

Approved 2-2-90
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Bunten at
Chairperson

1:30 ~~am~~/p.m. on January 18, 1990 in room 514-S of the Capitol.

All members were present except: All present

Committee staff present: Debra Duncan, Legislative Research
Laura Howard, Legislative Research
Jim Wilson, Revisor of Statutes
Sharon Schwartz, Administrative Aide
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Ed Martin, Director, Division of Architectural Services
Winston Barton, Secretary, SRS

Others attending: See attached list.

Ed Martin, Director, Division of Architectural Services, responded to a question that arose during the hearing yesterday on HB 2605 relating to the cost to the state of removing the limits on architectural fees. Mr. Martin estimated that on a very technical \$10 million building for Kansas University Medical Center, the fees would be in the 1-2 percent range or \$100,000-\$200,000.

HB 2606 - State building construction, approval of reduction change orders.

Mr. Martin explained that under current law any increases or decreases on construction projects over \$25,000 must be approved by the Joint Committee on State Building Construction before they can be processed. HB 2606 would provide that when the change order is a savings to the contract in excess of \$25,000, it is not necessary to come to the Joint Committee on State Building Construction before processing the savings. The Joint Committee would still be informed of the action at its subsequent meeting.

Chairman Bunten commended Secretary Winston Barton, SRS, in his efforts to deal with the shortfall in the current SRS budget recognizing the difficulty in taking the unpopular position of cutting programs.

Winston Barton, Secretary, SRS, presented a review of the SRS budget for FY 1990 and FY 1991 (Attachment 1). Secretary Barton advised that no notices have been sent out to General Assistance clients cancelling the program, as the Agency is waiting for the Legislative action on this matter. Secretary Barton highlighted the growth in medical program recipients from 65,634 in December, 1988 to 74,527 in December, 1989. The expenditures in the medical program rose from \$24,414,928 in December, 1988 to \$31,152,295 in December, 1989. The cost to continue AFDC, GA, MediKan, and Foster Care rates unadjusted for the balance of FY 1990 would be \$12,048,849 State General Fund. Their funding for FY 1991 is estimated to be \$39,235,545 State General Fund.

Secretary Barton reviewed the Governor's adjustments to the approved FY 1990 SRS budget referring to a chart provided in Attachment 1. The Secretary advised that on January 17, 1990 a hard freeze in hiring was effective at SRS for the balance of the fiscal year.

In response to a question, Secretary Barton indicated there used to be a correlation between unemployment levels and caseloads;

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations

room 514-S Statehouse, at 1:30 ~~am~~/p.m. on January 18, 1990.

however, this has not been true for the last three years. It was noted the FY 1991 projected costs of the restored AFDC, GA, MediKan, and Foster Care rates are based on a stable (no growth) caseload. Representative Chronister suggested that with the expansion of KanWork in April, 1990 and the fact that individuals stay on KanWork longer than the normal programs, the caseload figures may well increase. Secretary Barton acknowledged this possibility and stated there should be some study of how to get participants trained and off the program faster. In addition, Secretary Barton expressed concern at the potential impact of long-term care on the SRS budget.

Chairman Bunten distributed for the members' information a data sheet on the five different populations served on General Assistance (Attachment 2). In response to a question, Secretary Barton stated the proposed SRS budget for FY 1991 is \$995 million.

Chairman Bunten turned to final action on several bills heard at yesterday's meeting. Representative Shriver moved that HB 2580 be reported adversely. The motion died for lack of a second. Representative Fuller moved that HB 2580 be recommended favorably for passage. Representative Pottorff seconded. Motion carried.

Representative Solbach stated he would like to see a fiscal note or projected cost from the Division of Architectural Services on HB 2605 prior to voting on it. Representative Kline moved that HB 2605 be recommended favorably for passage. Representative Fuller seconded. Representative Solbach made a substitute motion to table HB 2605. Representative Brady seconded. Substitute motion to table failed. On Representative Kline's original motion, the motion carried.

Representative Kline moved that HB 2606 be recommended favorably for passage. Representative Chronister seconded. Motion carried.

The meeting was adjourned at 3:10 p.m.

GUEST LIST

COMMITTEE: HOUSE APPROPRIATIONS

DATE: 1-18-90

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
Melissa Noss	Topeka	KCSL
Paul Johnson	Topeka	PACK
MIKE WOSCICKI	TOPEKA	BUDGET
M Kennedy	"	"
Sherri Holaday	"	"
Winston Barton	"	SRS
Louis Chabira	"	Budget
Mike Bohnhoff	"	"
Jean Allen	"	Commissioner-SRS
Sandy Manning	"	Adult Serv. SRS - Adult Serv.
Guy Gibson	"	AARP
Lala Paslay	"	AKC/Ka
Jo Swost		TARC
Brad Hugg	Lawrence	Lawrence
Marilyn Braet	Lawrence	KIN H
Mary Ellen Sinn	Topeka	Lg. of Women Veterans
Carol Renzulli	Lawrence	KCCAD
THOMAS C OWENS	TOPEKA	SRS
Jodie Van Meter	Topeka	now
Grand Lemery	Topeka	Rehab Serv / SRS
David J Scott	Topeka	SRS
Doug Bowman	Topeka	Children & Youth Advisory
Jerry McSpide	Topeka	Observer
Bob Bowman	TOPEKA	Youth Serv SRS
Karen DeViney	Topeka	SRS

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

**REVIEW OF SRS BUDGET
FOR FISCAL YEARS 1990 AND 1991**

Presentation to the House Appropriations Committee

by:

**Winston Barton, Secretary
January 18, 1990**

*HA
1-18-90
Attachment 1*

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Summary
December, 1989

Assistance Programs	Page	FISCAL YEAR 1990 December, 1989		FISCAL YEAR 1989 December, 1988		% CHANGE	
		Persons	Expenditures	Persons	Expenditures	Persons	Expenditures
AFDC Total	2	77,106	9,341,308	72,520	8,400,275	6.32%	11.20%
GA Total	3	6,731	1,225,991	6,128	1,005,476	9.84%	21.93%
Other Assistance	4	-	215,358	-	215,616	-	-0.12%
Food Stamps	5	139,698	8,098,541	122,459	6,567,991	14.08%	23.30%
Medical Programs		Recipients	Expenditures	Recipients	Expenditures	Recipients	Expenditures
Medical Total	6	74,527	31,152,298 *	65,634	24,414,928 *	13.55%	27.60%
Long Term Care	7	12,546	12,885,234 *	12,465	10,908,034 *	0.65%	18.13%
Adult Care Home	8	11,867	12,623,341	11,959	10,892,165	-0.77%	15.89%
HCBS	9	679	269,960	508	287,347	34.19%	-6.05%
Regular Medical	10	136,481	18,266,964 *	122,211	13,506,894 *	11.68%	35.24%
Inpatient Hospital	11	2,996	9,202,269	1,839	6,176,601	62.91%	48.99%
Physicians	12	30,188	2,788,627	25,118	2,112,126	20.18%	32.03%
Prescribed Drugs	13	45,122	2,240,418	42,297	1,958,712	6.68%	14.38%

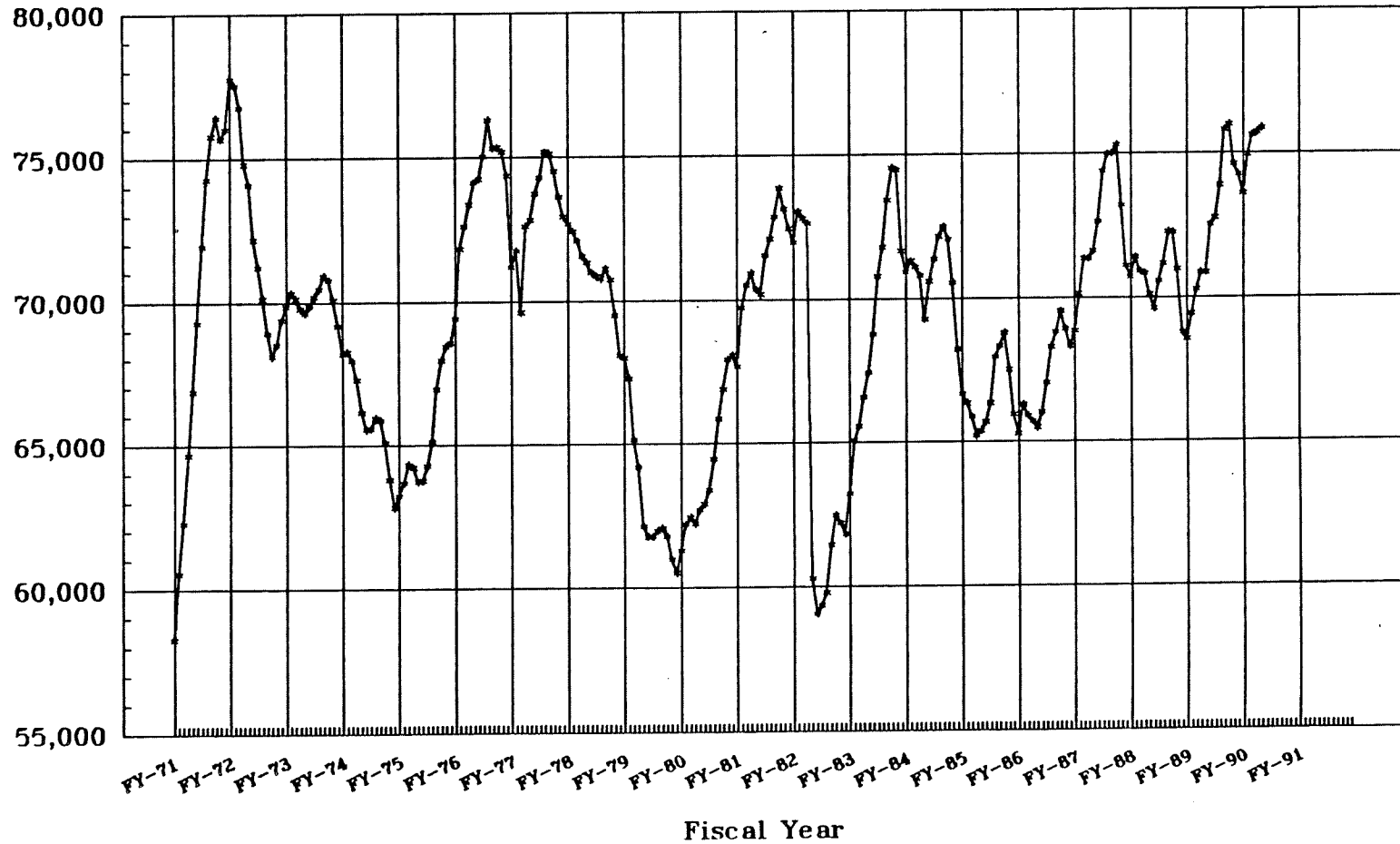
* CASK data based on EDS cut-off.

AID TO FAMILIES WITH DEPENDENT CHILDREN

Fiscal Year 1971 - Present

November, 1989

Persons



60

**KANSAS CHILD TRACKING SYSTEM
CHILDREN IN NEED OF CARE
Number and Type of Placements
of Total Cases Open at End of Month**

Statewide Total

	'88		'89										
	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>
1. Foster Home	1,579	1,588	1,592	1,626	1,682	1,687	1,719	1,706	1,691	1,707	1,689	1,767	1,828
2. Foster Home Permanent	61	58	53	53	53	52	49	47	48	46	52	54	57
3. Parents Awaiting Plcmnt	28	30	36	38	36	36	48	45	44	39	35	41	41
4. Parents on Trial Basis	742	744	723	706	720	730	749	775	804	825	780	756	694
5. Developmental Disabled Facility	26	27	31	30	32	28	28	28	28	28	29	29	28
6. Emergency Shelter	150	156	166	186	180	190	190	178	188	194	197	204	197
7. Drug/Alcohol Treatment	17	15	17	17	19	21	17	17	17	17	20	17	16
8. SI Psychiatric	116	110	105	104	103	109	114	110	108	109	114	109	115
9. SI Mental Retardation	44	44	43	43	41	41	40	40	39	39	38	38	38
10. St.School-Blind/Deaf	7	7	6	6	6	6	6	6	5	6	5	6	7
11. Relative	480	457	482	490	476	472	493	485	481	473	473	447	463
12. Adopt Home Legal Risk	30	31	30	30	31	32	33	31	27	28	24	25	25
13. Adopt Home Non Subsidy	37	37	43	38	37	34	34	27	26	23	23	20	19
14. Adopt Home Subsidy	92	98	87	94	95	102	97	96	107	113	111	105	103
15. Independent Living	15	11	8	6	7	7	9	13	14	17	19	20	20
16. Ed/Voc Training	0	0	1	1	2	2	2	1	3	3	3	2	2
17. Runaway/Whereabouts Unknown	74	72	80	76	78	78	74	72	70	73	68	67	77
18. Comp Screening Unit	24	34	26	31	35	34	32	30	33	31	37	42	46
19. Satellite Family Foster Home	70	73	71	72	71	79	80	80	83	83	85	78	78
20. Level III Group Home/Res. Ctr.	17	15	13	13	12	11	10	10	9	7	7	6	6
21. Level IV Group Home/Res. Ctr.	246	245	242	248	251	261	251	240	250	255	260	265	270
22. Level V Group Home/Res. Ctr.	149	150	158	161	174	179	183	184	193	193	193	189	198
23. Level VI Group Home/Res. Ctr.	2	3	3	2	1	2	2	2	7	9	12	18	18
24. Level Not Assigned Grp Home/Res. Ctr.	35	37	36	37	32	33	32	28	27	27	26	28	28
25. Other	111	103	101	104	106	100	106	112	118	104	100	112	115
TOTAL	4,152	4,145	4,153	4,212	4,280	4,326	4,398	4,363	4,420	4,449	4,400	4,445	4,486

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Kansas Department of S R S

Comparison of Programs
Among Selected States 1-1-90

Program	Kansas	Missouri	Oklahoma	Nebraska	Colorado
AFDC Rates (monthly) (Family of 3)	\$383 *	\$289	\$325	\$364	\$356
Foster Care Rates (monthly) (ages 5-11 or 6-12)	\$273	\$244	\$360	\$222	\$316
State General Assistance (one person)	Yes \$189 *	Yes \$80	No	No	No
State Only Medical Program (i.e. MediKan)	Yes	Yes (limited scope)	No	No	No

* after \$9 per person reduction

Source: SRS Budget Unit 1-8-90

Kansas Department of SRS

FY 1990
Average Monthly Benefits to
Aid to Families with Dependent Children
(Family of 3)

<u>AFDC Grant</u>	<u>Energy Assistance</u>	<u>Food Stamps</u>	<u>Medical Benefits</u>	<u>Total Monthly Benefits</u>
\$383	\$17	\$242	\$261	\$903

SOURCE: SRS Budget Unit 1-8-90

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SRS Program Needs (in addition to the Gov Rec)

	FY 1990		DOB Caseload	
	All Funds	SGF	All Funds	FY 1991 SGF
AFDC Grant Restoration	\$3,833,020	\$1,683,846	\$8,293,500	\$3,588,734
GA Grant & Prog. Restoration	5,220,657	4,753,435	13,331,500	13,331,500
MediKan Restoration	4,702,996	4,702,996	19,100,000	19,100,000
Foster Care Rate Restoration	<u>1,112,361</u>	<u>908,572</u>	<u>3,215,311</u>	<u>3,215,311</u>
TOTAL	\$14,869,034	\$12,048,849	\$43,940,311	\$39,235,545

Foster Care rate increase would be 100% SGF because All Other Funds are exhausted.

Adjustments to the Approved Budget

Social & Rehabilitation Services

	<u>State General Fund</u>	<u>All Funds</u>
Medical Assistance Caseload	\$7,196,981	\$10,423,763
Medicaid—Pregnant Women and Children Coverage	(730,178)	(1,494,500)
Drug Formulary Restriction	(921,249)	(2,083,333)
Other Medical Assistance Adjustments	(33,813)	(1,651,954)
Foster Care Caseload	4,290,562	5,597,243
Foster Care Rates	(1,107,803)	(1,350,983)
AFDC Caseload Increase	3,240,247	8,028,378
AFDC Grant Reduction	(2,200,846)	(5,009,892)
Fee Fund Shortfall	2,120,012	0
FY 1989 Pended Claims	1,731,000	3,206,436
Hospital Rate Settlements	1,264,512	1,264,512
Long Term Care	69,053	21,745,375
Child Support Enforcement Contract	43,046	205,665
Kansas Dept. of Health & Environment Contracts	42,084	140,279
Capital Outlay Reduction	(63,241)	(149,188)
Youth Center At Topeka Fence Savings	(65,000)	(65,000)
Independent Living Center Reduction	(75,000)	(75,000)
Travel Reduction	(154,681)	(364,900)
Shrinkage Increase	(182,710)	(408,707)
Other Salary Adjustments	(185,725)	(792,362)
Income Maintenance Field Staff Reduction	(215,440)	(400,000)
General Assistance Grant Reduction	(560,190)	(560,190)
General Assistance Elimination	(2,288,548)	(2,288,548)
Other Expenditure Adjustments	(1,186,339)	(6,958,212)
KanWork Delay	(1,252,853)	(2,548,163)
Community Mental Retardation Center Placements	(1,266,059)	(1,266,059)
MediKan Elimination	(4,702,997)	(4,702,997)
TOTAL	\$2,804,825	\$18,441,663

Division of Budget, 09-Jan-89

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SRS FY 1990 COST CONTAINMENT MEASURES

	FY 1990	
	SGF	All Funds
<u>Proposed Regulatory Changes (1/1/90):</u>		
\$9.00 per person decrease in monthly AFDC benefits	\$ 1,691,000	\$ 3,822,000
\$9.00 per person decrease in General Assistance	50,000	50,000
Elimination of MediKan Program*	4,703,000	4,703,000
Eliminate Attendant Care for Independent Living (ACIL)	504,000	1,139,000
Reduce protected income level for persons in independent living and HCBS due to public assistance reductions	120,800	273,180
<u>Proposed Regulatory Changes (2/1/90):</u>		
Elimination of General Assistance	4,753,000	5,013,000
<u>Other Initiatives Not Implemented:</u>		
Study of Children's Services	225,000	225,000
Cancellation of 10 percent foster care increase scheduled for 1/1/90	908,000	1,112,000
Delay in KanWork Expansion to April, 1990	558,000	1,185,000
<u>Other Cost Savings Measures</u>		
Reduce Several Categories of Drugs	396,000	900,000
Reduce Income Eligible Home Care	300,000	300,000
Internal Administrative Reductions	100,000	200,000
Travel Reductions	220,000	580,000
Partial Hiring Freeze	300,000	1,000,000
TOTAL SAVINGS	<u>\$ 14,828,800</u>	<u>\$ 20,502,180</u>

* A temporary restraining order was issued December 29, 1989 halting the elimination of the MediKan program. A second hearing is scheduled for January 19, 1990 concerning the lifting of the restraining order. Elimination of the program effective February 1, 1990 would result in FY 1990 savings of approximately \$3.1 million.

SOCIAL AND REHABILITATION SERVICES
Comparison of FY 1990-91 Request to Gov Budget Recs
Total Funding and SGF by Program

Program		(1)	(2)	(3)	(4)	(5)	(6)	(7)
		FY 1989 Actual	FY 1990 Approved	FY 1990 GBR	FY 1990 Difference	FY 1991 Level B	FY 1991 GBR	FY 1991 Difference
Administration	SGF	26,806,034	26,358,643	25,742,617	(616,026)	27,181,592	25,182,497	(1,999,095)
	TOTAL	57,420,052	52,073,314	52,130,098	56,784	56,014,909	52,617,653	(3,397,256)
Alcohol & Drug	SGF	3,305,146	4,068,144	3,984,427	(83,717)	3,667,761	3,623,535	(44,226)
	TOTAL	9,040,519	10,561,343	10,696,198	134,855	9,941,697	11,984,211	2,042,514
Cash Assistance	SGF	58,579,808	58,782,341	56,450,812	(2,331,529)	56,491,588	45,899,966	(10,591,622)
	TOTAL	132,219,724	142,209,719	137,038,664	(5,171,055)	129,215,474	124,795,043	(4,420,431)
Medical Assistance	SGF	155,114,670	171,903,193	177,896,514	5,993,321	157,916,143	180,692,508	22,776,365
	TOTAL	325,025,985	368,937,607	396,264,903	27,327,296	377,116,972	421,630,291	44,513,319
KanWork	SGF	3,618,014	5,783,286	4,536,728	(1,246,558)	5,734,931	5,685,098	(49,833)
	TOTAL	5,120,678	13,040,940	9,461,264	(3,579,676)	12,558,470	12,549,928	(8,542)
Income Maintenance	SGF	12,704,849	14,404,518	13,282,624	(1,121,894)	15,822,287	14,869,749	(952,538)
	TOTAL	28,145,260	31,957,083	29,851,905	(2,105,178)	34,939,011	33,414,597	(1,524,414)
M H & R S	SGF	23,348,951	29,703,690	28,322,390	(1,381,300)	29,907,410	29,381,028	(526,382)
	TOTAL	28,071,303	34,040,161	32,585,742	(1,454,419)	44,300,006	33,965,021	(10,334,985)
Adult Services	SGF	14,382,507	16,005,046	16,045,527	40,481	13,352,718	13,252,785	(99,933)
	TOTAL	45,338,473	49,985,678	50,207,548	221,870	38,413,227	48,369,941	9,956,714
Youth Services	SGF	29,417,854	34,830,334	37,673,935	2,843,601	33,749,189	38,112,050	4,362,861
	TOTAL	48,298,026	53,546,680	56,631,864	3,085,184	50,967,648	57,225,494	6,257,846
Rehab Services	SGF	3,863,501	4,363,060	4,130,003	(233,057)	4,279,389	4,497,783	218,394
	TOTAL	24,352,120	25,321,799	24,100,988	(1,220,811)	26,008,419	25,162,553	(845,866)
Subtotal # 628	SGF	331,141,334	366,202,255	368,065,577	1,863,322	348,103,008	361,196,999	13,093,991
	TOTAL	703,032,140	781,674,324	798,969,174	17,294,850	779,475,833	821,714,732	42,238,899
Capital Improv	SGF	372,660	437,540	372,540	(65,000)	0	0	0
	TOTAL	391,760	4,161,558	4,096,558	(65,000)	5,500,000	5,557,516	57,516
Youth Centers	SGF	14,020,243	15,542,215	15,188,956	(353,259)	15,437,720	15,885,447	447,727
	TOTAL	15,164,302	16,225,863	16,623,155	397,292	18,078,868	17,008,206	(1,070,662)
Institutions	SGF	92,634,622	91,385,426	88,949,407	(2,436,019)	86,126,750	86,718,352	591,602
	TOTAL	139,886,937	150,765,076	145,669,945	(5,095,131)	160,797,285	151,062,341	(9,734,944)
TOTAL	TOTAL SGF	438,168,859	473,567,436	472,576,480	(990,956)	449,667,478	463,800,798	14,133,320
	TOTAL AF	858,475,139	952,826,821	965,358,832	12,532,011	963,851,986	995,342,795	31,490,809

FY 1990 Estimates *
of Major Reductions
in SRS Programs
(in millions)

Program	FY 1990		FY 1991	
	All Funds	SGF	All Funds	SGF
Administration				
Out-of-state travel (20%) 10-15-89	\$0.080	\$0.020	\$0.080	\$0.020
In-state travel (10%) 10-15-89	\$0.500	\$0.200	\$0.500	\$0.200
Other reductions 10-15-89	\$0.200	\$0.100	\$0.200	\$0.100
Partial hiring freeze 10-15-89	\$1.000	\$0.300	\$3.000	\$2.000
	\$1.780	\$0.620	\$3.780	\$2.320
Inc Maint & Medical Servs				
Total Elimination of MediKan 2-1-90 * *	\$3.111	\$3.111	\$22.000	\$22.000
AFDC cut \$9 per person as of 1-1-90	\$3.822	\$1.691	\$10.050	\$4.619
GA cut \$9 per person for January 1990	\$0.049	\$0.049	\$0.000	\$0.000
Total Elimination of Gen Assist 2-1-90	\$5.013	\$4.753	\$15.671	\$13.932
Eliminate Selected Drugs 1-15-90	\$0.900	\$0.396	\$2.700	\$1.161
	\$12.895	\$10.000	\$50.421	\$41.712
Adult Services				
Reduce Income Eligible Homecare 2-1-90	\$0.300	\$0.300	\$5.023	\$1.806
Eliminate Attn Care for Indep Liv 1-1-90	\$1.139	\$0.504	\$2.437	\$1.048
	\$1.439	\$0.804	\$7.460	\$2.854
Youth Services				
Eliminate 1-1-90 10% Foster Care Inc.	\$1.112	\$0.908	\$3.040	\$2.500
TOTAL	\$17.226	\$12.332	\$64.701	\$49.386

* These figures are estimates only. Actual dollars may be higher or lower.

* * State Rules and Regulations Board approved elimination of MediKan effective 1-1-90. However, a temporary order has restored this program pending a Jan 19, 1990 hearing.

Source: SRS Budget Unit 1-4-90

GENERAL ASSISTANCE (GA) POPULATIONS
FY 1990

BASED ON CONSENSUS CASELOAD DATA OF NOVEMBER 1989

DESCRIPTION
=====

CASH BENEFITS
=====

MEDICAL BENEFITS
=====

<p>GA Families =====</p> <p>Unemployed, usually two-parent families with one - three children. These families do not qualify for AFDC because the father is still with the family and does not have sufficient work history to qualify for the AFDC Unemployed Parent Program. They use relatively little medical assistance, generally involving pediatrics or obstetrics. In a great many of the younger, smaller families the woman is pregnant. Medical care for children and pregnant women is federally matched.</p>	<p>Avg # of Cases 475 Avg # of Adults 950 Avg # of Children 1,100 -----</p>	<p>Avg Cash Benefits Per Person Month ----- \$70 Annual Cost : ----- \$1,800,000</p>	<p>Avg Cost of Medical Care Per Person Month \$100</p> <p>Most Frequent Svs: -----</p> <p>Inpat. Hospital \$1,700,000 Physician \$400,000 Outpat. Hospital \$150,000 Pharmacy \$100,000 All Else \$150,000 ----- Annual Cost = \$2,500,000</p>
<p>GA First Pregnancy =====</p> <p>The majority of these are single women who are less than seven months pregnant. They will be switched to AFDC in their third tri-semester as allowed by Federal law. The remainder of these households are young unemployed couples about to have their first child who cannot receive AFDC benefits because the father is still with the family and does not have sufficient work history to qualify for the AFDC Unemployed Parent Program. Almost all medical care is obstetrical and is Federally matched.</p>	<p>Avg # of Cases 300 Avg # of First-Time Pregnancies 300 Avg # of Cases with Husband in Household 150 -----</p>	<p>Avg Cash Benefits Per Person Month ----- \$130 Annual Cost ----- \$700,000</p>	<p>Avg Cost of Medical Care Per Person Month \$300</p> <p>Most Frequent Svs: -----</p> <p>Inpat. Hospital \$1,450,000 Physician \$250,000 All Else \$150,000 ----- Annual Cost = \$1,850,000</p>
<p>GA Disabled =====</p> <p>These households are typically single individuals with a mental or physical handicap which results in a substantial barrier to gainful employment. Many are awaiting a Federal disability decision, and if successful will have their cash benefits reimbursed to the agency through Social Security and their medical payments retroactively Federally matched. Others are not sufficiently disabled to receive Federal disability benefits but still are untrained, ill-educated and often have psychological impairments or suffer from chronic drug or alcohol dependency. The three most frequently utilized medical services, Hospital, Physician, and CMHC all primarily involve mental illness and alcoholism treatment. The average length of hospital stay is over ten days.</p>	<p>Avg # of Cases 3,450 Avg # of Persons 3,550 -----</p>	<p>Avg Cash Benefits Per Person Month ----- \$170 Annual Cost ----- \$7,300,000</p>	<p>Avg Cost of Medical Care Per Person Month \$350</p> <p>Most Frequent Svs.: -----</p> <p>Inpat. Hospital \$10,500,000 CMHC \$1,700,000 Physician \$1,500,000 Pharmacy \$900,000 Other \$400,000 ----- Annual Cost = \$15,000,000</p>

Attachment 2
1-18-90
NA

DESCRIPTION =====		CASH BENEFITS =====	MEDICAL BENEFITS =====
GA Elderly ===== These people are all between age 55 and 65. For most, physical and mental conditions similar to the GA disabled keep them from any long-term employment. The median age is 59. The majority have done manual labor all of their lives but due to injury or physical/mental illness can no longer do so. Many are awaiting Federal disability decisions and if successful, will have their GA cash benefits reimbursed to the agency. We also receive retroactive Federal match on medical benefits for persons awarded Federal disability benefits.	Avg # of Cases 990 Avg # of Persons 1,025 -----	Avg Cash Benefits Per Person Month ----- \$170 ----- Annual Cost ----- \$2,100,000	Avg Cost of Medical Care Per Person Month \$345 ----- Most Frequent Svcs.: ----- Inpat. Hospital \$2,850,000 Physician \$700,000 CMHC \$200,000 Outpat. Hospital \$200,000 Pharmacy \$200,000 All Else \$100,000 ----- Annual Cost = \$4,250,000
GA - Reintegration ===== This is a 1 - 3 month program specifically intended to smooth the movement of clients from state mental hospitals to community living. In this program practically all eligibility rules are temporarily waived and maximum monthly cash benefits are granted. All this and a medical I.D. card is available on the day of discharge. These people convert to GA Disabled after the initial 1 - 3 months and often await Federal disability decisions.	Avg # of Cases 85 Avg # of Persons 85 -----	Avg Cash Benefits Per Person Month ----- \$177 ----- Annual Cost ----- \$180,000	Avg Cost of Medical Care Per Person Month \$400 ----- Most Frequent Svcs.: ----- Inpat. Hospital \$150,000 CMHC \$150,000 Physician \$30,000 Pharmacy \$30,000 All Else \$40,000 ----- Annual Cost = \$400,000
TOTALS =====	Avg # of Cases 5,300 Avg # of Persons 7,160 -----	Avg Cash Benefits Per Person Month ----- \$140 ----- Annual Cost ----- \$11,900,000 GAU \$180,000 GAR ----- \$12,080,000	Avg Cost of Medical Care Per Person Month \$280 ----- Most Frequent Svcs.: ----- Inpat. Hospital \$16,650,000 Physician \$3,000,000 CMHC \$1,700,000 Pharmacy \$1,100,000 All Else \$1,550,000 ----- Annual Cost = \$24,000,000 ----- Approx. State Only Expend. \$21,650,000 Approx. Fed. Matched Expend. \$2,350,000 ----- \$24,000,000

9-2

OPTIONS AVAILABLE TO RESTORE CASH AND/OR MEDIKAN BENEFITS TO THE GENERAL ASSISTANCE POPULATION

STATE GENERAL FUNDS IN MILLIONS OF DOLLARS

ELIGIBILITY OPTIONS:	RESTORATION OF CASH GRANTS TO EACH ELIGIBILITY OPTION		MEDIKAN OPTION 1: RESTORE PRESENT LIMITED COVERAGE		MEDIKAN OPTION 2: SAME AS #1 BUT NO HOSP FOR 30 DAYS		MEDIKAN OPTION 3: PROVIDE ONLY PRIMARY MEDICAL CARE		APPROXIMATE COST OF EACH MEDIKAN OPTION PLUS ACCOMPANYING CASH ASSISTANCE COST					
	FY 90 SUPPLEMENTAL COST	APPROX FY 91 COST	FY 90 SUPPLEMENTAL COST	APPROX FY 91 COST	FY 90 SUPPLEMENTAL COST	APPROX FY 91 COST	FY 90 SUPPLEMENTAL COST	APPROX FY 91 COST	APPROX COMBINED FY 90 SUPP COST			APPROX COMBINED FY 91 COST		
									M1	M2	M3	M1	M2	M3
OPTION 1:														
* THE DISABLED & KLS CONTRACT	\$3.5	\$8.2	\$3.4	\$16.0	\$3.1	\$14.0	\$2.0	\$3.3	\$6.9	\$6.6	\$5.5	\$24.2	\$22.2	\$11.5
* FAMILIES & PREGNANT WOMEN	0.9	2.5	0.2	1.3	0.2	1.2	0.2	0.6	1.1	1.1	1.1	3.8	3.7	3.1
* AGES 55 THRU 64	0.7	2.1	1.1	4.7	1.0	4.0	0.8	1.0	1.8	1.7	1.5	6.8	6.1	3.1
	\$5.1	\$12.8	\$4.7	\$22.0	\$4.3	\$19.2	\$3.0	\$4.9	\$9.8	\$9.4	\$8.1	\$34.8	\$32.0	\$17.7
OPTION 2:														
* THE DISABLED & KLS, (NO A/D TRMT)	\$3.6	\$8.6	\$3.7	\$17.5	\$3.5	\$15.6	\$2.3	\$3.7	\$7.3	\$7.1	\$5.9	\$26.1	\$24.2	\$12.3
* FAMILIES & PREGNANT WOMEN	0.9	2.5	0.2	1.3	0.2	1.2	0.2	0.6	1.1	1.1	1.1	3.8	3.7	3.1
	\$4.5	\$11.1	\$3.9	\$18.8	\$3.7	\$16.8	\$2.5	\$4.3	\$8.4	\$8.2	\$7.0	\$29.9	\$27.9	\$15.4
(Disabled Rises due to Disability of 40% Previously in Aged Category)														
OPTION 3:														
* THE DISABLED & KLS, (NO A/D TRMT) -Also, Disability Must be Total and Permanent per Physician.....	\$2.4	\$6.2	\$2.6	\$12.3	\$2.5	\$11.0	\$1.6	\$2.6	\$5.0	\$4.9	\$4.0	\$18.5	\$17.2	\$8.8
* FAMILIES & PREGNANT WOMEN	0.9	2.5	0.2	1.3	0.2	1.2	0.2	0.6	1.1	1.1	1.1	3.8	3.7	3.1
	\$3.3	\$8.7	\$2.8	\$13.6	\$2.7	\$12.2	\$1.8	\$3.2	\$6.1	\$6.0	\$5.1	\$22.3	\$20.9	\$11.9
(Disabled Includes Transferred Aged)														
OPTION 4:														
* THE DISABLED & KLS, (NO A/D TRMT) -Also, Disability Must be Total and Permanent per Physician.....	\$2.4	\$6.2	\$2.6	\$12.3	\$2.5	\$11.0	\$1.6	\$2.6	\$5.0	\$4.9	\$4.0	\$18.5	\$17.2	\$8.8
	\$2.4	\$6.2	\$2.6	\$12.3	\$2.5	\$11.0	\$1.6	\$2.6	\$5.0	\$4.9	\$4.0	\$18.5	\$17.2	\$8.8
(Disabled Includes Transferred Aged)														

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