

Approved _____ Date _____

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by SENATOR AUGUST "GUS" BOGINA at _____
Chairperson

11:15 a.m./~~p.m.~~ on MARCH 28, 19 90 in room 123-S of the Capitol.

All members were present except:

Committee staff present:

Research Department: Diane Duffy, Leah Robinson
Revisor: Norm Furse, Gordon Self
Committee Staff: Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Commissioner Andrew O'Donovan, Department of Social and Rehabilitation Services
Representative Jim Russell
Gene Johnson, Kansas Alcohol and Drug Addiction Counselors Association
Alcohol and Drug Program Directors, and Kansas Alcohol Safety Action Coordinators Association
Denise Apt, Education Aide, Governor's Office
Dr. Roger Warren
Clantha McCurdy, Director of Student Financial Aid, Board of Regents
Davie Ann Brewer, Associated Students of Kansas
Craig Grant, Kansas National Education Association
Pat Johnson, Kansas Board of Nursing
Carol Thies, Assistant Director of Nurse Recruitment, University of Kansas Medical Center
Terry Roberts, Kansas State Nurses Association

SB 402 - Certification of drug and alcohol evaluation specialists

Representative Jim Russell appeared before the Committee in support of SB 402, and reviewed Attachment 1. Although Senator Gaines agreed with certification, he questioned whether judges had the expertise to approve the programs.

Commissioner O'Donovan reviewed Attachment 2. Senator Doyen noted his opinion that in order to make the programs effective, the right people must provide the service. In answer to a question regarding third party reimbursement, Commission O'Donovan stated that SB 402 should restrict the number of applications for reimbursement. He explained that currently facilities are licensed by the state. Any employee of a licensed facility is entitled to reimbursement, regardless of qualifications. SB 402 states that the individual would be licensed based on his/her qualifications. Under questioning from Senator Johnston, Comm. O'Donovan said that SRS has no authority to deny licensure of a facility based upon the persons who are employed by that facility. The only basis for a rescision of license is inadequate paperwork.

In explaining the amendments to SB 402 (Attachment 2-2), the Commissioner stated that the first amendment fashions the program after national standards, the second provides an opportunity for individuals to obtain a Bachelor's level degree, the third provides flexibility on establishing the fees, and the fourth delineates the responsibilities of the advisory committee and the Secretary.

In answer to a question, Commissioner O'Donovan stated that the Department contracts for services. The rate for reimbursement is not on a per person basis, but is approximately \$40-\$45 per day.

Mr. Gene Johnson distributed copies of Attachment 3, which he reviewed for

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,
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 room _____, Statehouse, at _____ a.m./p.m. on _____, 19____.

the Committee. In answer to a question regarding the state credentialing process, he stated that earliest date this proposal could be made by going through the Department of Health and Environment would be the 1992 session.

Senator Feleciano asked how many persons would be eliminated from the practice of counseling by this credentialing process. Mr. Johnson stated that legislation cannot be passed that eliminates jobs. Therefore, anyone who is working fulltime in the field will automatically be grandfathered in. Persons can only be eliminated through failure to maintain continuing education. When asked what the education would entail, Mr. Johnson stated that that would have to be worked out in the rules and regulations.

The revisor of statutes, Norm Furse, told the Committee that the statute provides a mechanism for seeking credentialing through a procedure with the Secretary of Health & Environment, but this statute states clearly that the Legislature may act independently.

Senator Doyen moved, Senator Parrish seconded, that the proposed substitute for SB 402 (9 RS 1638, Attachment 4) be adopted. The motion carried.

Senator Doyen moved, Senator Gaines seconded, that Sub 402 be amended according to Attachment 2-2, eliminating the third amendment. The motion carried.

Senator Doyen moved, Senator Gaines seconded, that Sub 402 as amended be recommended favorable for passage. Senator Kerr opposed the motion because the grandfathering clause would not eliminate unqualified persons from practicing. Discussion was held regarding the imposition of minimum standards. A substitute motion was offered by Senator Kerr, seconded by Senator Rock, that by January 1, 1992 the requirements for certification would have to apply to anyone who practices drug and alcohol counseling. Because Comm. O'Donovan stated that even though these persons are grandfathered in, they would have to go through the recertification process in 2 years under the provisions of this act, Senators Kerr and Rock withdrew their substitute motion and second.

Question was called on the primary motion. The motion to recommended Sub 402 as amended favorable for passage passed on a roll call vote.

SB 561 - Establishing the teacher scholarship program

Ms. Denise Apt appeared before the Committee on behalf of the Governor in support of SB 561 and reviewed Attachment 5. In answer to questions, she stated that "hard to fill disciplines" is defined in the bill, qualifications are enumerated, and applicants could fulfill obligations at any regents, public, accredited private, 2 or 4 year school. Persons who have completed their baccalaureate degree would be eligible recipients.

Dr. Roger Warren thanked the Committee for financing much of his education, as he was a recipient of the medical scholarship program. He told the Committee that he believes "it is an excellent idea to support teachers in math and science to help provide careers based on the sciences. The American Medical Association, recognizing the declining qualifications of applicants for admission to medical schools throughout the U.S., met in January of 1988 to discuss this problem with other disciplines. Subsequently, publications in the AMA Journal on scientific literacy among graduates of secondary and baccalaureate programs throughout the U.S. reviewed the findings of this meeting. Radiologists depend on physics and other sciences almost exclusively for what they do. Some medicine is science and art, but all medicine rests on scientific basis. The AMA and the Kansas Medical Society are cosponsoring recognition of outstanding teachers of math and science this year and intend that it be an ongoing process.

Chairman Bogina thanked Dr. Warren for his "refreshing" testimony. Senator

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Gaines asked that Ms. Apt accompany Dr. Warren to Senator Johnston's office to thank him for helping send him to medical school through the medical scholarship program.

Ms. Clantha McCurdy reviewed Attachment 6. She said the number of students that are in that program could be increased if Kansas would supplement the federal program with state moneys. She noted that the unfortunate aspect of the federal program is that the students must teach, but not necessarily in Kansas. This proposal would bring students back to the state. In answer to a question, she stated that 80% of the students who go through the federal program return to the state; the other 20% are in graduate education.

It was requested of Norm Furse that he check the language of the bill to assure that attendance at a Kansas institution is mandatory, as the Committee so desired.

Ms. Davie Ann Brewer appeared before the Committee in support of SB 561 and reviewed Attachment 7.

Mr. Craig Grant testified on behalf of the Kansas National Education Association in support of SB 561. He stated that the bill would motivate interest in the teaching profession and suggested that "hard to fill teaching disciplines" may need to be continually redefined.

HB 2773 - Establishing the nursing student scholarship program

Ms. Pat Johnson (Attachment 8), Ms. Carol Theis, Ms. Terry Roberts (Attachment 9), Ms. Clantha McCurdy (Attachment 10), and Ms. Denise Apt appeared before the Committee in support of HB 2773.

HB 2618 - Sub for HB 2618 by Committee on Appropriations - Appropriations for FY 91, for state mental health and mental retardation institutions.

**RAINBOW MENTAL HEALTH FACILITY
 TOPEKA STATE HOSPITAL**

Senator Harder reviewed Attachments 11 and 12, the FY 90 and FY 91 subcommittee reports.

Chairman Bogina reminded the Committee that Winfield State Hospital was deleted from the bill by the House. He suggested reviewing the subcommittee report on Winfield and amending it back into the bill in order to complete it.

WINFIELD STATE HOSPITAL AND TRAINING CENTER

Senator Salisbury reviewed the subcommittee report, Attachment 13. In response to a question, it was stated that the Senate's recommendations should not present a problem with certification at Rainbow, Topeka State or Winfield.

Senator Salisbury noted that the subcommittee recommendations of the House were predicated on transferring 50 clients and closing one wing of the Hospital. She stated that the Senate subcommittee addressed HB 3096 in its recommendations.

In answer to a question, staff stated that the difference between the \$2,028,000 deleted by the House and the \$2,684,000 added by the Senate was overtime costs.

Senator Winter queried Commissioner Al Nemec about the plan to transfer 50 clients and the planned use of savings that would be realized through community placements. Comm. Nemec stated that the proposal was to reduce by 50 the number of beds at Winfield by moving as many clients as possible to community settings and the remainder to KNI and Parsons. He stated that the

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estimated \$2.1 million savings would have been used to serve those 50 clients plus 150 special purpose grant funded clients, but the savings would not have served them all for the full year. He estimated the cost of community placement at \$80 per day.

In answer to a question regarding item 10 (Attachment 13-9), Senator Rock stated that although community placement is appropriate for some clients, the planning for this proposal was inadequate. He said that \$2.1 million estimated savings was not possible with this plan.

Senator Allen moved, Senator Harder seconded, that the subcommittee report be conceptually amended to clarify that the Senate amendments are made to the subject matter contained in HB 3096. The motion carried.

Senator Salisbury moved, Senator Allen seconded, that a technical amendment to reflect 57% of Title XIX and 43% of State General Fund as the current match rate be made to the subcommittee report. The motion carried.

Senator Harder moved, Senator Allen seconded, adoption of the amended subcommittee report. The motion carried.

Senator Harder moved, Senator Hayden seconded, that HB 2618 be recommended favorable for passage. The motion carried on a roll call vote.

Senator harder moved, Senator Rock seconded, that SB 561 be recommended favorable for passage. The motion carried on a roll call vote.

Senator Winter moved, Senator Parrish seconded, that HB 2773 be recommended favorable for passage. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 1:30 P.M.

STATE OF KANSAS

JIM RUSSELL
REPRESENTATIVE, SEVENTH DISTRICT
704 SPRUCE
COFFEYVILLE, KANSAS 67337
(316) 251-1615

STATE CAPITOL, ROOM 181-W
TOPEKA, KS 66612
(913) 296-7692



TOPEKA

HOUSE OF
REPRESENTATIVES

March 28, 1990

COMMITTEE ASSIGNMENTS

MEMBER: ECONOMIC DEVELOPMENT
LOCAL GOVERNMENT
JOINT COMMITTEE ON
LEGISLATIVE EDUCATIONAL
PLANNING

CHAIRMAN: HUMAN RESOURCES COMMITTEE
GOVERNOR'S COMMISSION ON A
PUBLIC AGENDA FOR KANSAS

TO: Senate Ways and Means Committee

FROM: Jim Russell

RE: Substitute Senate Bill No. 402.

Mr. Chairman, and distinguished members, I thank you for the opportunity to testify before you this morning as a proponent for Substitute SB 402.

My wife is a Licensed Specialist Clinical Social Worker, currently employed as Coordinator of Alcohol and Drug Abuse Services at a community mental health center that provides specialized alcohol and drug abuse services to residents of Chautauqua, Elk, Montgomery, and Wilson Counties. She has a Master of Social Work Degree (MSW) and a Master of Arts Degree in Education, specializing in Counseling. She has been employed in the mental health field since 1978, providing specialized alcohol and drug abuse services since 1985.

She and I believe very strongly that state certification of alcohol and drug abuse counselors must be realized in order to protect consumers of such services. Currently, there is nothing to protect the consumer from untrained counselors, except the voluntary KADACA certification, and only a small percentage of counselors ascribe to this voluntary certification process. Literally, just about anyone can "hang out a shingle and call themselves a substance abuse counselor".

In order to insure that alcohol and other drug abuse treatment and evaluation are provided by qualified counselors, certification is essential. Services must be provided by individuals who have specialized education and/or training in alcohol and other drug addictions.

SWAM
March 28, 1990
Attachment 1

Some of you may be concerned that Substitute SB 402 provides for initial certification of non-degreed counselors. In my opinion, the fact that someone has a bachelor's degree, a master's degree, or a doctorate degree does not insure that they have the knowledge or expertise to deliver substance abuse services. As a coordinator of alcohol and other drug abuse services, my wife has the opportunity to supervise professionals--both degreed and non-degreed. She will tell you that two of the most effective counselors that have worked at her agency did not have a degree. However, they did have the current voluntary KADACA certification and extensive hours of training and supervision required for certification. They were more effective with their clients and more knowledgeable in alcohol and other drug abuse treatment than master's degree mental health professionals employed at the Center for several years, who did not have specific training and experience in the treatment of alcohol and other drug abuse and addiction.

As someone who has worked in human services since 1976, she will also tell you that her M.S.W. and M.A. did not prepare her to deliver quality alcohol and other drug abuse treatment. I do not believe that she is unique. Specialized training and course-work in the field and experience has prepared her. And, she will be the first person to admit that there are counselors far more effective than her without a college degree.

However, it is time that the treatment field look towards establishing degree requirements, as Substitute SB 402 does--providing that specialized course-work in alcohol and other drug addictions is required. Thus, I wholeheartedly support the intent of the bill.

As you address the issue of credentialing, I urge you to consider that first and foremost alcohol and other drug abuse treatment needs to be delivered by people trained specifically to provide such services. Furthermore, I trust that you realize the urgency of getting such a credentialing process in place . . . without it, many Kansans will continue to receive inadequate and unprofessional services.

Again, thank you for the opportunity to testify.



STATE OF KANSAS

MIKE HAYDEN, Governor

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

ALCOHOL AND DRUG ABUSE SERVICES

300 SW Oakley, Topeka, Kansas 66606-1861

(913) 296-3925

TESTIMONY

Andrew O'Donovan, Commissioner
Alcohol and Drug Abuse Services

Kansas Department of Social and Rehabilitation Services

Senate Ways and Means Committee
Substitute for Senate Bill 402

CONRAD BARTON
Clerk

DEBRA HENDER GORDON
Social Assistant

Tom OWENS
General Counsel

JOHN PETERS
Public Information
Officer

Administrative
Clerk
JULIE DEAN
Ambassador

Child Services
Services
Commissioner

Alcohol and Drug
Abuse Services
Commissioner
D. J. POSIVA

Community and
Family Services
Commissioner
D. J. POSIVA

Developmental
Disabilities Services
Commissioner
D. J. POSIVA

Rehabilitation
Services
Commissioner
D. J. POSIVA

Youth Services
Commissioner
ROBERT BARNUM

SRS/Alcohol and Drug Abuse Services (ADAS) is very supportive of (Sub.) SB 402 and welcomes credentialing for alcohol and drug abuse counselors. (Sub.) SB 402 represents another opportunity to ensure a high level of quality care and consumer protection for Kansas consumers.

The (Sub.) SB 402's purpose is not to receive third party insurance reimbursement. Kansas statutes already allow licensed and certified alcohol and drug abuse programs to receive insurance payments.

I would like to propose some technical language changes which we think should be added to (Sub.) SB 402. They represent no substantive changes in the content of the bill.

If you have questions concerning (Sub.) SB 402 please let me know. I can be reached at 296-3925.

Your favorable consideration of (Sub.) SB 402 is appreciated and will be an important step for alcohol and drug counselors and Kansas consumers.

March 28, 1990
Attached: Amendments to SB 402



SWAM
March 28, 1990
Attachment 2

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES
ALCOHOL AND DRUG ABUSE SERVICES

AMENDMENTS TO SUBSTITUTE SENATE BILL 402

- Section 2e.** Add at the end of the sentence "or meets national standards for alcohol and drug abuse counselors."
- Section 2f.** Insert "or before" between "If the secretary determines that on" and "January 1, 1999...".
- Section 3b.** Change "not to exceed \$50." to "initially shall not exceed \$50."
- Section 5b.** Strike the two sentences after "pursuant to subsection c." (page 5) and replace with "The advisory committee shall make recommendations to the secretary regarding rules and regulations and other areas concerning the credentialing process."

Submitted by: Andrew O'Donovan
Commissioner
SRS/ADAS
March 28, 1990
296-3925

TESTIMONY

Senate Ways and Means Committee

SUBSTITUTE FOR SENATE BILL NO. 402

March 28, 1990

Mr. Chairman and Members of the Committee:

I thank you for being able to present testimony today on Substitute Senate Bill No. 402. I represent the Kansas Alcohol and Drug Addiction Counselors Association of some 450 members throughout the State, the Kansas Association of Alcohol and Drug Program Directors which consists of approximately 50 members throughout the State and the Kansas Community Alcohol Safety Action Project Coordinators Association which consists of 30 members throughout the State. All three of these professional organizations enthusiastically support Substitute Senate Bill No. 402.

The Kansas Alcohol and Drug Addiction Counselors Association was formed in 1974 with the purpose of raising the standards of those professional people who are working in the field of alcoholism. Primary concerns at that time were education, sound counseling practices, and the cooperation of all official and voluntary health, welfare, educational and rehabilitation agencies concerned with the prevention and control of alcohol and drug addiction. Through the years, the Kansas Alcohol and Drug Addiction Counselors Association has grown in size until it now consists of 450 members who are either certified by their peers as alcohol and drug addiction counselors or are in the process of receiving that certification through the educational and employment requirements.

However, these 450 members represent only approximately 40% of those individuals who are employed in the State of Kansas as alcohol and drug counselors. It is estimated that the State of Kansas is providing funding of approximately \$40,000,000 per year in the field of alcohol and drug abuse. It would appear to us that in order for the State of Kansas to get a "better bang for their buck", that they should be able to certify those individuals who are currently receiving their livelihood as alcohol and drug addiction counselors.

The three organizations that I represent have worked in harmony over the past several months with the Commissioner of the Alcohol and Drug Abuse Services and the Secretary of Social and Rehabilitation Services. In addition, we have had meetings with the National Certification Reciprocity Consortium. This is a volunteer organization of some 40 states which have set up very strict guidelines for those individuals certified in those states to have minimum qualifications to be able to relocate in another state with the same certifications. At a recent meeting with officials of this consortium, a member of their Board of Directors applauded these organizations in the State of Kansas who were, through this proposed legislation, taking the lead in getting State recognized certification for alcohol and drug abuse counselors. It was his belief that all States would follow the lead of Kansas if they are successful in this legislative process.

SWAM
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Attachment 3

During the summer of 1989, Interim Special Committee on Ways and Means/Appropriations studied Proposal No. 53 - State Alcohol and Drug Abuse Programs. The final report which was dated November 14, 1989, recommended and I quote "The Committee endorses the concept of a counselor credentialing process for the alcohol and drug addiction counselors. The Committee recommends Senate Bill No. 402 be enacted by the 1990 Legislature."

The Honorable Mike Hayden, Governor State of Kansas, in the State of the State Message presented to the joint Houses on January 8, 1990, applauded the efforts of the professionals in the State of Kansas insofar as their dedication to the continuum care concept for alcohol and drug addiction. The Governor remarked "I salute the dedication of alcoholism and drug addiction counselors and support their work to further professional standards for this important field." Members of the Committee, it would appear by these remarks made by the Governor on January 8, 1990; that the second floor is agreeing with our efforts to pursue legislation for the certification of alcohol and drug abuse counselors.

As I previously stated, Substitute Bill No. 402 that you have before you, represents a lot of give and take by all parties interested in providing the finest and most qualified service to those people who suffer from alcohol and drug addiction in the State of Kansas. At this time, our organizations wish to applaud the efforts put forth by the Commissioner on Alcohol and Drug Abuse, Andrew O'Donovan and his staff, in working with our representatives to draft a legislation that will meet the needs of the citizens of Kansas.

We would hope that this Committee would act promptly on this proposed legislation and put it on the fast track through the legislative process for passage during the 1990 session.

I will attempt to answer any questions that the Committee may have.

Respectfully,


Gene Johnson

Lobbyist

Kansas Alcohol and Drug Addiction Counselors Association
Kansas Association of Alcohol and Drug Program Directors
Kansas Community Alcohol Safety Action Project Coordinators Association

PROPOSED SUBSTITUTE FOR SENATE BILL NO. 402

By

AN ACT concerning alcohol and other drug abuse treatment and evaluation; providing for certification of certain counselors; amending K.S.A. 65-4016 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. As used in this act:

(a) "Alcohol and other drug abuse counselor" means any individual who, for compensation, engages in the treatment or evaluation of alcohol and other drug abuse.

(b) "Secretary" means the secretary of social and rehabilitation services.

New Sec. 2. (a) On and after January 1, 1991, no person shall act as an alcohol and other drug abuse counselor in this state unless such person is certified pursuant to this act.

(b) The secretary shall adopt by rules and regulations a system for certification of alcohol and other drug abuse counselors. Such rules and regulations shall include qualifications for certification which promote safe and adequate treatment, evaluation and prevention of alcohol and other drug abuse and shall provide for certification to be carried out by appropriate alcohol and other drug abuse organizations, under contract with the secretary. Such rules and regulations may provide for different classes of certification with different qualifications for each class, but all such qualifications shall require, as a minimum for an alcohol and other drug abuse counselor, the following:

(1) A bachelor of arts, master of arts or doctorate degree in a social-services or health-related field which includes coursework in alcohol and other drug addictions;

SWAM
March 28, 1990
Attachment 4

(2) experience of not less than 3,000 hours of practicum or work, under the supervision of a certified alcohol and other drug abuse counselor, during the three years immediately preceding first certification pursuant to this act; and

(3) successful completion of approved training courses in client confidentiality, case management and client records, understanding the disease, intake procedures, assessment and treatment planning, crisis intervention skills and basic counseling skills.

(c) The secretary shall require each person seeking certification as an alcohol and other drug abuse counselor to successfully complete an examination prescribed by the secretary. A fee shall be required for such examination in an amount sufficient to pay for the costs and administration thereof. Any person desiring to take the examination shall first submit satisfactory proof that the person has the qualifications required pursuant to subsection (b) or (d).

(d) A person who does not have the qualifications prescribed pursuant to subsection (b) may qualify for examination and, upon passage of the examination, certification pursuant to this act if the person submits satisfactory proof that, on December 31, 1990, the person:

(1) Is practicing as an alcohol and other drug abuse counselor in this state, has an offer of employment as an alcohol and other drug abuse counselor in this state or is an alcohol and other drug abuse counselor living in this state; and

(2) has 1,000 hours of experience in alcohol and other drug abuse counseling within the immediately preceding 12-month period or has 3,000 hours of experience in alcohol and other drug abuse counseling within the immediately preceding 60-month period.

(e) A person may qualify for certification if such person submits satisfactory proof that, on December 31, 1990, the person was practicing as an alcohol and other drug abuse counselor in another state and is certified in accordance with standards which the secretary determines are comparable to those provided

pursuant to this act.

(f) Before January 1, 1999, a person who does not qualify for examination pursuant to subsection (b) or (d) may be issued a provisional certificate as an alcohol and other drug abuse counselor. A provisional certificate shall be valid until January 1, 1999, conditioned on the certificate holder's submission of satisfactory evidence of progress toward compliance with the qualifications for examination adopted pursuant to subsection (b). If the secretary determines that, on January 1, 1999, there will not be a sufficient number of certified alcohol and other drug abuse counselors to serve those persons in the state requiring the services of such counselors, the secretary may extend the term of provisional certificates for a period of not more than two years. Thereafter, the secretary may continue to extend the term of such certificates for periods of not more than two years until the secretary determines that the issuance of provisional certificates is no longer necessary to serve the needs of those persons in the state requiring the services of alcohol and other drug abuse counselors. Upon such determination, all provisional certificates shall expire.

The qualifications adopted by the secretary may provide that, if an applicant has only the minimum qualifications in one of the above areas, greater requirements must be met in the remaining areas.

New Sec. 3. (a) Certification pursuant to this act shall be for a period of two years.

(b) The secretary shall fix by rules and regulations fees for applications for certification, renewal of certification, provisional certification and examination pursuant to this act. Such fees shall be fixed in amounts to cover the costs of administering the provisions of this act, but not to exceed \$50. The secretary shall remit all moneys received from fees collected under this act to the state treasurer at least monthly. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury and credit it to

the alcohol and other drug abuse counselor fee fund.

(c) There is hereby created in the state treasury the alcohol and other drug abuse counselor fee fund. Moneys in such fund shall be expended only for the purpose of administering and enforcing the provisions of this act. All expenditures from such fund shall be made in accordance with appropriations acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the secretary of social and rehabilitation services or by a person or persons designated by the secretary.

New Sec. 4. (a) The secretary may deny, refuse to renew, suspend or revoke certification or provisional certification pursuant to this act if the certificate holder or applicant:

(1) Has obtained or attempted to obtain certification by means of fraud, misrepresentation or concealment of material facts;

(2) has been convicted of a crime found by the secretary to have a direct bearing on whether the certificate holder or applicant can be entrusted to serve the public in the position of alcohol and other drug abuse counselor;

(3) has violated the standards of professional conduct established by rules and regulations of the secretary;

(4) has used any advertisement or solicitation which is false, misleading or deceptive to the general public or persons to whom the advertisement or solicitation is primarily directed; or

(5) has violated any lawful order or rule and regulation of the secretary.

(b) Refusal to renew or suspension or revocation of certification pursuant to this section shall be in accordance with the Kansas administrative procedure act.

New Sec. 5. (a) The secretary shall adopt by rules and regulations standards of professional conduct for alcohol and other drug abuse counselors.

(b) The secretary shall adopt such rules and regulations as

necessary to administer and enforce the provisions of this act. Before adoption of any such rules and regulations, the secretary shall submit the proposed rules and regulations to the advisory committee appointed pursuant to subsection (c). The advisory committee shall reject or approve, or modify and approve, such proposed rules and regulations. The secretary shall adopt such rules and regulations so approved or so modified and approved.

(c) The secretary shall appoint an advisory committee for the purpose of assistance in promulgating and adopting rules and regulations pursuant to this act. The advisory committee shall be composed of 11 members and shall include both representatives of the general public and representatives of the alcohol and other drug abuse treatment and prevention field. Members of the advisory committee shall receive amounts provided for in subsection (e) of K.S.A. 75-3223 and amendments thereto for each day of actual attendance at any meeting of the advisory committee or any subcommittee meeting authorized by the advisory committee.

Sec. 6. K.S.A. 65-4016 is hereby amended to read as follows: 65-4016. The secretary shall adopt rules and regulations and standards with respect to all treatment facilities to be licensed hereunder ~~as may be~~ designed to further the accomplishment of the purposes of this law in promoting a safe and adequate treatment program for individuals in treatment facilities in the interest of public health, safety and welfare. Boards of trustees or directors of institutions licensed pursuant to the provisions of this act shall have the right to select the professional staff members of such institutions and to select and employ interns, nurses and other personnel, and as long as such personnel is appropriately licensed or certified as required by state statute. No rules and regulations or standards of the secretary, except rules and regulations and standards adopted pursuant to sections 2 and 5, shall be valid which, if enforced, would interfere in such selection or employment.

Sec. 7. K.S.A. 65-4016 is hereby repealed.

Sec. 8. This act shall take effect and be in force from and after its publication in the statute book.

STATE OF KANSAS



OFFICE OF THE GOVERNOR

State Capitol
Topeka 66612-1590

(913) 296-3232

1-800-432-2487

TDD# 1-800-992-0152

FAX# (913) 296-7973

Mike Hayden Governor

Testimony on SB 561

Senate Ways and Means Committee
Denise Apt, Governor's Aide for Education

Mr. Chairman, members of the committee. Thank you for the opportunity to appear before you on behalf of the governor.

SB 561 is a Teacher-Scholarship bill and contains the following requirements:

A. The scholarship program will be administered by the executive officer of the state board of regents.

B. Applicants shall:

1. Be a resident of the state of Kansas and rank in the top 10% of their high school graduating class; (2) demonstrate high achievement on the ACT assessment; and (3) be enrolled in or admitted to a full-time undergraduate program leading to teacher certification in a hard-to-fill teaching discipline.

SWAM
March 28, 1990
Attachment 5

C. "Hard-to-fill teaching discipline" means courses in mathematics, science or foreign language offered at the elementary or secondary school level in Kansas and taught by teachers meeting the certification requirements in such subjects.

D. Scholarships awarded under the program shall be awarded for the length of the course of instruction leading to a degree and will receive a stipend of \$5,000 annually.

E. The applicant will provide information to and enter into an agreement with the executive officer of the board of regents.

F. If the person does not meet his or her obligations under the agreement, such person shall pay to the executive officer an amount equal to the total amount of money received by such person pursuant to such agreement plus annual interest at a rate of 15%, adjusted proportionately for full years of the obligation that have been satisfied.

G. An obligation shall be postponed (1) during any required period of active military service; (2) during any period of temporary medical disability during which the person obligated is unable because of such medical disability to teach

a hard-to-fill teaching discipline; or (3) during any period of time the person obligated is enrolled and actively engaged on a full-time basis in a course of study leading to a degree in education as a hard-to-fill teaching discipline which is higher than that attained formerly by the person obligated.

H. An obligation shall be satisfied (1) if the obligation in accordance with an agreement under the scholarship program has been completed; (2) if the person obligated dies; (3) if, because of permanent physical disability, he or she is unable to satisfy the obligation; (4) if he or she fails to satisfy the requirements for graduation with a degree that will enable the recipient to teach a hard-to-fill teaching discipline after making the best effort possible to do so; or (5) if the person obligated fails to satisfy all requirements to enable the recipient to teach a hard-to-fill teaching discipline and making the best effort possible to do so.

I. The state board of regents shall adopt rules and regulations establishing minimum terms, conditions and obligations which shall be incorporated into the provisions of any agreement entered into between the executive officer and the recipient of a scholarship under the teacher scholarship program.

J. There is hereby created in the state treasury the teacher scholarship program fund.

K. The fiscal note is \$250,000 and was included in the governor's budget.

The governor requested the teacher-scholarship bill because of his commitment to education and noted in the State of the State. If I may quote

"Our front-line providers of education are our teachers. I am grateful to the teachers of Kansas, for they are the backbone of our educational system. They are our educational leaders and role models, and if we expect the best from our students, we must hold our teachers to even higher standards.

I am pleased with the calibre of teachers in Kansas, and I know that theirs is a demanding profession which often brings little material or substantive reward.

For this reason, it has at times been difficult to encourage young people to enter the teaching profession, but we must make every effort to do so. We must encourage our brightest and our most talented youth to enter teaching, for they will be the ones who illuminate the minds of our children.

To help achieve this goal, I recommend \$250,000 for teacher scholarships. The scholarships will be awarded on the basis of ability and apportioned to meet the need of hard-to-fill teaching disciplines, such as math or science."

The governor asks for your support for favorable passage of SB 561.

I've given you a short overview of the bill and would be happy to stand for questions.

Thank you for your consideration.



KANSAS BOARD OF REGENTS

SUITE 609 • CAPITOL TOWER • 400 SW EIGHTH • TOPEKA, KANSAS 66603-3911 • (913) 296-3421

SENATE BILL 561 TEACHER SCHOLARSHIP PROGRAM

TESTIMONY BEFORE THE SENATE WAYS & MEANS COMMITTEE

March 28, 1990

Good morning Mr. Chairman and members of the Committee. I am Clantha Carrigan McCurdy, Director of Student Financial Aid for the Kansas Board of Regents office. I appear before you this morning to speak favorably for Senate Bill 561 which creates a teacher scholarship program for Kansas.

The eleventh annual study of teacher supply and demand in Kansas public schools compiled by Emporia State University indicated that the number of available candidates for jobs in most teaching fields has improved since 1988. This report, however, showed that Kansas continues to experience a shortage of qualified teachers in foreign language and the sciences.

Senate Bill 561 addresses the teacher shortage in "hard-to-fill teaching disciplines" in math, science, and foreign language. The Board of Regents office is supportive of this bill because it provides the financial incentive necessary to attract the best and brightest students into teaching. How many times have you heard the debate about crisis in the classroom and incompetent teachers? Certainly children and our youth are our greatest resources. Enhancing the quality of educational programs provided to our youths is certainly beneficial to Kansas and the nation.

Senate Bill 561 allows Kansas to address the current shortage of qualified teachers in areas where academically talented students normally do not consider due to the lack of financial incentives. So often students are attracted to teaching as a profession, but channeled into other areas because of larger scholarships and the anticipated financial security after degree completion. If we are to maintain the quality and caliber of teachers needed to enhance the products in the classroom, then, we must make the financial commitment to generate student interest. Lucrative teacher education scholarships are almost nonexistent. The \$5,000 merit based scholarship created by Senate Bill 561 will be a major factor in attracting academically talented students into the teaching profession.

My comments are based on direct experience. When the teacher shortage problem was recognized at the national level, the federal government responded with the creation of the Paul

Douglas Teacher Scholarship Program. This program attracts students who rank high in their academic class. The motivating factor that makes this program successful is that the government allows participating states to award \$5,000 on the basis of merit. Kansas participates in this program and receives funding to award an average of 35 scholarships each year. Students participating in the Paul Douglas Teacher Scholarship Program are not obligated to teach in Kansas, although they must complete a two-year teaching requirement to satisfy their teaching commitment.

If the federal government is willing to commit funds on a merit basis, Kansas must also be willing to do the same. Each year an average of three hundred and fifty qualified students submit application for the federal program. Only a few are selected to fill vacant positions. Kansas certainly has the need for a teacher scholarship program. Further, there are more than enough qualified students to compete for the fifty annual scholarships. I urge your strong consideration of Senate Bill 561.



ASSOCIATED STUDENTS OF KANSAS

The Student Governments of the Regents Institutions

To: Senate Ways and Means
From: Davi Anne Brewer
Date: 27 March 1990

Re: Senate Bill 561

In recent years ASK has supported efforts by the Kansas Board of Regents and the Kansas legislature to increase financial assistance for the students of Kansas. Programs such as the Youth Education Service, the Minority Scholarship and the Nursing Scholarship programs are addressing the needs of specific constituencies among the student population that broader need-based assistance programs often overlook.

We support these programs because they meet two objectives: one, to alleviate reliance on student loans to meet rising college cost; and two, to encourage and assist students who enter lower-paying fields such as education. While the cost of higher education is rising, requiring greater economic sacrifices and or borrowing against future income, the attractiveness of lower-paying careers is reduced.

The emphasis on educational reform has high lighted the need for quality instructors in the math, science and foreign language fields which this bill addresses.

Unlike the Paul Douglas Congressional Teachers' Scholarship which requires recipients to teach two years for each year funds are received, SB 561 requires only one year of service for one year the scholarship is awarded. We find this to be a more practical and equitable means of repayment.

As federal support for scholarship programs decline, it is vital that the state increase its' support for programs that address the needs of Kansas. This program targets a specific need in the Kansas education structure, much like the nursing scholarship program that was approved during the 1989 legislative session.

ASK endorses Senate Bill 561 which not only offers assistance to would-be educators, but makes a twin commitment to educational excellence and access.

*SWAM
March 28, 1990
Attachment 7*

Kansas State Board of Nursing

Landon State Office Building
900 S.W. Jackson, Rm. 551
Topeka, Kansas 66612-1256
913-296-4929

Lois Rich Scibetta, Ph.D., R.N.
Executive Administrator

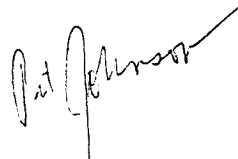
Janette Pucci, R.N., M.S.N.
Educational Specialist



Patsy L. Johnson, R.N., M.N.
Educational Specialist

Belva J. Chang, R.N., M.N., J.D.
Practice Specialist

TO: The Honorable Senator Gus Bogina, Chairman, and Members
of the Senate Ways and Means Committee

FROM: Patsy L. Johnson, R.N., M.N.
Executive Administrator 

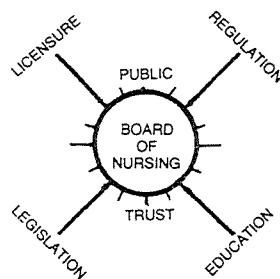
RE: HB 2773

DATE: March 28, 1990

The Board of Nursing supports the change in language on HB 2773 to clarify that the number of new scholarships awarded each year shall not exceed 250. We support that the scholarships that have already been issued will continue with the issuance of additional new scholarships on a yearly basis.

Thank you for the opportunity to comment on HB 2773.

PLJ:bph



SWAM
March 28, 1990
Attachment 8



FOR MORE INFORMATION CONTACT
Terri Roberts, J.D., R.N.
Executive Director
Kansas State Nurses's Association
(913) 233-8638
March 28, 1990

H.B. 2773 NURSING STUDENT SCHOLARSHIP AMENDMENTS

Chairman Bogina and members of the Senate Ways and Means Committee, my name is Terri Roberts R.N. and I am a registered nurse representing the Kansas State Nurse's Association. Thank you for the opportunity to speak on H.B. 2773.

The Kansas State Nurses' Association was very supportive of the commitment that the 1989 legislature made to funding the Nursing Student Scholarship Program. H.B. 2479 which provided 250 scholarships to nursing students in both LPN and RN programs was well received by the private sector, with their accompanying responsibility for matching the funds for contracts to these students. The nursing shortage accompanied by the increase in media attention has led to an increase in nursing enrollments at all levels. Scholarships, is of course a very positive incentive, and is particularly needed by those individuals who would otherwise be unable to pursue a nursing education.

H.B. 2773 changes the language of the Nursing Student Scholarship program to allow for 250 nursing student scholarships each year. This would provide continuity to those already enrolled in a two year or four year college, while allowing for the awarding of scholarships to another year of nursing students. We support this language change and the funding recommendation by the Governor for FY 1991.

Although not all 250 scholarships were awarded in FY 1990, only 186 scholarships were awarded, the timing of the implementation and the process for application hindered last years awards. We do not anticipate these same obstacles this year, the Board of Regents Staff have been working with the organizations representing the sponsor groups, KHA, KAHA and KHCA, as well as the schools of nursing to facilitate the distribution of the scholarship program information and applications.

Thank you.

HB 2773

SWAM
March 28, 1990
Attachment 9



HOUSE BILL 2773
KANSAS NURSING STUDENT SCHOLARSHIP

TESTIMONY BEFORE THE
SENATE WAYS & MEANS COMMITTEE

March 28, 1990

Good morning Mr. Chairman and members of the Committee. I am Clantha Carrigan McCurdy, Director of Student Financial Aid for the Kansas Board of Regents. I appear before you today to speak favorably for House Bill 2773 which seeks minor amendments to existing legislation for the Kansas Nursing Student Scholarship Program.

The Nursing Scholarship Program is in its first year of operation. Current legislation limits the awarding of scholarships to a maximum of 250 each year. Language in the existing statute is restrictive to the attempt by Kansas to reduce its nursing shortage in a relatively short number of years. For example, under the current legislation, if all 250 scholarships are awarded to students who are eligible to receive continued funding for a second year, new applications cannot be entertained. This also limits our ability to provide medical institutions with a pool of qualified personnel to help alleviate their nursing shortage.

From an administrative point of view, we believe the language in House Bill 2773 clarifies the nursing scholarship program. It is our understanding that House Bill 2773 also follows the original intent and purpose of the Legislature and the Governor.

In the first year of the program 358 applications were received. Considering the time and other factors involved in quickly getting a program of this complexity implemented, the initial interest is suggestive of the fact that the nursing scholarships can be awarded. Your support of House Bill 2773 is encouraged.

Thank you for allowing me to make these comments today. I will be happy to respond to your questions at this time.

SWAM
March 28, 1990
Attachment 10

SUBCOMMITTEE REPORT

Agency: Rainbow Mental Health Facility

Bill No. 2729

Bill Sec. 29

Analyst: Porter

Analysis Pg. No. 630

Budget Pg. No. 466

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 2,834,571	\$ 2,736,125	\$ --
General Fees Fund	231,468	231,468	103,312
Title XIX Fund	1,377,467	1,377,467	--
Other Funds	25,388	47,180	--
Subtotal	<u>\$ 4,468,894</u>	<u>\$ 4,392,240</u>	<u>\$ 103,312</u>
Capital Improvements:			
State Institutions			
Building Fund	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>
GRAND TOTAL	<u>\$ 4,468,894</u>	<u>\$ 4,392,240</u>	<u>\$ 103,312</u>
FTE Positions	124.0	124.0	--
Average Daily Census			
Inpatient	47	47	--

Agency Request/Governor's Recommendation

Rainbow Mental Health Facility estimates FY 1990 expenditures of \$4,468,894, \$111 less than the amount approved by the 1989 Legislature. The budget includes financing of 124.0 FTE positions. Funding includes \$2,834,571 from the State General Fund, \$231,468 from Rainbow's fee fund, \$1,377,467 from Title XIX, and \$25,388 from federal Chapter I funds.

The Governor recommends an FY 1990 operating budget of \$4,392,240, a decrease of \$76,654 from the agency estimate. Recommended decreases are from the estimates for salaries and wages (\$68,148) and commodities (\$14,506). Included is a downward adjustment to the cost of employee health insurance (\$27,918). The recommendation includes \$2,736,125 from the State General Fund, a decrease of \$98,446 from the agency estimate; \$231,468 from the general fees fund, as estimated; \$1,377,467 from the Title XIX fund, as estimated; and \$47,180 from federal Chapter I funds, an increase of \$21,792 from the agency estimate.

House Subcommittee Recommendation

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

1. Increase the expenditure limitation of the hospital fee fund by \$103,312 in FY 1990. The Subcommittee has reviewed year-to-date expenditures and concurs with the agency's assessment that the FY 1990 year-to-

*SWAM
March 28, 1990
Attachment 11*

date turnover rate is substantially less than the turnover rate recommended by the Governor and recommends \$81,520 to address the hospital's projected shortfall in salaries and wages. The Subcommittee recommends the remaining \$21,792 because the Governor's recommendation includes that amount in federal Chapter I education funds which the hospital has since learned will not be available in FY 1990.

The Subcommittee has reviewed the hospital's fee fund projections for FY 1990, which are projected to be \$341,709, an increase of \$110,241 above the \$231,468 recommended by the Governor. It appears that the agency will more than meet the FY 1990 ending balance recommended by the Governor and that the expenditure limitation increase recommended by the Subcommittee will not result in a fee fund deficit in FY 1991.

2. While touring the facility, Subcommittee members noticed that a bed frame in one of the facility's seclusion rooms contains a raw metal edge which protrudes from the bed's mattress and poses a potential hazard for any patients housed in the seclusion room. The Subcommittee discussed this issue with facility officials and recommends that the facility correct this condition as soon as possible.

House Committee Recommendation

The House Committee concurs with the recommendation of the House Subcommittee.

House Committee of the Whole Recommendation

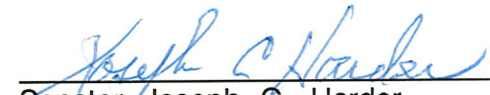
The House Committee of the Whole concurs with the recommendation of the House Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 90</u>	<u>House Rec. FY 90</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 103,312	\$ 4,495,552	\$ (21,792)
Capital Improvements	--	--	--
Total	<u>\$ 103,312</u>	<u>\$ 4,495,552</u>	<u>\$ (21,792)</u>
State General Fund:			
State Operations	\$ --	\$ 2,736,125	\$ --
Capital Improvements	--	--	--
Total	<u>\$ --</u>	<u>\$ 2,736,125</u>	<u>\$ --</u>
FTE Positions	--	--	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House Committee with the following adjustment:

1. Decrease the expenditure limitation of the federal Chapter I fund by 21,792, from \$47,180 to \$25,388 to reflect the actual amount of Chapter I funds which will be received by the facility in FY 1990. The \$47,180 expenditure limitation includes \$21,792 in Chapter I special projects money which the agency had anticipated it would receive in FY 1990. The agency subsequently learned that it will not receive the special projects money in FY 1990.



Senator Joseph C. Harder
Subcommittee Chairperson



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Rainbow Mental Health Facility

Bill No. 2618

Bill Sec. 2

Analyst: Porter

Analysis Pg. No. 630

Budget Pg. No. 466

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 2,316,743	\$ 2,724,152	\$ 38,254
General Fees Fund	316,638	302,854	--
Title XIX Fund	2,163,442	1,515,649	--
Other Funds	43,814	22,022	--
Subtotal	<u>\$ 4,840,637</u>	<u>\$ 4,564,677</u>	<u>\$ 38,254</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ 903,700	\$ 903,700	\$ --
GRAND TOTAL	<u>\$ 5,744,337</u>	<u>\$ 5,468,377</u>	<u>\$ 38,254</u>
 FTE Positions	 127.0	 124.0	 --
 Average Daily Census Inpatient	 47	 47	 --

Agency Request/Governor's Recommendation

Rainbow requests an operating budget of \$4,840,637, an increase of \$371,743 over the FY 1990 estimate of \$4,468,894. Of the increase, 47 percent is attributable to salaries and wages, 15.9 percent to the education contract, 26.9 percent to capital outlay, and 10.2 percent to other areas of the budget. The funding request includes \$2,316,743 from the State General Fund, \$316,638 from the hospital's fee fund, \$2,163,442 from Title XIX, and \$43,814 from federal Chapter I funds. The request reflects continuation of all existing programs and the addition of 3.0 FTE positions. The amount requested from Title XIX represents a significant increase from previous years. A large portion of the increase is due to SRS' expectation that the state's mental health hospitals will qualify for "disproportionate share" money. The expected increase is the result of a change in federal Medicaid law effective July 1, 1988, which directs the states to make extra Medicaid payments to hospitals serving a disproportionate share of Medicaid and low-income patients.

The Governor recommends FY 1991 operating expenditures of \$4,564,677, a decrease of \$275,960 from the agency request. Recommended decreases are from the request for salaries and wages (\$75,393), contractual services (\$71,073), commodities (\$17,969), and capital outlay (\$111,525). The recommendation includes \$2,724,152 from the State General Fund, an increase of \$407,409 from the agency request; \$302,854 from the general fees fund, a decrease of \$13,784 from the agency request; \$1,515,649 from the Title XIX fund, a decrease of \$647,793 from the agency request; and \$21,792 from the federal Chapter I fund, a decrease of \$21,792 from the agency request. The Governor recommends \$903,700 from the State Institutions Building Fund to remodel and construct an addition to the facility's special purpose school.

House Subcommittee Recommendation

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

1. Add \$38,254 from the State General Fund for the facility's education contract with U.S.D. 500. The Subcommittee notes that the school contract is essential to the operation of the facility and that the facility is adamant that this funding is necessary in FY 1991. The Subcommittee further recommends that the agency's FY 1991 fee fund receipts be reviewed by the 1991 Legislature with the specific purpose of determining if this additional funding can be shifted to the fee fund rather than the State General Fund.
2. The Subcommittee notes that the facility anticipates a significant shortfall in funding for salaries and wages in FY 1991 if turnover remains at the same low level the facility is experiencing in FY 1990. Rather than increasing funding for salaries and wages at this time, the Subcommittee recommends that the 1991 Legislature review the agency's turnover rate to determine if additional funding for salaries and wages is warranted.
3. Add a no-limit appropriation for special oil overcharge funds to purchase vehicles for patient transportation. This no-limit appropriation was approved for FY 1990 with the expectation that the agency would receive funds administered by the U.S. Department of Energy from the second stage oil overcharge program for energy conservation-related projects and equipment purchases. The Subcommittee was informed that the agency has worked with the Kansas Corporation Commission in submitting an application for the federal funds and that it appears likely the agency will receive funds in FY 1990. However, should the agency need expenditure authority in FY 1991, the Subcommittee recommends that the no-limit appropriation be available in FY 1991.

House Committee Recommendation

The House Committee concurs with the recommendation of the House Subcommittee, with the following adjustment:

1. Add a proviso to the oil overcharge - second stage refund program fund stating that expenditures from the fund for acquisition of vehicles shall not exceed the amount requested for vehicles in the agency's C level budget for FY 1991.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the recommendation of the House Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 38,254	\$ 4,602,931	\$ --
Capital Improvements	--	903,700	--
Total	<u>\$ 38,254</u>	<u>\$ 5,506,631</u>	<u>\$ --</u>
State General Fund:			
State Operations	\$ 38,254	\$ 2,762,406	\$ --
Capital Improvements	--	--	--
Total	<u>\$ 38,254</u>	<u>\$ 2,762,406</u>	<u>\$ --</u>
FTE Positions	--	--	--

Senate Subcommittee Recommendation

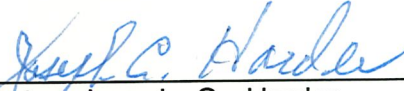
The Senate Subcommittee concurs with the recommendation of the House Committee of the Whole with the following adjustments:

1. Delete the proviso limiting the agency's expenditures from the oil overcharge - second stage refund program fund to the amount requested for vehicles in the agency's C level budget for FY 1991. The Subcommittee notes that the mental health hospitals have no-limit funds for the oil overcharge funds in FY 1990. The House Subcommittee added no-limit funds for FY 1991 in case the funds are not received from the federal government until FY 1991. The Subcommittee further notes that the mental health hospitals' FY 1991 C level requests for vehicles were based on the expectation that the federal funding would be forthcoming and that state funding for these vehicles would not be necessary in FY 1991.

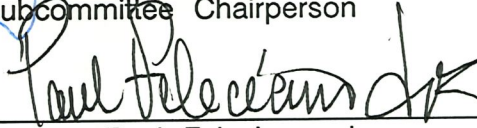
The Subcommittee has studied the amounts available to the state from oil overcharge funds and the potential use for these funds. The Subcommittee notes that available funding is more than sufficient to meet the requests of the mental health hospitals.

2. Delete the expenditure limitation from the Rainbow Mental Health Facility Elementary and Secondary Education Fund -- Federal and establish the fund as a no-limit fund. The Subcommittee was informed that the funds, which are common to the mental health, mental retardation, and youth center facilities, contain federal education funds which must be returned to the federal government if they are not spent within the time allowed by the federal government, which is usually the federal fiscal year. From time to time, additional federal funding becomes available or funding allocated to one school cannot be expended at that school. Establishing the funds as no-limit funds would allow the expenditure of additional federal funds received and would allow the transfer of funds between facilities to prevent the loss of federal funds.
3. The Subcommittee concurs with the House Subcommittee's observation that the facility could experience a significant shortfall in funding for

salaries and wages in FY 1991 if turnover remains at the same low level the facility is experiencing in FY 1990. The Subcommittee notes that there appears to be a greater degree of employee satisfaction due to the salary adjustments brought about through the implementation of Phase III. The Subcommittee notes that there is a reasonable possibility that FY 1991 turnover could remain at the same low rate the agency is currently experiencing and that the agency will need additional funding for salaries and wages in FY 1991.



Senator Joseph C. Harder
Subcommittee Chairperson



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Topeka State Hospital

Bill No. 2729

Bill Sec. 30

Analyst: Porter

Analysis Pg. No. 646

Budget Pg. No. 554

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 12,773,216	\$ 12,594,383	\$ --
General Fees Fund	5,665,375	5,643,524	234,768
Title XIX Fund	3,447,980	3,019,803	--
Other Funds	95,520	95,520	--
Subtotal	<u>\$ 21,982,091</u>	<u>\$ 21,353,230</u>	<u>\$ 234,768</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ 195,288	\$ 195,288	\$ --
GRAND TOTAL	<u>\$ 22,177,379</u>	<u>\$ 21,548,518</u>	<u>\$ 234,768</u>
 FTE Positions	 651.7	 651.7	 --
Average Daily Census	313	313	--

Agency Request/Governor's Recommendation

FY 1990. Topeka State Hospital requests an FY 1990 operating budget of \$21,982,091, an increase of \$86,137 from the amount approved by the 1989 Legislature. The agency requests funding for 651.7 FTE positions, 1 FTE less than the 652.7 FTE positions approved by the 1989 Legislature. Funding includes \$12,773,216 from the State General Fund, including an \$86,137 State General Fund supplemental appropriation, \$5,665,375 from the hospital's fee fund, \$3,447,980 from Title XIX, and \$95,520 from federal Chapter I funds. Although the hospital was decertified for portions of FY 1988 and FY 1989, Topeka is currently eligible to receive full Medicare and Medicaid payments. Found to be out of compliance with federal standards in the areas of medical records and staffing, the hospital was decertified in March of 1988. In October, 1988, a HCFA survey team conducted a reasonable assurance survey to determine if the reasons for the decertification had been corrected. HCFA found that the hospital had not corrected the deficiencies and that it was not yet ready for recertification. The hospital was accredited by JCAHO and certified by HCFA following May 1989 surveys. The hospital had projected a FY 1989 loss of \$4,060,000 as a result of decertification. Early in FY 1990, however, the agency discovered that it would be able to recover the majority of those losses due to a Medicaid regulation which allows hospitals to collect Medicaid payments for children under the age of 21 who are hospitalized in a decertified facility if the facility is accredited by JCAHO.

The FY 1990 budget reflects the transfer of the 45-bed comprehensive screening unit and its financing to the authority of the Commissioner of Youth Services. The screening unit's FY 1989 budget included funding of \$1,272,229 and 52.7 FTE positions.

*SWAM
March 28, 1990
Attachment 12*

The Governor recommends an FY 1990 operating budget of \$21,353,230, a decrease of \$628,861 from the hospital's request. The decrease is reflected in salaries and wages (\$238,809), contractual services (\$195,866), and commodities (\$194,186). The recommendation includes funding of \$12,594,383 from the State General Fund, \$5,643,524 from the hospital fee fund, \$3,019,803 from the Title XIX fund, and \$95,520 from federal Chapter I funds.

House Subcommittee Recommendations

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

1. Increase the expenditure limitation on the hospital fee fund by \$234,768 in FY 1990. The Subcommittee notes that the Governor's recommendation for FY 1990 is a decrease of \$542,724 from the amount approved by the 1989 Legislature and a decrease of \$628,861 from the agency's FY 1990 estimate. The agency has taken steps to reduce its 1990 budget by \$307,956 in an attempt to keep expenditures within the Governor's recommendation. However, the Subcommittee concurs with the agency's assessment that, despite measures taken to meet the Governor's recommendations, the agency will not be able to generate savings of \$234,768 of the recommended decrease. The Subcommittee notes that, of the decrease, \$238,809 is from the amount budgeted for salaries and wages. The agency has cancelled a Licensed Mental Health Technician (LMHT) training class which generated savings of \$121,000, but cancellation of the course leaves the hospital without qualified personnel to provide direct care to hospital patients. The agency currently has fourteen LMHT vacancies. The Subcommittee further notes that the Governor's recommendation allows for turnover savings of \$1,487,474, or 7.4 percent, an increase of \$130,107 above the \$1,357,367, or 6.7 percent, in turnover savings requested by the hospital. The Subcommittee is concerned that additional reductions in staffing would result in a significant decrease in patient services and could potentially result in decertification of the hospital.

The Subcommittee has reviewed the agency's estimated fee fund projections for FY 1990, which are based on actual receipts for the first seven months and projected receipts for the remainder of the year. The agency estimates a projected FY 1990 ending balance of \$916,580, an increase of \$676,830 above the \$239,750 ending balance recommended by the Governor. The Subcommittee concurs that the increase in fee fund collections is sufficient to offset the \$234,768 increase recommended by the Subcommittee.

2. The Subcommittee requests that the Senate Subcommittee review the progress of the agency's application for funds to purchase vehicles and energy-conserving laundry equipment through the use of second-stage oil overcharge funds. Although the 1989 Legislature approved the use of second-stage funds to purchase vehicles for the hospital, the agency included the energy-conserving laundry equipment in its application. The Subcommittee approves of the purchase of energy-conserving laundry equipment and recommends that the proviso allowing expendi-

tures from the second-stage fund be amended to allow expenditures for the laundry equipment as well as for vehicles.

3. The Subcommittee reviewed staff vacancies and was informed that the hospital currently has three unfilled psychologist positions and that the agency has been attempting to fill one of the positions for eighteen months with no success. According to the agency, the approved salary for psychologists is significantly below the market rate offered in the private sector for psychologists. The Subcommittee recommends that the Division of Personnel Services review and address this issue as soon as possible.

House Committee Recommendation

The House Committee concurs with the recommendation of the House Subcommittee with the following adjustments:

1. The House Committee recommends that, as its first priority, the agency restore the LMHT training class in FY 1990. The Committee supports continued training of those staff necessary to provide care to the hospital's patients.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the recommendation of the House Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 90</u>	<u>House Rec. FY 90</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 234,768	\$ 21,587,998	\$ 44,620
Capital Improvements	--	195,288	--
TOTAL	<u>\$ 234,768</u>	<u>\$ 21,783,286</u>	<u>\$ 44,620</u>
State General Funds:			
State Operations	\$ --	\$ 12,594,383	\$ --
Capital Improvements	--	--	--
TOTAL	<u>\$ --</u>	<u>\$ 12,594,383</u>	<u>\$ --</u>
FTE Positions	--	313	--


Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendation of the House Committee of the Whole with the following adjustments:

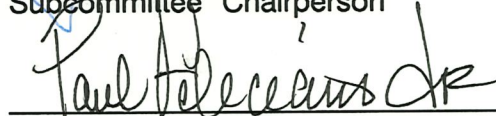
1. Increase the expenditure limitation of the hospital fee fund by \$44,620, from \$5,878,292 to \$5,922,912. The Subcommittee was informed that, subsequent to the House Subcommittee review of the agency budget,

the hospital has projected an additional shortfall of \$8,761 in salaries and wages and a potential shortfall of \$35,859 in fees for professional services. The \$35,859 potential shortfall in fees for professional services is due to outside medical costs which could be reimbursed by a third party. The Subcommittee recommends that a proviso be added to the appropriations bill stating that, if the hospital is reimbursed for the outside medical costs, the hospital should not be allowed to expend the additional \$35,859.

2. As a technical adjustment to the appropriations bill, amend the appropriations bill to allow expenditures from the Oil-Overcharge -- Second Stage Refund Program Fund for energy-conserving laundry equipment, as recommended by the House.



Senator Joseph C. Harder
Subcommittee Chairperson



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Topeka State Hospital

Bill No. 2618

Bill Sec. 2

Analyst: Porter

Analysis Pg. No. 656

Budget Pg. No. 554

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 12,820,367	\$ 12,268,683	\$ --
General Fees Fund	4,498,230	4,454,311	100,104
Title XIX Fund	5,854,341	5,371,129	--
Other Funds	<u>100,818</u>	<u>100,818</u>	--
Subtotal	<u>\$ 23,273,756</u>	<u>\$ 22,194,941</u>	<u>\$ 100,104</u>
Capital Improvements			
State Institutions			
Building Fund	<u>\$ 1,103,800</u>	<u>\$ 0</u>	<u>\$ --</u>
GRAND TOTAL	<u><u>\$ 24,377,556</u></u>	<u><u>\$ 22,194,941</u></u>	<u><u>\$ 100,104</u></u>
FTE Positions	660.7	651.7	4.0
Average Daily Census	332	332	--

Agency Request/Governor's Recommendation

FY 1991. The FY 1991 operating budget request for Topeka State Hospital is \$23,273,756, an increase of \$1,291,665, or 5.9 percent, over the FY 1990 estimated operating budget. The request provides for 660.7 positions. The request includes funding of \$12,820,367 from the State General Fund, \$4,498,230 from the hospital's fee fund, \$5,854,341 from Title XIX, and \$100,818 from federal Chapter I funds. The amount requested from Title XIX represents a significant increase from previous years. A large portion of the increase is due to SRS's expectation that the state's mental health hospitals will qualify for "disproportionate share" money. The expected increase is the result of a change in federal Medicaid law effective July 1, 1988, which directs the states to make extra Medicaid payments to hospitals serving a disproportionate share of Medicaid and low-income patients. The FY 1991 budget request presumes that the hospital will remain certified for the entire fiscal year. Of the \$1,291,665 increase from FY 1990, 73.6 percent is for salaries and wages, including new positions, 9.5 percent is for capital outlay, 7.2 percent is for the education contract, 2.3 percent is for the Menninger contract, 2.0 percent is for utilities, and 5.4 percent is for other items. The budget request includes 9.0 new positions, including a Physician, a Social Worker I, an Auto Driver, a Carpenter I, and 5 Licensed Practical Nurse (LPN) positions.

The Governor recommends FY 1991 operating expenditures of \$22,194,941, a decrease of \$1,103,800 from the agency request. The Governor does not recommend the additional positions requested by the hospital. The recommendation includes expenditures of \$12,268,683 from the State General Fund, \$4,454,311 from the hospital fee fund, \$5,371,129 from the Title XIX fund, and \$100,818 from federal Chapter I funds.

House Subcommittee Recommendations

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

1. Increase the expenditure limitation of the hospital fee fund by \$78,798 and add 4.0 FTE Licensed Practical Nurse (LPN) positions in FY 1991. Funding recommended by the Subcommittee includes a 7.4 percent turnover rate. The Subcommittee was informed that the LPN positions would be utilized as part of a program to enable the hospital to develop and maintain its own resource pool of registered nurses. LPNs entering the program would sign a contract with the hospital similar to the contracts for tuition assistance used by the hospital. In exchange for the hospital paying for the LPN's tuition and books for two years while the LPN is attending a baccalaureate nursing program, the LPNs would agree to work for the hospital upon graduation as RNs for six months for every \$1,000 granted in tuition assistance. The LPN positions would not be upgraded to RN positions at any time. As the LPNs complete the requirements for licensure as RNs, they would apply for any vacant position at the hospital.

The Subcommittee notes that, after adjustment for the increased expenditures recommended by the Subcommittee in FY 1990, the hospital anticipates an FY 1990 fee fund balance of \$442,062 in excess of the balance recommended by the Governor. The hospital anticipates that its increased fee fund receipts will continue into FY 1991.

2. Add \$21,306 from the hospital fee fund for furnishings and equipment for patient wards. The Subcommittee notes that the Governor's recommendation for capital outlay is \$53,208, a decrease of \$368,552 from the agency request of \$421,760, and the recommendation includes no funding for furnishings and equipment for patient wards. The Subcommittee was informed, and noted on its tour of the hospital, that furnishings are subjected to hard use and that many are in need of replacement. The Subcommittee further notes that the Joint Commission on Accreditation of Health Facilities (JCAHO) considers patient environment, including ward furnishings, as a survey item.
3. Add a no-limit appropriation for special oil overcharge funds to purchase vehicles for patient transportation and for energy-conserving laundry equipment. This no-limit appropriation was approved for FY 1990 with the expectation that the agency would receive funds administered by the U.S. Department of Energy from the second stage oil overcharge program for energy conservation-related projects and equipment purchases. The Subcommittee was informed that the agency has worked with the Kansas Corporation Commission in submitting an application for the federal funds and that it appears likely the agency will receive funds in FY 1990. However, should the agency need expenditure authority in FY 1991, the Subcommittee recommends that the no-limit appropriation be available in FY 1991.

House Committee Recommendation

The House Committee concurs with the recommendation of the House Subcommittee with the following adjustment:

1. The House Committee recommends that the word "baccalaureate" be stricken from the Subcommittee's first recommendation regarding the Subcommittee's first recommendation regarding the additional LPN positions. This would allow an LPN in the hospital's program to attend either a baccalaureate, associate degree, or diploma nursing program.
2. The Committee concurs with the Governor's recommendation which increases licensed practical nurse (LPN) salaries to range 18 and establishes a senior class of LPNs at range 20. The Committee notes that funding totaling \$465,000 was originally included in the Department of Administration's budget for LPN increases. However, this appropriation was deleted from the Department of Administration budget by the full Committee. The Committee recommends that this issue be reviewed by the Second House.
3. Add a proviso to the oil overcharge -- second stage refund program fund stating that expenditures from the fund for acquisition of vehicles shall not exceed the amount requested for vehicles in the agency's C level budget for FY 1991.

House Committee of the Whole Recommendation

The House Committee of the Whole concurs with the recommendation of the House Committee.

<u>Expenditure Summary</u>	<u>House Adj. FY 91</u>	<u>House Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	\$ 100,104	\$ 22,295,045	\$ 312,133
Capital Improvements	--	--	--
Total	<u>\$ 100,104</u>	<u>\$ 22,295,045</u>	<u>\$ 312,133</u>
State General Fund:			
State Operations	\$ --	\$ 12,268,683	\$ 14,795
Capital Improvements	--	--	--
Total	<u>\$ --</u>	<u>\$ 12,268,683</u>	<u>\$ 14,795</u>
FTE Positions	4.0	655.7	--

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House with the following adjustments:

1. Increase the expenditure limitation of the hospital fee fund by \$297,338, from \$4,554,311 to \$4,855,079. The Subcommittee notes that the Governor's recommendation of \$22,194,941 for state operations for FY 1991 is a decrease of \$1,078,815 from the agency request of \$22,194,941. Although the agency has attempted to reduce spending to remain within the Governor's recommendation, the agency states that, without the additional \$297,338, patient services will be reduced.

The Subcommittee notes that the hospital projects a fee fund carryforward balance from FY 1990 into FY 1991 of \$916,580, an increase of \$676,830 above the \$239,750 carryforward balance recommended by the Governor. After adjusting for the \$234,768 expenditure limitation recommended by the House in FY 1990, the \$100,104 expenditure limitation increase recommended by the House for FY 1991, and the \$44,620 expenditure limitation increase recommended by the Senate Subcommittee in FY 1990, a balance of \$297,338 remains.

Of the expenditure limitation increase, \$1,345 is for salaries and wages, \$99,280 is for contractual services, and \$196,713 is for commodities. Object code distributions include the following: communications, \$4,152; freight and express, \$2,532; printing and advertising, \$2,087; rents, \$3,192; repairing and servicing, \$19,984; fees for other services, \$42,217; fees for professional services, \$25,116; clothing, \$8,860; maintenance materials, supplies, and parts, \$57,078; motor vehicle parts and supplies, \$3,149; professional and scientific supplies, \$36,089; stationery and office supplies, \$22,521; and other supplies, materials, and parts, \$69,016.

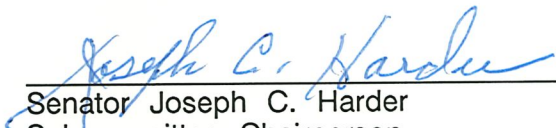
2. Delete the proviso limiting the agency's expenditures from the oil overcharge - second stage refund program fund to the amount requested for vehicles in the agency's C level budget for FY 1991. The Subcommittee notes that the mental health hospitals have no-limit funds for the oil overcharge funds in FY 1990. The House Subcommittee added no-limit funds for FY 1991 in case the funds are not received from the federal government until FY 1991. The Subcommittee further notes that the mental health hospitals' FY 1991 C level requests for vehicles were based on the expectation that the federal funding would be forthcoming and that state funding for these vehicles would not be necessary in FY 1991.

The Subcommittee has studied the amounts available to the state from oil overcharge funds and the potential uses for these funds. The Subcommittee notes that available funding is more than sufficient to meet the requests of the mental health hospitals.


3. Delete the expenditure limitation from the Topeka State Hospital Elementary and Secondary Education Fund -- Federal and establish the fund as a no-limit fund. The Subcommittee was informed that the funds, which are common to the mental health, mental retardation, and youth center facilities, contain federal education funds which must be

returned to the federal government if they are not spent within the time allowed by the federal government, which is usually the federal fiscal year. From time to time, additional federal funding becomes available or funding allocated to one school cannot be expended at that school. Establishing the funds as no-limit funds would allow the expenditure of additional federal funds received and would allow the transfer of funds between facilities to prevent the loss of federal funds.

4. Add \$14,795 from the State General Fund for Licensed Practical Nurse salary upgrades. \$2,959 of this funding was contained in the Department of Administration budget, but the House Subcommittee recommended removing the funds from the Department of Administration budget and including the funds in the agency budgets. The remaining \$11,836 will fund the salary increase for the 4.0 FTE LPN positions added by the House.
5. As technical adjustments to the appropriations bill, increase the number of FTE employees to 655.7 and increase the hospital fee fund expenditure limitation to \$4,554,415 to reflect the recommendations of the House.



Senator Joseph C. Harder
Subcommittee Chairperson



Senator Paul Feleciano, Jr.

SUBCOMMITTEE REPORT

Agency: Winfield State Hospital
and Training Center

Bill No. 2729

Bill Sec. 31

Analyst: Duncan

Analysis Pg. No. 655

Budget Pg. No. 612

<u>Expenditure Summary</u>	<u>Agency Req. FY 90</u>	<u>Governor's Rec. FY 90</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 13,264,171	\$ 12,227,291	\$ --
General Fees Fund	935,173	935,173	--
Medicaid	16,815,400	16,829,065	--
Title I	61,162	61,162	--
Foster Grandparents	180,197	180,197	--
Subtotal	<u>\$ 31,256,103</u>	<u>\$ 30,232,888</u>	<u>\$ --</u>
Capital Improvements:			
State Institutions			
Building Fund	89,521	79,974	--
TOTAL	<u>\$ 31,345,624</u>	<u>\$ 30,312,862</u>	<u>\$ --</u>
Average Daily Census	400	400	--
FTE Positions	1,002.5	1,002.5	--

Agency Request/Governor's Recommendation

Until recently, Winfield has labored to retain Medicaid certification, with deficiencies particularly occurring in the areas of nursing care, protection from harm, and active treatment. Since the first visit of the Health Care Finance Administration (HCFA) in 1984, the Legislature has added a total of 272.5 positions through FY 1990. At the same time, the population of Winfield has declined from 502 clients in 1984 to 400 clients in 1989. Ninety-eight percent of Winfield's client population consists of severely and profoundly retarded individuals. A recent study by the institution indicates that 58 percent of the residents cannot walk without assistance, 68 percent cannot eat without assistance, 82 percent are not toilet trained, and 76 percent have multiple handicaps in addition to mental retardation. The average daily cost has risen from approximately \$82 in FY 1984 to an estimated \$214 in FY 1990.

Winfield's most recent certification problems began two years ago. Winfield was surveyed by HCFA in early 1987 and was found to be out of compliance on February 18, 1987. As a result, certification was lost until August 19, 1988. According to the agency, recertification was accomplished at Winfield by adding additional nursing and active treatment staff. Although addition of these positions allowed Winfield to regain certification, many professional positions remain vacant due to recruiting difficulties. At the time of the decertification, Winfield had a 42 percent compliance rate with federal regulations. By the time recertification was accomplished, the compliance rate was 96 percent. Winfield's most recent survey was in July, 1989. The agency was recertified by the Kansas Department of Health and Environment, with no major deficiencies.

*SWAM
March 28, 1990
Attachment 13*

FY 1990 estimated operating expenditures total \$31,256,103, an amount \$22,481 below the budget approved by the 1989 Legislature. Major expenditures include \$25,444,942 for salaries and wages, \$2,525,147 for fees and professional contracts, \$799,795 for utilities, \$538,771 for food, and \$461,592 for prescription drugs and medical supplies.

The Governor recommends \$30,232,888 for state operations in FY 1990, a decrease of \$1,023,215 from the agency estimate. Adjustments consist of reductions in salaries and wages (\$669,424); rents (\$2,751); repairing and servicing (\$37,100); fees-other services (\$6,377); professional services (\$78,337); utilities (\$85,857); clothing (\$26,938); maintenance materials (\$22,650); professional supplies (\$62,787); office supplies (\$21,849); and housekeeping supplies (\$9,145).

House Subcommittee Recommendation

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

1. The Subcommittee recognizes that the Governor's FY 1990 recommendation for state operating expenditures is \$1,023,215 below the approved FY 1990 budget. Based on this recommendation (after applying cost containment measures) the agency projects shortfalls of \$286,687 for salaries and wages; \$116,184 for contractual services, and \$125,344 for commodities. The agency anticipates savings of \$5,000 bringing the total projected shortfall to \$523,215. The Subcommittee elected to concur with the Governor based on a review of expenditures-to-date. The Subcommittee suggests that the Senate Subcommittee reevaluate this issue utilizing the latest available data.
2. The Subcommittee notes with concern that the Governor's recommendation reduced state operating expenditures for FY 1990 but did not reduce corresponding Title XIX receipts. The Subcommittee directs Mental Health and Retardation Services to reevaluate projected FY 1990 Medicaid receipts for Winfield and to provide this information to the Senate Committee.

House Committee Recommendation

The House Committee concurs with the recommendations of the Subcommittee.

House Committee of the Whole

The House Committee of the Whole concurs with the recommendations of the House Committee.

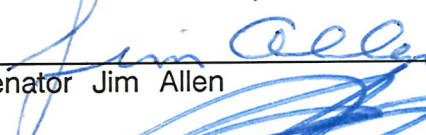
<u>Expenditure Summary</u>	<u>House Subcommittee Adjustments</u>	<u>House Rec. FY 90</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ --	\$ 12,227,291	\$ 312,638
General Fees Fund	--	935,173	--
Medicaid	--	16,829,065	--
Title I	--	61,162	--
Foster Grandparents	--	180,198	--
Subtotal	<u>\$ --</u>	<u>\$ 30,232,889</u>	<u>\$ 312,638</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ --	\$ 79,974	\$ --
TOTAL	<u>\$ --</u>	<u>\$ 30,312,863</u>	<u>\$ 312,638</u>
Average Daily Census	--	400	--
FTE Positions	--	1,002.5	--

Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the House with the following adjustments:

1. Add \$289,066 for salaries and wages to partially offset a shortfall in overtime costs.
2. Add \$23,572 for pharmaceuticals to partially offset a projected shortfall in this area.
3. The Subcommittee notes that the additional funding recommended by the Subcommittee is \$733,056 below the budget appropriated by the 1989 Legislature. The Subcommittee commends the agency for its efforts to reduce current year expenditures.
4. As directed by the House, the Subcommittee reviewed Title XIX receipts for FY 1990. The Subcommittee was advised by Mental Health and Retardation Services that the Governor's estimate for Title XIX receipts is sufficient.


 Senator Alicia Salisbury
 Subcommittee Chairperson


 Senator Jim Allen


 Senator Michael Johnston

SUBCOMMITTEE REPORT

Agency: Winfield State Hospital
and Training Center

Bill No. --

Bill Sec. --

Analyst: Duncan

Analysis Pg. No. 655

Budget Pg. No. 612

<u>Expenditure Summary</u>	<u>Agency Req. FY 91</u>	<u>Governor's Rec. FY 91</u>	<u>Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ 15,534,245	\$ 14,012,490	\$ (949,086)
General Fees Fund	1,308,314	1,308,314	--
Medicaid	15,916,892	15,760,982	(1,079,123)
Title I	50,410	50,410	--
Foster Grandparents	183,899	183,899	--
Subtotal	<u>\$ 32,993,760</u>	<u>\$ 31,316,095</u>	<u>\$ (2,028,209)</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ 667,300	\$ --	\$ --
TOTAL	<u>\$ 33,661,060</u>	<u>\$ 31,316,095</u>	<u>\$ (2,028,209)</u>
FTE Positions	1,007.5	1,002.5	(117.5)
Average Daily Census	390	390	(50)

Agency Request/Governor's Recommendation

FY 1991. Winfield's FY 1991 budget request is \$32,993,760 for operating expenditures. For FY 1991 the agency requests 5.0 FTE additional Mental Retardation Technician I positions.

The Governor recommends \$31,316,095 for operating expenditures in FY 1991, a decrease of \$1,677,665 from the agency request. The recommendation provides for reductions in salaries and wages (\$645,805); communications (\$95,173); rents (\$2,872); travel and subsistence (\$38,733); fees -- other services (\$6,657); professional services (\$48,757); utilities (\$85,921); contractual services (\$5,000); clothing (\$78,826); maintenance materials (\$73,141); motor vehicle parts (\$10,012); professional supplies (\$97,056); office supplies (\$42,851); housekeeping supplies (\$84,670); and capital outlay (\$362,192). The Governor does not recommend any new positions during FY 1991.

House Subcommittee Recommendation

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

1. Delete \$2,158,246 (one-half Title XIX, one-half State General Fund) from state operations. The Subcommittee concurs with a proposal by Mental Health and Retardation Services (MHRS) to transfer 50 clients from either Unit A or B at Winfield to the Home and Community-Based Services (HCBS) program.

The HCBS program was established in 1981 when the State of Kansas applied to the Health Care Financing Administration (HCFA) for Medicaid funding to divert, or discharge, clients who would otherwise be in an intermediate care facility (ICF), intermediate care facility for the mentally retarded (ICF/MR), or skilled nursing facility (SNF). Services available to eligible recipients under the HCBS program include: nonmedical attendant, medical attendant, adult family home, night support, homemaker, habilitation, case management, wellness monitoring, home health aide, adult day health, medical alert, respite care, and hospice care. Approximately one-half of the clients involved in the program are elderly, with the remainder split nearly evenly between the mentally retarded and physically disabled.

The Medicaid waiver limits the number of clients who may participate in the HCBS program. The primary factor which determines the number of clients served by the program relates to the total number of certified ICF/MR beds in the state. HCFA uses a formula which states that the number of occupied ICF/MR beds plus the number of HCBS recipients may not exceed the total number of certified ICF/MR beds in the state. There are currently 417 HCBS slots for the mentally retarded and SRS has obtained federal approval for 105 more slots for the next year of the waiver.

At the Subcommittee's request, MHRS presented a proposal identifying two separate plans to increase community MR/DD placements. The Subcommittee recommends Plan II which would establish 100 new slots, 50 of which would be specifically designated for institutional clients. A copy of the plan is attached. The Subcommittee heard testimony from MHRS concerning the availability of HCBS beds and learned that beds will be available as of July 1, 1990. The Subcommittee understands that the transfer of clients will be phased over approximately five months. Projected savings for Winfield are prorated on this basis.

The Subcommittee was informed that savings for reducing the census of Winfield State Hospital by 50 clients and the cost of serving these same 50 individuals in the community amounts to a net savings of \$585,473 in State General Fund dollars for FY 1990 and \$965,743 for FY 1991. The proposal developed by MHRS to increase community placements is attached to this report.

2. Delete 117.5 FTE positions as a result of the transfer of 50 individuals. The positions designated by MHRS for deletion are as follows:

Unit Director	1
QMRP	4
Unit Secretary	1
Office Assistant IV	1
Activity Therapist I	1.5
Speech Therapist I	1
Social Worker	1
Psychologist	2

RN	2
Physician	1
Dietician	0.5
MRS	10
MRT I	52
MRT II	8
Med Aid	7
MR Trainees (no FTE)	12
Custodial Supervisor	1
Custodial Worker	5
Activity Therapy Technician	4
Unallocated Positions	14.5

3. The Subcommittee notes that the Governor's FY 1991 budget recommendation for state operations is \$1,177,665 below the agency's adjusted C level request. Winfield based both their cost containment measures and their projected needs on their C level budget. The other hospitals used their B level budget as a starting point. Based on the C level budget, Winfield projects additional needs above the Governor's recommendation of \$318,364 for salaries and wages; \$353,511 for other contractual services; \$285,099 for commodities; and \$220,691 for capital outlay for a total of \$1,177,665. The Subcommittee notes that Winfield's B level budget is \$366,673 below their C level request.
4. Decrease shrinkage from the 7.0 percent recommended by the Governor to 6.75 percent, an increase of \$87,651 in salaries and wages. The Subcommittee intends through this appropriation to provide the agency some flexibility in salaries and wages noting that the increase could be used as needed for overtime or to fund contractual nursing services.
5. Add \$42,386 for pharmaceuticals to restore the agency to the level recommended by the Governor for FY 1990.
6. The Subcommittee notes that the agency indicated a need for an additional appropriation for FY 1991 for contractual nursing services. The Subcommittee was advised that the agency intends to phase out contract nurses if possible. The Subcommittee withheld action on this request pending a Governor's Budget Amendment.
7. The Subcommittee concurs with the Governor's recommendation which increases nurse salaries to range 18 and establishes a senior class of LPNs at range 20. The Subcommittee notes that funding totaling \$465,000 was originally included in the Department of Administration's budget for LPN salary increases, however, this appropriation was deleted by the full Committee. The Subcommittee did not receive any information concerning distribution of funds for the mental health and mental retardation institutions, and recommends this issue be reviewed by the Second House.
8. Establish a no-limit appropriation for special oil overcharge funds to purchase vehicles for the hospital. The Subcommittee was informed that the U.S. Department of Energy is administering a "second stage"

oil overcharge refund program, and that funds are available to the state for energy conservation-related projects and equipment purchases. The Subcommittee notes that the hospital has applied for second-stage oil overcharge funds to purchase vehicles to be utilized for patient transportation.

9. Make technical adjustments as needed to add the appropriate transfer language from the canteen fund to the patient benefit fund and restore the line item and proviso for the patient activity therapy fund.
10. The Subcommittee notes that the three mental retardation agencies are incorporated into H.B. 2618, the SRS bill. The bill allocated 8,049 FTE positions to SRS and does not itemize individual FTE positions for the three hospitals. The Subcommittee recommends that the FY 1990 bill format be used for these three agencies.

House Committee Recommendation

The House Committee concurs with the Subcommittee, with the following adjustments:

1. Amend the first and last paragraphs of item number one to correctly reflect the Subcommittee's intent to allow Mental Health and Retardation Services to make client transfers between the three institutions or community placements at their discretion for the purpose of reducing Winfield's census by 50.
2. Establish a proviso in the bill stating that the Committee's FY 1991 recommendation will not take effect until after the division of MHRS holds public hearings in Winfield, Topeka, and Parsons.
3. Expenditures from the oil overcharge-second stage refund program fund shall not exceed the amount requested for vehicles in the agency's C level budget.

House Committee of the Whole Recommendation

The House Committee of the Whole recommends that Winfield State Hospital and Training Center be deleted from H.B. 2618.

<u>Expenditure Summary</u>	<u>House Committee Adj. FY 91</u>	<u>House Committee Rec. FY 91</u>	<u>Senate Subcommittee Adjustments</u>
State Operations:			
State General Fund	\$ (949,086)	\$ 13,063,404	\$ 1,296,223
General Fees Fund	--	1,308,314	--
Medicaid	(1,079,123)	14,681,859	1,388,077
Title I	--	50,410	--
Foster Grandparents	--	183,899	--
Subtotal	<u>\$ (2,028,209)</u>	<u>\$ 29,287,886</u>	<u>\$ 2,684,300</u>
Capital Improvements:			
State Institutions			
Building Fund	\$ --	\$ --	\$ --
Total	<u>\$ (2,028,209)</u>	<u>\$ 29,287,886</u>	<u>\$ 2,684,300</u>
FTE Positions	(117.5)	885	117.5
Average Daily Census	(50)	340	50

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the House Committee with the following exceptions:

1. Restore \$2,158,246 (one-half Title XIX and one-half SGF) for state operations. The Subcommittee is generally in favor of a long term goal which allows placement of institutional clients in the least restrictive environment possible. The Subcommittee does not, however, concur with the House Committee's recommendation to designate 50 of the 105 HCBS slots recommended by the Governor to reduce Winfield's census during FY 1991. The Subcommittee recommends a one-year deferral of the plan adopted by the House Committee and directs Mental Health and Retardation Services to submit to the 1991 Legislature a detailed proposal covering the suggested plan; the plan's impact on families and staff at all three institutions; the number of clients that MHRS anticipates will be placed into the community from each institution; the status of available community facilities; recommended funding alternatives for the placements; and a specific plan for the reduction of staff at Winfield and an evaluation of whether additional staff will be required at Parsons and KNI to handle the clients transferred from Winfield to those facilities. The Subcommittee additionally directs MHRS to review the use of other Medicaid financing options, such as waiver availability for group homes and the personal care option as noted in the March, 1990 report presented to the agency by the National Association of State Mental Retardation Directors.
2. Restore 117.5 FTE positions which were to be deleted in conjunction with the census reduction.

3. Add \$107,944 (\$251,033 all funds) in salaries and wages. The Subcommittee heard testimony indicating that 70 percent of the agency's overtime costs relate to LPNs and RNs. During the current fiscal year Winfield has spent between \$26,000 to \$50,000 a month in overtime pay with an average of approximately \$35,000. February, 1990 costs were approximately \$27,000. For FY 1991, the House recommended \$119,972 or \$9,998 per month for overtime costs. The Subcommittee's recommendation would increase overtime funding to \$369,005 or \$30,750 per month.
4. Add \$28,077 (\$65,296 all funds) to upgrade one LPN to range 18 and 28 Senior LPNs to range 20 as recommended by the Governor. It is the Subcommittee's hope that the recommended salary increase for nurses will enable the agency to fill its vacant nurse positions instead of hiring contractual nurses. The Subcommittee is concerned that the practice of renting nursing staff encourages many state employed nurses to work the minimum time required to receive full-time benefits and then moonlight as employees of temporary nursing pools. The Subcommittee notes that Winfield has reduced expenditures for nursing contracts from \$1,300,000 in FY 1989 to approximately \$350,000 in FY 1990. The Subcommittee recognizes that the agency believes that approximately \$300,000 will be required for FY 1991 and that no money has been recommended for contractual nurse services, however, the Subcommittee does not believe that the practice of contracting for nurse services should be continued.
5. Add \$16,655 (\$38,733 all funds) in contractual services for repairing and servicing to compensate for a projected shortfall.
6. Add \$31,451 (\$73,141 all funds) for maintenance materials. The Subcommittee notes that the 1989 Legislature appropriated \$25,000 for the renovation of Fern building and that an additional \$25,000 was to be funded from SRS major maintenance in FY 1991. Completion of the Fern building renovation was not requested by SRS for FY 1991. The Subcommittee recommendation would provide \$25,000 for Fern and \$48,141 to alleviate HCFA deficiencies received regarding inadequate pallets.
7. Add \$9,826 (\$22,851 all funds) for pharmaceuticals to address a projected shortfall in this area.
8. Add \$32,250 (\$75,000 all funds) for capital outlay. The agency requested \$220,692 for capital outlay in their A level budget. The Subcommittee's recommendation would fund 34 percent of that request.
9. Make a technical correction to adjust the additions recommended by the House Committee to reflect a 57 percent Title XIX, 43 percent State General Fund funding split.
10. The Subcommittee notes that the House recommended an interim study (in their SRS Subcommittee report) to review the provision of community based long-term care services. The Subcommittee recommends that in conjunction with this study, the interim committee

review community based services, placements, and waiver programs for the mentally retarded.

11. The Subcommittee endorses the concept of establishing the federal education aid fund at Winfield State Hospital and at the other SRS institutions as no-limit funds. The utilization of these funds is very narrow, per federal restrictions, and can only be expended for the most severely disadvantaged students. A no-limit expenditure limitation would provide the most efficient use of the funds for the maximum benefit of the students systemwide.
12. Delete the proviso for oil overcharge funds which limits the agency to only those vehicles requested in its FY 1991 C level budget. The Subcommittee learned that in an effort to keep expenditures down, the agency did not request several replacement vehicles which it considers necessary.



Senator Alicia Salisbury
Subcommittee Chairperson



Senator Jim Allen



Senator Michael Johnston