

Approved 3-3-86  
Date

MINUTES OF THE House COMMITTEE ON Ways and Means

The meeting was called to order by Bill Bunten at  
Chairperson

1:30 ~~am~~ p.m. on Wednesday, February 26, 1986 in room 514-S of the Capitol.

All members were present except:

Committee staff present: Gloria Timmer, Legislative Research  
Robin Hunn, Legislative Research  
Sharon Schwartz, Administrative Aide  
Nadine Young, Committee Secretary

Conferees appearing before the committee:

See Attachment A

Chairman Bunten called the meeting to order at 1:30 p.m.

LARNED STATE HOSPITAL, HB 2759

Representative Louis presented the subcommittee report, both for FY 1986 and FY 1987. Subcommittee made several adjustments in Governor's recommendations. (See Attachment B).

On a motion by Representative Louis and a second by Representative King, the subcommittee reports were adopted.

OSAWATOMIE STATE HOSPITAL, HB 2759

Representative King presented the FY 1986 and FY 1987 subcommittee reports. Several adjustments were made by the subcommittee (see Attachment C).

On a motion by Representative Louis and a second by Representative King, the subcommittee was adopted.

RAINBOW MENTAL HEALTH FACILITY, HB 2759

Representative King presented the subcommittee reports for FY 1986 and FY 1987. Subcommittee concurred with Governor's recommendations, but did make some observations worth noting (see Attachment D). On a motion by Representative King and a second by Representative Louis, the subcommittee reports were adopted.

TOPEKA STATE HOSPITAL, HB 2759

Representative Louis presented the subcommittee reports for FY 1986 and FY 1987. Subcommittee concurred with Governor's recommendations with slight adjustments. (See Attachment E)

On a motion by Representative Louis and a second by Representative King, the subcommittee reports were adopted.

YOUTH CENTER OF TOPEKA, HB 2759

Representative Rolfs presented the subcommittee reports for FY 1986 and FY 1987. (See Attachment F for subcommittee recommendations.)

Representative Rolfs moved that the subcommittee reports be adopted and it was seconded by Representative Wisdom. Motion carried.

YOUTH CENTER AT ATCHISON, HB 2759

The subcommittee reports for FY 1986 and FY 1987 were presented by Representative Wisdom. Subcommittee concurred with Governor's recommendations with a few exceptions (see Attachment G). On a motion by Representative Wisdom and a second by Representative Fuller, the reports were adopted.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Ways and Means,  
room 514-S, Statehouse, at 1:30 ~~x~~m./p.m. on Wednesday, February 26, 1986

YOUTH CENTER AT BELOIT, HB 2759

Representative Fuller presented the subcommittee report. Subcommittee concurred with Governor's recommendations with slight adjustment. On a motion by Representative Fuller and a second by Representative Wisdom, the subcommittee report was adopted. (See Attachment H)

MENTAL RETARDATION INSTITUTIONS - Systemwide Recommendations

Representative Duncan presented subcommittee's report which makes recommendations concerning the recent regulatory activities at the mental retardation institutions. (See Attachment I)

There was considerable discussion following presentation of the report. There will be reshuffling of the populations at the institutions, with the long range goal of reducing required direct care staff. It was also pointed out that federal people are expected to soon start reviewing the institutions to determine if residents are placed appropriately.

PARSONS STATE HOSPITAL, HB 2759

Representative Ott presented the FY 1986 and FY 1987 subcommittee reports (see Attachment J). Subcommittee concurred with Governor's recommendations with adjustments in three areas.

KANSAS NEUROLOGICAL INSTITUTE, HB 2759

Representative Duncan reported on this section. Subcommittee made several adjustments in the FY 1987 budget (see Attachment K).

WINFIELD STATE HOSPITAL, HB 2759

Representative Shriver presented the subcommittee reports for FY 1986 and FY 1987 (see Attachment L). Subcommittee concurred with the Governor's recommendations with slight adjustment.

NORTON STATE HOSPITAL

Representative Duncan presented the subcommittee reports. Subcommittee concurred with Governor's recommendations with some adjustments (see Attachment M).

Chairman announced that since this is such a large budget and complex, and to further clarify for the committee members, he requested that staff provide copies of detailed figures to all members. For now we will adopt the subcommittee reports on the four hospitals and take up the full report later.

On a motion by Representative Duncan and a second by Representative Ott, the subcommittee reports for KNI, Winfield, Norton and Parsons State Hospitals were adopted.

Representative Dyck requested introduction of a bill concerning banks and recommended that it be referred to Commercial and Financial Institutions Committee. The bill would give authority for Bank Trust Departments to operate at branch facilities.

Representative Rolfs moved that the bill be introduced and Representative Helgerson seconded. Motion carried.

Chairman Bunten announced that due to the time, we will take up subcommittee report for Department of Transportation first thing tomorrow in committee.

Meeting adjourned at 3:00 p.m.

Date 2-26-86

Name	Address	Representing
John B. Kemp	Topeka	KDOT
R.G. Haley	"	KDOT
Louis Chakwa	Topeka	KDOT
Clyde Trammel	"	"
Keith Brown	Topeka	
Richard W. Lane	"	SRS-
Ethel May Miller	Topeka	
Dorothy Larson	Topeka	Sheltered Living
John Stubbs	Marhalla	KAPS
Del. Miller	Topeka	KDOT
Robert Hagen	Topeka	SRS
Gene W. Brown	Topeka	SRS
Gretchen Storey	Topeka	Div of Budget
Dick Koerth	"	" "

SUBCOMMITTEE REPORT

Agency: Larned State Hospital

Bill No. --

Bill Sec. --

Analyst: Timmer

Analysis Pg. No. 356

Budget Pg. No. 6-47

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$21,261,548	\$21,224,428	\$ (50,464)
Capital Improvements	231,543	231,543	--
TOTAL	<u>\$21,493,091</u>	<u>\$21,455,971</u>	<u>\$ (50,464)</u>
State General Fund			
State Operations	\$18,695,090	\$18,657,970	\$ (50,464)
Capital Improvements	--	--	--
TOTAL	<u>\$18,695,090</u>	<u>\$18,657,970</u>	<u>\$ (50,464)</u>
FTE Positions	874.0	874.0	--

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Reduction of \$14,130 from the food budget based on expenditures to date and revised expenditure estimates. The recommendation allows \$565,000 for food expenditures in FY 1986.
2. Reduction of \$55,000 from the hospital's utility budget to allow \$643,105 for utility costs in FY 1986.
3. Reduction of \$4,054 from drugs to allow \$216,000 for drugs and other professional supplies in FY 1986.
4. Addition of \$7,500 to communications. The Subcommittee understands that Larned is in the process of installing a new telephone system and that one-time equipment purchase costs are being incurred. Therefore, this additional funding should not be included in the base communications budget.
5. Addition of \$12,000 to fully fund the existing school contract for FY 1986.
6. Addition of \$7,000 to repairing and servicing based on expenditures to date.
7. Reduction of \$3,780 from other supplies, materials, and parts based on expenditures to date.

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*D. W. L. M.  
2/26/86*

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**SUBCOMMITTEE REPORT**

**Agency: Larned State Hospital**

**Bill No. 2759**

**Bill Sec. 6**

**Analyst: Timmer**

**Analysis Pg. No. 356**

**Budget Pg. No. 6-47**

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$23,569,421	\$21,744,000	\$ (93,247)
Capital Improvements	711,225	254,500	4,625
<b>TOTAL</b>	<u>\$24,280,646</u>	<u>\$21,988,500</u>	<u>\$ (88,622)</u>
<b>State General Fund</b>			
State Operations	\$20,836,165	\$18,881,954	\$ (93,247)
Capital Improvements	--	--	--
<b>TOTAL</b>	<u>\$20,836,165</u>	<u>\$18,881,954</u>	<u>\$ (93,247)</u>
<b>FTE Positions</b>	<b>893.0</b>	<b>874.0</b>	<b>--</b>

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Reduction of \$14,181 for food to allow a total of \$575,000 for food purchases in FY 1987.
2. Reduction of \$3,823 from drugs and other professional supplies to allow a total of \$224,000 for these purchases in FY 1987.
3. Reduction of \$13,641 from communication. The recommendation allows an 11 percent increase to revised KANS-A-N expenditures for FY 1986 and includes no adjustment for usage.
4. Reduction of \$1,552 from maintenance materials and supplies to allow \$180,000 for these expenses in FY 1987.
5. Reduction of \$4,150 from Other Supplies Materials and Parts to allow \$310,000 for these purchases in FY 1987.
6. Reduction of \$55,900 from utilities to allow a total of \$675,260 for utility costs in FY 1987.
7. The Subcommittee was informed that all students currently involved in Larned's Special School are being evaluated to determine whether they are appropriately placed in special education classes or whether they should be placed in a regular academic environment. Larned has traditionally placed all children and adolescents receiving treatment at the hospital in the special education setting as well as all youths placed in the Youth Center

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at Larned. According to Department of Education officials, possibly as many as one-half of the Youth Center's students may no longer be eligible for special education due to inappropriate placement in Special Education. As a result of this change, teachers who teach regular academic classes will no longer be eligible for categorical aid reimbursement which will reduce categorical aid to the school program and require offsetting increases in funding from the State General Fund. At this time, the Subcommittee does not have complete information on the fiscal impacts of these changes and therefore makes no recommendations. The Subcommittee does express concern about the situation and urges the hospital and Department of Education to make all information available to the Senate Subcommittee so informed recommendations may be made at the earliest possible date. The Subcommittee understands that the hospital must comply with the school district's deadline of April 10, 1986 for notification of all teachers for renewal of their FY 1987 contracts.

8. The Subcommittee notes that Larned requested 14.0 FTE additional Registered Nurse positions in response to accreditation survey deficiencies cited in March, 1985. The Governor did not recommend any of the additional positions and the Subcommittee concurs with the Governor at this time. However, the Subcommittee was informed that the Medicare survey team will be at the hospital February 26-28, 1986 and that more information on staffing needs will be available after that survey. The Subcommittee hopes the survey results will be made available to the Senate Subcommittee as soon as possible so Registered Nurse staffing requirements may be reviewed.

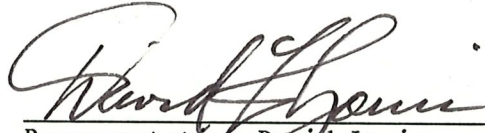
9. The Subcommittee concurs with the recommendations of the Joint Committee on Building construction and recommends the following projects, to be funded from the State Institutions Building Fund:

1. Planning for New Patient Treatment Facility	\$164,000
2. Enclose Beers Building Fire Escape	65,000
3. Install Acoustical Ceilings -- Dillon Building	20,000
4. Replace EEG/EKG Equipment	<u>10,125</u>
	\$259,125

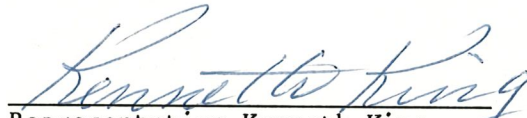
10. The Subcommittee endorses the policy of identifying specific salary and wage costs such as temporary and intermittent and overtime and requests that all Mental health institutions follow that policy in all future budget requests.

11. The Subcommittee notes that the Governor's recommendations include a fee fund ending balance equivalent to one week's revenues. The Subcommittee is of the opinion that a one-week balance may not be sufficient and could cause funding problems should revenue not meet projections. The Subcommittee highlights this as an area for review by the Senate Subcommittee, when more actual FY 1986 revenue information is available.

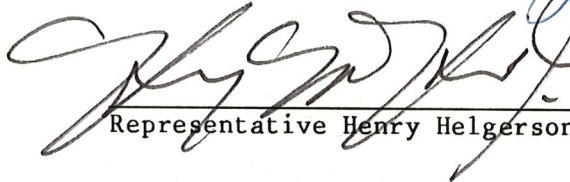
12. The Subcommittee strongly supports the idea of inmate labor as proposed at Topeka State and recommends that Larned also explore the possibilities of a similar program.



Representative David Louis  
Subcommittee Chairman



Representative Kenneth King



Representative Henry Helgerson

**SUBCOMMITTEE REPORT**

**Agency: Osawatomie State  
Hospital**

**Bill No. --**

**Bill Sec. --**

**Analyst: Timmer**

**Analysis Pg. No. 366**

**Budget Pg. No. 6-51**

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$15,183,852	\$15,105,211	\$ (43,999)
Capital Improvements	2,125,739	2,125,739	--
TOTAL	<u>\$17,307,591</u>	<u>\$17,230,950</u>	<u>\$ (43,999)</u>
<b>State General Fund:</b>			
State Operations	\$11,050,485	\$10,939,604	\$ (4,943)
Capital Improvements	--	--	--
TOTAL	<u>\$11,050,485</u>	<u>\$10,939,604</u>	<u>\$ (4,943)</u>
<b>FTE Positions</b>	604.5	604.5	--

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Reduction of \$20,000 from the utilities budget based on usage and expenditures to date. This reduction allows a total of \$720,682 for utility expenditures in FY 1986.
2. Reduction of \$20,000 from the food budget, based on food costs and average daily census to date, to allow a total of \$357,946 for food purchases in FY 1986.
3. Reduction of \$2,000 from communications based on revised expenditure projections.
4. Reduction of \$5,934 from temporary and intermittent labor to allow a total of \$65,000 for FY 1986. The Subcommittee endorses Osawatomie's policy of identifying temporary labor costs specifically and requests that all mental health institutions follow that policy for temporary staff costs as well as overtime.

*D. H. Timmer  
2/26/86*

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5. The Subcommittee was informed of shortfalls in the Osawatomie school budget due to adjustments in Chapter 1 funding made by the Governor's recommendations. The Subcommittee understands that transfer of available Chapter 1 funds to Osawatomie from other SRS institutions may fund the shortfall. The Subcommittee recommends these adjustments be made but also believes that clear, concise information must be made available from the Division of Mental Health and Retardation Services regarding Chapter 1, how it is earned by an institution, Division distribution policies, account balances, and all other pertinent information. The adjustments for FY 1986 will result in an increase in State General Funds of \$42,991 and a decrease in the Chapter 1 recommendation of \$39,056.
  
6. The Subcommittee notes that fee fund revenue to date is not at projected levels. The Subcommittee suggests that fee fund revenues and projections be reviewed by the Senate Subcommittee when additional information is available.

**SUBCOMMITTEE REPORT**

**Agency: Osawatomie State  
Hospital**

**Bill No. 2759**

**Bill Sec. 7**

**Analyst: Timmer**

**Analysis Pg. No. 366**

**Budget Pg. No. 6-51**

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$16,744,988	\$15,220,516	\$ (38,419)
Capital Improvements	<u>1,546,500</u>	<u>1,782,200</u>	<u>(592,180)</u>
<b>TOTAL</b>	<b><u>\$18,291,488</u></b>	<b><u>\$17,002,716</u></b>	<b><u>\$ (630,599)</u></b>
<b>State General Fund:</b>			
State Operations	\$12,715,493	\$11,218,482	\$ 13,877
Capital Improvements	--	--	--
<b>TOTAL</b>	<b><u>\$12,715,493</u></b>	<b><u>\$11,218,482</u></b>	<b><u>\$ 13,877</u></b>
<b>FTE Positions</b>	<b>625.5</b>	<b>594.0</b>	<b>--</b>

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following adjustments:


1. Reduction of \$1,642 from communications which allows a total communications budget of \$74,483 and includes an 11 percent KANS-A-N increase over revised FY 1986 expenditure projections.
2. Reduction of \$9,500 from patient labor. The Subcommittee's recommendation allows \$45,000 for patient labor in FY 1987.
3. Reduction of \$5,317 from temporary and intermittent help to allow \$67,500 for temporary staff in FY 1987.
4. Reduction of \$14,694 from the dietary budget based on revised FY 1986 food cost estimates.
5. The Subcommittee concurs with the Governor's recommendation to reduce the adult population at Osawatomie by 25 beds and in general supports the policy of reducing institutional beds. The Subcommittee expresses concern, however, that no funding is provided by the Governor's recommendations to allow for the provision of services for these patients in community facilities. The Subcommittee recommends that \$100,000 be included in the SRS budget to allow grants to be provided which would allow

*J. H. Timmer*  
*2/26/86*

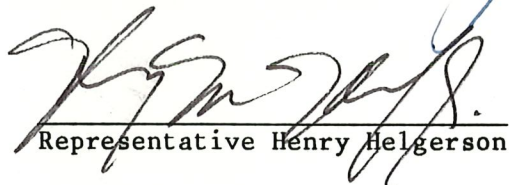
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community centers to implement programs to provide services for the 25 patients who will no longer be served by Osawatomie State Hospital. Also, although the Governor's recommendation eliminates the Young Adult program, the Subcommittee understands that the Hospital would prefer to retain that program and reduce beds in another adult program. The Subcommittee concurs with the Hospital's proposal.

6. Reduction of \$52,296 from federal Chapter 1 funds and an increase of \$52,296 from State General Fund, to be transferred from other SRS institutions, to fund shortfalls in Osawatomie's Chapter 1 budget. The Subcommittee understands that these funding shifts will not increase total State General Fund expenditures for the SRS institutions and will allow full funding of the Osawatomie school and other SRS institution programs.
7. Reduction of \$7,266 from utilities based on revised FY 1986 projections. The recommendation still provides a 16.5 percent increase for electricity generated by the Wolf Creek Power Plant.
8. The Subcommittee concurs with the Joint Committee on Building Construction and recommends \$444,520 for the razing of Main Building and rerouting of the utility tunnel.
9. The Subcommittee strongly supports the idea of inmate labor as proposed at Topeka State Hospital and recommends that Osawatomie also explore the possibilities of a similar program on the hospital grounds.
10. The Subcommittee notes that the Governor's recommendations provide a fee fund ending balance equivalent to one week's revenue. The Subcommittee believes this balance may be inadequate and highlights this as an area the Senate Subcommittee may wish to review when additional actual information on FY 1986 receipts is available.

  
Representative David Louis  
Subcommittee Chairman

  
Representative Kenneth King

  
Representative Henry Helgerson

SUBCOMMITTEE REPORT

Agency: Rainbow Mental Health  
Facility

Bill No. --

Bill Sec. --

Analyst: Timmer

Analysis Pg. No. 376

Budget Pg. No. 6-55

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 3,521,922	\$ 3,405,518	\$ --
Capital Improvements	347,741	347,741	--
TOTAL	<u>\$ 3,869,663</u>	<u>\$ 3,753,259</u>	<u>\$ --</u>
State General Funds:			
State Operations	\$ 2,096,292	\$ 1,979,888	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 2,096,292</u>	<u>\$ 1,979,888</u>	<u>\$ --</u>
FTE Positions	115.0	115.0	--

Agency Request/Governor's Recommendation

The agency requests an operating budget of \$3,521,922 for FY 1986 as was approved by the 1985 Legislature. The agency has implemented a program in conjunction with the community mental health centers whereby the centers screen all patients before admission. If short-term treatment is indicated, 21 days or less, the patient is admitted to Rainbow. If longer-term treatment is required the patient is referred to Osawatomie State Hospital. The program will increase the number of admissions to Rainbow and decrease the average length of stay.

The Governor recommends expenditures of \$3,752,259 for operations in FY 1986, a reduction of \$116,404 from the agency's request.

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendation and makes the following observations:

1. While the Subcommittee concurs with the Governor's spending reductions of \$116,404 for FY 1986, they acknowledge that these reductions will make Rainbow's FY 1986 budget very austere and careful budget management will be required if the hospital is to be able to absorb the reductions.

*D. H. M.*  
*2/26/86*

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2. The Subcommittee notes the hospital fee fund collections through February 15, 1986 have not been near projected levels. Although hospital staff believe receipts will increase in the next few months, the Subcommittee notes that significant increases will be required if projections are to be reached.

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SUBCOMMITTEE REPORT

Agency: Rainbow Mental Health  
Facility

Bill No. 2759

Bill Sec. 8

Analyst: Timmer

Analysis Pg. No. 376

Budget Pg. No. 6-55

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 3,755,733	\$ 3,519,249	\$ --
Capital Improvements	639,600	633,100	--
TOTAL	<u>\$ 4,395,333</u>	<u>\$ 4,152,349</u>	<u>\$ --</u>
<b>State General Funds:</b>			
State Operations	\$ 2,264,973	\$ 1,674,375	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ 2,264,973</u>	<u>\$ 1,674,375</u>	<u>\$ --</u>
FTE Positions	119.0	117.0	--

Agency Request/Governor's Recommendation

Rainbow requests an operating budget of \$3,755,733 for FY 1987 and capital improvement funding of \$639,600 from the State Institutions Building Fund. The agency requests 4.0 FTE new positions; a Registered Nurse III and an Activity Therapist I to provide additional weekend and evening staffing and an Accountant II and a Data Operator IV to provide additional staffing for the business office operations. The agency's request would allow for the continuation of all existing programs including the recent emphasis on short-term care for the adult patients.

The Governor recommends an operating budget of \$3,519,249 for Rainbow and also recommends funding from the State Institutions Building Fund for the remodeling of the Activity Therapy space and for the planning of the remodeling of the school area. The recommendations fund two new FTE positions, the Accountant II and the Registered Nurse III.

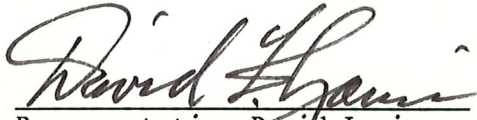
House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendations and makes the following observations:

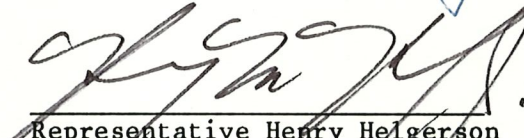
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1. The Governor's recommendation includes a fee fund ending balance equivalent to one week's revenue. The Subcommittee is of the opinion this balance may not be sufficient and highlights it as an area which may be reviewed by the Senate Subcommittee when more actual FY 1986 revenue information is available.
2. The Subcommittee endorses the policy of identifying specific salary and wage costs such as temporary and intermittent staff and overtime. The Subcommittee requests that all Mental Health institutions follow that policy.

  
Representative David Louis  
Subcommittee Chairman

  
Representative Kenneth King

  
Representative Henry Helgeson

SUBCOMMITTEE REPORT

Agency: Topeka State Hospital      Bill No. —      Bill Sec. —  
 Analyst: Timmer      Analysis Pg. No. 407      Budget Pg. No. 6-59

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
All Funds:			
State Operations	\$16,763,147	\$ 16,581,237	\$ (20,000)
Capital Improvements	197,682	197,682	--
TOTAL	<u>\$16,960,829</u>	<u>\$16,778,919</u>	<u>\$ (20,000)</u>
State General Fund:			
State Operations	\$11,218,851	\$10,652,535	\$ (20,000)
Capital Improvements	--	--	--
TOTAL	<u>\$11,218,851</u>	<u>\$10,652,535</u>	<u>\$ (20,000)</u>
FTE Positions	659.0	659.0	--

House Subcommittee Recommendation

The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Reduction of \$9,000 from the communications budget based on expenditures to date and the revised KANS-A-N rate increase projections. A total of \$185,260 is recommended for communications expenditures.
2. Reduction of \$9,000 from the utilities budget based on expenditures to date.
3. Reduction of \$2,000 from professional services also based on expenditures to date.

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*D. H. M.*  
*2/26/86*

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**SUBCOMMITTEE REPORT**

Agency: Topeka State Hospital      Bill No. 2759      Bill Sec. 11  
 Analyst: Timmer      Analysis Pg. No. 407      Budget Pg. No. 6-59

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$18,497,585	\$ 16,978,415	\$ (1,892)
Capital Improvements	945,500	--	--
<b>TOTAL</b>	<u>\$19,443,085</u>	<u>\$16,978,415</u>	<u>\$ (1,892)</u>
<b>State General Fund:</b>			
State Operations	\$12,829,904	\$11,292,721	\$ (1,892)
Capital Improvements	--	--	--
<b>TOTAL</b>	<u>\$12,829,904</u>	<u>\$11,292,721</u>	<u>\$ (1,892)</u>
<b>FTE Positions</b>	662.0	652.5	1.0

House Subcommittee Recommendation


The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. Reduction of \$9,715 from the communications budget based on revised FY 1986 projected expenditures and an 11 percent increase in KANS-A-N costs. No adjustment for usage is made.
2. Reduction of \$2,177 from professional drug and medical supplies based on revised FY 1986 projected expenditures.
3. Addition of 1 FTE position and \$15,000 to provide a supervisory position for a program to employ pre-release inmate labor on the hospital grounds. The Subcommittee understands that the hospital and the Topeka Pre-Release Center had reached agreement on a program which would allow 15 permanent party inmates, located at the Pre-Release Center, to be used to provide additional grounds maintenance, snow removal, and similar services. The agreement required that the Hospital provide 3 FTE supervisors for the inmates. The Hospital's FY 1987 budget request included the reclassification of three maintenance positions in order to provide the supervisors. The Governor's recommendation deleted 2 FTE and all salary and wage funding for those positions and left one position. The Subcommittee's recommendation provides one more supervisor and requests that the Hospital reclassify another position to provide the third supervisor.

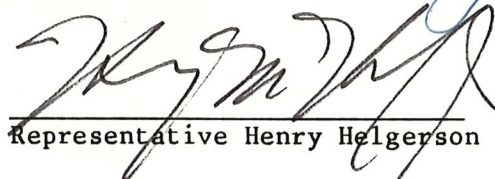
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The Subcommittee strongly endorses the proposed arrangement between the Hospital and the Pre-Release Center and commends them for instigating an arrangement which promises significant benefit to both institutions. The Subcommittee also believes that it may be possible in the future to assign inmates to other work areas, such as the laundry and exterior painting, and encourages the Hospital and Pre-Release Center to explore any additional job possibilities. The Subcommittee sympathizes with concerns expressed that existing staff should not be replaced with inmate labor, and believes that this program can be initiated without jeopardizing current Hospital staff jobs.

4. Reduction of \$5,000 from the utilities budget based on revised FY 1986 estimated expenditures to allow \$803,867 for utilities in FY 1987.
5. The Subcommittee concurs with the recommendations of the Joint Committee on Building Construction and does not recommend funding for any capital improvement projects at Topeka State in FY 1987.
6. The Subcommittee notes that the Governor's FY 1987 fee fund recommendations include an ending balance equivalent to one week's revenue. The Subcommittee is of the opinion that this balance may not be sufficient and could cause funding problems for the Hospital should revenue not meet projections. The Subcommittee highlights this as an area for review by the Senate Subcommittee, especially when more actual FY 1986 revenue information is available.
7. The Subcommittee endorses the policy of identifying specific salary and wage costs such as temporary and intermittent staff and overtime and requests that all Mental Health institutions follow that policy in all future budget requests.

  
Representative David Louis  
Subcommittee Chairman

  
Representative Kenneth King

  
Representative Henry Helgeson

SUBCOMMITTEE REPORT

Agency: Youth Center at Topeka      Bill No. 2759      Bill Sec. 2  
 Analyst: Rothe      Analysis Pg. No. 325      Budget Pg. No. 4-91

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 6,745,908	\$ 5,589,259	\$ 476,755
General Fee Fund	51,839	52,281	--
Federal Education Aid	145,585	124,775	--
Subtotal - Operating	<u>\$ 6,943,332</u>	<u>\$ 5,766,315</u>	<u>\$ 475,755</u>
<b>Capital Improvements:</b>			
State Institutions			
Building Fund	\$ 509,000	\$ 495,200	\$ --
TOTAL	<u>\$ 7,452,332</u>	<u>\$ 6,261,515</u>	<u>\$ 476,755</u>
FTE Positions	213.0	200.0	--

Agency Request/Governor's Recommendation

The agency requests FY 1987 operating expenditures of \$6,943,332, an increase of \$1,227,905 (or 21.5 percent) over the FY 1986 estimate of \$5,715,427. Of the increase, 62.7 percent is attributed to a proposed change in education funding, 32.2 percent to salaries and wages, and 7.4 percent to other operating expenditures. The request includes \$6,745,908 from the State General Fund.

The Governor recommends operating expenditures of \$5,766,315 for FY 1987, a reduction of \$1,177,017 from the agency's request. Most of the reduction is from education expenditures (\$680,823), salaries and wages (\$374,135), capital outlay (\$42,827), and utilities (\$29,188). The recommendation includes \$5,589,259 from the State General Fund.

House Subcommittee Recommendation

FY 1986. The Subcommittee recommends that \$60,000 from the State General Fund be reappropriated from FY 1986 to FY 1987 to reflect a reduction in utility expenditures. The recommendation would result in an increase in the total reappropriation to FY 1987 to \$103,503.

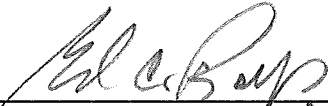
FY 1987. The House Subcommittee concurs with the Governor's recommendations for FY 1987 with the following exceptions:

1. Delete \$50,000 from the State General Fund in utility savings.

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2. Add \$8,572 from the State General Fund for capital outlay costs. The recommendation includes \$1,800 for dictaphones, \$900 to replace school furnishings and equipment, \$5,572 to replace cottage furnishings and equipment, and \$300 for a sewing machine.
3. Pursuant to the attached page, add \$518,183 from the State General Fund for education costs. The Subcommittee further recommends that a bill be introduced to amend K.S.A. 72-978 to preclude distributions to school districts for services provided pursuant to a contract for special education services between a school district and a youth center under the control of the Commissioner of Youth Services of the Department of Social and Rehabilitation Services.
4. The Subcommittee recommends that any land owned by the agency and not used for institutional purposes be sold and that proceeds be deposited in the agency's General Fee Fund.

  
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Representative Ed Rolfs,  
Subcommittee Chairman

  
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Representative Wanda Fuller

  
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Representative Bill Wisdom



YOUTH CENTER EDUCATION PROGRAM RECOMMENDATION -- FEBRUARY 26, 1986

The Subcommittee notes that youth center education programs were originally funded totally through Social and Rehabilitation Services. With the revision of the state special education categorical aid program beginning in FY 1985, that program became an important component of funding for education services provided by the youth centers. Since 1978, the majority of the teachers in youth center education programs have been certified in special education and virtually all students entering the youth centers have been labeled special education Personal and Social Adjustment (PSA). Thus the programs that school districts have provided pursuant to the contracts with the youth centers have generated state special education categorical aid funds for such districts. This special education categorization has been possible because the state identification criteria for the PSA are more liberal than the federal identification criteria found in P.L. 94-142. On May 1, 1986, the state definition will change to one which is more structured and which has more restrictive identification criteria. Thus many of the youth center students will no longer meet criteria for identification as PSA students. Preliminary estimates indicate that 36 percent of the Youth Center at Atchison students, 24 percent at Beloit, and 61 percent at Topeka will be classified as exceptional students for whom special education services must be provided.

Changes in the estimated rate of categorical aid during the fiscal year create an administrative problem for the youth centers. As a result there may be significant reductions in the amount of such aid that might be available for the support of such programs. This creates difficulty in implementing the financial arrangements in the contracts with school districts for payment of services.

The Subcommittee recommends that all education program funds be appropriated from the State General Fund directly to the youth centers, thus eliminating the need for the categorical aid estimates and resulting uncertainties regarding funding. The youth centers would continue to contract with the local school district. Youth center education programs would remain under KSDE regulations for accredited schools. (The schools must remain accredited in order for a student's credits to be accepted by other public schools and so that graduated students are automatically eligible to attend any state university.)

SUBCOMMITTEE REPORT

Agency: Youth Center at Atchison Bill No. 2759

Bill Sec. 4

Analyst: Rothe

Analysis Pg. No. 339

Budget Pg. No. 4-83

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 3,810,695	\$ 3,318,764	\$ 269,437
General Fee Fund	20,000	36,374	--
Federal Education Aid	57,229	65,509	--
Subtotal - Operating	<u>\$ 3,887,924</u>	<u>\$ 3,420,647</u>	<u>\$ 269,437</u>
<b>Capital Improvements:</b>			
State Institutions			
Building Fund	\$ 110,600	\$ --	\$ --
TOTAL	<u>\$ 3,998,524</u>	<u>\$ 3,420,647</u>	<u>\$ 269,437</u>
FTE Positions	120.5	119.5	--

Agency Request/Governor's Recommendation

The agency requests FY 1987 operating expenditures of \$3,887,924, an increase of \$527,740 (or 15.7 percent) over the FY 1986 estimate of \$3,360,184. Of the increase, 62.4 percent is attributed to a proposed change in education funding, 24.6 percent to salaries and wages, 8.4 percent to capital outlay, and 4.7 percent to other operating expenditures. The request includes \$3,810,695 from the State General Fund.

The Governor recommends operating expenditures of \$3,420,647 for FY 1987, a reduction of \$467,277 from the agency's request. The recommendation includes \$3,318,764 from the State General Fund.

House Subcommittee Recommendation

FY 1986. The Subcommittee recommends that \$24,302 from the State General Fund be reappropriated from FY 1986 to FY 1987 to reflect a reduction in utility expenditures. The recommendation would result in an increase in the total reappropriation to FY 1987 to \$28,634.

FY 1987. The House Subcommittee concurs with the Governor's recommendations for FY 1987 with the following exceptions:


1. Delete \$20,000 from the State General Fund in utility savings.
2. Add \$19,700 from the State General Fund for capital outlay costs. The recommendation includes \$9,000 to replace furniture

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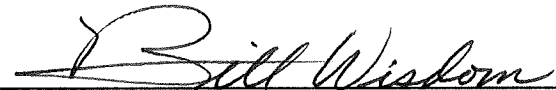
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in Sycamore Cottage, and \$10,700 for a station wagon to replace a 1973 Chevrolet Chevelle with approximately 99,000 miles of use.

3. Pursuant to the attached page, add \$269,737 from the State General Fund for education costs. The Subcommittee further recommends that a bill be introduced to amend K.S.A. 72-978 to preclude distributions to school districts for services provided pursuant to a contract for special education services between a school district and a youth center under the control of the Commissioner of Youth Services of the Department of Social and Rehabilitation Services.
4. The Subcommittee recommends that any land owned by the agency and not used for institutional purposes be sold and that proceeds be deposited in the agency's General Fee Fund.

  
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Representative Ed Rølfs,  
Subcommittee Chairman

  
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Representative Wanda Fuller

  
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Representative Bill Wisdom

SUBCOMMITTEE REPORT

Agency: Youth Center at Beloit      Bill No. 2759      Bill Sec. 3  
 Analyst: Rothe      Analysis Pg. No. 332      Budget Pg. No. 4-87

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 3,570,665	\$ 2,771,595	\$ 265,342
General Fee Fund	20,000	62,677	--
Federal Education Aid	66,670	66,670	--
Subtotal - Operating	<u>\$ 3,657,335</u>	<u>\$ 2,900,942</u>	<u>\$ 265,342</u>
<b>Capital Improvements:</b>			
State Institutions			
Building Fund	\$ 234,600	\$ 214,500	\$ --
TOTAL	<u>\$ 3,891,935</u>	<u>\$ 3,115,442</u>	<u>\$ 265,342</u>
FTE Positions	101.0	98.0	--

Agency Request/Governor's Recommendation

The agency requests FY 1987 operating expenditures of \$3,657,335, an increase of \$775,933 (or 26.9 percent) over the FY 1986 estimate of \$2,881,402. Of the increase, 71.4 percent is attributed to a proposed change in education funding, 18 percent to salaries and wages, 3.9 percent to medical contracts, and 6.7 percent to other operating expenditures. The request includes \$3,570,665 from the State General Fund.

The Governor recommends operating expenditures of \$2,900,942 for FY 1987, a reduction of \$756,393 from the agency's request. Most of the reduction is from education expenditures (\$509,313), salaries and wages (\$114,174), and capital outlay (\$91,913). The recommendation includes \$2,771,595 from the State General Fund.

House Subcommittee Recommendation

FY 1986. The Subcommittee recommends that \$16,000 from the State General Fund be reappropriated from FY 1986 to FY 1987 to reflect a reduction in utility expenditures. The recommendation would result in an increase in the total reappropriation to FY 1987 to \$117,975.

FY 1987. The House Subcommittee concurs with the Governor's recommendations for FY 1987 with the following exceptions:

1. Delete \$13,000 from the State General Fund in utility savings.

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2. Add \$12,950 from the State General Fund for capital outlay costs. The recommendation includes \$1,000 for cottage furnishings and equipment, \$600 for two sewing machines, \$1,000 for a washer and dryer, \$350 for a shampoo chair, and \$10,000 for a mini-van to replace a vehicle with approximately 100,000 miles of use.
3. Pursuant to the attached page, add \$265,392 from the State General Fund for education costs. The Subcommittee further recommends that a bill be introduced to amend K.S.A. 72-978 to preclude distributions to school districts for services provided pursuant to a contract for special education services between a school district and a youth center under the control of the Commissioner of Youth Services of the Department of Social and Rehabilitation Services.
4. The Subcommittee recommends that any land owned by the agency and not used for institutional purposes be sold and that proceeds be deposited in the agency's General Fee Fund.



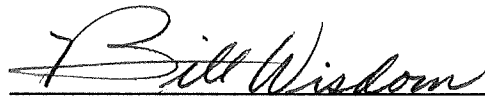
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Representative Ed Rolfs,  
Subcommittee Chairman



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Representative Wanda Fuller



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Representative Bill Wisdom

HOUSE SUBCOMMITTEE

SYSTEMWIDE RECOMMENDATIONS

Mental Retardation Institutions

The Subcommittee reviewed recent regulatory activities at the mental retardation institutions, staffing increases made during the 1985 interim and recommended by the Governor, and the long-range plans for the institutions in their budgetary deliberations. The Subcommittee makes the following conclusions and recommendations:

1. In April, 1985, federal officials visited Winfield State Hospital and cited deficiencies in the areas of protection from harm for the residents and in active treatment. The 1985 Legislature authorized 102 additional positions for Winfield to address these cited deficiencies. Winfield was recertified in September, 1985 by federal officials for continued receipt of federal Medicaid funds. Agency officials anticipate a resurvey by federal officials in the spring of 1986.

Following the federal survey at Winfield, surveys were conducted at the other three mental retardation institutions by the Kansas Department of Health and Environment and deficiencies in provision of adequate active treatment were cited at each facility. Parsons and KNI received Finance Council authorization to hire additional staff during the 1985 interim. KNI was recertified in November, 1985 for continued receipt of Medicaid funds. Parsons is scheduled to be resurveyed by KDHE in February, 1986 to determine whether active treatment is being satisfactorily provided. Norton did not request Finance Council action during the interim session, but has begun hiring additional direct care trainee staff. Norton will also be resurveyed in February, 1986. Norton, Parsons, and KNI are requesting significant supplemental funding in FY 1986 for new positions. Federal surveyors started a survey at KNI on February 19, 1986, and have not yet visited Parsons or Norton.

2. The Subcommittee held joint meetings with the Senate Subcommittee for the institutions during November and December, 1985. The Subcommittee reviewed staffing at all four mental retardation institutions. The Subcommittee also held a conference call with Colorado officials and reviewed useful information regarding that state's experience with federal officials. The Subcommittee also met with officials of the Kansas University Affiliated Facility at Parsons who have been extensively involved with staffing and program changes at the institutions. With the additional staff authorized by the Finance Council and recommended by the Governor, Kansas mental retardation institutions appear to be staffed at a level comparable to other states. Additional staff authorized generally provides for an overall ratio of one direct care staff for every six residents. This staffing level appears

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necessary to meet Medicaid active treatment standards as interpreted by state and federal review teams.

3. The Subcommittee toured Kansas Neurological Institute and met with the other three superintendents and found that all four institutions have developed active treatment programs. The Subcommittee believes that all four institutions are now providing active treatment as required by federal Medicaid regulations, and that further increases in direct care staff beyond the level recommended in the Subcommittee's reports would be unwarranted. The Subcommittee commends the institutions' staffs for their dedication in providing active treatment to residents of the institutions.
4. The Subcommittee requested and received from Dr. Saunders, of the University Affiliated Facility at Parsons, statistics on a pilot project at Winfield analyzing the effect of additional supervisory staff on the need for direct care staff. Dr. Saunders' preliminary results indicate that an additional supervisory position on a unit may reduce the number of direct care staff necessary to provide active treatment. The Subcommittee recommends Dr. Saunders continue his study and report the final results to the Legislature. The Subcommittee recommends that the Division of Mental Health and Retardation Services also present a cost benefit analysis on any recommendations made as a result of the study.
5. The Subcommittee believes that reducing institutional populations is the long-range optimal strategy for the mental retardation institutions. The Subcommittee notes that for each unit of residents moved from an institution, corresponding numbers of direct care staff can be reduced. The Subcommittee also notes that federal surveyors may soon be reviewing the institutions to determine if residents are appropriately placed. The Subcommittee recommends special grants programs to reduce institutional populations and operating costs and address any potential questions of inappropriate placement prior to federal surveys in that area. Recommendations for each institution and the Division of Mental Health and Retardation Services reflect this systemwide recommendation.
6. The Subcommittee reviewed fee fund projections for each institution. The Governor's recommendations provide only approximately a one week balance at the end of FY 1987, substantially below the one month balance typically budgeted. The Subcommittee notes that based on receipts to date for FY 1986, the institutions may experience fee fund shortfalls in FY 1987. The Subcommittee recommends the Senate review fee fund receipts when additional data is available.
7. The Subcommittee also reviewed projections for federal Medicaid receipts and found that at this time it appears that Medicaid receipts may be significantly less than projected in the Governor's recommendations. The Subcommittee recommends that the Division

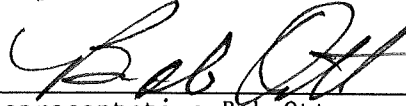
of Mental Health and Retardation Services request a Governor's Budget Amendment to provide revised estimates of federal Medicaid receipts for the four institutions.



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Representative J. Santford Duncan  
Subcommittee Chairman



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Representative Jack Shriver



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Representative Bob Ott

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SUBCOMMITTEE REPORT

Agency: Parsons State Hospital      Bill No. 2801      Bill Sec. 12  
 Analyst: Hunn      Analysis Pg. No. 384      Budget Pg. No. 6-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 6,306,168	\$ 6,145,772	\$ 23,222
General Fees Fund	574,489	574,489	85,087
Title XIX	4,326,000	4,326,000	
Other Funds	119,319	119,319	
Subtotal - Operating	<u>\$11,325,976</u>	<u>\$11,165,580</u>	<u>\$ 108,309</u>
<b>Capital Improvements:</b>			
State Institutions			
Building Fund	\$ 993,247	\$ 993,247	\$
TOTAL	<u>\$12,319,223</u>	<u>\$12,158,827</u>	<u>\$ 108,309</u>
FTE Positions	478.5	478.5	--

House Committee Recommendations

FY 1986. The House Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. The Subcommittee concurs with the Governor's recommendation for funding 74 additional staff in FY 1986. The agency has filled all but two of these positions and has not experienced turnover savings at the level provided in the Governor's recommendations. The Governor's recommendations reduced the amount of supplemental funding for the new positions by \$158,396 from the agency's request. The Subcommittee recommends reinstatement of \$77,064 of the amount requested by the agency based on revised turnover projections.
2. The Subcommittee projects savings in the areas of food and utilities based on expenditures for the first six months but notes that these savings are projected to be offset by increased expenditures incurred in meeting safety and sanitation standards in response to Medicaid surveys. A net increase of \$11,245 for other operating expenditures is recommended.
3. The Subcommittee recommends the addition of \$20,000 for the purchase of resident furniture to respond to cited deficiencies in the Medicaid survey.

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4. The Subcommittee notes that Parsons has collected fee fund receipts in FY 1986 in excess of the amount projected in the Governor's recommendations. The Subcommittee recommends that fee fund expenditures for FY 1986 be increased by \$85,087 and that State General Fund expenditures be reduced by a corresponding amount.

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**SUBCOMMITTEE REPORT**

**Agency:** Parsons State Hospital      **Bill No.** 2759      **Bill Sec.** 9  
**Analyst:** Hunn      **Analysis Pg. No.** 384      **Budget Pg. No.** 6-35

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 7,024,514	\$ 5,898,499	\$ 132,572
General Fees Fund	625,961	756,802	(45,000)
Title XIX	4,837,232	5,064,366	--
Other Funds	91,800	91,800	--
Subtotal	<u>\$12,579,507</u>	<u>\$11,811,467</u>	<u>\$ 87,572</u>
<b>Capital Improvements:</b>			
State Institutional Building Fund	\$ 1,004,200	\$ 194,300	\$ --
TOTAL	<u>\$13,583,707</u>	<u>\$12,005,767</u>	<u>\$ 82,572</u>

House Subcommittee Recommendations

The House Subcommittee concurs with the Governor's recommendation with the following adjustments:

1. The Subcommittee recommends funding for the Group Home program requested by Parsons. The Subcommittee recommends \$132,572 for eight direct care staff and operating expenditures for the group home, which is to be located off the hospital's grounds in the community to prepare residents for more independent living and eventual movement to community programs. The Subcommittee feels this program will be cost-effective in the long run as it will facilitate reductions in the institution's population.
  
2. The Subcommittee reviewed the agency's request for a Management Analyst IV to develop and implement a computerized information system for the institution. The Subcommittee believes significant cost savings could be realized at all four institutions if more tasks such as recording resident progress and monitoring programs were computerized. The Subcommittee recommends the Management Analyst IV position be budgeted in the Division of Mental Health and Retardation Service's central office to provide computer assistance to all institutions. The Subcommittee recommends this position be based at Parsons, however, in accordance with the Subcommittee's recommendations last year that computer applications be tested as pilot projects at Parsons before implementation at other institutions.

3. The Subcommittee notes that, historically, a transfer of funds has been made from the University of Kansas budget for the UAF to Parsons State Hospital. The transfer was originally intended to compensate the hospital for overhead costs incurred on behalf of the two university buildings located on Parsons institutional grounds. The funds transferred have not been utilized as originally intended and instead have been utilized primarily to purchase equipment or other items for the UAF, rather than the hospital. The Subcommittee therefore sees no purpose to the transfer and recommends it be eliminated to reduce unnecessary bookkeeping. The recommendation would have the effect of offsetting reductions in receipts and expenditures in FY 1987 of \$45,000.
4. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction for capital improvements of \$94,300 to renovate one resident cottage.

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SUBCOMMITTEE REPORT

Agency: Kansas Neurological  
Institute

Bill No. 2801

Bill Sec. 10

Analyst: Hunn

Analysis Pg. No. 345

Budget Pg. No. 6-31

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 9,418,591	\$ 9,216,678	\$ (76,827)
General Fees Fund	442,336	442,336	--
Title XIX	5,947,986	5,947,986	--
Other Funds	274,037	274,037	--
Subtotal - Operating	<u>\$16,082,950</u>	<u>\$15,881,037</u>	<u>\$ (76,827)</u>
<b>Capital Improvements:</b>			
State Institutions			
Building Fund	\$ 75,000	\$ 80,196	\$ --
TOTAL	<u>\$16,157,950</u>	<u>\$15,961,233</u>	<u>\$ (76,827)</u>
FTE Positions	751.5	751.5	--

House Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. The Subcommittee notes that KNI projects some salary savings in FY 1986 and recommends a portion of these savings be used to fund five direct care positions for the second half of FY 1986 that were deleted in the Governor's recommendations. These direct care positions were approved by the Finance Council in the 1985 interim and the Subcommittee recommends these positions be retained to ensure KNI will continue to meet Medicaid standards. The Subcommittee also recommends the amount of supplemental funding for KNI be reduced by \$34,000 based on these projected turnover savings.
2. Reappropriate \$36,791 in projected food savings to reduce FY 1987 State General Fund appropriations.
3. Reappropriate \$16,036 in projected utility savings to reduce FY 1987 State General Fund appropriations.
4. The Subcommittee found that KNI had recently purchased approximately \$50,000 of furniture for resident units that has proved to be defective. KNI is returning this furniture to the

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manufacturer who has not agreed to the return and has hired an attorney to pursue the matter. Until this matter is resolved with the manufacturer, the \$50,000 involved cannot be released and KNI has no funding to purchase the necessary furniture at the next lowest bid. The Subcommittee supports KNI's actions in this matter and recommends projected savings in food and utilities be utilized to purchase the needed furniture prior to the release of funds under the first contract.

5. The Subcommittee recommends the addition of \$10,000 for office furniture for the new professional staff approved by the Finance Council and recommended by the Governor. This amount was shifted to FY 1987 by the Governor's recommendations. The Subcommittee notes the furniture purchases are necessary in FY 1986 and recommends reduction of \$10,000 for capital outlay in FY 1987.

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SUBCOMMITTEE REPORT

Agency: Kansas Neurological  
Institute

Bill No. 2759

Bill Sec. 5

Analyst: Hunn

Analysis Pg. No. 345

Budget Pg. No. 6-31

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 9,980,451	\$ 8,754,523	\$ 61,293
General Fees Fund	535,585	663,290	
Title XIX	6,636,079	6,886,967	
Other Funds	240,616	240,616	
Subtotal	<u>\$17,392,731</u>	<u>\$16,545,396</u>	<u>\$ 61,293</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ 542,400	\$ --	\$ 25,000
TOTAL	<u>\$17,935,131</u>	<u>\$16,545,396</u>	<u>\$ 86,293</u>
FTE Positions	762.5	743.5	5.0

House Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the Governor's recommendations for FY 1987 with the following adjustments:

1. The Subcommittee recommends \$67,924 for reinstatement of the five direct care positions deleted by the Governor's recommendations to ensure that KNI will continue to meet Medicaid standards. The Subcommittee notes that full-year funding of these positions may not be necessary, however, in the event that the population at KNI is reduced in FY 1987. The Subcommittee recommends that direct care staffing levels be reevaluated by the 1987 Legislature to determine if changes should be made at that time. Federal officials are now conducting a survey at KNI and the Subcommittee recommends the Senate review the results of the federal survey when that information is available.
2. The Subcommittee recommends the addition of \$3,369 to provide for the reinstatement of two existing positions deleted by the Governor's recommendations, but deletion of two alternative positions selected by the agency. The two positions recommended for reinstatement are a social worker and a social services administrator and the alternative positions recommended for deletion are a Director of Chaplaincy Services and a radiology technician. KNI plans to investigate the possibility of contracting

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for all religious services or seeking volunteers from the community. The Subcommittee recommends the other institutions also investigate alternatives in the provision of religious services.

3. The Subcommittee notes that KNI plans to send two LPNs to training to become respiratory therapists in FY 1987. The Subcommittee recommends that only one LPN be trained each year to minimize time spent away from KNI and to ensure adequate nursing coverage on the units.
4. The Subcommittee recommends \$10,000 in capital outlay expenditures be shifted to FY 1986 for the purchase of office furniture for the professional staff added during the 1985 interim.
5. The Subcommittee concurs with the recommendation of the Joint Committee on State Building Construction for capital improvements which includes \$25,000 to replace KNI's dishwashing machine.

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**SUBCOMMITTEE REPORT**

Agency: Winfield State Hospital      Bill No. NA      Bill Sec. NA  
 Analyst: Hunn      Analysis Pg. No. 417      Budget Pg. No. 6-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 9,719,321	\$ 9,219,506	\$ 30,000
General Fees Fund	1,161,554	1,161,554	
Title XIX	7,455,377	7,455,377	
Other Funds	259,834	259,834	
Subtotal-Operating	<u>\$18,596,086</u>	<u>\$18,096,271</u>	<u>\$ 30,000</u>
<b>Capital Improvements:</b>			
State Institutions			
Building Fund	\$ 156,750	\$ 359,327	\$ --
TOTAL	<u>\$18,752,836</u>	<u>\$18,455,598</u>	<u>\$ 30,000</u>
FTE Positions	833.0	833.0	--

House Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. The Subcommittee supports Winfield's proposal to establish a University Affiliated Program with Wichita State University and recommends the two agencies accelerate the development of this joint program. The Subcommittee notes the value of the University Affiliated Program at Parsons and believes the establishment of a University Affiliated Program at Winfield would enhance the institution's ability to attract and retain qualified professional staff.
2. During their review of Winfield's budget and during the 1985 interim, the Subcommittee met with Dr. Richard Saunders of the University Affiliated Facility at Parsons who has been serving as consultant to Winfield since the federal survey last spring. The Subcommittee wishes to commend Dr. Saunders for his invaluable contribution in developing active treatment programs at Winfield.
3. The Subcommittee notes that salary and wage projections for Winfield indicate that the Governor's recommendation may not be sufficient to allow the institution to keep all direct care positions filled for the remainder of the year. Winfield does,

*D. Hunn*  
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however, have several vacancies in professional positions which could offset the potential shortfall. The Subcommittee recommends the Senate review salary and wage expenditures when additional payroll data is available.

4. The Subcommittee recommends the addition of \$30,000 in supplemental funding for medical supplies for the 12-bed respiratory therapy unit recently established. This adjustment would restore the amount deleted by the Governor's recommendations. Prior to the establishment of this unit, these patients had been treated at local hospitals and the costs charged to the patients medical card. While the new unit results in additional expenditure for the institution, there should be some offsetting savings in Medicaid expenditures in the SRS budget. The Subcommittee recommends the Division of Mental Health and Retardation Services monitor the expenditures incurred for this unit, and report to the 1987 Legislature on its cost-effectiveness.
5. The Subcommittee reviewed utility and food expenditures for the first six months and does not project savings in these areas at this time. The Subcommittee recommends the Senate review these areas when additional data is available.

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SUBCOMMITTEE REPORT

Agency: Winfield State Hospital      Bill No. 2759      Bill Sec. 12  
 Analyst: Hunn      Analysis Pg. No. 417      Budget Pg. No. 6-43

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$11,013,387	\$ 9,725,319	\$ 21,000
General Fees Fund	1,062,321	1,305,819	
Title XIX	7,671,041	8,022,838	
Other Funds	241,970	262,439	
Subtotal-Operating	<u>\$19,988,719</u>	<u>\$19,316,415</u>	<u>\$ 21,000</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ 634,000	\$ 86,600	\$ 115,400
TOTAL	<u>\$20,622,719</u>	<u>\$19,403,015</u>	<u>\$ 136,400</u>
FTE Positions	833.0	853.0	--

House Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. The Subcommittee concurs with the Governor's recommendations to add 20 direct care staff at Winfield in FY 1987. Agency officials anticipate the return of federal officials at Winfield and the additional staff is considered necessary to meet active treatment standards. The Subcommittee notes, however, that a long range plan is being developed to reduce the population at Winfield and that direct care staffing levels should be reduced proportionately when that reduction in population occurs. The Subcommittee also recommends that the Division of Mental Health and Retardation Services provide monthly status reports on movements between or from institutions to the Legislative Research Department.
2. The Subcommittee recommends the addition of \$21,000 in FY 1987 for medical supplies for continuation of the respiratory therapy unit. The Subcommittee recommends this area of expenditure be reviewed by the 1987 Legislature to determine what level of annual expenditures are necessary for this unit.

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3. The agency requested to the Subcommittee higher expenditures in the area of consultant services. The Subcommittee concurs with the Governor's recommendation in this area and recommends that the agency rely more on the professional staff of the institution rather than hiring outside consultants where possible.
4. The Subcommittee notes that Winfield has experienced increased expenditures for disposable briefs. Winfield states that they are monitoring this area to ensure that residents briefs are not being changed too frequently and they also plan to switch to a new brief that has the added feature of "moisture indicators" to maximize efficient procedures in this area. The Subcommittee recommends this area of expenditure be reevaluated by the 1987 Legislature to determine if there may be savings.
5. The Subcommittee notes that the Governor's recommendations deleted \$3,000 for a wheelchair scale. The Subcommittee recommends the addition of this item and a corresponding reduction in the amount recommended for replacement of beds. The Subcommittee found that without this equipment, nonambulatory residents would have to be transported to another building for monthly weight checks. The Subcommittee feels the \$3,000 scale would be efficient and cost-effective.
6. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction which includes \$80,000 to upgrade resident living areas, \$120,000 to replace the institution's X-ray machine, and \$2,000 for trees.

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**SUBCOMMITTEE REPORT**

**Agency: Norton State Hospital**

**Bill No. 2801**

**Bill Sec. 13**

**Analyst: Hunn**

**Analysis Pg. No. 396**

**Budget Pg. No. 6-39**

<u>Expenditure Summary</u>	<u>Agency Req. FY 86</u>	<u>Governor's Rec. FY 86</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 3,448,121	\$ 3,328,582	\$ (73,792)
General Fees Fund	404,980	404,980	--
Title XIX	2,559,417	2,559,417	--
Other Funds	--	--	--
Subtotal - Operating	<u>\$ 6,412,518</u>	<u>\$ 6,292,979</u>	<u>\$ (73,792)</u>
<b>Capital Improvements:</b>			
SIBF	<u>\$ 96,012</u>	<u>\$ 62,966</u>	<u>\$ --</u>
<b>TOTAL</b>	<u>\$ 6,508,530</u>	<u>\$ 6,355,945</u>	<u>\$ (73,792)</u>
 FTE Positions	 291.0	 283.0	 (21.0)

House Subcommittee Recommendations

FY 1986. The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. The Subcommittee recommends a total of 7.7 new positions in FY 1986, rather than the 28.7 positions recommended by the Governor. The Subcommittee recommends the following positions: 5 Qualified Mental Retardation Professionals (QMRPs), to provide one QMRP for each ward; 1 Development Training Specialist IV; 1 Activity Therapist Aide II; 1 Sheltered Workshop Technician I; 0.7 FTE for a Registered Nurse III to provide full-year funding of an RN required to maintain hospital licensure, and deletion of one vacant social worker position. The total amount recommended for these positions is \$96,595.

In addition to these permanent positions, the Subcommittee recommends \$98,748 to allow Norton funding for 18 Health Service Workers (direct care trainees) for the last six months of FY 1986. These direct care trainees would not be included in the position limitation and it is anticipated that these trainees would be hired to fill vacancies or be terminated as future reductions in Norton's population would allow these additional staff to be phased out during FY 1987. The Subcommittee notes that Norton has hired 18 trainee staff to respond to active

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treatment deficiencies cited in the agency's last Medicaid survey. Norton will be resurveyed in the next several weeks and the Subcommittee recommends the additional staff to allow Norton to retain Medicaid certification. The total amount recommended in supplemental funding for the 7.7 positions and 18 Health Service Workers is \$195,343, a reduction of \$73,792 from the Governor's recommendation.

2. The Subcommittee reviewed other operating expenditures and did not find projected savings at this time. The Subcommittee recommends the Senate review expenditures when additional data is available.

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**SUBCOMMITTEE REPORT**

**Agency: Norton State Hospital**

**Bill No. 2759**

**Bill Sec. 10**

**Analyst: Hunn**

**Analysis Pg. No. 396**

**Budget Pg. No. 6-39**

<u>Expenditure Summary</u>	<u>Agency Req. FY 87</u>	<u>Governor's Rec. FY 87</u>	<u>Subcommittee Adjustments</u>
<b>State Operations:</b>			
State General Fund	\$ 4,374,565	\$ 3,365,744	\$ (245,707)
General Fees Fund	319,769	338,119	--
Title XIX	2,419,597	2,822,752	--
Other Funds	--	--	--
Subtotal - Operating	<u>\$ 7,113,931</u>	<u>\$ 6,526,615</u>	<u>\$ (245,707)</u>
<b>Capital Improvements:</b>			
SIBF	<u>\$ 654,900</u>	<u>\$ --</u>	<u>\$ 72,000</u>
<b>TOTAL</b>	<u><u>\$ 7,768,831</u></u>	<u><u>\$ 6,526,615</u></u>	<u><u>\$ (173,707)</u></u>
 FTE Positions	 298.0	 283.0	 (21.0)

House Subcommittee Recommendations

FY 1987. The Subcommittee concurs with the Governor's recommendations with the following adjustments:

1. The Subcommittee recommends continuation of only the 7.7 positions noted in the FY 1986 subcommittee report rather than the 28.7 positions recommended by the Governor. The Subcommittee also recommends funding for the equivalent of 9 FTE Health Service Workers. The Subcommittee notes the need for continuation of these direct care staff in the first half of FY 1987, but recommends these direct care staff be phased out as Norton's population is reduced. These staffing recommendations result in a reduction of \$240,949 from the Governor's recommendations.
2. The Subcommittee found that the special grants program developed for Norton by the 1985 Legislature has been successful in reducing Norton's population. The Subcommittee recommends a budgeted census of 130 for Norton for FY 1987 and a population at the end of FY 1987 of 120 residents. The Subcommittee believes Norton can retain Medicaid certification without additional permanent direct care staff if the population is reduced to 120 residents.

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The Subcommittee recommends the identified savings in Norton's budget be used for a special grants program budgeted through the Division of Mental Health and Retardation Services to provide for a reduction of at least 20 residents in Norton's population by the end of FY 1987.

3. The Subcommittee recommends reduction of \$14,058 in food for FY 1987 based on the recommended reduction in population.
4. The Subcommittee notes that Norton is attempting to maximize the efficient use of their buildings and consolidate activities into one building where possible. The Subcommittee recommends Norton continue to consolidate functions to allow savings in utility and maintenance costs in unused buildings or portions of buildings. Although a recent Medicaid survey cited shortages of custodial staff, the Subcommittee feels that this issue may be addressed through more efficient use of building space and a reduction of the population at Norton.
5. The Subcommittee recommends that \$10,700 recommended by the Governor for a station wagon be used instead to purchase furniture for resident units which the Subcommittee feels is a higher priority. The Subcommittee also recommends an additional \$9,300 to provide a total of \$20,000 for additional furniture purchases, beyond the level recommended by the Governor. Recent Medicaid surveys have cited deficiencies in furniture on the units.
6. The Subcommittee concurs with the recommendations of the Joint Committee on State Building Construction on capital improvements, which includes \$59,200 for replacement of laundry equipment, \$6,300 to replace a refrigerator in the cafeteria, and \$6,500 to replace a food warming cabinet.