

Approved 3/20/87  
Date

MINUTES OF THE Senate COMMITTEE ON Ways and Means

The meeting was called to order by Senator August "Gus" Bogina at  
Chairperson

11:00 a.m./~~p.m.~~ on March 3, 1987 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Robin Hunn, Ron Schweer, Laura Howard, Diane Duffy,  
Gloria Timmer, Ray Hauke, Alan Conroy

Revisor's Office: Norman Furse

Committee Office: Judy Bromich, Pam Parker

Conferees appearing before the committee:

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

Mr. Robert Epps, Director, Division of Administrative and Support Services,  
Department of Health and Environment

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES FEDERAL BLOCK GRANT  
HEARING

After calling the meeting to order, the Chairman explained that this is the official hearing required by federal law. He then asked Dr. Harder for his remarks concerning the block grants. Dr. Harder distributed and reviewed the following summaries:

1. Kansas Social Service Block Grant (Attachment 1)
2. Community Service Block Grant (Attachment 2)
3. FY 1987 Low Income Home Energy Assistance Block Grant (Attachment 3)
4. Alcohol, Drug Abuse and Mental Health Block Grant (Attachment 4)
5. Report on the Proposed use of Alcohol, Drug Abuse and Mental Health Block Grant Funds (Attachment 5)

The Committee members questioned Dr. Harder concerning certain portions of the summaries. The Chairman asked if anyone else would like to comment on any part of the federal block grants. Since there were no further conferees, he declared the hearing closed.

DEPARTMENT OF HEALTH AND ENVIRONMENT FEDERAL BLOCK GRANT HEARING

Mr. Epps, appearing for Secretary Walker, distributed and reviewed a summary of the Preventive Health Block Grant and Maternal and Child Health Block Grant. (Attachemtn 6) Following questions and discussion of the Committee members, the Chairman asked if anyone else would like to comment on any part of the federal block grants. There were no further conferees and the Chairman declared the hearing closed.

SB 161 - FY 1988 Appropriations for Youth Center and Mental Health Institutions. \*\*Mental Retardation Institutions withheld\*\*

Senators Winter and Gannon reviewed the Subcommittee Report for Sections 15, 16, 18, and New Sections for the Topeka State Hospital in SB 244, and Sections 2, 3, 4, 6, 7, 9, and 11 of SB 161.

In regard to Subcommittee Recommendation No. 4, concerning SB 161, Section 2, Dr. Harder noted that he had received in the previous day's mail a letter from Seaman Unified School District, the contracting school district for the Youth Center at Topeka, containing a cancellation of the contract and a resolution from the school board indicating that they do not want to continue contracting with SRS. This is a unique problem which will have to be solved in a fairly short period of time and, hopefully, there will be a solution to this problem by the time SB 161 reaches the House Appropriations Committee

CONTINUATION SHEET

MINUTES OF THE Senate COMMITTEE ON Ways and Means,  
room 123-S Statehouse, at 11:00 a.m./~~p.m.~~ on March 3, 19 87

In regard to Subcommittee Recommendation No. 2, concerning SB 161, Section 3, Youth Center at Beloit, Dr. Harder answered questions from Senators Werts, Doyen and Johnston by stating that their goal is to hire someone trained in the field of treatment for alcoholism and drug abuse to start actual treatment and aftercare recommendations for young people leaving the youth centers who could serve as a focal point for the delivery of services and enable the Department to avail itself of a possibility of using some federal dollars to expand the program. Currently, there is only a very limited tracking system in place for those youths leaving the youth centers and no comprehensive aftercare system. Senator Winter stated that the Subcommittee did not have time to go into this issue in any depth and suggested that a better way of providing this service might be done by contracting with some of the same people providing alcohol and drug abuse treatment for the Department of Corrections and community programs. Senator Winter moved, Senator Kerr seconded, to amend the Subcommittee Report regarding SB 161, to ask the House Appropriations subcommittee to review this in more detail and have the agency get some input from current alcohol and drug abuse treatment providers under contract with DOC. This motion includes Sections 2, 3, and 4, in addition to calling attention to the House subcommittee relating to the unresolved federal dollars issue. The motion passed on a voice vote.

Following review of the FY 1987 recommendations for Osawatomie State Hospital, the Chairman announced that the review of the Subcommittee Report concerning SB 161 would be continued on March 4th.

Senator Doyen moved, Senator Johnston seconded, to introduce a bill (7 RS 1185) concerning public warehouse storage of grain; relating to surety bonds of licensees. The motion passed by voice vote.

Senator Werts offered a motion for the introduction of a bill (7 RS 1179) concerning state educational institutions under the control and supervision of the state board of regents; relating to higher education faculty relations; prescribing certain powers, duties, functions and procedures; providing for certain rights; memorandums of understanding; declaring certain acts to be prohibited practices; imposing certain fees. The motion was seconded by Senator Doyen and passed on a voice vote.

The Chairman adjourned the meeting at 12:35 p.m.



SWA 3/3/87

Summary  
**Kansas Social Service Block Grant**  
July 1, 1986 to June 30, 1987

Social and Rehabilitation Services views as its goal the formulating and carrying out of a program of social services designed to promote the welfare of targeted needy people by enhancing the opportunity to develop his/her capacities to the greatest extent possible.

Historical Perspective

This is the sixth year of the social service block grant program. The Omnibus Reconciliation Act of 1981 replaced Title XX social services funding with the social service block grant. Along with the block grant system came a severe reduction in the amount of social service funds available. Consequently most social service programs funded under Title XX were carried forward under the social service block grant, but with reduced federal funding. The transfer of funds from the low-income energy assistance program helped to offset the loss of federal funds, and the state general funds have increased in these programs over the last three years.

Probably the biggest change in funding concepts has been the switch from purchase of services for the mentally handicapped to a grant program. This new system provides the same high caliber service to the recipients with a significant reduction in paperwork and bureaucratic red tape.

Eligibility and Requirements

Individual eligibility for social service block grant funding is based on two criteria: 1) There must be a need for the service; and 2) income levels must be met. A single individual may not have a gross income exceeding \$637 per month. This scale is graduated upward. For example, for a family of four the gross income may not exceed \$1,225 per month. (State Commissioner's Letter 266 dated September 2, 1982.)

All services must relate to one of the five national goals: 1) helping individuals to become self-supporting; 2) helping individuals to become self-sufficient; 3) providing protective services for those in need (regardless of income); 4) providing services to help persons to remain in their own homes; 5) when no other alternatives exist, providing services to help persons receive the most appropriate institutional setting (i.e., adult care home, state institution, private institution, etc.)

Social service block grant funds will continue to be used on a statewide basis to purchase services where appropriate, to give direct grants where appropriate, and to provide direct services by Social and Rehabilitation Services employees where appropriate.

The attached chart was devised prior to the provisions of Gramm-Rudman-Hollings. The chart shows an estimate of funds to be spent by social service category and the current expenditure rate projected to the end of the state fiscal year. Additionally, there is a projection of the spending by social service category for the next fiscal year.

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Social Service Block Grant Summary  
July 1, 1986 to June 30, 1987  
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The effects of the Gramm-Rudman-Hollings Act will reduce federal block grant funds for program expenditures to the department as follows:

<u>Year</u>	<u>Federal Fiscal Year (Oct-Sept)</u>	<u>State Fiscal Year (July-June)</u>
1986	\$1,196,777	\$8,970,582
1987	5,566,404	4,473,997

The Kansas Social Services Block Grant Plan will be presented at the Department of Social and Rehabilitation Services public open meeting on the first Tuesday in May and a thirty-day public comment period will be allowed.

Department of Social and  
Rehabilitation Services  
Office of the Secretary  
Date: March 3, 1987



State of Kansas  
Proposed Block Grant for Social Services  
Estimated Block Grant for Social Services  
Projections for FY 1987

Types of Services	Actual Expenditures 07/01/84 to 06/30/86	Estimated Expenditures In Block Grant Proposal For 07/01/85 to 06/30/86	Actual Expenditures 07/01/85 to 06/30/86	Estimated Expenditures 07/01/86 to 06/30/87
Investigation and Prevention	\$2,519,601	\$2,517,232	\$2,610,131	\$2,935,592
Adoption	677,676	677,039	702,026	789,564
Adult Day and Community Living**	10,694,222	11,179,852	10,858,173	11,174,436
Alternate Care	190,108	189,930	196,939	221,496
CINC Inquiry	573,067	572,528	593,657	667,679
Custody Supervision	3,038,992	3,036,135	3,148,184	3,540,734
Day Care	3,126,014	4,031,324	3,916,193	4,820,128
Divorce Custody Assessment	133,331	133,205	138,121	155,339
Evaluation	107,739	107,638	111,610	125,535
Family Services	1,623,454	1,621,928	1,681,786	1,891,492
Family Support	464,331	463,894	481,014	540,994
Guardian/Conservator	116,450	116,341	120,634	135,674
Home and Community Based Services	682,773	682,130	707,305	0
Homemaker	5,229,891	6,768,693	7,060,463	7,074,361
Interstate Compact	288,694	288,423	299,067	336,355
Job Preparation Programs	--	--	0	1,124,644
Residential: Child	3,211,713	4,812,224	4,435,733	3,342,124
Specialized Social Adjustment	179,791	179,622	186,251	209,470
<b>SUBTOTAL</b>	<b>\$32,857,847</b>	<b>\$37,378,138</b>	<b>\$37,247,287</b>	<b>\$39,085,617</b>
Information and Referral	600,112	599,549	621,675	699,186
Resource Development	1,280,212	1,279,009	1,326,211	1,491,573
Administration and Training	1,696,349	1,724,158	2,578,222	1,483,680
<b>TOTAL</b>	<b>\$36,434,520</b>	<b>\$40,980,854</b>	<b>\$41,773,395</b>	<b>\$42,760,056</b>

\*\* Includes Adult Life Skills Training, Day Care, Adult Residential and Work Activity/Adjustment

**Community Service Block Grant**

The following testimony relates to the proposed 1988 Kansas Community Service Block Grant State Plan.

The Community Service Block Grant (CSBG) program intends to provide grants to states to ameliorate the causes of poverty in communities within the state.

The legislation contains provisions which "grandfathered in" community action agencies, requiring at least 90 percent of the funds available be used by states to fund existing community action agencies and migrant and seasonal farmworker organizations. Five percent of the funds are allowed for state administration. The remaining five percent is used to make discretionary grants.

CSBG funds are available for the following activities:

- 1 secure and retain employment
- 2 attain an adequate education
- 3 make better use of available income
- 4 obtain and maintain adequate housing
- 5 obtain emergency assistance
- 6 remove obstacles to self-sufficiency
- 7 achieve greater participation in the community
- 8 make use of other poverty programs

The Kansas Community Service Block Grant Program allocation was set at \$2,842,387 for FY 1987. The proposed federal budget indicates the 1988 state allocation could be reduced to \$2,416,029.

For FY 1988, SRS proposes to continue to maintain the same funding plan as established in FY 1987. This includes:

City of Wichita	21.86%
Economic Opportunity Foundation, Inc	19.18%
Southeast Kansas Community Action Program	18.02%
Northeast Kansas Community Action Program	9.78%
East Central Kansas Economic Opportunity Corp.	12.01%
Shawnee County Community Assistance and Action	6.86%
Mid-Kansas Community Action Agency	7.10%
Harvest America Corporation	5.19%

Discretionary programs:

Hunter Health Clinic, Wichita	24.90%
Senior Services, Wichita	21.20%
Shawnee County Indian Education Center, Topeka	21.10%

Community Service Block Grant  
Page 2

The following geographical area will be served in FY 1987. The cities of Chanute and Wichita, and the counties of:

Allen	Coffey	Harvey	Miami	Thomas	Grant
Anderson	Crawford	Labette	Nemaha	Wallace	Haskell
Atchison	Doniphan	Linn	Osage	Woodson	Seward
Bourbon	Douglas	Lyon	Shawnee	Wichita	Meade
Butler	Franklin	Montgomery	Johnson	Finney	Wilson
Cherokee	Greenwood	Wilson	Sherman	Kearny	

Approximately 100,000 low-income Kansans are served annually through this program.

The CSBG program was reauthorized in October 1986 for four years, which means it would continue until 1990.

Department of Social and  
Rehabilitation Services  
Office of the Secretary  
Date: March 3, 1987



FY 1987 LOW INCOME HOME ENERGY ASSISTANCE BLOCK GRANT SUMMARY

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The Low Income Home Energy Assistance Program (LIEAP) block grant is authorized by Title XXVI of Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981, amended by the Human Services Reauthorization Acts of 1984 and 1986. The current authorization expires September 30, 1990. The federal 1987 appropriation was \$1.825 billion with the Kansas share being 15.5 million, a drop from 18.2 million the previous year. The Administration is recommending FY 1988 funding at levels which would cut the Kansas share to \$11.0 million. The significant cut experienced in 1987 and those expected in 1988 are primarily due to Congressional attitude that states can use their Exxon and other oil overcharge monies to supplement the LIEAP Program.

As a result of reductions in funding, the Department has requested that \$3 million of the 24 million available from the Exxon overcharge settlement be provided to supplement LIEAP. Supplementing LIEAP is one of the five allowable uses of the Exxon monies, according to Warner Amendment stipulations. Without the supplement, the 1987 Summer Cooling Phases of assistance (which provide limited benefits to elderly, disabled, and medically needy in emergencies) will be eliminated.

The Department has traditionally transferred 10% of the Energy block grant funding to the Social Service Block Grant and another 15% for Weatherization activities, the maximum levels allowed. Direct energy assistance is provided with the remaining 75% of the funding. The purpose of LIEAP is to help low income households pay a portion of their energy costs. Income eligibility maximums are 150% of poverty or 60% of the State's median income, whichever is greater for each household size, proof of income being required with application. The household must also demonstrate that energy payments have been made in two of the previous three months, a requirement added by this state in 1983. Kansas was the first state to require self-payment and other states have subsequently adopted similar provisions. The following types of LIEAP have been available and will remain in State FY 1988 if the \$3.0 million in supplemental Exxon funding is provided by this legislative session:

1. Winter Heating - Applications for the one-time winter benefit are taken during the period December through March. The amount of the benefit is determined by a sliding scale matrix which considers four factors:

- \* Income
- \* Type of dwelling structure
- \* Type of heating fuel
- \* Utility rates charged by applicant's supplier

Average season benefits have been \$229 with 47,000 households receiving assistance. Approximately 42% of recipient households contain a member 65 years or older and more than half of the elderly have incomes below the poverty level.

2. Summer Cooling - Limited one-time summer benefits are available in July and August for elderly or disabled low-income persons. The 1986 program assisted 22,061 households, half of the recipients being over 75. The average season benefit was \$114, the individual benefit being determined by a sliding scale which considers three factors.

- \* Income
- \* Type of dwelling structure
- \* Electricity rates charged by the applicant's utility

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3. Medical Emergency Cooling - Emergency assistance is also available in July and August. This limited program alleviates energy related medical emergencies by providing a) utility assistance if there is a disconnect, or b) a cooling appliance. A physician's statement of medical need for cooling is required. A household may receive only one type of summer assistance (#2 and #3).

LIEAP assistance is issued in the form of a two-party check payable to the household and the utility, ensuring use for purchase of energy. All three phases of assistance emphasize the household's responsibility for its energy obligations by requiring the two self-payments in advance of eligibility. This requirement provides incentive for continued self-payment and encourages regular contact with the utility or other provider, reducing total dependency on the program.

Department of Social and  
Rehabilitation Services  
Office of the Secretary  
March 3, 1987

## Alcohol, Drug Abuse and Mental Health Block Grant

The Department of Social and Rehabilitation Services is in its sixth year of the Alcohol, Drug Abuse and Mental Health Services Block Grant Program authorized by the omnibus Budget Reconciliation Act of 1981, P.L. 97-35.

The 1988 Federal Budget, as presented by the President to Congress, proposes that \$495,000,000 be appropriated to states under the ADMS Block Grant. Should that level of appropriations be authorized, the state of Kansas would receive approximately \$2.4 million for mental health services.

### Proposed Expenditures Mental Health Block Grant Funds

The states criteria for distribution of funds will be guided by: the maintenance of existing programming for chronically mentally ill adults and severely emotionally disturbed children; and a modest expansion of the same types of services for the same priority populations. The anticipated distribution of funds for continuation of existing services would be:

1. Emergency services - 5%
2. Residential services - 20%
3. Partial Hospital/Psychosocial - 50%
4. Children's programs - 15%
5. Technical Assistance contracts - 3%
6. State Agency (MHRS) Administration - 7%.

Program expansion would be anticipated to fall in the same funding categories.

The Block Grant funds will be used in conjunction with other state funds to provide intensive, community based treatment services to individuals who are at risk for hospitalization or other placement outside of their homes or home communities and for whom traditional outpatient services are inadequate. These services are considered to be critical to the community functioning of these vulnerable groups of Kansas citizens.

Further information on this program is available upon request. Contact SRS/Mental Health and Retardation Services, 5th Floor Docking State Office Building, Topeka, Kansas 66612.

Department of Social and Rehabilitation Services  
Office of the Secretary  
March 3, 1987

ATTACHMENT 4  
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STATE OF KANSAS  
REPORT ON THE PROPOSED USE OF ALCOHOL, DRUG ABUSE  
AND MENTAL HEALTH BLOCK GRANT FUNDS

The Department of Social and Rehabilitation Services will soon begin the development of a seventh year Federal application for funding under the Alcohol, Drug Abuse, and Mental Health Services Block Grant authorized by the Omnibus Budget Reconciliation Act of 1981, P.L. 97-35.

Federal regulations governing the application process require the State Legislature to conduct public hearings on the proposed use and distribution of those funds for the period beginning October 1, 1987 and ending September 30, 1988.

ALCOHOL & DRUG ABUSE SERVICES

The 1988 federal budget, as presented by the President to Congress, proposes that \$495 million be appropriated to states under the ADMS Block Grant. Should that level of appropriations be authorized, the State of Kansas would receive approximately \$1.7 million for alcohol and drug abuse services. The proposed distribution of those funds would be:

- 1) Treatment grants to community based programs: \$755,000
- 2) Prevention grants to community programs: \$600,000
- 3) Grants to provide services for women: \$200,000
- 4) State Agency (ADAS) administration: \$145,000

The Block Grant funds will be used in conjunction with other State funds to insure that effective treatment services are provided to individuals and families experiencing alcohol and/or other drug problems, and to insure that effective prevention services are provided to general and target populations to reduce alcohol and other drug abuse problems.

The State's criteria for distribution of funds will be guided by its commitment to maintain existing levels of alcohol and other drug abuse prevention and treatment services.

Further information on this program is available if required. Contact SRS/Alcohol and Drug Abuse Services, Topeka, Kansas.

Department of Social and  
Rehabilitation Services  
Office of the Secretary  
March 3, 1987

ATTACHMENT 8  
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KANSAS  
SENATE WAYS AND MEANS COMMITTEE  
LEGISLATIVE HEARING

March 3, 1987

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT  
PREVENTIVE HEALTH BLOCK GRANT  
AND  
MATERNAL AND CHILD HEALTH BLOCK GRANT

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PREVENTIVE HEALTH BLOCK GRANT  
AND  
MATERNAL AND CHILD HEALTH BLOCK GRANT

	FY 1986	% OF TOTAL	FY 1987	% OF TOTAL	% INC 86-87	FY 1988	% OF TOTAL	% INC 87-88
PREV HLTH	836,390	20	1,108,869	23	33	932,846	19	(10)
MCH	3,336,342	80	3,611,011	77	8	3,900,245	81	8
TOTAL	4,172,732	100	4,719,880	100	13	4,833,091	100	2
STATE OPERATIONS	2,287,874	55	2,534,054	55	15	2,699,192	55	2
AID TO COUNTIES	1,746,803	42	1,890,533	40	8	1,925,015	40	2
OTHER ASSISTANCE	138,055	3	155,293	4	41	207,884	4	5
TOTAL	4,172,732	100	4,719,880	100	13	4,833,091	100	2

PREVENTIVE HEALTH BLOCK GRANT

	ADMIN SUP. SER.	AID TO COUNTY	OTHER AID	HEALTH PROMOT	RECORDS REPORTS	CHEM	MICRO BIOLOGY	TOTAL
FY 1988	0120	3000	3100	7010	8410	8420	8430	
SALARIES				227,772				227,772
OTHER OP	17,975			124,395	3,780	41,111	34,388	221,550
AID CO		402,745						402,745
OTHER AID			80,578					80,578
	17,975	402,745	80,578	352,168	3,780	41,111	34,388	932,845

	ADMIN SUP. SER.	AID TO COUNTY	OTHER AID	HEALTH PROMOT	RECORDS REPORTS	CHEM	MICRO BIOLOGY	TOTAL
FY 1987	0120	3000	3100	7010	8410	8420	8430	
SALARIES				221,150				221,150
OTHER OP	17,975			131,018	3,780	41,111	34,388	229,272
AID CO		572,219						572,219
OTHER AID			87,228					87,228
	17,975	572,219	87,228	352,168	3,780	41,111	34,388	1,108,369

	ADMIN SUP. SER.	AID TO COUNTY	OTHER AID	HEALTH PROMOT	RECORDS REPORTS	CHEM	MICRO BIOLOGY	TOTAL
FY 1986	0120	3000	3100	7010	8410	8420	8430	
SALARIES	17,156			215,763				232,919
OTHER OP				106,458	2,634	40,940	30,011	180,043
AID CO		411,321						411,321
OTHER AID			12,107					12,107
	17,156	411,321	12,107	322,221	2,634	40,940	30,011	835,399



MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

	ADMIN SUP.	RES SER.	ANAL DATA PRO	AID TO COUNTY	OTHER AID	CHILD FAC LIC	DISEASE PREVENT	HEALTH PROMOT	VITAL STAT	CRIP CHILD	NUTRIT HEALTH	WELL F HEALTH	TOTAL
FY1988	0120	0298		3000	3100	6220	6320	7010	7020	7110	7120	7130	
SALARIES		55,672				245,045	15,711	152,995	6,238	95,725	8,240	33,362	531,589
OTHER OP	55,447	2,910				45,701		75,199	39,555	1,314,404		24,555	1,558,181
AID CO				1,523,259									1,523,259
OTHER AID					127,205								127,205
	55,447	59,582		1,523,259	127,205	290,746	16,711	238,195	45,803	1,411,129	8,240	113,917	3,900,245

	ADMIN SUP.	RES SER.	ANAL DATA PRO	AID TO COUNTY	OTHER AID	CHILD FAC LIC	DISEASE PREVENT	HEALTH PROMOT	VITAL STAT	CRIP CHILD	NUTRIT HEALTH	WELL F HEALTH	TOTAL
FY 1987	0120	0298		3000	3100	6220	6320	7010	7020	7110	7120	7130	
SALARIES		53,645				239,589	16,235	153,174	8,371	170,897	8,000	78,250	733,352
OTHER OP	53,541	4,201				42,977		73,083	35,098	1,199,131		32,349	1,451,330
AID CO				1,318,314									1,318,314
OTHER AID					108,055								108,055
	53,541	57,847		1,318,314	108,055	282,566	16,235	231,257	44,469	1,370,028	8,000	110,599	3,611,011

	ADMIN SUP.	RES SER.	ANAL DATA PRO	AID TO COUNTY	OTHER AID	CHILD FAC LIC	DISEASE PREVENT	HEALTH PROMOT	VITAL STAT	CRIP CHILD	NUTRIT HEALTH	WELL F HEALTH	TOTAL
FY 1986	0120	0298		3000	3100	6220	6320	7010	7020	7110	7120	7130	
SALARIES		51,256				214,721	15,458	143,848	8,068	172,973	13,883	80,122	700,339
OTHER OP	50,311	2,472				45,054		55,092	32,590	948,535		33,958	1,174,573
AID CO				1,335,482									1,335,482
OTHER AID					125,948								125,948
	50,311	53,738		1,335,482	125,948	259,785	15,458	199,940	41,058	1,121,659	13,883	109,080	3,335,342