

## M I N U T E S

## SPECIAL COMMITTEE ON WAYS AND MEANS-A

November 10, 1977Room 514 - State HouseMorning Session

Chairman Winter convened the Special Committee on Ways and Means-A at 9:30 a.m. in Room 514-S of the State House. In addition to Chairman Winter the following Committee members were in attendance: Representative R. E. Arbuthnot, Representative Mike Glover, Representative Mike Hayden, Representative Rex Hoy, Representative Ruth Luzzati, Senator Billy McCray, Representative Irving Niles, Senator Joe Warren and Representative George Wingert. Staff members present were Chris Badger, Robert Epps, Norman Furse, Ray Hauke, and Marlin Rein. Conferees who were in attendance are listed in Attachment I at the end of these minutes.

Chairman Winter asked for comments on the minutes from the October meeting. The Committee directed that the following changes be made in the October 10-11 meeting's minutes: (1) the second sentence of the last paragraph of page 2 should read "Norman Furse of the Revisor's office suggested that the Healing Arts Act would need to be amended to provide for the revocation of licenses in such situations."; (2) the third line of the third paragraph of page 7 should say "nine months" instead of "12 months" so that the sentence reads: "Chairman Winter asked if the federal scholarship program is for nine months."

Chairman Winter directed the Committee's attention to Proposal No. 69 - Retention of Medical School Graduates in Kansas.

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

Mr. Norman Furse from the Revisor of Statutes Office presented a draft of the bill which the Committee will present on Proposal No. 69.

After review of Section I of the bill, Chairman Winter opened the floor for discussion. Senator McCray asked what the dollar amount of tuition would be. Chairman Winter referred to subsection 4 and said that the four-year program would cost \$1,100 per year while a three-year program would cost \$1,500 per year. Mr. Von Ende, University of Kansas, stated that the computation of medical education costs includes faculty salaries and departmental medical costs and that he did not know how federal funds are figured into general use funds.

Mr. Furse said that the language on general use funds came from the study of the 1202 Commission which stated that the cost of original research, extension, and capital improvements would be excluded from general use costs.

Representative Hayden said that there should be a consensus as to how yearly costs should be computed. Chairman Winter directed the Committee to review and discuss Section II of the bill.

Representative Hayden referred to line 17 on page 3 and asked for clarification of the sentence. Mr. Von Ende stated that a student generally spends nine months per year in school in a four-year curriculum and 12 months in a school in a three-year curriculum. Vice-Chairman Wingert indicated that Mr. Furse's language was appropriate. Senator Warren asked why the language could not say "while the student is pursuing an active course of study." Mr. John Jeter, a student at the University of Kansas Medical Center, said that the first two years of school the student spends approximately nine and one-half months while the last two years are somewhat shorter. The Committee adopted Mr. Furse's language on general use funds by consensus.

Chairman Winter directed Committee review and discussion to Section III. Representative Glover asked if nine months of school should require 12 months of service in the field, indicating that students should not be required to serve non-school months. Senator Harder disagreed, indicating that the scholarships were good ones and that the proposal was still an attractive one for prospective doctors. Chairman Winter indicated that the U.S. Public Health Service requires service on a full-year basis and that tuition provided in the bill under consideration is consistent with the federal service as written. The Committee agreed to clarify the relationship of scholarships from year-to-year so that it is clearly a one-to-one relationship.

Representative Hayden felt that in line 16 of page 4 the designation "Area II" should be changed to "Kansas." Representative Hayden moved the substitute language. Representative Glover seconded and the Committee passed the substitute consensus.

Chairman Winter directed discussion to Section IV. Representative Hayden asked if the words "medical care facilities" in Section IV included all state institutions. Mr. Furse replied that correctional facilities such as the State Penitentiary at Lansing were not included. Chairman Winter asked that all institutions operated by the State of Kansas be included, indicating that an individual ought to be able to move within Service Area I in order to add flexibility to the program during his time of commitment. Mr. Furse indicated that nothing in this section would prevent a person from moving. Chairman Winter indicated that Area II people may serve in any area that is designated as an underserved area. Senator McCray said that physician supply and demand would help regulate the number in a particular part of any underserved area.

Mr. Von Ende requested that Subsection 8 provide for underserved areas by medical specialty. The Committee suggested that line 3 be amended so that the Secretary of Health and Environment designate medically underserved areas according to various types of specialties. Senator McCray moved the proposed amendment. Representative Hayden seconded and the Committee adopted the motion.

Representative Hayden moved that lists representing underserved areas should be extended from 24 months to 30 months prior to the beginning of full-time practice of medicine by the persons in the service commitment areas. The Committee agreed.

Chairman Winter asked that the bill be changed to require Type I and Type II scholarship recipients of the University of Kansas Medical Center to keep records and provide reports to the Medical Center as well as the Secretary of Health and Environment to document satisfaction of obligations. Mr. Von Ende expressed concern that a student might have to move to new underserved areas. Chairman Winter indicated that legislative intent was to allow flexibility and that changes in the list would occur while the students were in school and not while they were serving.

Senator Warren asked how often the list would change. Chairman Winter said that the list would change every September. Representative Hoy asked what the consequences would be if the program were so successful that there were no underserved areas. Chairman Winter indicated that the Secretary of Health and Environment could designate the entire state as an underserved area.

Mr. Rein asked about full-time v. part-time status in state institutions. The Committee consensus was to give flexibility to allow part-time commitment to fulfill service obligation. Representative Hayden asked that the Secretary of Health and Environment and other parties report to the Legislature each year, perhaps to the Legislative Coordinating Council on September 1, to report on the status of legislation to recommend any needed changes in the act. Chairman Winter asked that the Secretary file with the Clerk of the House and the Secretary of the Senate any recommended changes regarding the law and report on medical manpower availability. The Committee concurred.

The Chairman directed Committee discussion to Section V. Representative Hayden indicated his desire to have a 10-year limit on loan repayment in the event of default on the service commitment. The Committee concurred, adding that such repayment should begin within six months after the breach of contract.

Chairman Winter directed Committee discussion to Section VI. Chairman Winter indicated that the five-year limitation applied to all cases in which the person obligated is unable to practice medicine and surgery except in cases of physical disability. Representative Hayden moved and Senator Harder seconded that the last sentence of Section V be deleted. The motion passed. Mr. Furse indicated that the five-year limit applies to all cases except Subsection 6 on medical disabilities.

Chairman Winter directed Committee discussion to Section VII. The Committee decided to change the effective date of publication to the official state paper rather than publication in the statute books.

Representative Glover moved to change the bill so that the student will only be charged for living expenses and not tuition if he switched from an underserved area to another part of the state. Representative Hoy seconded the motion and Senator Harder said that if the program were changed to make it easier to switch from Area I to Area II,

it will be difficult to attract people to come to underserved areas. Representative Glover said that if a penalty for switching were severe, people would simply move out of the state rather than remain in the state. Chairman Winter called for a vote. The motion failed. The bill is amended was moved by Senator Harder and seconded by Representative Wingert. The motion passed.

The Committee recessed until 1:30 p.m.

#### Afternoon Session

Chairman Winter reconvened the afternoon session at 1:30 p.m.

#### Proposal No. 68 - Kansas Utilization of Title XX

Chairman Winter, at the request of Senator McCray, asked that the Committee recommend to the Legislature that close attention be given to the appropriation and expenditure of Title XX funds for administrative purposes and that such language be added to the Committee report. Representative Glover moved the proposed language. Senator Harder seconded and the motion passed.

Mr. Rein directed the Committee's attention to a memorandum by Ray Hauke on Title XX. Representative Glover moved that parts (a) and (b) on page 2 of the memorandum be added to the Committee report. Representative Luzzati seconded the motion. Representative Hayden stated that he only agreed with part (a) and asked for a division of the question. Representative Niles asked if the adoption of part (b) would alter the need for the statement adopted earlier. Representative Glover explained that passing the motion with B included was an assurance of the scrutiny that the Committee desired. Chairman Winter called for a division of the question. Representative Luzzati indicated a need to mention the shift of foster care back to IV A funds. Mr. Rein reminded the Committee that it was endorsing a recommendation and not specific language on the agency's use of Title XX for administrative purposes and that Title XX money was originally intended to pay for administrative costs as well as services. Chairman Winter called for the vote on part (a). The Committee voted its approval. The Committee voted against including part (b) in the report.

Representative Hayden said that the Committee should include Representative Luzzati's language that as the amount of dollars for administration goes up, the amount for services goes down. Mr. Hussein, Kansas Association of Rehabilitation Facilities, asked that the Committee recommend that any money freed up be used for purchase of services. Representative Luzzati moved that such language be included in the report. The Committee concurred.

#### Proposal No. 65 - Community Mental Health and Retardation Facilities

Representative Luzzati recommended that the formula on page 2 be recommended to the Legislature and that community mental health and retardation centers be funded in FY 1979 at 50 percent of eligible income. Senator Harder seconded the motion. The motion was adopted by the Committee, with Chairman Winter casting a negative vote. The Committee adopted the report as amended on a motion by Representative Glover with a second by Representative Luzzati.

#### Proposal No. 66 - State SRS Institutions and Programs

Representative Hayden indicated that if hospital stays continue to shorten, costs continue to rise, and hospital populations continue to decrease, the Legislature may have to close one of the hospitals or reorganize the system. Senator McCray moved that the Committee report include a statement concerning the testimony from conferees representing community-based mental retardation facilities that the services of such facilities do not duplicate services provided by state institutions for the mentally retarded. Representative Glover seconded this motion and the Committee report was adopted as amended.

Proposal No. 71 - Rainbow Unit Review

After discussion, the Committee recommended that the 1978 Legislature make a decision on whether or not to continue operation of the Rainbow Unit. If the operation is to be continued, the Committee recommends that legislation be drafted to separate the facility from Osawatomie State Hospital. If the Legislature recommends discontinuance, the Committee suggests that alternate uses of the facility be explored with the knowledge that the state might be required to reimburse the federal government for a construction grant pending an appeal hearing with HEW.

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

After a brief discussion on this proposal, the Committee recommended the draft report as presented.

Proposal No. 70 - Energy Utilization  
and Sources

The Committee recommended the report as presented.

Proposal No. 72 - Computerization of Health  
Related Fee Fund Agencies Licensure Data


Representative Glover moved the adoption of the report as presented. Representative Hayden seconded and the motion passed.

Representative Hayden moved and Representative Luzzati seconded that the minutes be adopted as amended. The Committee concurred. Representative Glover then moved the adoption of Committee Report No. 69. The motion passed.

Representative Hayden moved to have the Legislative Coordinating Council introduce the bill on Proposal No. 69 in both houses simultaneously with concurrent hearings. The motion passed and Chairman Winter adjourned the meeting.

Prepared by Chris Badger

Approved by Committee on:

 12-22-77  
(date)

CB/dmb

Attachment I

Linda V. Urda, Johnson County Mental Health Association  
John R. Glynn, Staff, Kansas Planning Council and Developmental Disabilities  
Bob Grimm, Kansas City Power and Light Company  
Jerry Slaughter, Kansas Medical Society  
Joan Strickler, Kansas Administrative and Protective Services for the Develop-  
mentally Disabled  
Jean Erwin, Mental Health Association of Johnson County  
Mary Goetz, Mental Health Association of Johnson County  
Richard Von Ende, University of Kansas  
James H. Hays, Division of the Budget  
Shelley Moore, Mental Health Association of Johnson County  
John Jeter, The University of Kansas Medical Center Class of 1981  
George Edwards, The University of Kansas Medical Center Class of 1980  
Joe Harkins, Department of Health and Environment  
Ethel May Miller, Kansas Association for Retarded Citizens  
Ruth Dickinson, Division of Planning and Research  
Abe Hussein, Kansas Association of Rehabilitation Facilities

RE: PROPOSAL NO. 65 - COMMUNITY MENTAL HEALTH AND RETARDATION FACILITIES

Background

Proposal No. 65 directed the Special Committee on Ways and Means - A to review the programming, staffing, patient population trends, financing and relationships with SRS institutions offering services similar to such facilities, and to include further consideration of the revised state aid formula as proposed in S.B. 30.

Committee Activity

Consideration of Proposal No. 65 by the Committee included a review of the historical development of community-based facilities for the mentally ill and retarded in Kansas. The Committee was also presented with data pertaining to such matters as patient diagnostic characteristics, current county mill levy rates for mental health and retardation facilities, a summary of income and expenditures for community facilities and directories of community facilities for the mentally ill and retarded. Reports that depict the impact of S.B. 30 on the distribution of state aid to community-based facilities were also presented.

The Committee then received testimony from the Secretary of Social and Rehabilitation Services and representatives of various community-based programs. The Secretary explained that efforts were being made to improve coordination between state institutions for the mentally ill and retarded with similar community programs. Representatives of community programs are now included in the institutional superintendents' meetings several times each year. The Secretary also pointed out that the delivery systems for mental health and developmental disabilities services in Kansas will increasingly emphasize local community-based programs which is in keeping with the Department's philosophy of providing services in the least restrictive environment. With increased emphasis being given to community-based

programs, the role of state institutions will become that of specialized resource centers providing services and treatment that cannot be appropriately furnished by community-based programs.

Conferees representing community developmental disabilities programs indicated that there was no significant overlapping in state and local programs. Efforts at both levels — primarily in the areas of medical service, crisis care, pre-school and child development, vocational rehabilitation, and research — are different. State programs are advantaged by greater flexibility in staff scheduling, more adequate medical and nursing service, and better physical facilities, while local programs have the advantage of prompt and direct assistance, more variety in programming, and greater parental participation because of their physical proximity to the location of programs.

Also noted were several similarities in the efforts to provide assistance in the areas of mental health and mental retardation. State assistance in both areas is based on the same statutory authority; they are administered by the same state agency; non-state funding support for both is approximately equal; both have approximately the same number of licensed community centers; and operating expenditures are comparable.

It was recommended that 1977 S.B. 30 be changed to convert the state aid formula so that community-based facilities would receive no less than 50 percent of adjusted income. Such a change would give due recognition to the fact that local efforts to support local programs include such funding sources as private donations. Moreover, it also serves as protection against dependency on federal support. Conferees pointed out a commitment of state support at one-half (50 percent) of total adjusted income would represent matching one-half of local income only since state and federal funds are not included in the definition of adjusted income.

Conferees representing the Kansas Association of Rehabilitation Facilities also maintained that a lack of planning and inadequate funding could result in the return of more than 300

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Conferees representing the Kansas Association of Rehabilitation Facilities also maintained that a lack of planning and inadequate funding could result in the return of more than 300



developmentally disabled persons to state institutions. To correct this situation a number of recommendations were presented to the Committee. A summary of these recommendations follows:

- 1) Approval of immediate supplemental appropriations, based upon credited needs to ensure the survival of community services for mentally retarded and other developmentally disabled people;
- 2) Increase state aid to facilities serving mentally retarded and other developmentally disabled people in FY 1979;
- 3) Changes in the usage of Title XX funds available to Kansas;
  - a) Decrease the demand for Title XX through use of Title XIX for certain residential facilities or home health services to serve mentally retarded and other developmentally disabled persons, and providing comprehensive services;
  - b) Shifting ADC foster care to Title IVa instead of Title XX;
  - c) State funds rather than Title XX funds assume the cost of administration and indirect costs;
  - d) Set aside an amount of Title XX funds for services to mentally disabled children and adults;
  - e) State, rather than local funds, pay the match required for Title XX;

- 4) A statutory commitment by the state insuring that community-based comprehensive services systems for the mentally retarded and other developmentally disabled children and adults be available;
- 5) Legislation to designate and empower a developmental disability planning authority. This authority should be composed of appropriate state agencies, consumer representatives and providers.

A representative of the Association of Directors of Community Mental Health Centers of Kansas expressed concern that there is a disproportionate distribution of funds between the three state mental hospitals and the 31 community mental health centers. Both the prevention programs and social advantages of community-based programs were also discussed.

A representative of the Mental Health Association in Kansas, Inc. requested that the Committee authorize an in-depth study of the community mental health centers as well as state institutions so that the mental health delivery systems in Kansas will provide the best possible services to consumers at the least cost.

#### Committee Recommendations

The Committee wishes to recommend to the 1978 Legislature that FY 1979 state funding under the Kansas Community Mental Health and Community Facility for the Mentally Retarded Assistance Act (K.S.A. 1976 Supp. 65-4401 et seq.) be at the full amount of entitlement under the Act.

November 10, 1977

Rep. George Wingert,  
Vice-Chairperson  
Sen. Joseph C. Harder  
Sen. Billy Q. McCray  
Sen. Joe Warren  
Rep. R. E. Arbuthnot

Respectfully submitted,

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. Mike Glover  
Rep. Mike Hayden  
Rep. Rex Hoy  
Rep. Ruth Luzzati  
Rep. Irving Niles

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6-1

RE: PROPOSAL NO. 66 - STATE SRS INSTITUTIONS  
AND PROGRAMS

Background

Proposal No. 66 directed the Committee to review the state institutions for the mentally ill and mentally retarded under the Department of Social and Rehabilitation Services (SRS) to include an examination of the cost of programs and the possible consolidation or elimination of programs; and assessment of the relationship of institutional programs to community based programs; a review of the agency's five-year plan; use of Title XIX funds; and special education programming.

Committee Activity

Consideration of Proposal No. 66 initially included a review of various reports and documents that provide a general overview of the state's three mental hospitals and four institutions for the mentally retarded. The kinds of information reviewed by the Committee included a report on the historical development of SRS institutions, a summary of patient diagnostic categories, a comparison of institutional bed capacities with declining patient population trends, and a status report on staff/patient ratios for direct care personnel and professional staff at the institutions.

Testimony provided to the Committee indicated that the average resident population in Kansas' three state hospitals has declined by 1,238 patients, or more than 50 percent during the past ten years. This decline continues at an annual rate of 5.6 percent, or about 100 patients a year. The state hospitals served 5,665 inpatients and 2,258 outpatients during FY 1976, with an average resident population of 1,253 for the year. Admissions have shown a marked annual increase over the last five years, but began to level off in FY 1975 and FY 1976. The average length of stay in the hospitals has been cut in half since 1970 and the trend continues toward shorter periods of hospitalization.

The Secretary of SRS advised the Committee that the state hospitals will become increasingly specialized as Kansas develops a comprehensive mental health service system. The comprehensive system concept means that each hospital will begin to emphasize its own unique program and services. Immediate plans call for Topeka State Hospital to concentrate on services to people under 25 years of age, with special emphasis on evaluation and diagnosis. Larned State Hospital will continue its emphasis on security services for the assaultive or aggressive patient. Additionally, the Committee learned that the Department of Social and Rehabilitation Services is considering the elimination of alcoholism treatment units at the three state mental hospitals due to increased local activity in the area of alcoholism treatment.

Under the present plan of SRS, the state hospitals will concentrate on short-term crisis intervention hospitalization for the seriously ill patient who requires a structured inpatient environment. They will also continue to move people as quickly as possible back to their home communities. The mental health delivery system in Kansas will increasingly emphasize the growing network of community mental health centers. These centers provide individual, day-to-day support and counseling when and where it is needed without unnecessarily disrupting the individual's work or family life. Therefore, the state hospitals will become resource institutions to which the community mental health centers may turn for specialized services and treatment.

Testimony indicated that in the future institutional programs for the mentally retarded will focus primarily on the multihandicapped severely and profoundly retarded with emphasis being given to special education programs provided through contracts with local school districts. Further decline in institutional populations is not expected as higher functioning residents have already been placed in community programs. In terms of the Department's five-year plan a number of major goals for the developmentally disabled were enumerated for the Committee. These goals are as follows:

- 1) The development and coordination of an array of comprehensive evaluation services and case

management programs so that each developmentally disabled individual will have an individual program plan;

- 2) To develop education and training programs for all developmentally disabled;
- 3) To have available a wide variety of living arrangement programs serving both children and adult developmentally disabled persons in each region of the state;
- 4) Plan, coordinate and provide a combination of support services in order to insure that the individual needs of the developmentally disabled and his family are fully met;
- 5) Plan with and coordinate the delivery of research and training programs offered by the Kansas Center on Human Development and the university affiliated facilities; and
- 6) Continue to review and make information available on the amounts and sources of federal, state, and local public funds that could be utilized in the provision of comprehensive services to the developmentally disabled population.

The Committee was also advised by the Secretary of Social and Rehabilitation Services of plans to establish informal committees for the purpose of planning and coordinating mental health and developmental disability activities at the state and local levels. Under the Secretary's proposal for mental health the three state hospital superintendents plus the program director for the Rainbow Unit, the four members of the executive committee of the mental health center directors association, and four representatives from the mental health association would meet on a regular basis. This group would function by making recommendations concerning policy in the field of mental health. They could serve as a sounding board if

there were individuals who wanted to comment concerning the mental health program in Kansas. They could also provide a unified approach to the resolution of problems concerning mental health within Kansas. Over time, this kind of group could evolve into a more formal body established by legislation as "the state's mental health authority."

Within the state, the Secretary envisioned the establishment of three sub-areas corresponding to the state hospital catchment areas. The make-up of the committees within the three sub-state areas would be comparable to that at the state level. They would be charged with the responsibility of working through the mental health problems in their particular area.

According to the Secretary, the proposed committees offer several advantages. First, they would provide a focal point that is broader than either the mental health centers or SRS. Secondly, they open the total system to more direct public input. Third, the continuous problems of getting individuals into the system could be alleviated. Through this mechanism, the Secretary could mandate that all persons, with the exception of involuntary admissions, would have to enter the system through a community mental health center. This procedure would establish a control point which, in turn, would give decision makers a much better idea of how many hospital beds the state actually needs because only those individuals who absolutely needed the services of a state hospital would be entering the state hospitals. The Secretary also noted that with such a system, there would be a common point of discharge through the mental health centers. This would result in greater possibilities for follow-up than the present system provides.

This kind of plan, according to the Secretary, respects the basic autonomy of each of the separate systems. The plan envisions the proposed state body having the authority to comment on policy but it would not have budgetary authority over either the mental health centers or the state hospitals.

The Secretary anticipated that a similar plan could be followed for developmental disability programs. Organizationally the statewide committee would be comprised of the

superintendents of the four state mental retardation institutions, representatives of community-based mental retardation facilities and representatives of citizen groups such as the Kansas Association for Retarded Citizens. This group as well as regional or sub-state committees of similar composition would perform the same planning and coordinating functions envisioned for the mental health programs.

#### Conclusions and Recommendations

The Committee wishes to report that conferees representing community-based mental retardation facilities indicated that community and state institutional programs serving the mentally retarded are not duplicative of one another in the sense that they serve distinctly different groups. Community-based programs are currently serving ambulatory mildly and moderately retarded while institutional programs serve non-ambulatory severely retarded patients.

The Committee recognizes the need for improved planning and coordination of state and community-based programs serving the mentally ill and retarded. Consequently, the Committee endorses the formation of statewide and regional mental health and developmental disability committees as proposed by the Secretary of Social and Rehabilitation Services. Furthermore, the Committee recommends that the activities and performance of these informal committees be monitored to determine whether more formal bodies should be established by legislation.



November 10, 1977

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Respectfully submitted,

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. Mike Glover  
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Rep. Ruth Luzzati  
Rep. Irving Niles

RE: PROPOSAL NO. 67 - WICHITA BRANCH OF THE  
UNIVERSITY OF KANSAS MEDICAL CENTER

Background

Proposal No. 67 directed the Committee to conduct a comprehensive review of the Wichita Branch of the University of Kansas School of Medicine to include its relationship to community hospitals and hospital residency programs, and programs conducted by the College of Health Related Professions at Wichita State University. The scope of the study also included the examination of current and future space needs of the Medical Branch.

The Committee devoted the major part of a two-day meeting held in Wichita in June to this proposal. The Committee also considered the proposal at several other meetings held in Topeka. Testimony was received from both administrators and faculty of the Wichita Branch; the Chancellor of the University of Kansas; representatives of the Wichita hospitals; the Wichita Medical Association; and from the president and staff of Wichita State University.

Development of the Branch

On September 1, 1971, the University of Kansas Medical Center submitted a proposal to the Board of Regents designed to enable an expansion in the entering medical class size to 200 students. The major components of the proposal were:

- 1) Establishment of a Wichita Branch of the University of Kansas School of Medicine for clinical education of medical students and residents;
- 2) Construction of additional basic science facilities at Kansas City; and
- 3) Construction of new clinical facilities at Kansas City.

The proposal stated that such a plan would be preferred to either developing a freestanding and complete medical school in Wichita or a massive expansion of all facilities at Kansas City.

At the September 17, 1971 meeting of the Board of Regents, Dr. Cramer Reed was named as Dean of the Clinical Branch at Wichita while retaining his position as Dean of the School of Health Related Professions at Wichita State University.

In the Governor's budget recommendations to the 1972 Legislature, initial funding was recommended for the "establishment of a new major clinical branch of the University of Kansas School of Medicine at Wichita."

#### Undergraduate Medical Education

At the time of the creation of the Branch, the University School of Medicine was also embarking on implementation of a three-year undergraduate medical curriculum. Following a brief experience with the three-year curriculum, the School has now returned to basically a four-year curriculum although permitting students to accelerate their education on an optional basis.

In either case, three or four years, the undergraduate medical education program is divided into two phases of approximately equal duration: instruction in the basis sciences and clinical training. With the establishment of the clinical branch, it was planned that all 200 students would receive basic science instruction at the Kansas City campuses with as many as 50 students from each class transferring to Wichita for the clinical phase of training.

The first group of students assigned to Wichita began training at that location in January, 1974. The number of students has gradually increased since that date with 93 students forecast for the Branch by January, 1978. Students receive their principal clinical experiences in the three community hospitals. Beginning in FY 1978, the Branch will

also use the clinical facilities of the Veterans' Administration Hospital. Beginning in Fiscal Year 1976, the state initiated a program with the hospitals which called for an annual payment of \$5,500 per student to reimburse the hospitals for costs incurred by the hospitals in support of the undergraduate medical education program. Since students rotate between the hospitals for various clerkships, actual payments are made on a weekly basis. The FY 1978 budget provides \$316,250 for such payments.

#### Residency Training

As previously noted, the clinical training of undergraduate medical students is principally provided in the three community hospitals. The close relationship of the Branch to the community hospitals also extends to residency training. During the current fiscal year, the three hospitals forecast 193 residents will be in programs that the institutions operate. Of the 193 residents, the state provides stipend support of \$11,500 for 74 of the positions (all primary care). The provision of state support has stimulated significant expansion in residency programs, particularly family practice. The three institutions have a combined total of 66 family practice slots for the current year.

Representatives of the community hospitals expressed their continued support for the family practice programs but also urged the Legislature to provide increased stipend support to ensure a sound financial base for programs in the other specialties. Hospital spokesmen stressed the fact that family practice residents must be exposed to various medical disciplines. Conducting family practice residency programs, coupled with training of medical students, has placed severe pressures on other programs, specifically internal medicine. The Committee was further advised that the three institutions were in the process of developing a means for negotiating as a unit for state funding of hospital residency programs.

The Committee also learned that in most instances, hospital residents being supported by the state were unaware of that support. This lack of awareness as to the source of

funding was offered by the Committee as one explanation of why residents may not feel any sense of obligation to the State of Kansas. The Committee was advised at a later meeting that students were now being advised when a portion of their stipend is being provided by the state.

### Facilities

The Committee examined the planned allocation of space in the new facility to be constructed on the Wichita State University campus. This facility will be shared by the Branch and the College of Health Related Professions. Because of continued expansion of the Branch, additional space for the immediate future was unavailable in Fairmount Towers. As a consequence, the Branch was located for the interim, pending completion of the new building, in the E. B. Allen Hospital. Space to be occupied in that facility was toured by the Committee. The Committee was advised that the Branch was leasing 28,000 square feet whereas only 16,000 square feet had been occupied in Fairmount Towers. The Committee voiced some concern that the planned allocation of space to the Branch in the new facility being constructed was only approximately 26,000 square feet.

### Special Programs

Outreach Efforts. The Committee was advised that in FY 1977, 18 medical students and seven physician assistants served one month rotations in Harper receiving experience both in the community hospital and in doctors' offices. The University noted that they were attempting to advance the rotation to Harper to the early part of a student's clinical training so as to hopefully have that experience occur before the student makes a decision as to what area of specialty training they will pursue. Beginning with the class of 1981, all outreach rotations will also be expanded to two months duration.

Preparations are being made for a similar program at Greensburg. It is hoped that in FY 1979, ten medical students

and four nurse-clinician or physician assistant students can be rotated to that site. The community of Greensburg has contributed some \$250,000 for the addition of space to physician offices and for remodeling to provide living arrangements for the students at the hospital.

Further expansion of outreach efforts will occur with the required two-month participation in the preceptorship program beginning with the class of 1981. Similar expansion of required residency rotations to other communities is also contemplated.

Hospital Service Training Programs. The Committee reviewed the Branch program of providing service training programs to staff of 11 small community hospitals in the area surrounding Wichita. This program provides an invaluable service to the smaller hospitals at a moderate cost. Hospitals are assessed an annual fee of \$3,000 for the service, which income largely offsets the cost of the program.

Neo-Natal Program. An 18-bed intensive care unit is operated at the Wesley Foundation to provide tertiary care for high risk mothers and infants. The program is supported further by availability of a 23-bed intermediate care unit for prolonged care of infants. Increasing use of the service is evidenced by the rising number of surface and air transports made in recent years. A vital part of the program is educational in working with community hospitals and health care personnel to reduce reliance on the tertiary care facilities in Wichita and Kansas City. The Committee was advised that level II facilities have developed at Hays and Topeka which has reduced reliance on Kansas City and Wichita and allowed those two sites to more adequately serve the most acute cases.

#### Committee Conclusions and Recommendations

The Committee study on this proposal provided some new insight into this unique institutional setting. While the Committee has not formulated any specific recommendations, the members are aware of the desire of the medical faculty to

remain at the E. B. Allen Hospital on a longer-term basis in lieu of the planned move to the Wichita State University campus. This is an issue which the Board of Regents should address and formulate a recommendation for consideration by the 1978 Legislature. Such consideration by the Board should include development of an alternative utilization plan for the new facility being constructed on the Wichita State campus. Apart from the issue of whether the Branch should remain at E. B. Allen is the question of the restrictions on the title to the property resulting from the original condemnation proceedings on the property. Whether continued use of the facility by the Branch is an appropriate use under the title restrictions is unclear.

Respectfully submitted,

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. George Wingert,  
Vice-Chairperson  
Sen. Joseph C. Harder  
Sen. Billy Q. McCray  
Sen. Joe Warren  
Rep. R. E. Arbuthnot

Rep. Mike Glover  
Rep. Mike Hayden  
Rep. Rex Hoy  
Rep. Ruth Luzzati  
Rep. Irving Niles

RE: PROPOSAL NO. 68 - KANSAS UTILIZATION OF  
TITLE XX

The Special Committee on Ways and Means - A was directed to review the current usage of Title XX funds, including examination of Title XX funding in administrative and direct service areas. Additionally, the Committee was directed to study alternatives for funding Title XX financed programs given limitations on Title XX financing.

Background

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 first attempt at revisions of Federal law, designed to control costs, 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. The Title XX program continued an expenditure limitation of \$2.5 billion in federal funds. Due to the fact that Kansas' proportion of the total U.S. population declines slightly on an annual basis, Kansas' allocation will decline by approximately \$250,000 to \$300,000 annually, unless the Federal



appropriation of \$2.5 billion is increased. The matching rate for social services under Title XX continues to be 75 percent federal and 25 percent state or local funding.

The regulations which surround Title XX tend to provide the states with considerable flexibility in service delivery systems. 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.

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.

Federal Title XX regulations also allow states to utilize federal social service funding to finance expenditures for administration of the program.

During FY 1977 expenditures for social services increased substantially. To finance increased expenditures in certain areas and simultaneously remain within federal expenditure limitations, various services have been decreased or eliminated during FY 1978. These reductions have resulted in considerable interest in this program and the usage of funds associated with it.

#### Committee Activity

Initial Committee consideration of Proposal No. 68 focused upon consideration of Title XX federal regulations and the services which are financed in Kansas through Title XX. At the first meeting of the interim, the Committee focused upon current usage of Title XX dollars. It was learned that during FY 1978 Title XX funds will be spent for: (1) Direct Services from SRS staff (\$8,545,254); (2) Services Purchased from Vendors (\$11,744,812); and (3) Administrative costs (\$4,766,191). The Committee received testimony from the Secretary of Social and Rehabilitation Services concerning the proposed Title XX plan. On the following day several Committee members attended the statewide Title XX hearing at which public testimony was received from those having concerns regarding the proposed FY 1978 state plan.

A major provider of social services in Kansas, The Institute of Logopedics, was visited by the Committee when it met in Wichita on June 24, 1977. At that meeting Committee members learned of activities at the Institute and experienced a walking tour of its facilities.

At its September meeting, the Committee received testimony from numerous conferees concerning Title XX.

Several individuals presented testimony indicating the need for SRS to secure additional input in the planning process it utilizes to prepare its Title XX plan. Conferees presented the need for a statewide task force to include consumers, providers, and SRS staff that would have input to the Title XX plan.

Comments were expressed by conferees regarding the devastating effects of Title XX cutbacks on clients receiving social services. Additional concern was expressed to the Committee by conferees relative to the amount of Title XX funds which are expended for SRS administrative costs.

Research was presented to the Committee pertaining to the use of Title XIX funded Home Health Services to partially replace the services that will no longer be provided with Title XX funds. This research describes the Home Health Services that are being utilized in other states.

#### Conclusions and Recommendations

The Committee recommends to the Legislature that close attention be given to the amount of expenditure for administrative purposes from Title XX funds that is included in SRS appropriations. Due to the fact that Title XX federal appropriations are limited, each expenditure for administration reduces the amount of funding that is available for Purchased Services.

The Committee endorses the Fiscal Year 1979 SRS budget request which curtails Title XX financing of foster care services on behalf of ADC recipients. This policy would shift those expenditures from Title XX to Title IV-A and the State General Fund.

The Committee recommends that any Title XX funds that become available due to changes in funding for administration be used to finance Purchased Services.

November 10, 1977

Rep. George Wingert,  
Vice-Chairperson  
Sen. Joseph C. Harder  
Sen. Billy Q. McCray  
Sen. Joe Warren  
Rep. R. E. Arbuthnot

Respectfully submitted,

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. Mike Glover  
Rep. Mike Hayden  
Rep. Rex Hoy  
Rep. Ruth Luzzati  
Rep. Irving Niles

RE: PROPOSAL NO. 69 - RETENTION OF MEDICAL  
SCHOOL GRADUATES IN KANSAS\*

Background

Proposal No. 69 directed the Committee to review existing programs and efforts designed to encourage location and retention of physicians in Kansas. Under the proposal, the Committee was specifically charged with reviewing programs currently in place at the University of Kansas Medical Center which have as a principal goal the encouragement of physicians to locate in Kansas; the review of legislation considered by the 1977 Legislative Session which was proposed to encourage University Medical School graduates to locate in Kansas; and the exploration of alternative measures to increase the number of physicians in Kansas.

The Committee devoted the major part of a two-day meeting to this proposal. In addition, the proposal was the subject of Committee consideration at several other meetings.

The Committee received testimony on the proposal from representatives of the University of Kansas School of Medicine, Kansas Medical Society, Kansas Farm Bureau, Kansas Department of Health and Environment, the Osteopathic Medical Association, and interested individuals.

A Review of Current Efforts

This section of the report reviews generally the various efforts being made to increase the number of physicians practicing in Kansas.

Medical Class Expansion. Perhaps the single most significant effort made to date to increase the number of physicians practicing in Kansas was the decision to dramatically expand the entering medical class size to 200 students. The 1972 Legislature approved the major expansion from 125 students per class with the authorization for establishment of a branch in Wichita and the major expansion of clinical

facilities on the Kansas City campus. The expansion to 200 students was accomplished in phases over several years with the 1975 class being the initial 200-member class.

The Committee was also advised by the University, that in conjunction with the expansion in class size, additional efforts were being made to admit increased numbers of students from rural areas of the state. The Committee explored in some depth the selection and admissions procedures including the addition of lay citizens on the Admissions Committee together with the College Advocacy Program. The Committee was also informed that both minorities and females were represented on the admission panels. This past year, approximately 24 percent of the applicants were female and a corresponding percentage of those admitted were female.

The Committee's review included the early admissions program. The principal aim of this program is to commit the very top academic performers to the University early in the admissions process. In return for early admission, generally October 1, the student agrees to make no applications for admission to other medical schools. The criteria for selection for early admission is based on the combination of test scores, overall grade point average, and science course grades. If all of these combined scores equal 1,000 or above, the student is generally eligible for admission. A total of 34 students were granted early admission for the class entering in 1978.

Increased Residency Training. Recent efforts to increase the output of trained physicians was not limited solely to a major increase in undergraduate medical enrollments, but also a commensurate upgrading in the number of residency training opportunities in the state. There is evidence to support the position that the location of residency training may be the single most important factor in determining where a physician locates.

Not only has there been a dramatic increase in the residency training slots in recent years, but there has been also a noticeable increased emphasis on primary care residency positions. Most notable is the establishment of a family

practice program in Kansas City and three programs in Wichita. For Fiscal Year 1978, the University of Kansas Medical Center was authorized funding for 278 residency slots together with funding for 74 additional slots for programs conducted by the three hospitals in Wichita. In addition to the 352 house staff positions funded by the state, the three Wichita hospitals project filling another 119 residency positions for which no state support is received raising the total number of positions in the state to 471, exclusive of psychiatric residents in programs conducted by the Menninger Foundation.

The 1977 Legislature enacted S.B. 472 authorizing affiliated family practice programs be established in the state. In such programs, the resident would receive the first year of training at either Kansas City or Wichita with the last two years of training at the affiliate location. Funding approved for FY 1978 enables the University to proceed to develop three such programs.

Locum Tenens Program. Fiscal Year 1977 was the first full year of operation of this program which not only provides residents an exposure to the practice of medicine in smaller communities, but also a real assistance to practicing physicians. The program utilizes advanced residents to serve for short periods of time to relieve a practicing physician who is in need of attending a continuing education program, or perhaps, just in need of a vacation. While providing a very worthwhile service, the program also allows the resident to experience the practice of medicine in a small Kansas community. During FY 1977, nearly 500 man-days of service was committed to the program with the University being able to satisfy most requests for locum tenens assistance. It is anticipated that as the program becomes more known, requests for such assistance will increase.

Medical Preceptorship. With the return to a four-year medical curriculum, undergraduate medical students are now required to serve a two-month preceptorship under a supervising practicing physician. Previously, the program had been a one-month elective. Communities in which preceptors trained in the past fiscal year numbered 72 with an additional ten

communities which have previously received preceptors not being utilized in FY 1977.

Kansas Health Day. This relatively new effort to retain physicians in Kansas was instituted in FY 1976. It is anticipated that two events would be held each year, one in Kansas City and the other in Wichita. The program is designed to provide an opportunity for Kansas communities desiring to recruit a physician to establish contacts with both medical students and residents. At the recent Kansas Health Day held in Kansas City, a total of 77 communities participated.

Rural Health Weekend. One of the newer programs initiated by the University is Rural Health Weekend. This past spring, 142 medical students spent a weekend as the guest of a community physician. The program is designed to expose the medical student to life in a rural community and to develop relationships with persons in that community. Students participate in the program on a voluntary basis. The general response of students that participated in the first weekend would indicate that a greater number of students will wish to participate in the future.

Physician Placement and Recruitment Office. The 1977 Legislature provided funds for establishing a physician placement and recruitment office. The state appropriations have been augmented by a federal grant received through the Ozarks Regional Planning Commission. The Office will work with Kansas communities to assist them in attracting physicians. It is planned that the Office will develop a list of physicians nationwide who may desire to establish practices in Kansas and, in general, to operate a physician placement service. Field personnel will be located at Chanute, Dodge City, and possibly one additional location.

Graduates of Foreign Medical Schools. The University currently has six graduates of foreign medical schools in residence for one year of post-graduate medical training. The students currently undergoing training are committed to practicing medicine in Kansas communities upon completion of the year of residency. Two of the physicians are to practice medicine in Atwood with the other physicians committed to Oberlin, Augusta, Centralia, and Seneca.



Outreach Residency Rotations. In recent years the University has increased the number of residents receiving a portion of their training at locations other than the University of Kansas Medical Center. It was reported to the Committee that approximately 75 residents spent nearly 200 man-months in training at communities such as Garden City, Halstead, Hays, Kingman, Norton, Belleville, and Phillipsburg.

Osteopathic Education Aid. In an additional effort to attract family physicians to practice medicine in Kansas, the 1977 Legislature enacted H.B. 2463 which authorizes a program of financial assistance to students in colleges of osteopathy for which the students incur obligations for service in Kansas. The bill authorizes providing financial assistance to ten first-year students and a total of ten loans to students in the second, third, or fourth year of training. Based on the number of students beyond the first year of training who have inquired into the program, it appears likely that the ten loans will be made. Based upon a recent Attorney General's opinion, first-year students will be eligible for the financial assistance beginning with the class entering in the fall of 1978.

Mediserve Program. This program, jointly sponsored by the Kansas Farm Bureau and the Kansas Medical Society, is patterned after an Illinois program that has apparently operated successfully since 1948. This new program is based on the concept that certain students, by virtue of their rural background and experience, are particularly suited for practice in rural areas of the state. The program offers three basic types of assistance as follows:

- 1) Assistance with admissions to medical school;
- 2) Financial assistance up to \$750 per semester with a \$6,000 maximum limit; and
- 3) Assistance in providing medical practitioners for rural and underserved areas of Kansas.

With regard to the Mediserve Program recommendation for admissions, the Committee was advised that up to 20 slots

per class would be held for recommended students meeting minimum eligibility requirements. Mediserve recommendations will be considered by the University Admissions Committee. Program recipients of financial aid incur a one-year service obligation for each year of financial aid with a five-year maximum on the service obligation.

#### 1977 Session Legislation

Two significant pieces of legislation relating to the problems of retaining physicians in Kansas were considered by the 1977 Legislature. Both bills, H.B. 2264 and S.B. 477, were carried forward to the 1978 Legislative Session. The two bills were directed at retention of graduates of the University of Kansas School of Medicine through offering financial incentives to the students to obligate future service in Kansas. H.B. 2264 varied the level of financial assistance depending upon whether the student committed to service in areas of the state determined to be the most medically underserved. S.B. 477 does not offer additional incentives to practice in either rural or underserved areas but merely stipulates that the physician must practice in Kansas. The philosophy supporting S.B. 477 not specifically recognizing areas of the state having the greatest need, is that if a sufficient number of physicians are retained in the state, problems of geographical mal-distribution will also be resolved.

The Committee discussed in considerable detail both bills examining both their similarities and differences.

#### Conclusions and Recommendations

After consideration of all testimony and data, the Committee concluded that tuition levels for undergraduate medical school should be increased. Secondly, the Committee believes an additional effort should be made to retain medical school graduates in Kansas through means of offering financial incentives to those students who commit themselves to service in Kansas upon completion of their medical education.

Tuition Increase. After reviewing tuition levels of other public and private medical schools throughout the country, the Committee concluded that the present level of tuition should be upgraded significantly over a period of several years. Another factor influencing the Committee decision is the fact that medical students currently pay only approximately 5 percent of the annual cost of educating a medical student. By contrast, the policy for a number of years for the other Regents' institutions has been for tuition income to approximate 25 percent of the annual educational costs.

The Committee recommends that the tuition at the University of Kansas School of Medicine be increased to 12 percent of the annual cost for training a medical student beginning with the 1978-79 school year; that it be further increased to 17 percent of the cost in the 1979-80 school year; and raised to 22 percent of the cost of educating the medical student for the 1980-81 school year and thereafter.

Medical Student Scholarships. In conjunction with the recommended increase in medical school tuition levels, the Committee is also recommending establishment of a medical student scholarship program. Under the proposal, scholarships would be made available to every student who is willing to make a commitment to practicing medicine in Kansas following completion of their training. The obligation would be one year of service for each year in which the student received financial assistance. The scholarship program conditions are outlined in \_\_\_\_\_ Bill \_\_\_\_\_.

The proposed bill directs the Secretary of Health and Environment to annually designate those areas in the state, including public institutions, which have insufficient physician personnel. Students willing to commit themselves to service in such medically underserved areas would be eligible for a scholarship providing tuition and a \$500 per month living allowance for months in school.

Students willing to commit to service in Kansas, but not those areas designated as medically underserved, could receive a scholarship to defray all tuition costs.

The proposed bill does provide a procedure in the event of breach of contract. In such instances the student would be liable for repayment of all scholarship aid received, together with 10 percent interest thereon, computed from the date the financial aid was received.

\_\_\_\_\_ Bill \_\_\_\_\_ would carry out the Committee recommendations.

Respectfully submitted,

November 10, 1977

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. George Wingert,  
Vice-Chairperson  
Sen. Joseph C. Harder  
Sen. Billy Q. McCray  
Sen. Joe Warren  
Rep. R. E. Arbuthnot

Rep. Mike Glover  
Rep. Mike Hayden  
Rep. Rex Hoy  
Rep. Ruth Luzzati  
Rep. Irving Niles

RE: PROPOSAL NO. 70 - ENERGY UTILIZATION  
AND SOURCES

Background

Proposal No. 70 directed the Committee to conduct a review of current energy sources and levels of consumption of state institutions and state facilities, to examine current energy conservation efforts, and to explore potential alternative energy sources and additional energy conservation measures.

Committee Activity

The Committee devoted the major part of the September meeting to this proposal. Upon review of a report on energy consumption and utilization by selected state agencies for Fiscal Years 1976 and 1977, the Committee directed that the report be expanded to include Fiscal Year 1975 data on energy consumption and costs, plus agency square footage figures for each of the three fiscal years surveyed. Agencies included in the final report were the correctional institutions, youth centers, Regents' institutions, Schools for the Deaf and Visually Handicapped, Capitol Complex buildings, the Department of Education, the Kansas State Fair, and the Forestry, Fish and Game Commission.

At the October meeting, the Committee reviewed and discussed the revised report, which noted that expenditures for utilities of the agencies surveyed increased 67.7 percent from FY 1975 through FY 1977, while energy consumption actually decreased by 4.2 percent over the same period. The general conclusion, upon review of this cost and consumption data, is that the increase in costs can be attributed largely to rate increases for all utilities.

The following three tables show percent changes in energy consumption, expenditures for utilities, and average utility rates for the agencies surveyed:

### ENERGY CONSUMPTION

<u>Utility</u>	<u>Percent Increase FY 75-76</u>	<u>Percent Increase FY 76-77</u>	<u>Percent Increase FY 75-77</u>
Electricity (KWH)	5.3%	1.1%	6.4%
Natural Gas (MCF)	(7.7)	(1.4)	(9.0)
Fuel Oil (Gal.)	(57.2)	181.8	20.6
Steam (lbs.)	(16.3)	6.8	(10.6)
TOTAL	<u>(8.7%)</u>	<u>4.9%</u>	<u>(4.2%)</u>

### EXPENDITURES FOR UTILITIES

<u>Utility</u>	<u>Percent Increase FY 75-76</u>	<u>Percent Increase FY 76-77</u>	<u>Percent Increase FY 75-77</u>
Electricity	32.7%	26.6%	68.1%
Natural Gas	24.1	47.0	82.4
Fuel Oil	(61.1)	319.3	63.3
Water	16.2	9.1	30.7
Steam	15.8	71.2	98.2
TOTAL	<u>21.2%</u>	<u>38.3%</u>	<u>67.7%</u>

### ENERGY CONSUMPTION

<u>Utility</u>	<u>Percent Increase FY 75-76</u>	<u>Percent Increase FY 76-77</u>	<u>Percent Increase FY 75-77</u>
Electricity (KWH)	5.3%	1.1%	6.4%
Natural Gas (MCF)	(7.7)	(1.4)	(9.0)
Fuel Oil (Gal.)	(57.2)	181.8	20.6
Steam (lbs.)	(16.3)	6.8	(10.6)
TOTAL	<u>(8.7%)</u>	<u>4.9%</u>	<u>(4.2%)</u>

### EXPENDITURES FOR UTILITIES

<u>Utility</u>	<u>Percent Increase FY 75-76</u>	<u>Percent Increase FY 76-77</u>	<u>Percent Increase FY 75-77</u>
Electricity	32.7%	26.6%	68.1%
Natural Gas	24.1	47.0	82.4
Fuel Oil	(61.1)	319.3	63.3
Water	16.2	9.1	30.7
Steam	15.8	71.2	98.2
TOTAL	<u>21.2%</u>	<u>38.3%</u>	<u>67.7%</u>

### AVERAGE UTILITY RATES

<u>Utility</u>	<u>Percent Increase FY 75-76</u>	<u>Percent Increase FY 76-77</u>	<u>Percent Increase FY 75-77</u>
Electricity	23.5%	28.6%	58.8%
Natural Gas	34.4	58.3	112.7
Fuel Oil	(8.9)	48.4	35.2
Water	13		

AVERAGE UTILITY RATES

<u>Utility</u>	<u>Percent Increase FY 75-76</u>	<u>Percent Increase FY 76-77</u>	<u>Percent Increase FY 75-77</u>
Electricity	23.5%	28.6%	58.8%
Natural Gas	34.4	58.3	112.7
Fuel Oil	(8.9)	48.4	35.2
Water	13.4	11.2	26.2
Steam	13.7	66.3	82.3

Total utility expenditures were \$7,354,919 for FY 1975, \$8,915,581 for FY 1976, and \$12,331,376 for FY 1977.

Energy Conservation Efforts

The Committee heard testimony from representatives of the Board of Regents, the Department of Social and Rehabilitation Services, and the Division of Architectural Services concerning energy conservation measures of the institutions under their jurisdiction.

The Committee reviewed the current status of the FY 1978 appropriation to the Board of Regents for energy conservation improvements at the Regents' institutions together with an energy conservation manual being published by the Regents which focuses primarily of low cost, quick action energy conserving projects. Consideration of energy conservation measures in SRS institutions included discussion of energy-saving capital improvements currently underway and energy consumption patterns for those institutions. It was pointed out that an overall rise in electricity consumption could be partly attributed to the construction of new buildings at the Kansas Neurological Institute. The Committee also discussed a number of energy conservation projects that were being funded from a special \$3.2 million Federal Economic Development Administration grant. Requirements of the grant stipulate that projects are to be funded in counties with high



unemployment rates. It was indicated that energy conservation projects will be emphasized in the application of the grant money.

#### Future Steam Supply - Statehouse Complex

A representative of the Kansas Power and Light Company advised the Committee about the utility's plans to get out of the steam heating business as soon as its current customers can convert to alternate heating methods. A required switch to fuel oil from natural gas is forcing the change in policy. At this point, the company has no specific schedule for abandoning the steam generating plant. The Committee consensus was that the Legislature should consider a policy decision on the issue of future Statehouse Complex energy supplies.

#### Kansas Energy Plan

The Committee reviewed a report on the Kansas Energy Conservation Plan and discussed both the mandatory and optional measures included in the plan. The purpose of the plan is to bring about a minimum savings of at least 5 percent in energy consumption. The Committee also reviewed the current staffing and the requirements for the receipt of federal funds, together the FY 1978 appropriation of the Kansas Energy Office. Committee review of the Kansas Supplemental Energy Conservation Plan indicated that the plan deals mainly in areas of public education, intergovernmental relations, and energy audits.

#### Conclusion and Recommendation

The Committee made no specific recommendations for future legislative action.

November 10, 1977

Rep. George Wingert,  
Vice-Chairperson  
Sen. Joseph C. Harder  
Sen. Billy Q. McCray  
Sen. Joe Warren  
Rep. R. E. Arbuthnot

Respectfully submitted,

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. Mike Glover  
Rep. Mike Hayden  
Rep. Rex Hoy  
Rep. Ruth Luzzati  
Rep. Irving Niles

—

RE: PROPOSAL NO. 71 - RAINBOW UNIT REVIEW

Background

Proposal No. 71 directed the Committee to review the Rainbow Unit of Osawatomie State Hospital to include an examination of the cost of current programs; organizational structure and relationships with Johnson and Wyandotte County Community Mental Health Centers and the University of Kansas Medical Center; and consideration of federal regulations that pertain to the operation of the Unit.

Committee Activity

Consideration of Proposal No. 71 by the Committee began by tracing the early development of the Rainbow Unit through a combined federal-state-county planning process that resulted in the establishment of a combined in-patient/partial hospitalization facility in Kansas City to serve Johnson and Wyandotte Counties.

Particular attention was given to the complexity of the Rainbow Unit in terms of its relationships with other state, local and federal agencies, and organizational structure. Basic to these organizational relationships is the receipt of federal funds for both construction and staffing. By law, federal funds are intended for local community mental health centers and not state facilities. In essence, the Rainbow Unit's unique organizational affiliations are able to accommodate the federal funding requirements. By providing in-patient services, partial hospitalization services and 24-hour emergency services for Johnson County and Wyandotte County Community Mental Health Centers and by generally integrating these programs with the local mental health centers, the Rainbow Unit receives federal staffing funds. By previously agreeing to such an arrangement, the state received federal construction funds for the Rainbow Unit.

In reviewing the organizational structure, the Committee learned that the Rainbow Unit operates as a subdivision of

Osawatomie State Hospital for purposes of fiscal, personnel and other administrative support services. While on the other hand, the Rainbow Unit is directly responsible to the Division of Mental Health and Retardation Services for the clinical aspects of its programs.

To provide some overall coordination among the various affiliates of the Rainbow Unit, a Joint Coordination and Planning Council has been created. Its membership includes the executive directors and medical directors of Johnson County and Wyandotte County Community Mental Health Centers, the program director and clinical director of the Rainbow Unit, the assistant director of the State Division of Mental Health and Retardation Services and a representative from the Department of Psychiatry of the Kansas University Medical Center. As presently structured, the leadership of this council alternates on an annual basis between the executive directors of the two community mental health centers.

The Committee reviewed the utilization of the Rainbow Unit's facilities. With a capacity of 60 in-patients, the current average daily census of 54 in-patients indicated a 90 percent occupancy rate. Use of the partial hospitalization program increased significantly during FY 1977; however, the Committee's review indicated that this program was still functioning below capacity.

The state and federal governments' investment in the physical facilities of the Rainbow Unit was reviewed and a summary of these expenditures is shown in the following table:

TABLE I

STATE AND FEDERAL FINANCING OF RAINBOW  
UNIT FACILITIES

	<u>State</u>	<u>Federal</u>	<u>Total State and Federal</u>
Land Acquisition	\$ 390,000	\$ —	\$ 390,000
Construction and Equipment	953,956	1,012,758	1,966,714
Landscaping	10,000	—	10,000
<b>TOTAL</b>	<u>\$1,353,956</u>	<u>\$1,012,758</u>	<u>\$ 2,366,714</u>
	(57%)	(43%)	

Similarly, the Committee reviewed state and federal expenditures for the operation of the Rainbow Unit, a summary of which follows:

TABLE II

STATE AND FEDERAL FINANCING OF RAINBOW  
UNIT OPERATIONS

	<u>Actual FY 1974</u>	<u>Actual FY 1975</u>	<u>Actual FY 1976</u>	<u>Estimated FY 1977</u>	<u>Estimated FY 1978</u>
Federal (Staffing Grant)	\$ —	\$ 189,753 (17%)	\$ 321,062 (23%)	\$ 321,051 (20%)	\$ 278,235 (15%)
State	580,945 (100%)	938,134 (83%)	1,103,954 (77%)	1,307,464 (80%)	1,523,126 (85%)
<b>TOTAL</b>	<u>\$580,945</u>	<u>\$ 1,127,887</u>	<u>\$1,425,016</u>	<u>\$1,628,515</u>	<u>\$1,801,361</u>

Four related problem areas were discussed. One problem concerned the separation of authority and responsibility for programming from the accompanying administrative and support services. As originally conceived, the Rainbow Unit would operate as a treatment unit of Osawatomie State Hospital with both programming and administrative support services under the direction of the superintendent. In practice, this arrangement did not work due to a variety of factors and an alternate structure which divided lines of programming from administrative and support services was created. One aspect of this problem is that the superintendent of Osawatomie State Hospital may still be legally responsible for the administration of the Rainbow Unit, as it is still considered a treatment section of the hospital and is funded through the Osawatomie budget. This places the Osawatomie superintendent in the difficult position of being legally responsible for the program without having the requisite authority to manage the program.

A second problem concerned competing sources of authority over the operation of the Unit's programs. Ordinarily the question of authority over the operation of a state facility would be clear; however, the affiliation with the community mental health centers makes this issue unclear. Federal regulations appear to require that final authority for such programs involving federal staffing grants be placed with a community mental health center director.

A third problem area discussed concerns the withholding of federal staffing grant funds from the state intended for the operation of the Rainbow Unit. The federal staffing grant funds are first sent to the two community mental health centers rather than the state. In at least one instance federal funds have been withheld from the state while program corrections were made at the Rainbow Unit.

A fourth problem discussed by the Committee relates to the admissions procedure of the Rainbow Unit. Under the present arrangement all admissions to the Rainbow Unit must be approved by either the Johnson or the Wyandotte County Community Mental Health Center. Because of this arrangement, the Rainbow Unit is totally dependent upon the mental

health centers for patient referrals and the maintenance of acceptable levels of both in-patient and partial hospitalization patient populations.

Following a tour of the Rainbow Unit facilities the Committee heard testimony on a preliminary task force report concerning the Rainbow Unit. The Task Force was composed of six members from each of the two counties. The purpose of the Task Force was to "Review the current program of the Rainbow Unit, assess how that program meets the needs of the community and prepare a report and recommendations." At the time the testimony was presented the task force report had not been endorsed by the boards of directors of the respective mental health centers. While the report contained numerous recommendations regarding program changes, the major recommendations concerning the Unit's administrative structure are as follows:

- 1) That a central administrative structure be created for the Johnson County Mental Health Center, Wyandotte Mental Health Center, and Rainbow Unit with its own board and director, and operating through contracts with the two counties, the state, and the federal government. Such a unit might be structured as a non-profit corporation.
- 2) If a central administrative structure is not possible, we would recommend that each of the three units operate as separate entities, each complete within itself, except as it contracts for services from other agencies.
- 3) In either event, the Rainbow Unit should be made an independent unit within the state system, responsible directly to Topeka and not to Osawatomie. (The present arrangement is not logical, and only complicates a complicated system.)

With regard to the question of alternate uses for the Rainbow Unit, the Committee was informed by staff that the Regional Health Administrator, Department of Health, Education, and Welfare has indicated that the state, as construction grantee, is obligated to use the facilities for mental health services for a minimum period of 20 years. The Regional Health Administrator further advised:

If at any time during this 20 year period the construction grantee fails to fulfill the approved contract with the federal government, the United States shall be entitled to recover from the grantee an amount bearing the same ratio to the then value of so much of such facility as constituted an approved project, as the amount of the federal participation bore to the cost of the construction of such project (See P.L. 88-164, Section 405). As long as the Johnson and Wyandotte Counties' operations and staffing grantees retain their "franchise" for their respective catchment areas, some form of the current affiliation arrangement presumably must continue.

Therefore, assuming the Regional Health Administrator is correct, the cost to the state of converting the Rainbow Unit to an alternate use would be at least \$1,012,758, which represents the amount of the federal construction grant.

The Committee was also advised by staff that the FY 1979 budget for the Rainbow Unit was submitted as a separate document with the necessary program description and summaries to fully support the Rainbow Unit independent of Osawatomie State Hospital.

A representative of the Mental Health Association of Johnson County testified regarding the administration and funding of the Rainbow Unit. The testimony indicated strong community support for the Rainbow Unit and recommended continuation of the present system of administration and funding for the Rainbow Unit pending further study by the Association.



### Conclusions and Recommendations

The Committee believes that the current organizational structure of the Rainbow Unit is extremely cumbersome and that it impairs the service functions of the facility. Consequently, the Committee recommends that a separate budget be submitted by the Rainbow Unit.

It is recommended that the 1978 Legislature give special attention to the Rainbow Unit in determining whether the current programs should be continued. If it is determined that the current programs should be continued, the Committee recommends that legislation be passed which would separate the Rainbow Unit from Osawatomie State Hospital.

If it is determined that the programs of the Rainbow Unit should not be continued the Committee recommends that the facilities of the Rainbow Unit be converted to other purposes. Current information would indicate that the state might be required to reimburse the federal government for the federal grant used to partially finance, the construction of the Rainbow Unit pending the outcome of a federal review process.

Information provided to the Committee indicated that the Secretary of Health, Education and Welfare has the power to waive recovery procedures against states if the proposed alternate use of federally funded facilities such as the Rainbow Unit, will promote the purposes of the Community Mental Health Centers Act (P.L. 88-164). Determination of whether the proposed alternate use of facilities promotes the purposes of the Act is made by the federal government's regional health administrator in consultation with the Secretary's staff. Previously this determination has been final, however, new appeal procedures covering such situations have been adopted by the Department of Health, Education and Welfare. This procedure would allow states to more fully present their case as to how the alternate use of facilities promotes the purposes of the Act.

November 10, 1977

Rep. George Wingert,  
Vice-Chairperson  
Sen. Joseph C. Harder  
Sen. Billy Q. McCray  
Sen. Joe Warren  
Rep. R. E. Arbuthnot

Respectfully submitted,

Sen. Wint Winter,  
Chairperson  
Special Committee on Ways  
and Means - A

Rep. Mike Glover  
Rep. Mike Hayden  
Rep. Rex Hoy  
Rep. Ruth Luzzati  
Rep. Irving Niles

RE: PROPOSAL NO. 72 - COMPUTERIZATION OF  
HEALTH-RELATED FEE AGENCIES  
LICENSURE DATA

The Special Committee on Ways and Means - A was directed to review the potential computerization of licensure information of health-related fee agencies through contract with the Department of Health and Environment or other sources.

Background

During the 1977 Legislative Session, the House Committee on Ways and Means requested a study to examine the possibility of utilizing existing computer facilities to aid the small health-related licensure boards in their renewal processes. At that time the Insurance Department had just implemented a computer system for the processing of medical malpractice information and was inputting data collected from the boards. Both the Senate and House Ways and Means Committees further expressed interest in the collection and analysis of health planning data.

Although the original impetus for study of computerization was related to the Insurance Department's records, another system related to health manpower data has since been established within the Department of Health and Environment. It was the possibility of using this system to expedite the licensure functions of the boards that this study focused on. The affected licensure boards are as follows: Board of Examiners of Optometry; State Dental Board; State Pharmacy Board; Board of Healing Arts; and State Board of Nursing.

Committee Activity

The Committee reviewed 1977 Senate Concurrent Resolution No. 1607, which directed the Department of Health and Environment to "establish a health manpower data system for the purpose of evaluating underserved areas and for development of programs to meet the needs of these areas."

Accordingly, the Department has begun implementation of a health manpower component within its Health Data Center.

In order to collect the necessary manpower data, the Committee learned that the Department has entered into cooperative working agreements with the health-related licensure boards. Information for the system is being collected from health manpower questionnaires. The questionnaires were mailed to all new licensees and applicants for license renewals by their respective licensure boards. The completed questionnaires were then delivered by the licensing boards, to the Research and Analysis Section of the Bureau of Registration and Health Statistics of the Kansas Department of Health and Environment. At present the Department is editing, coding, and keypunching the data and will provide computer analyses of the manpower data in the near future.

The Committee reviewed information from the staff which detailed the paperwork that each health-related fee agency processes in its license renewal process. From this information the Committee also discussed alternatives for future license renewals. These alternatives range from use of certain computer prepared mailing labels to installation of computer terminals in the fee agencies.

The Committee received information concerning the cost of employing a computer terminal at the Board of Nursing, which has the largest volume of licenses to issue and renew.

#### Conclusion and Recommendations

The Committee made no specific recommendations for future legislative action.

November 10, 1977

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Sen. Joe Warren  
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Respectfully submitted,

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