the admissions process at the University of Kansas Medical Center. Representative Hayden also proposed that the topical outline also include consideration of Kansans participating in residency programs of other states and countries.

A member of the staff mentioned that the State Board of Healing Arts is currently conducting a statewide survey which shows the location of physicians in Kansas.

Proposal No. 70 - Energy Utilization and Sources

Staff presented this topical outline which will consider the state facilities consuming energy, the energy resources, conservation measures, and review of federal legislation relating to energy conservation.

It was noted that the staff intends to prepare information concerning energy by all major state-operated facilities. This information would be available for presentation during the legislative interim.

Senator Warren requested information concerning the allowable uses for federal energy conservation funds.

Representative Luzzati requested that staff prepare information about contracts state-operated facilities have with energy suppliers. Additionally, she indicated a desire to have this information include descriptions of energy conservation incentives which exist in the contracts.

Proposal No. 71 - Rainbow Unit Review

As presented by staff, this interim study will include an overview of the Rainbow Unit, clarification of current problems and issues, and consideration of options concerning possible changes in the Rainbow Unit's operation.

Senator Winter requested that staff research on this topic identify federal restrictions which inhibit state options for changing operation of the Rainbow Unit.

Future Meetings

Following the review of all topical outlines, except Proposal No. 68, the Committee began consideration of acceptable meeting times for the remainder of the legislative interim. The next Committee meeting was scheduled for June 23-24 in Wichita, Kansas. The meeting will be devoted primarily to Proposal No. 67 concerning the Wichita Branch of the University of Kansas Medical Center. Some attention will also be given to service providers under the Title XX program. The Committee agreed to set regular meeting times of 9:30 a.m. on the first day and 8:30 a.m. for the second day of all future meetings. Other meeting dates and topics through the month of November were established as follows:

<u>Dates</u>	<u>Location</u>	<u>Agenda</u>
July 6 and 7	Kansas City	Proposal No. 69 - Retention of Medical School Graduates in Kansas Proposal No. 71 - Rainbow Unit Review
August 18 and 19	Topeka	Proposal No. 65 - Community Mental Health and Retardation Facilities Proposal No. 66 - State SRS Institutional Programs
September 8 and 9	Topeka	Proposal No. 70 - Energy Utilization and Sources
October 10 and 11	Open	Open
November 9 and 10	Open	Open

Proposal No. 68 - Kansas Utilization of Title XX

A review of the preliminary outline on Proposal No. 68 dealing with the state's utilization of federal Title XX funds for social services was presented by staff. The Committee approved the preliminary outline as presented by consensus and directed staff to proceed with the study.

The staff then presented a three-part memorandum covering the following aspects of the Title XX program: (1) Historical Perspective of Social Services, (2) Services Currently Funded Through Title XX, and (3) Administrative Use of Title XX Funds. Attachments to the staff memorandum summarize the allocation of federal Title XX funds for Fiscal Years 1976 through 1978, and the number of clients receiving various types of social services from January through March, 1977. A copy of this staff memorandum is attached.

Representative Glover questioned the type of matching requirement for Title XX funds. Staff indicated that the current regulations require a cash match of 25 percent. So called "soft" matches based on the value of in-kind services are not allowable under federal Title XX guidelines.

Senator Warren asked if there was any overlap between the CETA and Title XX programs. Staff explained that the CETA program only provides jobs for low income individuals and no social services. However, because of the income eligibility requirements for Title XX, it is possible that individuals employed in the CETA program might be eligible for Title XX services.

Representative Luzzati requested an explanation of the audit requirements for Title XX. Staff explained that the State Department of Social and Rehabilitation Services was responsible for both financial and program audits of all Title XX funded programs. The federal government audit responsibility consists of random validation audits to check the accuracy of the state audits.

Representative Luzzati asked if Title XX funds were used for office rental expenditures by the Department of Social and Rehabilitation Services. Staff indicated that part of the Title XX funds allocated for area office administration were used for office rental.

Presentation by Dr. Robert Harder, Secretary of Social and Rehabilitation Services, on Title XX

The meeting re-convened at 1:30 p.m. with Dr. Harder's presentation. Dr. Harder introduced two SRS staff members having primary involvement in the Title XX program: Mrs. Barbara Sabol, Director of the Division of Children and Youth, and Mr. Lauren Harrod, Chief of Social Services.

Dr. Harder began with a brief historical explanation of Title XX. He stated that Kansas was somewhat slower than other states in developing a social service program. The state did not exploit federal social service funding which existed prior to Title XX, by using it to finance institutional and correctional services. Since 1972, Kansas has increased its efforts within the area of Purchase of Service Programs. This has been done by purchasing services from a variety of community-based social service agencies ranging from alcohol and drug abuse facilities to day care centers for children.

Because of its community involvement, the Purchase of Service Program has generated considerable interest statewide. This interest will become most evident at the June 7 statewide hearing concerning the proposed Title XX plan. According to Dr. Harder, the proposed plan has generated interest because it reflects reduction of the purchase of service program.

Dr. Harder distributed two documents, to the Committee which will be reviewed at the June 7 meeting. These documents detail programmatic cutbacks that are proposed to enable SRS to stay within Kansas' Title XX financial allotment. These documents are attached.

The documents were discussed by the Committee. Staff inquired of the Department's decision to set the income eligibility standard at 100 percent of the median income, rather than 80 percent as shown in the proposed plan. Dr. Harder responded that comments, submitted by several service providers and consumers, indicated that eligibility cutbacks from the 110 percent level to the 80 percent level during a one-year period would be too severe. Representative Luzzati then asked if SRS had located some additional funding, which permitted easing the cutback to the 100 percent level, rather than the original 80 percent proposal. Dr. Harder answered that no additional funding had been located and that there was an element of risk in going to the 100 percent level, while attempting to stay within the budget. Representative Luzzati then asked whether some other program would be sacrificed to allow income eligibility at the 100 percent level. Dr. Harder replied that this was very possible and that the sacrifices would probably come in the area of residential living. A member of the staff asked Dr. Harder to provide the Committee with a copy of the fee schedule which would be employed, if eligibility was set at the 100 percent level. The requested fee schedule was then distributed.

Senator Warren requested clarification concerning exactly what an individual could receive, if eligible. Dr. Harder then explained the functioning of the fee schedule. If an individual earns an income within the range of the fee schedule, he or she must pay an amount, shown on the fee schedule, before SRS will begin reimbursing for services.

Staff inquired if the policy change, requiring certain facilities to subtract state aid payments from their rate would have the policy effect of mandating that state aid payments be spent for services rather than maintenance. Dr. Harder indicated that he would research this matter and submit a response to the Committee.

A staff member asked if changing the donor match rate from 75/25 to 50/50 would allow some new donors to participate. Dr. Harder replied affirmatively. Staff then asked for a dollar estimate of the new money that would be generated by this change. Dr. Harder responded that approximately \$1.5 million in new moneys would be generated.

Dr. Harder distributed three additional memoranda (which are attached). These materials reflected: (1) dollar expenditures that would occur if the current growth rate continued; (2) proposed dollar allocations among the areas within Kansas; and (3) individuals served by the areas.

Presentation by Myron Dice, Program Director of
Cross-Lines Cooperative Council

Mr. Dice distributed a letter to the Committee (which is attached) and made a statement concerning the letter.

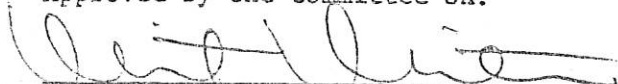
Representative Hayden questioned Mr. Dice concerning the fact that the Kansas City area will lose less Title XX funds, according to proposed SRS area allocations, than will many rival areas. Mr. Dice stated that available Title XX money will not be beneficial, if the donor match rate is such that sufficient donated funds cannot be raised.

Senator Warren requested that Mr. Dice elaborate on the functioning of an alternative school. Mr. Dice described the operations of the Cross-Lines Cooperative School and its dealings with young persons having problems in the regular educational program.

Following Mr. Dice's presentation, Chairman Winter reviewed the agenda for upcoming meetings and adjourned the Committee until 9:30 a.m. on June 23, 1977.

Prepared by Robert Epps and Ray Hauke

Approved by the Committee on:



(Date)

ATTACHMENT I

OTHERS IN ATTENDANCE

Name	Representing
Ruth Friedrichs	American Association of University Professors
Randy Myers	Kansas City Star
Roger Myers	Topeka Capital-Journal
Marilyn Bradt	League of Women Voters
Katie Pyle	Kansans for Improvement of Nursing Homes
Ray Briggs	Health Care Providers
Lyle Koerpen	Institute of Logopedics
Max N. Field	Sedgwick County Mental Retardation
Dave Jones	Institute of Logopedics
James Hayes	Division of the Budget
Jeremy Slaughter	Kansas Medical Society
Robert C. Harder	Secretary, Department of Social and Rehabilitation Services
Harriet Nebring	Kansans for Improvement of Nursing Homes
Ruth C. Dickinson	Division of Planning and Research, Department of Administration
Barbara Sabol	Director, Division of Children and Youth, Department of Social and Rehabilitation Services
Laren Harrod	Chief of Social Services, Department of Social and Rehabilitation Services
M. Myron Dice	Cross-Lines Council, Kansas City, Kansas
Timothy Allen Albertson	Capital Area Welfare Rights Organization, Inc.
David Dallam	Division of the Budget

INTENDED POLICY CHANGES
RELATED TO PURCHASE OF SERVICES
June 7, 1977

ATTACHMENT II

It is the intention of the Department of Social and Rehabilitation Services to adopt the following policy changes at the Open Meeting to be held July 5, 1977, in the Staff Development Training Center, Topeka State Hospital Grounds, beginning at 9:00 a.m.

Comments regarding these proposed policies will be received until Friday, June 24, 1977.

- 1) All donated funds, including 649 and state alcohol and drug funds, will be subject to the 10% administrative costs which are now limited to local public and private donors.
- 2) Effective January 1, 1978, the matching rate for donated fund projects will be 50% local and 50% federal funds, i.e., a one to one match instead of the current three to one match.
- 3) Effective January 1, 1978, the Department of Social and Rehabilitation Services will allow federal revenue sharing funds to be used as match for Title XX funds.
- 4) The maximum social service rate paid by Social and Rehabilitation Services for facilities providing work adjustment services will be \$16.50 per day.
- 5) The maximum social service rate paid by Social and Rehabilitation Services for residential services for adults will be \$8.50 per day for Level III facilities (30 hours of services or more weekly); \$5.00 per day for Level II facilities (20 hours of services or more weekly); \$1.25 per day for Level I facilities (10 hours of service or more weekly). These rates will also be in effect for adult apartment living residential services. (All rates are maximums--if actual cost is less, the rate will be less.)

Social service rates do not include maintenance costs. All state fund grants (i.e., 649, etc.) will be used to offset costs in computing Social and Rehabilitation Services rates.

PRESENTED AT JUNE 7, 1977 OPEN MEETING

Due to public responses and departmental policy decisions, the Department of Social and Rehabilitation Services announces the following intentions regarding the Title XX plan.

1) The Final Comprehensive Social Services Plan--July 1, 1977 to June 30, 1978--will have eligibility for social services up to 100% of the monthly median income (\$1309 for a family of four). Fees will begin at the 60% of the monthly median income level (\$785 for a family of four).

The proposed plan limits eligibility to 80% of the median income (\$1047 for a family of four).

This eligibility level of \$1309 per month compares with eligibility level of \$1380 per month for the past year's Comprehensive Social Services Plan.

2) The proposed direct services of case management, resource development, and social work and counseling services will be incorporated into the remaining services of the plan. This will make it easier to understand in which areas SRS staff time is being spent.

The increases in direct staff provided services are a result of: 1) cost of living increase provided by the legislature, 2) merit increase for existing employees, 3) increase in actual amount of homemaker services to be provided, and 4) nine additional protective service staff.

3) The two services--work training center services and work activity center services--are being combined into a new service--work adjustment services.

The two services described types of facilities. The new service--work adjustment--defines actual services and not types of facilities.

4) Alternative education--name and definition is being changed to better reflect the services provided and purchased.

FEE SCHEDULE

For the period July 1, 1977,
through June 30, 1978

To be applied to services for income eligibles. Not to be used for current ADC recipients or current SSI recipients. A mandatory fee is charged income eligibles based on income and family size. A mandatory fee is not charged for protective services for children and adults, and information and referral.

1 Person		2 Persons		3 Persons			4 Persons			5 Persons			
Monthly Income	Monthly Fee	Gross Monthly Income At Least	Less Than	Monthly Fee	Gross Monthly Income At Least	Less Than	Monthly Fee	Gross Monthly Income At Least	Less Than	Monthly Fee	Gross Monthly Income At Least	Less Than	Monthly Fee
409	No Fee	\$ 0	534	No Fee	\$ 0	660	No Fee	\$ 0	785	No Fee	\$ 0	911	No Fee
415	3	534	543	3	660	671	3	785	798	3	911	926	3
422	3	543	552	3	671	682	3	798	811	3	926	941	3
429	3	552	561	3	682	693	3	811	825	4	941	956	4
436	3	561	570	3	693	704	4	825	838	5	956	972	6
443	3	570	578	4	704	715	6	838	851	7	972	987	8
449	4	578	587	6	715	726	7	851	864	8	987	1002	10
456	5	587	596	7	726	737	8	864	877	10	1002	1017	12
463	6	596	605	8	737	748	10	877	890	12	1017	1032	14
470	7	605	614	10	748	759	12	890	903	14	1032	1047	16
477	8	614	623	11	759	770	14	903	916	16	1047	1063	19
484	10	623	632	13	770	781	16	916	929	19	1063	1078	22
490	11	632	641	14	781	792	18	929	942	21	1078	1093	25
497	12	641	650	16	792	803	20	942	956	24	1093	1108	28
504	14	650	659	18	803	814	22	956	969	27	1108	1123	31
511	15	659	668	20	814	825	25	969	982	30	1123	1138	34
518	17	668	676	22	825	836	27	982	995	33	1138	1154	38
524	18	676	685	24	836	847	30	995	1008	36	1154	1169	41
531	20	685	694	26	847	858	33	1008	1021	39	1169	1184	45
538	22	694	703	29	858	869	36	1021	1034	42	1184	1199	49
545	24	703	712	31	869	880	38	1034	1047	46	1199	1214	53
552	26	712	721	34	880	891	42	1047	1060	50	1214	1230	57
558	28	721	730	36	891	902	45	1060	1073	53	1230	1245	62
565	30	730	739	39	902	913	48	1073	1086	57	1245	1260	66
572	32	739	748	42	913	924	51	1086	1100	61	1260	1275	71
579	34	748	757	45	924	935	55	1100	1113	66	1275	1290	76
586	36	757	765	47	935	946	59	1113	1126	70	1290	1305	81
592	38	765	774	50	946	957	62	1126	1139	74	1305	1321	86
599	41	774	783	54	957	968	66	1139	1152	79	1321	1336	91
606	43	783	792	57	968	979	70	1152	1165	84	1336	1351	97
613	46	792	801	60	979	990	74	1165	1178	88	1351	1366	102
620	49	801	810	63	990	1001	78	1178	1191	93	1366	1381	108
627	51	810	819	67	1001	1012	83	1191	1204	98	1381	1397	114
633	54	819	828	71	1012	1023	87	1204	1217	104	1397	1412	120
640	57	828	837	74	1023	1034	92	1217	1230	109	1412	1427	126
647	60	837	846	78	1034	1045	96	1230	1244	115	1427	1442	133
654	62	846	854	82	1045	1056	101	1244	1257	120	1442	1457	139
661	66	854	863	86	1056	1067	106	1257	1270	126	1457	1472	146
667	68	863	872	90	1067	1078	111	1270	1283	132	1472	1488	153
674	72	872	881	94	1078	1089	116	1283	1296	138	1488	1503	160
681	75	881	890	98	1089	1100	121	1296	1309	144	1503	1518	167

FEE SCHEDULE

For the period July 1, 1977,
through June 30, 1978

To be applied to services for income eligibles. Not to be used for current ADC recipients or current SSI recipients. A mandatory fee is charged income eligibles based on income and family size. A mandatory fee is not charged for protective services for children and adults, and information and referral.

6 Persons			7 Persons			8 Persons			9 Persons*		
Monthly Income	Monthly Fee		Gross Monthly Income	Monthly Fee		Gross Monthly Income	Monthly Fee		Gross Monthly Income	Monthly Fee	
At Least	Less Than		At Least	Less Than		At Least	Less Than		At Least	Less Than	
	No Fee		\$ 0	1060	No Fee	\$ 0	1084	No Fee	\$ 0	1108	No Fee
1037	3		1060	1078	3	1084	1102	3	1108	1126	3
1054	3		1078	1096	3	1102	1120	3	1126	1145	3
1071	5		1096	1113	5	1120	1138	5	1145	1163	5
1089	7		1113	1131	7	1138	1156	7	1163	1181	7
1106	9		1131	1149	9	1156	1174	9	1181	1200	9
1123	11		1149	1166	11	1174	1192	11	1200	1218	11
1140	13		1166	1184	14	1192	1210	14	1218	1237	14
1158	16		1184	1202	16	1210	1228	17	1237	1255	17
1175	19		1202	1219	19	1228	1246	19	1255	1274	20
1192	22		1219	1237	22	1246	1264	22	1274	1292	23
1210	25		1237	1255	25	1264	1282	26	1292	1311	26
1227	28		1255	1272	29	1282	1300	29	1311	1329	29
1244	31		1272	1290	32	1300	1318	33	1329	1348	34
1261	35		1290	1308	36	1318	1336	37	1348	1366	37
1279	39		1308	1325	40	1336	1354	40	1366	1384	41
1296	43		1325	1343	44	1354	1373	45	1384	1403	46
1313	47		1343	1361	48	1373	1391	49	1403	1421	50
1331	51		1361	1378	52	1391	1409	54	1421	1440	55
1348	56		1378	1396	57	1409	1427	58	1440	1458	60
1365	60		1396	1414	62	1427	1445	63	1458	1477	65
1382	65		1414	1431	67	1445	1463	68	1477	1495	70
1400	70		1431	1449	72	1463	1481	73	1495	1514	75
1417	75		1449	1466	77	1481	1499	79	1514	1532	81
1434	81		1466	1484	83	1499	1517	84	1532	1551	86
1452	86		1484	1502	88	1517	1535	90	1551	1569	92
1469	92		1502	1520	94	1535	1553	96	1569	1588	98
1486	98		1520	1537	100	1553	1571	102	1588	1606	105
1503	104		1537	1555	106	1571	1589	109	1606	1624	111
1521	110		1555	1573	113	1589	1607	115	1624	1643	118
1538	117		1573	1590	119	1607	1625	122	1643	1661	124
1555	123		1590	1608	126	1625	1643	129	1661	1680	132
1572	130		1608	1626	133	1643	1662	136	1680	1698	139
1590	137		1626	1643	140	1662	1680	143	1698	1717	146
1607	144		1643	1661	147	1680	1698	150	1717	1735	154
1624	151		1661	1679	155	1698	1716	158	1735	1754	162
1642	159		1679	1696	162	1716	1734	166	1754	1772	169
1659	166		1696	1714	170	1734	1752	174	1772	1791	178
1676	174		1714	1732	178	1752	1770	182	1791	1809	186
1693	182		1732	1749	186	1770	1788	190	1809	1828	194
1711	190		1749	1767	194	1788	1806	199	1828	1846	203
1728											

Family size of nine is based on 141 percent of the median income of a family of four. For each additional family member above nine persons, three percentage points to the percentage for a family of nine.

Title XX Projections FY-77 & FY-78

	Projected FY-77 Expenditures	FY-78 Budget	Projected FY-78 Expenditure Based on FY-77 Ave. ..	Average per Mo	
t. 450 - ADC Day Care	3,170,429	3,450,000	3,450,000	287,500	Budgeted + 12
t. 557 - Income Elig. Day Care	533,602	PL 94-401	- 0 -	- 0 -	
t. 455.- donor Funds	6,303,670	3,300,000	7,260,000	605,000	Ave. Apr., May 77
t. 460 - ADC-FC	2,676,024	2,685,168	2,700,000	225,000	Ave. Mar., Apr., May 77
t. 522 - Reintegration	2,971,524	2,860,000	2,860,000	238,333	Budgeted + 12
t. 462 - Prog. 90-FC	245,981	251,243	251,243	20,936	Budgeted -;12
t. 463 - G.A.F.C.	2,610,467	1,746,671	2,793,276	232,773	Ave. Mar., Apr., May 77
t. 467 - Speech Defective	744,301	700,000	700,000	58,333	Budgetdd + 12
t. 591 - Weatherization	297,941	- 0 -	- 0 -		
t. 494.- Comm. Base Home	42,313	- 0 -	- 0 -		
Total P.O.S.	<u>19,596,252</u>	<u>14,933,032</u>	<u>20,014,519</u>		
Title XX Funds P.O.S.	<u>14,697,189</u>	<u>11,244,812</u>	<u>15,010,889</u>		
Title XX Funds - Direct	<u>12,111,479</u>	<u>13,564,782</u>	<u>13,564,782</u>		
Total XX Funds	<u>26,808,668</u>	<u>24,809,594</u>	<u>28,575,671</u>		
Total XX Allocation	26,850,000	26,587,000	26,587,000		
Difference	(+) 41,332	(+)1,777,406.	(-)1,988,671		

PROJECTED TITLE XX FY-78 EXPENDITURES - P.O.S.

Activity: ADC Day Care (450)

	Historical	
	100%	FY-78
den City	1.717406	59,251
ine	2.331407	80,434
tt	3.877879	133,787
ita	3.028754	104,492
	14.967542	516,380
hinson	3.974373	137,116
ield	2.548467	87,922
ria	2.828918	97,598
tion City	4.196474	144,778
tha	1.523703	52,568
ka	17.621577	607,944
as City	23.000557	793,519
ce	8.734731	301,348
comia	2.803334	96,715
ta	2.972420	102,548
ns	1.549160	53,446
burg	2.323298	80,154
	100.000000	3,450,000

Projected FY-78 3,450,000

Activity: ADC-FC (460)

	Historical	
	100%	FY-78
	2.263732	61,121
	3.443609	92,977
	3.039909	82,078
	2.262065	61,076
	21.262206	574,080
	2.777082	74,981
	2.412497	65,137
	3.300924	89,122
	2.739434	75,315
	2.026884	54,726
	17.656842	476,735
	18.972103	512,247
	6.150641	166,075
	3.405229	91,941
	2.653511	71,915
	1.661024	44,848
	3.912108	105,627
	100.000000	2,700,001

Projected FY-78 2,700,000

Activity: Program 90 - FC (462)

	Historical	
	100%	FY-78
	9.398630	23,601
	6.791608	17,063
	.590670	1,484
	3.813006	9,580
	19.928527	50,069
	.425436	1,069
	6.230032	15,653
	3.620324	9,096
	2.395068	6,017
	28.022890	70,408
	6.934834	17,423
	.558282	1,403
	6.752083	16,964
	2.039349	5,124
	2.503211	6,269
	100.000000	251,243

Projected FY-78 251,243

Activity: GARC (463)

	Historical	
	100%	FY-78
	4.099994	114,524
	3.795983	106,032
	3.927118	110,952
	2.368803	66,167
	14.879191	415,617
	3.197112	89,304
	3.604558	100,685
	4.872607	136,105
	1.225614	34,235
	3.046303	85,092
	11.482386	320,735
	14.845389	414,673
	17.008935	475,107
	3.384896	94,549
	1.850793	51,698
	1.409394	39,368
	4.955919	133,433
	100.000000	2,793,276

Projected FY-78 2,793,276

Prepared By: Research and Statistics Staff
6/3/77

	FY-77		FY-78	FY-77	FY-77	FY-78	FY-78	FY-77	FY-77	FY-78	FY-78
	Historical	Formula: 100%									
	Percent	Dollars	Dollars	7-1-1-1	From Historical	7-1-1-1	From Historical	5-1-2-2	From Historical	5-1-2-2	From Historical
City				Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
	7.1785	485,634	413,521	443,568	-42,066	377,701	-35,820	414,376	-71,258	352,845	-60,676
	4.4443	309,662	256,016	309,754	+9,092	263,759	+7,743	310,883	+10,221	264,720	+8,704
	6.4407	439,721	371,019	399,243	-36,478	339,958	-31,061	375,877	-59,844	320,052	-50,957
	6.5766	444,509	378,502	402,822	-41,687	343,006	-35,496	368,969	-75,540	314,180	-64,322
	22.4478	1,518,619	1,293,116	1,373,116	-145,503	1,169,217	-123,899	1,279,940	-238,679	1,039,878	-203,238
son	4.4485	300,946	256,258	303,577	+7,631	262,756	+6,498	308,049	+7,103	262,305	+6,067
d	3.7643	254,659	216,844	264,314	+9,655	225,064	+8,220	272,032	+17,373	231,638	+14,794
a City	1.0355	70,053	59,650	120,973	+50,920	103,010	+43,360	155,171	+85,118	132,129	+72,479
a	3.5751	241,860	205,945	291,313	+49,453	248,054	+42,109	326,492	+84,632	278,011	+72,066
	.5632	38,101	32,443	94,460	+56,359	80,434	+47,991	134,714	+96,613	114,710	+62,267
City	10.4428	706,467	601,562	693,877	-12,590	590,642	-10,720	683,520	-22,947	582,022	-19,540
	8.5902	581,137	494,642	628,878	+47,741	535,495	+40,653	680,509	+99,372	579,459	+84,617
ia	11.2126	758,545	645,907	692,862	-65,603	589,979	-55,928	617,229	-141,316	525,586	-120,321
	2.8604	194,362	165,927	211,504	+16,642	180,098	+14,171	224,520	+29,658	191,181	+25,254
	2.3788	160,928	137,032	198,204	+37,276	168,773	+31,741	228,762	+67,834	194,793	+57,781
	1.1313	76,534	65,169	115,047	+38,513	97,964	+22,795	147,377	+70,843	125,493	+60,324
	2.8954	195,877	168,791	216,626	+20,749	184,459	+17,668	236,712	+40,835	201,560	+34,769
	100.0000	6,765,114	5,760,544	6,765,138	+24	5,760,569	+25	6,765,132	+18	5,760,572	+28
		6,765,113									
		5,760,546									

By: Research and Statistics Staff
/77

	FY-77		FY-78		FY-77		FY-78		FY-77		FY-78		FY-77		FY-78										
	<u>Historical</u>	<u>Formula: 100%</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollars</u>	<u>Dollar Change From Historical Dollars</u>	<u>Dollars</u>	<u>Dollar Change From Historical Dollars</u>	<u>Dollars</u>	<u>Dollar Change From Historical Dollars</u>	<u>Dollars</u>	<u>Dollar Change From Historical Dollars</u>	<u>Dollars</u>	<u>Dollar Change From Historical Dollars</u>	<u>Dollars</u>	<u>Dollar Change From Historical Dollars</u>									
City	13.1056		404,135	374,935	333,580	-70,555	309,478	-65,457	287,179	-116,956	266,423	-108,507	3.6235		111,703	103,632	123,984	+12,291	115,035	+11,403	130,119	+18,416	120,717	+17,035	
	7.2437		223,305	207,170	201,072	-22,233	186,543	-20,627	187,292	-36,013	173,759	-33,411	.3790		11,684	10,339	52,127	+40,443	48,360	+37,521	77,051	+65,367	71,433	+60,644	
	18.7721		578,696	536,882	538,474	-40,222	499,567	-37,315	510,776	-67,920	473,870	-63,012			578,696	536,882	538,474	-40,222	499,567	-37,315	510,776	-67,920	473,870	-63,012	
son	8.5642		264,012	244,936	230,675	-33,337	214,007	-30,929	206,310	-57,702	191,402	-53,534	1.8415		56,769	52,667	82,482	+25,713	76,522	+23,855	101,386	+44,617	94,060	+41,393	
	1.4044		43,294	40,166	64,229	+20,935	59,583	+19,422	78,683	+35,369	72,999	+32,833	2.7851		85,858	79,654	116,117	+30,259	107,728	+28,074	137,434	+31,576	127,504	+47,350	
City	.7390		22,781	21,135	48,794	+26,013	45,269	+24,134	68,006	+45,225	63,092	+41,957			22,781	21,135	48,794	+26,013	45,269	+24,134	68,006	+45,225	63,092	+41,957	
	15.3809		474,154	439,894	422,062	-52,092	391,565	-48,329	386,212	-87,942	358,306	-81,583	.3917		12,075	11,203	95,139	+83,114	88,312	+77,109	154,799	+142,724	143,615	+132,412	
	6.6658		295,490	190,642	214,835	+9,196	199,172	+8,530	205,327	-163	190,491	-151	10.2459		315,655	293,033	257,129	-58,726	238,552	-54,481	219,464	-96,391	203,607	-99,425	
City	1.5416		47,524	44,090	74,618	+27,094	69,226	+25,136	96,074	+48,550	89,131	+45,041			47,524	44,090	74,618	+27,094	69,226	+25,136	96,074	+48,550	89,131	+45,041	
	6.5642		202,357	187,736	171,856	-30,501	159,440	-28,296	155,290	-47,067	144,070	-43,666	.7478		23,053	21,367	55,665	+32,612	51,643	+30,256	81,353	+58,300	75,476	+54,059	
	100.0000		3,082,745	2,860,001	3,082,749	+5	2,860,007	+7	3,082,755	+11	2,860,010	+10			3,082,745	2,860,001	3,082,749	+5	2,860,007	+7	3,082,755	+11	2,860,010	+10	
			3,082,744																						
			2,860,000																						

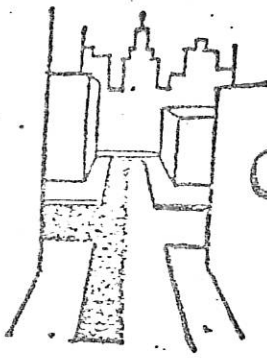
By: Research and Statistics Staff
2/77

SERVICES PURCHASED FOR
ELIGIBLE INDIVIDUALS BY AREA,
SERVICE, AND TYPE OF CONTRACT/AGREEMENT

MPC - Major Purchase Contract
LPA - Limited Purchase Agreement

AREA	TYPE OF SERVICE	NUMBER SERVED	NO. OF MPC'S	NO. OF LPA'S	AREA	TYPE OF SERVICE	NUMBER SERVED	NO. OF MPC'S
<u>CHANUTE</u>	Meals	20	1		<u>OSAWATOMIE</u>	Habil. & Rehabil. Sheltered Workshop	101	2
	Habil. & Rehabil. Sheltered Workshop	30	1			Transportation	300	1
	Community & Family Living	46	1			Day Care-Children	154	3
	Day Care-Children	216	4	51		Residential-Adult Children	65	2
	Residential-Adult Children	19	1			Children	64	2
		8	1		<u>PARSONS</u>	Meals	10	1
<u>EMPORIA</u>	Habil. & Rehabil. Sheltered Workshop	52	1		Habil. & Rehabil. Sheltered Workshop	48	1	
	Day Care-Children	131	1	43	Day Care-Children	151	1	
	Residential-Adult Children	15	1		Residential - Adult	87	5	
		44	2		<u>PITTSBURG</u>	Meals	100	2
<u>GARDEN CITY</u>	Habil. & Rehabil. Sheltered Workshop	84	2		Habil. & Rehabil. Sheltered Workshop	45	1	
	Day Care-Children	240	4	74	Transportation	405	1	
	Residential-Adult Children	47	4		Day Care-Children	159	4	
		8	1		Residential-Adult Children	6	2	
<u>HAYS</u>	Habil. & Rehabil. Sheltered Workshop	113	1		<u>PRATT</u>	Habil. & Rehabil. Sheltered Workshop	95	2
	Day Care-Children	239	5	63	Community & Family Living	134	1	
	Residential-Adult Children	123	2		Day Care-Children	200	2	
		8	1		Residential-Adult Children	5	1	
<u>HIAMATHA</u>	Weatherization	55	1			28	3	
	Residential-Adult	12	1		<u>SALINA</u>	Habil. & Rehabil. Sheltered Workshop	114	1
	Day Care-Children	121	2	24	Day Care-Children	324	4	
<u>HUTCHINSON</u>	Habil. & Rehabil. Sheltered Workshop	93	3		Residential-Adult Children	65	2	
	Day Care-Adult Children	24	1		Children	122	4	
	Residential-Adult Children	73	6	67	<u>TOPEKA</u>	Habil. & Rehabil. Sheltered Workshop	134	3
		166	5		Recreational-Children	232	1	
<u>JUNCTION CITY</u>	Habil. & Rehabil. Sheltered Workshop	55	3		Speech Defective	6	2	
	Day Care-Children	280	4	82	Residential-Adult Children	117	6	
	Family Planning	125	1		Children	218	13	
	Residential-Adult Children	20	2	1	<u>WICHITA</u>	Day Care-Adults Children	48	2
		10	1		Children	1384	5	
<u>KANSAS CITY</u>	Weatherization	157	1		Habil. & Rehabil. Sheltered Workshop	216	3	
	Habil. & Rehabil. Sheltered Workshop	46	1		Speech Defective	107	1	
	Community & Family Living	395	1		Family Planning	1291	2	
	Day Care-Children	1213	5	233	Residential-Adult Children	166		
	Residential-Children	284	11		Children	392		
	Protective-Children Education	21	1		Educational	3	1	
		65	2		<u>WINFIELD</u>	Weatherization	93	1
<u>OLATHE</u>	Weatherization	86	1		Habil. & Rehabil. Sheltered Workshop	54	1	
	Meals	20	1		Day Care-Children	173	3	
	Habil. & Rehabil. Sheltered Workshop	184	2	96	Residential-Adult Children	23	1	
	Day Care-Children	482	11		Children	8	1	
	Residential-Adult Children	82	4					
	Protective-Children	206	7					
		47	1					

STATE: Meals, 159; Weatherization, 391; Habil. & Rehabil. SWS, 1464; C & F Living, 575; Day Care-C, 583; Day Care-A, 72; Residential C, 1627; Residential A, 923; Family Plan, 3416; Protective C, 68; Educational, 68; Transportation, 795; Speech Defective, 11; Recreational, 232. TOTAL - 11,612



CROSS-LINES COOPERATIVE COUNCIL

1620 SOUTH THIRTY-SEVENTH STREET
KANSAS CITY, KANSAS 66106
(913) 432-5497

INCORPORATE

EXECUTIVE DIRECTOR
Rev. Donald C. Bakely
PROGRAM DIRECTOR
Mr. M. Myron Dice
SECRETARY
Mrs. Joy Clark

June 6, 1977

Senator Wint Winter & Members of the interim Ways & Means Committee:

Thank you for allowing me to testify today. I testify as a citizen of Kansas, Wyandotte County and Kansas City. In my job role, I serve as Program Director of Cross-Lines Council, a private non-profit inter-faith supported agency serving south Kansas City, Kansas. Having been involved in social services since 1969, I have special interests in Title XX. Of particular concern presently, is the proposed plan for utilization of Title XX in fiscal year 1978.

According to the State of Kansas, Annual Budget for FY1978:
State Operations thru Title XX

Estimated FY1977	Governor's FY1978	Legislature FY1978
\$12,841,331	\$14,208,960	\$14,208,960

Such action reflects a \$1.3+Million increase from FY77 to FY78.

Purchase of Service thru Title XX

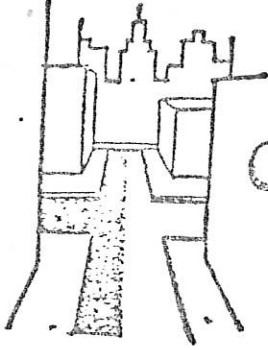
Estimated FY1977	Governor's FY1978	Legislature FY1978
\$17,966,076	\$14,853,082	\$15,553,082

Such action reflects a \$2.4+Million decrease from FY77 to FY78.

SRS and many private agencies have worked diligently to expand needed services for children, youth and adults in Kansas thru Title XX Purchase of Service. In FY1978, even the continued existence of some programs will be threatened by the proposed cuts in Purchase of Service.

As indicated by the State Operations thru Title XX, SRS is totally dependent upon Title XX for social service staff and operational costs. As the federal government assumes more responsibility for income maintenance of public welfare, indications are that the States will be expected to assume more responsibility for social services. I strongly recommend that the Legislature appropriate state funds for at least partial coverage of SRS social service costs. Such action would allow greater utilization of Title XX for purchase of service.

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Blessed Sacrament Catholic
- VICE-PRESIDENT
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Old Mission Methodist
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- TREASURER
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- RESOURCE PERSONS
- COMMUNITY ACTION PROGRAM
Mr. Jose Bula
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- EDUCATION
Mr. Syd Tubbs
Grandview United Methodist
- HOUSING
Mr. Robert Hughes
St. Paul AME Zion
- LEGISLATION
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Western Highland Presbyterian
- SOCIAL SERVICES
Dr. Barbara Luker
Benedictine United Methodist
Sr. Juliana Schiefelbus
Holy Name Church
- VOLUNTEER SERVICES
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Ecumenical
- CLERGY REPRESENTATIVES
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Immanuel Lutheran
Rev. James Hance
Graystone AME, St. Jax. AME
Rev. Kenneth Briggs
Argentine
Rev. Donald Smith
Berksham Lutheran
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Westport
Mrs. Aurlia Madden
Amoundale
Mrs. Elizabeth Thomas
Mrs. William Hickey
Argentine
Mrs. Fay Williams
Graystone
Mrs. June Hovner
Mrs. Freda Walsh
Dorothy
- MEMBERS-AT-LARGE
- YOUNG ADULTS
John Officer
An Bula
- CROSS-LINE HOMES
Mrs. Katherine Wright
- MINISTERS
Dr. Les Goetz



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Greystone
Mrs. June Howser
Mrs. Freda Walsh
Benedict

MEMBERS-AT-LARGE

YOUNG ADULTS
John Officer
Art Ruiz

DESIGN HOMES
Mrs. Katherine Wright

YOUTH
Dr. Leo Goetz

A second recommendation relates to differences in service priorities among different area of the state. Since the SRS structure has Area Offices, it would seem appropriate that Area Offices have decision-making power in the establishment of service priorities for Title XX in their corresponding areas. For example, the SRS Area of Wyandotte County reflects some unique differences. One of the unique services is Alternative Education programs thru Karamu House and Cross-Lines Alternative School. These programs although education related are in actuality comprehensive social service programs with youth that are delinquency prevention programs and programs preventing inappropriate institutionalization. These small programs face the real possibility of being ignored on a state wide priority but reflect significantly greater priority in the Wyandotte County Area.

A third recommendation relates to the matching funds requirement for Title XX. The federal law requires a minimum 25% cash match of local or state funds. However, SRS has considered raising the match requirement in order to expand Title XX dollars. I oppose such action. Our local project raised the 25% match in FY1977. However, any higher match would probably exceed our available resources. It appears that larger match requirements would be particularly difficult for projects in metropolitan areas.

As a private agency provider of service, I am proud of the track record of community-based services provided by private non-profit agencies. We have provided accountability that has been controlled by a community constituency, personalized services and generally lower cost services than governmental entities can provide. I trust that you will give consideration to these issues in the 1978 Legislative session.

Thank you for the time allowed to present these recommendations.

Submitted by,
M. Myron Dice

M. Myron Dice
3109 Shearer
Kansas City, Kansas

MEMORANDUM

June 3, 1977

TO: Special Committee on Ways and Means - A
FROM: Kansas Legislative Research Department
RE: Proposal No. 68 - Kansas Utilization of Title XX

SECTION ONE

HISTORICAL PERSPECTIVE OF SOCIAL SERVICES

What Are Social Services

When reviewing the topic of social services, the question first arising involves definition of precisely what social services are. Generally speaking, social services are not medical services and they are not cash assistance. Typically, provision of social services includes day care, certain work activity services, various residential services, and what is traditionally known as casework or counseling (i.e. working with individuals and families relative to problems and available services).

Social Service Financing, Prior to Title XX

For several years social services in the United States were financed with 75 percent federal reimbursement through Titles IV-A and VI of the Social Security Act. These acts were somewhat specific relative to the types of clients that could be served. The clients served had to be current, former, or potential recipients of public assistance. However, the definitions of former and potential public assistance recipients were somewhat vague, which allowed states to rather broadly define their social service programs and thus what could be financed with federal financial participation. The broad definitions combined with an unlimited appropriation resulted in some states exploiting the intent of the law and funding large portions of their institutional correctional, mental health, and mental retardation services using federal social service money. The result was a doubling of social service expenditures at the federal level between FY 1971 and FY 1972. The following issues caused the federal government to begin re-evaluating its policies relative to social services.

1. Two separate studies by leading accounting firms showed that nationwide very little could be shown relative to what had been accomplished with federal social service funds other than that they had been spent.
2. Funds utilization by states was not proportional to states population nor to states having the highest per capita poverty levels.

3. Evaluations showed that some states were not expanding services but rather funding existing state institutions with federal money.
4. Additional states were becoming aware of loopholes in the law which allowed funding of existing correctional, educational, and mental health facilities with federal social service money. This situation promised additional expenditures at the federal level, unless rules governing social service expenditures were revised.

Pre-Title XX Revision

The first attempts at revision came within the framework of existing Title IV-A and VI regulations. The most significant change involved placing a limit of \$2.5 billion on expenditures and allocation of this money among the states based upon population.

Further attempts at revision in social services procedures led to the abandonment of Titles IV-A and VI and to the evolution of Title XX, which was implemented October 1, 1975.

Kansas did not participate in exploitation of Titles IV-A and VI by funding prisons and other institutions with federal social service funding. However, Kansas did utilize Title IV-A and VI funding to implement a purchase of service program and to finance operation of state and local SRS functions. During Fiscal Year 1972, when the federal ceiling was established, Kansas utilized \$6.2 million of federal social service money. Its allotted share was \$27.1 million. Thus Kansas was not at that time in danger of exceeding its limitation.

Title XX Allocation Features

At the time of Title XX implementation, certain features of the old categories of service grants were continued. One of these features was a federal social service ceiling of \$2.5 billion. The money continued to be allocated on the basis of population. Although Kansas was not approaching its expenditure ceiling at the time of Title XX implementation, the state was assured of having a reduced limitation in the future. This occurs because Kansas' proportion of the total U.S. population declines slightly on an annual basis. Thus, if the federal ceiling remains at \$2.5 billion, Kansas' allocation will decline by approximately \$250,000 to \$300,000 annually.

Title XX State Plan Requirements

Despite reductions in total dollars, the regulations which surround Title XX tend to provide the state with more flexibility in its service delivery system. Through Title XX, each state prepares an annual plan of services to be delivered during the coming year. This preliminary plan must be prepared at least 90 days prior to the beginning of each fiscal year. The plan must specify the services to be delivered, estimated expenditures for each type of service, estimates of persons that will be served, and the categories of individuals to be served. The preliminary plan must be available to the public, the public must be allowed to comment on it, and the final plan should reflect the results of the public input. The finalized plan must be available by the start of each fiscal year. Kansas administers Title XX through the Department of Social and Rehabilitation Services. SRS holds at least one public meeting in each of its 17 areas, places newspaper advertisements concerning the public meetings, and invites citizens to write SRS, in an effort to secure input concerning the annual plan.

Title XX Eligibility Requirements

Federal Title XX regulations allow states some flexibility in defining those who may receive services. Title XX regulations specify that 50 percent of federal dollars must be spent on individuals who are currently receiving ADC, SSI, or Medicaid. Current recipients of public assistance categories, previously mentioned, are automatically eligible for Title XX services. Others may be eligible, according to federal regulations, if their incomes are below certain levels or if they are a protective service case (i.e. their safety is threatened due to their actions or the actions of others). Federal law also allows Family Planning and Information/Referral to be provided to all clients regardless of eligibility standards. Federal regulations specify that services cannot be provided to individuals who earn more than 115 percent of the state's median income and that an income-related fee for services must be assessed of those who earn above 80 percent of a state's median income. Kansas' FY 1976 state plan allowed eligibility up to 115 percent of the state's median income, while the FY 1977 plan allows eligibility to 110 percent of the state's median income (The Kansas median income for a family of four is \$15,709 during FY 1978) and required individuals to pay fees if their income was above the 80 percent level. Additionally, Kansas state Title XX plans included provisions that protective service cases be eligible without regard to income. Due to reductions in available Title XX funds, the FY 1978 preliminary state plan allows income eligibility not to exceed 80 percent of the median income, with fees starting at the 60 percent level.

Though states have considerable flexibility in designating which services will be provided, federal regulations specify that all services must be designed to assist clients in achieving one of the following five goals: (1) achieving or maintaining self-support; (2) achieving or maintaining self-sufficiency; (3) preventing or remedying neglect, abuse, or exploitation among those unable to protect their own interests; (4) preventing or reducing inappropriate institutional care; and (5) securing institutional care when other forms of care are not appropriate. A state must have at least one service directed toward each of the five goals and states must have at least three services available to SSI recipients. The only required service under Title XX is family planning for ADC clients.

Restrictions on Use of Title XX Funds

Title XX cannot be used to provide medical services, capital improvements, cash assistance, most types of room and board, and educational services which the state generally makes available. The state must make its Title XX program available statewide.

Title XX provides 75 percent federal match for administrative costs of the administering agency, provided that those costs are determined in accordance with a cost allocation procedure approved by HEW. Social service regulations require that Title XX funds be matched with cash, thus in-kind matching is not allowable. Further, the cash match may be derived from public funds or private donors. However, privately donated funds must be transferred to the state agency and be under its administrative control; be donated without restriction on use other than type of service to be supported and geographic area to be served; and finally, the matched funds may not revert to a donor.

SECTION II

SERVICES CURRENTLY PROVIDED
THROUGH TITLE XX

Services in Kansas Title XX Plan

There are 15 services in both the Fiscal Year 1977 Kansas Title XX plan and the proposed Fiscal Year 1978 plan. However, some of the service categories have been changed. The following list delineates services included for FY 1977 and FY 1978.

<u>FY 1977</u>	<u>FY 1978</u>
Chore Service	Alternative Educational Service
Community Living Services	Case Management Service
Day Care	Chore/Labor Service
Early and Periodic Screening	Day Care Service - Self-Supported Goal
Educational Services	Day Care Service - Directed Toward Other Goals
Family Planning	Homemaker Service
Habilitation and Rehabilitation	Information and Referral
Homemaker Services	Nutrition Service
Information and Referral	Residential Service
Legal Services	Resource Development Service
Meal Service	Social Work/Counseling Service
Protective Service	Transportation Service
Residential Service	Weatherization Service
Transportation Service	Work Activity Center Services
Weatherization Service	Work Training Center Services

A primary difference between the FY 1977 plan and that proposed for FY 1978 deals with the handling of purchased and direct services. Direct services are those provided by the agency administering Title XX. Purchased services are those which the administering agency obtains through contractual arrangements with other service vendors.

In the FY 1978 plan, services provided by SRS staff are listed separately as counseling, case management, and resource development rather than including those activities as part of the basic purchased service as they were during FY 1977 (i.e. under the FY 1977 plan a client receiving day care services would be considered to receive only the day care service. The SRS effort involved in arranging the service and counseling the

client would be considered a part of the day care. The FY 1978 plan specified more definitely the activities of the SRS staff. Under this plan the client would have received counseling and case management, in addition to day care).

Title XX federal funds are matched with State General Funds for virtually all of the Kansas direct service effort. The purchase of service effort during FY 1978 will be provided using Title XX federal funds matched by \$2.8 million in State General Fund moneys and \$825,000 in donor moneys.

Purchased Services Supported from State General Funds

State General Fund support of the purchased service program has been for specific types of clients and in some cases specific services for certain categories of clients. The following list reflects categories of purchased service that are financed through Title XX and matched by State General Fund moneys:

<u>Category of Service</u>	<u>FY 1977</u>	<u>FY 1978</u>
Day Care for ADC Eligibles	\$3,124,449	\$3,450,000
Day Care for Income Eligibles	609,500	--
Services for Speech Defective Children	700,000	700,000
Services for ADC Foster Care Recipients	2,614,568	2,685,168
Services for State Ward Foster Care Recipients	245,150	251,243
Services for General Assistance Foster Care Recipients	1,714,097	1,746,671
Services to Reintegration Clients	2,556,640	2,860,000

Source: FY 1978 Budget - Social and Rehabilitation Services

Day Care Purchased Through P.L. 94-401

During its 1976 Sessions, the United States Congress passed P.L. 94-401, which provided a national one-time appropriation of \$250,000,000. This money provided 100 percent federal reimbursement for purchase of day care, for incentives to encourage welfare recipient employment in day care centers; and for direct child day care support. This appropriation resulted in an allotment to Kansas of \$2,685,000. The funding is for the last three quarters of FY 1977 and the first quarter of FY 1978. It is uncertain at this time whether Congress will make a similar appropriation for FY 1978.

Services Supported Through Donated Funds

The above budgetary categories of state and federal financing combine with donated funds to provide the total purchase of service effort. Donor money is presented to SRS from a variety of resources but all of it is presented for the express purpose of matching with Title XX funds to produce a quadrupling effect of the service program involved. Donated funds are primarily categorized in two types, public and private. Public donors are local units of government and other state agencies who donate their levies or appropriations. A public donor may specify the service, geographic areas, and service provider that will benefit from the donated funds. Private donors are philanthropic groups, civic groups, religious organizations, or individuals donating service money. Examples of private donors are local associations for retarded citizens, United Way, and associations for retired persons. Private donors may specify the geographic area and service that will benefit from the donated funds but they may not specify the service provider. Additionally, private donors cannot also be service providers. The Title XX amounts budgeted for matching with donor funds are \$6,401,672 in FY 1977 and \$3,300,000 in FY 1978.

Services Purchased During FY 1977

Total State General Fund appropriations and donor funds, matched with Title XX moneys, have produced the following purchased services to date during FY 1977:

Purchase of Service
July 76 - April 77

<u>Service</u>	<u>Dollar</u>
Chore	\$ 201,597
Community Living Services	80,178
Day Care	5,376,835
Educational Services	61,446
Family Planning	53,493
Habilitation and Rehabilitation	3,829,333
Homemaker Service	13,617*
Legal Service	3,507
Meal Service	42,436
Protective Service	40,198
Residential Service	6,915,469
Transportation Service	31,490
Weatherization Service	12,100
TOTAL	<u>\$16,661,699</u>

*This amount represents a small amount of Homemaker Service expended through a purchase of service contract prior to implementation of Direct Service program.

State Homemaker Program

In addition to the purchased services, a homemaker program is directly provided by SRS. This service is budgeted for \$1,248,948 during FY 1977 and \$1,964,019 in FY 1978. The program was operated as a purchase of service during FY 1976. However, a satisfactory statewide contract could not be negotiated during FY 1977 and SRS implemented direct provision of this program. Homemaker, chore, and weatherization services are provided by part-time intermittent laborers who are employed by SRS.

Direct Service Provision

The majority of expenditures for direct services finance operation of SRS area offices. This funding provides the local social workers who determine eligibility for services, arrange for placement of clients in services, counsel service recipients, and develop resources for use by SRS clients. (Attachment I provides budgeted Title XX allocation for FY 1976, 1977, and 1978 by direct, purchased, and administrative expenditures.)

The numbers of clients receiving Title XX services are shown in Attachment II. These data reflect total clients receiving services during the quarter ended March 31, 1977.

SECTION III

ADMINISTRATIVE USE OF TITLE XX FUNDS

Administrative Expenditures

Among allocations of Title XX for administrative purposes, 66 percent is for local office administrative services (\$3,175,277). This funding provides clerical support to process paperwork necessary to order purchased services, review the billing submitted by service providers, and submit necessary vouchers to state offices which secures payment for service providers. Additionally, local office clerical support updates and maintains individual client records and submits reports to state offices concerning the number of persons served.

State Office Administrative Services (Title XX funding \$814,058) is responsible for producing all financial and statistical reports concerning social services. The majority of such reports are mandated by federal guidelines. Administrative services at the state level also conducts various audits of service providers. Included in this function is the review of

financial statements submitted by providers. Such review is a part of the rate-setting procedure relative to the price SRS will pay for the services it purchases. Additionally, a large amount of accounting work is necessary to maintain records concerning the status of various donor accounts among those matching Title XX funds.

The Division of Children and Youth (Title XX funding \$451,152) and the Adult Services Section (Title XX funding \$83,187) provide state level program administration for the various services included in the Title XX plan. Included in their activities are interpretation of federal regulations and issuance of state instructional material to direct local offices concerning procedures to meet both federal and state initiatives. Additionally program specialists in these units review content of programs provided by vendors of purchased services and frequently are involved with individualized casework problems. These units provide program training to local offices, while developing and monitoring program standards.

The Data Processing Section (which will receive \$242,517 in Title XX funding) is responsible for the keypunching of all vouchers for payment of service providers and production of certain computer generated statistical reports. The allocation of \$242,517 also includes computer time, including that required to process payment to service providers.

Administrative Activities Required by Federal Regulation

A variety of activities are mandated by federal regulations which enhance the administrative expense of Title XX. Those regulations require state agencies to produce all financial and statistical reports in formats specified by the Secretary of HEW (45 CFR Part 228.17). In addition, Title XX regulations specify that state agencies must maintain an individual recipient data file (45 CFR Part 228.63). This data file must contain individual records of eligibility, services received, and goals to which services are directed,

Conclusion

The issues confronting decisionmakers, regarding Title XX, are many and complex. From a state perspective the biggest problem is that there is no longer open-ended federal financing of social services. Simultaneously, the usage of services has become more diversified and widespread. This has resulted in expenditure of Title XX funds that will equal the federal ceiling during FY 1977 and at the current growth rate would exceed it by approximately \$1.9 million during FY 1978.

Several factors have resulted in the current maximization of Title XX allocations. The size of donor matching of social service expenditures has increased during recent fiscal

periods. During this period, SRS has implemented certain procedures which are designed to maximize federal funding and simultaneously minimize State General Fund spending. These procedures have consisted of redesign of cost allocation processes, which provide increased federal financing of administrative activities. Additionally, methods have been developed which increase usage of Title XX funding for services to foster care children.

The ensuing choices are neither simplistic nor popular. They involve either curtailment of services or location of new revenues to finance expanding services. Included in alternatives are some choices that would place additional requirements upon the State General Fund.

The object of this interim study will be review of sources and uses of social service funds, including exploration of alternatives. The review of such data contains a goal of providing additional information which can be utilized as decision-makers confront future choices.

ATTACHMENT I

FY 1976 - FY 1978 TITLE XX FEDERAL FUND ALLOCATION

	<u>FY 1976 Total</u>	<u>FY 1976 Title XX Funded</u>	<u>FY 1977 Total</u>	<u>FY 1977 Title XX Funded</u>	<u>FY 1978 Total</u>	<u>FY 1978 Title XX Funded</u>
<u>DIRECT SERVICES</u>						
Act. 151 - Social Services Area Offices	\$ 7,971,535	\$ 4,309,551	\$ 7,972,868	\$ 5,763,581	\$ 8,348,843	\$ 6,035,429
Act. 156 - Social Services - Blind	155,364	86,029	176,571	127,644	185,069	133,787
Act. 165 - Migrant Project	41,908	21,760	47,319	35,489	--	--
Act. 168 - Protective Service - Donor Fund	--	--	242,465	181,849	289,815	217,361
Act. 590 - Homemaker Services	--	--	1,248,948	936,711	1,964,019	1,502,623
Act. 172 - WIN Area Office	325,307	186,826	528,024	264,768	545,465	277,849
Act. 165 - Service Extension - Donor	345,536	205,571	479,719	359,789	504,274	378,205
Total Direct Services	<u>\$ 8,839,650</u>	<u>\$ 4,809,737</u>	<u>\$10,695,914</u>	<u>\$ 7,669,831</u>	<u>\$11,837,485</u>	<u>\$ 8,545,254</u>
<u>PURCHASE OF SERVICE</u>						
Act. 451 - Day Care - ADC Eligibles	\$ 2,853,838	\$ 1,450,978	\$ 3,124,449	\$ 2,343,336	\$ 3,450,000	\$ 2,587,500
Act. 557 - Day Care - Income Eligibles	--	--	609,500	500,000	500,000	500,000
Act. 486 - Speech Defective Children	364,659	195,400	700,000	560,000	700,000	525,000
Act. 459-460-Purchase of Service ADC Foster	1,211,037	894,204	2,614,568	1,960,926	2,685,168	2,013,876
Act. 462 - Purchase of Service-State Ward Foster Care	--	--	245,150	183,865	251,243	188,433
Act. 463 - Purchase of Service - G.A. Foster Care	1,106,662	805,162	1,714,097	1,285,573	1,746,671	1,310,003
Act. 455-456-Purchase of Service-Donor Funds-Children	415,961	298,383	700,000	525,000	500,000	375,000
Act. 455-456-Purchase of Service-Donor Funds-Adults	3,361,851	1,965,188	5,701,672	4,285,004	2,800,000	2,100,000
Act. 521 - Reintegration	1,737,632	1,019,846	2,556,640	1,917,480	2,860,000	2,145,000
Act. 591 - Homemaker	51,422	38,299	--	--	--	--
Act. 486 - Speech Defective (Adults) UPC (State Only)	61,874	--	--	--	60,000	--
Total Purchased Services	<u>\$11,164,936</u>	<u>\$ 6,667,460</u>	<u>\$17,966,076</u>	<u>\$13,561,184</u>	<u>\$15,553,082</u>	<u>\$11,744,812</u>
Total Direct and Purchased Services	<u>\$20,004,586</u>	<u>\$11,477,197</u>	<u>\$28,661,990</u>	<u>\$21,231,015</u>	<u>\$27,390,567</u>	<u>\$20,290,066</u>
<u>ADMINISTRATION AND INDIRECT COSTS</u>						
Act. 000 - Area Office Administration	\$ 4,756,964	\$ 1,246,891	\$ 8,403,520	\$ 3,000,056	\$ 8,889,354	\$ 3,175,277
Act. 010 - Exc. Fin. R & S, Personnel	2,470,696	510,242	2,341,201	627,298	3,039,797	814,058
Act. 161 - Social Services - Adult State	158,272	82,293	110,784	80,097	115,050	83,187
Act. 162 - C & Y - State Administration	894,611	357,956	686,220	431,595	716,308	451,152
Act. 016 - Data Processing	792,168	153,671	820,175	221,841	896,453	242,517
Act. 419 - Purchase of Service Management System	87,719	65,789	107,681	80,761	--	--
Total Administration and Indirect Costs	<u>\$ 9,160,430</u>	<u>\$ 2,416,842</u>	<u>\$12,469,581</u>	<u>\$ 4,441,648</u>	<u>\$13,656,962</u>	<u>\$ 4,766,191</u>
TOTAL DIRECT, PURCHASED AND INDIRECT COSTS		<u>\$13,894,039</u>		<u>\$25,672,663</u>		<u>\$25,056,257</u>

Source: FY 1976, 1977, and 1978 Budget for Social and Rehabilitation Services

ATTACHMENT II

CLIENTS RECEIVING SOCIAL SERVICES
January 1977 Through March, 1977

<u>Service</u>	<u>Number of Clients Receiving</u>
Chore Service	1,266
Community Living Service	1,515
Day Care	7,773
Early and Periodic Screening	3,148
Educational Services	1,506
Family Planning	3,146
Habilitation and Rehabilitation	6,891
Homemaker Service	3,864
Information and Referral	13,679
Legal Services	231
Meal Services	180
Protective Services	6,457
Residential Service	7,504
Transportation Service	1,145
Weatherization Service	131

Source: SRS Title XX Federal Report