

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE

The meeting was called to order by Senator Jan Meyers at
Chairperson

10 a.m./p.m. on January 19, 1984 in room 526-S of the Capitol.

All members were present except:

Senators Johnston and Vidricksen

Committee staff present:

Emalene Correll, Legislative Research Committee
Bill Wolff, Legislative Research Committee

Conferees appearing before the committee:

Dr. Robert C. Harder, Secretary Department of Social and Rehabilitation
Services

Others present: see attached list

Dr. Robert C. Harder, Secretary, Department of Social and Rehabilitation Services, reviewed the Annual Report of SRS, and distributed copies of the report to the committee.

He said they are moving most of the program in Medicaid to MediKan, which is a more limited assistance program. One exception will be the children, who will be exempt so they can correct any kind of problem they might have.

Senator Gordon asked for a clarification of the terms "Medicaid" and "MediKan". Dr. Harder explained that Medicaid is a program funded %50 federally, and 50% by the state. The state develops its own rules and regulations, within the federal guideline, to implement the program. MediKan is funded out of state dollars, and is more restrictive. On May 1, 1984, restrictions on MediKan will be transferred to Medicaid, and MediKan does not pay for elective surgery.

Senator Chaney asked Dr. Harder to define "elective surgery". Dr. Harder said it was a medical definition, meaning as medically necessary for the well-being of the individual, but not life-threatening.

Dr. Harder stated that by tightening eligibility, stringent review of programs, and keeping a tight lid on medical providers, SRS medical payments the past four years have increased only 2.5%.

Dr. Harder distributed a memorandum showing Increases and Decreases in General Fund Expenditures in SRS categories for FY 1981 through FY 1985. (Attachment #1). He also distributed a memorandum showing Expenditures, Units of Service, and Average Expenditures per Service at Inpatient Hospitals for FY 1981 through FY 1984, and pointed out that SRS payments per day for hospitalization of Welfare patients have dropped from \$317.39 in July to \$260.19 in December. (Attachment #2).

Dr. Harder explained that SRS is not the major purchaser of hospital services. One of the larger hospitals in the state did five open-heart surgeries, at a cost of \$92,000, and SRS paid them \$20,000. SRS has one of the toughest utilization programs and does not pay for weekend stays in the hospital.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON PUBLIC HEALTH AND WELFARE,
room 526-S, Statehouse, at 10 a.m. ~~p.m.~~ on January 19, 1984.

Senator Meyers asked if Dr. Harder saw any dramatic changes in the federal picture that would have any major effect in Kansas. Dr. Harder replied that they are going to continue to defer money, but he saw no dramatic changes or reductions. He also said they plan to expand and extend their child enforcement program.

Senator Bogina asked if SRS could be assured that federal funds will be forthcoming, and can we meet matching funds. Dr. Harder answered that they have a reasonable degree of assurance. Their budget is built on a basis of economic projection.

Senator Meyers asked Dr. Harder to return tomorrow to respond to any further questions.

Senator Morris requested that the minutes of January 18 be corrected to show that there were questions concerning the Food Service and Lodging Board.

The meeting was adjourned.

SENATE
PUBLIC HEALTH AND WELFARE COMMITTEE

DATE 1-19-84

(PLEASE PRINT)
NAME AND ADDRESS

ORGANIZATION

Sharon Leatherman Topeka	MHCA
Ed Snavely	AOA
Marilyn Brant	KINH
Bill Dean	Merrell Doss
Franc Bittorff	KSNB
Chas C. Fisher	KADN
Barry Massey	AP
Jack Snavely	ACCH
Dick Krentz	B. Dept
Cileen Whitell	SLS
Bob Halder	SLS
B-b May	Poston

Department of Social and Rehabilitation Services
Research and Statistics

M E M O R A N D U M

FROM: Bob Clawson *BC*

DATE: January 11, 1984

TO: Dr. Harder
John Schneider
J. Charles Stevenson
Aileen Whitfill

SUBJECT: Increases and Decreases
in General Fund
Expenditures (Revised)

This is a revision to my November 16, 1983 memo regarding your request for information on general fund expenditures, and percents of change. Please see the table below for year by year changes since 1981.

Medical general fund expenditures for FY 1985 are proposed at -3.74% from FY 1984. The 1984 figures include supplementals. The cash programs are projected for FY 1985 at -1.04% for ADC and -25.20% for GA. Since FY 1981, general fund expenditures for Medical have increased by +10.02% and the cash programs (ADC, GA) have increased by 6.5% and 1.2% respectively. That is, medical has realized an average increase of 2.51% each year while ADC and GA have realized average increases of 1.62% and .29% each year.

General Fund Expenditures

<u>Fiscal Year</u>	<u>Medical</u>	<u>ADC</u>	<u>GA</u>
1985 <u>1/</u>	\$ 113,923,739	\$ 42,529,018	\$ 11,352,960
Change since prior year	-3.74%	-1.04%	-25.20%
Change since FY 1981	+10.02%	+6.47%	+1.17%
Ave. annual increase, 1981-1985	+2.51%	+1.62%	+0.29%
1984 <u>2/</u>	\$ 118,351,863	\$ 42,976,302	\$ 15,178,672
Change since prior year	- .39%	+2.38%	-29.55%
1983	\$ 118,812,448	\$ 41,975,986	\$ 21,544,048
Change since prior year	+7.11%	+9.30%	+41.81%
1982	\$ 110,927,205	\$ 38,373,412	\$ 15,192,503
Change since prior year	+7.13%	-3.93%	+35.39%
1981	\$ 103,543,590	\$ 39,945,157	\$ 11,221,416

1/ Governor's Proposed Budget FY85.

2/ Governor's Revised Budget FY84.

Atch. 1

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Inpatient Hospitals

<u>FY</u>	<u>Expenditures</u>	<u>Units of Service</u>	<u>Average Expenditures Per Service</u>
1981 - Total	\$59,579,386	308,116	--
Monthly Average	4,964,949	25,676	\$193.37
1982 - Total	\$66,578,001	278,140	--
Monthly Average	5,548,166	23,178	\$239.37
1983 - Total	\$74,703,870	259,476	--
Monthly Average	6,225,322	21,623	\$287.90
1984 - Total	\$35,442,145	124,734	--
Year To Date Average	5,907,024	20,789	\$284.14
		July	\$317.39
		December	\$260.19

OFFICE OF THE SECRETARY
January 12, 1984