

Approved Feb. 4 1991

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson at 11:20 a.m. on January 30, 1991, in Room 123-S of the Capitol.

All members were present except:
Senator Harder, who was excused

Committee staff present:
Diane Duffy, Legislative Research Department
Gordon Self, Revisors' Office
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:
Dr. Robert Harder, Secretary, Department of Social and Rehabilitation Services

APPROVAL OF MINUTES

Senator Allen moved and Senator Hayden seconded that the minutes of the January 24 and January 28 meetings be approved. The motion carried on a voice vote.

Dr. Robert Harder distributed Attachment 1 which provided a summary of each of the SRS program areas and the name of a contact person in each program. He entertained questions regarding the recommendations of the Task Force on SRS found in Attachment 2. Chairman Bogina noted that a Ways and Means subcommittee would be studying mental health and retardation services (item 4 of Attachment 2-3). In response to a question, it was stated that the SRS Task Force has requested legislative staff to draft enabling legislation for the establishment of a Governor's Commission on Mental Retardation and Other Developmental Disabilities (item 5 of Attachment 2-3).

There was discussion about Total Quality Management training with Dr. Harder noting that it is a type of goal oriented training. In answer to Senator Salisbury's question, Dr. Harder stated that SRS does not have adequate manpower to have case managers throughout the state. In medical services, however, there is a primary care network which uses physicians as case managers. He said that in the mental health centers and through the mental health reform act, 80 case managers have been funded who deal with the mentally ill in communities.

The Committee discussed at length the duplication of services within the SRS programs. Dr. Harder proposed the creation of a high level commission in youth services made up of the secretaries of SRS, Health and Environment, Corrections, and Human Resources, the Commissioner of Education, a Chief Justice, and 5-7 at large members who would meet regularly to coordinate programs. He noted that he felt it should be a legislative mandate that no designees could serve on the commission and that each time the commission met it would be required to take action on childrens' programs. He added that the chairman of the commission would have the responsibility of reporting to the Governor and the Legislature. He told the Committee that legislation for this concept has been drafted. In response to a concern that a commission on youth and families would not solve problems throughout the system, Dr. Harder stated that if the commission proves successful, the concept could be implemented on other levels.

Senator Kerr asked whether services to children (item 1 - Attachment 2-3) could be provided through schools. Dr. Harder stated that although this idea is not unreasonable, he is not an advocate of local authority. He said that his concern is the need to formulate a childrens' program that can be

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS , January 30, 1991.

implemented statewide right away.

There was discussion regarding the possibility of restructuring SRS, with the Chairman noting that the Task Force would again discuss this issue after the 1991 legislative session. Senator Winter expressed his conviction that the structure cannot remain as it currently exists.

Dr. Harder distributed Attachment 3 and highlighted some of the management changes in SRS.

In answer to a question, Dr. Harder stated that the figures for medical assistance found in Attachment 4 represent all funds. He noted that the match rate changes from 57% federal, 43% state in FY 91 to 59% federal, 41% state in FY 92. In discussing factors contributing to the large budget increase in FY 92 for medical services, Dr. Harder stated that hospitals and adult care homes make up 70% of the medical budget, and the budgets of these two categories are doubling every four years. He also cited the increase in caseload estimates, Attachment 4-2, federal mandates to provide Medicaid coverage to Veterans Administration pension recipients in nursing homes, and the new open drug formulary program as catalysts in escalating costs for medical services. He said that the cost to the state of implementing federal mandates dating back to 1986 would be supplied to the Committee at a later date. Dr. Harder noted that a unit called the Fed Fighters has been created within the management division whose task it is to challenge some of the federal mandates.

The Chairman adjourned the meeting at 12:00 noon.

KANSAS SOCIAL AND REHABILITATION SERVICES
Office of the Secretary
Docking State Office Building, Room 603-N
Topeka, Kansas 66612
913-296-3271

Program Synopses
January 25, 1991

The Administration Program provides basic administrative services for the Department as a whole and the Area Offices, including data processing, automated eligibility, accounting, audits, budgeting, planning and research, personnel, staff development, and legal. This program is headed by the Commissioner for Administrative Services. Contact person: Herman Hafenstein, 296-3241.

The Alcohol and Drug Abuse Services Program coordinates efforts with local community services to provide alcohol and drug prevention, education, and treatment programs. This program is directed by the Commissioner for Alcohol and Drug Abuse Services. Contact person: Andrew O'Donovan, 296-3925.

The Income Support Program performs the administrative and policy functions associated with child support enforcement, USDA food distribution, and cash assistance, including the positions and associated costs for client intake and eligibility review in the 12 Area Offices. (This program includes Medical Services.) Contact person: John Alquest, 296-6750.

The Cash Assistance Program contains funding for Aid to Families with Dependent Children (AFDC), General Assistance (wholly state-funded and administered), Low Income Energy Assistance Program (LIEAP), Refugee Assistance, and Other Assistance (including Burial Assistance and Emergency Assistance). The Housing Assistance program was transferred to the Department of Commerce by the 1990 Legislature. This program is under the purview of the Commissioner for Income Support. Contact person: John Alquest, 296-6750.

Medical Assistance and Medical Services provides reimbursement for medically necessary covered services to eligible clients under the Medicaid and MediKan programs. The Medicaid program is federally regulated and partially federally funded, while the Mekikan program is wholly state-administered and state-funded. This program is under the purview of the Commissioner for Income Support and Medical Services. Contact person: John Alquest, 296-6750.

The KanWork Program was initiated by the 1988 Legislature to provide opportunities and services to participants so they can progress from financial assistance to financial independence. This program consists of evaluation for eligibility and services, job preparation, training and education, support services, and transitional services. This program serves AFDC clients under the federal JOBS program, Food Stamp recipients under the federal MOST program, and General Assistance clients. The program also provides day care services for AFDC, GA, Food Stamp, and other income eligible persons. The KanWork program is administered by personnel under the jurisdiction of the Director of Workforce Development. Contact person: Bob Barnum, 296-3273.

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Jan. 30, 1991
Attachment 1

SRS Program Synopses

January 25, 1991

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Mental Health and Retardation Services was first added to the Department of Social and Rehabilitation Services budget in FY 1987, although it has been under the management control of the Department since 1939. This program administers the systemwide issues concerning the four Mental Health [at Osawatomie, Topeka, Kansas City (Rainbow Mental Health Facility), and Larned] and three Mental Retardation Hospitals [at Parsons, Topeka (Kansas Neurological Institute), and Winfield], as well as providing aid for Community Mental Health Centers and Community Mental Retardation Centers. The commissioner for Mental Health and Retardation Services directs this program. Contact person: George Vega, 296-3773.

Medical Services administers Community Based Long-Term Care and Community Living and Day programs. Contact person: John Alquest, 296-6750.

Youth Services provides services to protect the health and welfare of children and to provide services that allow the children placed out of home to be in the least restrictive environment possible. This program oversees the operation of the four state Youth Centers (at Atchison, Beloit, Larned and Topeka), as well as providing Foster Care and Adoption Services. The Youth Services field staff who work in the 12 areas are funded through this program. The Advisory Commission on Juvenile Offenders and the Commission on Children and Families operate through this program. The Youth Services program also directly administers the Comprehensive Screening Unit on the grounds of the Topeka State Hospital and supervises the operation of the Comprehensive Screening Unit at the Youth Center at Beloit. Youth Services, as the social service agency within SRS, also handles adult abuse investigations and adult guardianships. Contact person: Carolyn Hill, 296-3284.

Rehabilitation Services programs are designed to empower Kansans with disabilities to achieve and sustain independence, primarily through employment. Individualized vocational rehabilitation plans emphasis community-based services, integration and consumer choice. Eligibility is determined according to federal regulations. Two facilities are operated: The Kansas Vocational Rehabilitation Center/Salina and the Vocational Rehabilitation Unit/Topeka. Other programs include Transition Planning, Independent Living and the Commission for the Deaf and Hearing Impaired. Contact person: Glen Yancey, 296-3911.

The Division of Services for the Blind directs delivery of vocational rehabilitation services to persons who are blind or visually impaired. Other programs include: Kansas Industries for the Blind, the Business Enterprise Program, and Rehabilitation Teaching. The Rehabilitation Center for the Blind is located in Topeka. This program is part of Rehabilitation Services. Contact person: Glen Yancey, 296-3911.

The Disability Determination and Referral Services program makes disability and blindness determinations for the U. S. Department of Health and Human Services on most Social Security Disability Income and Supplemental Security Income claims filed or reviewed in Kansas. The Commissioner of Rehabilitation Services directs this program. Contact person: Glen Yancey, 296-3911.

Kansas Department of Social and Rehabilitation Services
Status of SRS Review Commission Recommendations

January 25, 1991

SWAM
January 30, 1991
Attachment 2

Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
<u>SRS STRUCTURE</u>				
1. Utilize Total Quality Management Training.	Begin limited training with Policy Committee & then with balance of staff.	Robert Harder Robert Barnum	02-01-91	The plan would be to begin the TQM training concept with top staff, then spreadout from there.
2. Delivery system - client centered.	o Strengthen field staff o Coordinate service delivery o Case management	John Alquest Carolyn Hill Glen Yancey	01-24-91	Review the various ways in which SRS provides services to clients. Attention will be given to existing flaws in the SRS system.
3. Expand administrative and supervisory training.	Review all SRS training with the view to instill concept of SRS mission and job expectations.	Robert Barnum Gail Kennedy	01-24-91	
4. Empower clients to self-sufficiency.	Look at various job options for SRS clients. Establish linkages between SRS and the private sector to expand job opportunities.	Robert Barnum Carolyn Hill Glen Yancey John Alquest	02-01-91	Staff will look at an array of job training & job opportunities, & then provide them to the clients.
5. State priorities of social services.	SRS will work with the governor & the legislature to set priorities for social services.	SRS Policy Committee	01-14-91	Through the legislative process, SRS will present options to the governor & the state legislature related to budget and program issues.

Kansas Department of Social and Rehabilitation Services

Status of SRS Review Commission Recommendations

January 25, 1991

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Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
<u>SRS STRUCTURE</u> (cont)				
6. Seek waivers.	SRS will seek out federal waivers to enhance state priorities. Also, SRS will challenge selected federal mandates.	Rita Wolf Robert Harder	01-14-91	SRS will develop a mechanism to contest with the Federal Congress and the Federal Government concerning excessive federal mandates. This group will also develop federal waivers.
<u>MENTAL HEALTH AND RETARDATION SERVICES</u>				
1. Legislature should receive reports on Mental Health Reform.	SRS will outline an action timetable for the implementation of MH Reform.	George Vega Robert Harder	01-14-91	Current status reports will be made available to the governor and the legislature.
2. State of Kansas establish a policy directed toward serving individuals close to home communities.	SRS will outline current status of out-of-home placements & future plans. SRS will set forth current SRS policy in this area.	Carolyn Hill John Alquest Glen Yancey	01-30-91	Current status reports will be made available to the governor and the legislature.
3. Work toward the reduction of the number of state institutions for the mentally retarded.	SRS will outline the history of bed reduction; it will present plans for continued reduction; it will involve the various interested parties in the ongoing discussion.	George Vega John Alquest	01-24-91	SRS will present short-term and long-term plans related to MR bed reductions. SRS will redefine the persons to be served in the MR institutions.

Kansas Department of Social and Rehabilitation Services

Status of SRS Review Commission Recommendations

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Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
<u>MENTAL HEALTH AND RETARDATION SERVICES</u> (cont)				
4. One legislative appropriations committee look at the "big picture".	Legislative action; SRS will cooperate.	George Vega Robert Harder	01-15-91	
5. Establish a Governor's Commission on Mental Retardation and Other Developmental Disabilities.	Develop legislation	Legislative staff	01-28-91	
6. A strict formula of reimbursement for intermediate care facilities for the mentally retarded (ICFs/MR).	SRS will be responsible for working with community groups and brining to closure a reimbursement plan.	George Vega John Alquest Robert Harder	01-25-91	Current discussion will be brought to closure on this issue.
7. Establish a family subsidy program.	Secure money to establish a pilot program for a family subsidy program.	Legislative staff	01-28-91	This issue will be handled through the legislative process.
<u>CHILDREN'S SERVICES</u>				
1. Local authority for children to be started in two pilot areas.	SRS money now going to provide services to individual children would be spent without regard to specific money categories.	Legislative staff SRS staff	Open	Federal approval would have to be secured to decategorize these funds.

Missouri Department of Social and Rehabilitation Services

Status of SRS Review Commission Recommendations

January 25, 1991

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Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
CHILDREN'S SERVICES (cont)				
2. Review issues related to severance of parental rights.	SRS & legislative staff are presently working on these issues.	Legislators Legislative staff SRS staff	Ongoing	
3. SRS should recommend radical improvements in child protective services.	SRS is presently reviewing its total approach to the delivery of child protective services.	Carolyn Hill Robert Harder	Ongoing	An outside consultant and university personnel will be hired to help in the critique of the work of the agency.
4. SRS develop a system of outcome measures related to effectiveness of children's services.	SRS needs to develop evaluation plans to measure effectiveness by outcome measures.	Carolyn Hill Rita Wolf Robert Harder	01-22-91	
5. SRS in consultation with others should move from a reactive strategy to a preventive strategy.	SRS is presently reviewing its total approach to the delivery of child protective services.	Legislators Carolyn Hill Robert Harder Consultants	Ongoing	An outside consultant and university personnel will be hired to help in the critique of the work of the agency.
6. State develop a long-range plan for provision of services for children.	SRS needs to work with local groups to determine local needs & then to formulate plans to deliver services.	Carolyn Hill SRS Staff Community Groups	02-01-91	Existing plans need to be reviewed & such plans priced out from the standpoint of money & staff.
7. A legislative study group of children's services be formed.	Items 6 & 7 will be meshed together with SRS doing the staff work, & the legislature reviewing the material.	Carolyn Hill Robert Harder SRS Staff Legislators	Ongoing	A reporting system will need to be developed in order for the legislature to deal with the major policy issues.

Kansas Department of Social and Rehabilitation Services

Status of SRS Review Commission Recommendations

January 25, 1991

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Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
<u>MEDICAL SERVICES</u>				
1. Program emphasis should be on prevention & early intervention.	Gear programs as much as possible to prevention & early intervention.	John Alquest Carolyn Hill Robert Harder	01-14-91	Because of the need to fund existing services such as hospitals & nursing homes, it will be difficult with existing money to make significant changes.
2. Health education should be a high priority.	SRS will work with Health & Environment to expand public health education programs.	John Alquest	02-01-91	Maximum use will be made of existing materials.
3. Medical Services should be directed less to individualized high-cost, acute care procedures that restrict the resources that would be otherwise available for primary and preventive care.	SRS should re-examine those instances when "high tech" services are being purchased with a move toward discontinuing such purchasing.	John Alquest Robert Harder	02-01-91	Some provider groups will be unhappy with this direction.
4. Increase programs to deal with teen pregnancy.	SRS devise programs to focus on problems related to teen pregnancy.	Carolyn Hill John Alquest		
5. Consolidate state purchases of medical services.	All state purchase of medical services would be handled through one central state agency.	Legislative staff SRS staff Legislators	02-01-91	

Kansas Department of Social and Rehabilitation Services

Status of SRS Review Commission Recommendations

January 25, 1991

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Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
MEDICAL SERVICES (cont)				
6. Study the feasibility of creating a health care board or commission based on the utility regulatory model.	Legislation needs to be drafted to this end.	Legislative staff Robert Harder	01-22-91	This legislation will require major attention because it would represent a major shift in state policy.
7. MediKan be replaced with a new Kansas Health Benefits Program.	This step will require an increase in funding for medical services.	Legislators SRS staff	Ongoing	
8. Expand outreach efforts related to Medicaid-eligible women & infants.	Because of federal mandates, much of the action is being taken.	John Alquest Carolyn Hill	Ongoing	More work needs to be done in the area of outreach.
9. Expand use of local health departments to deliver medical services.	Requires legislative action.	Legislators SRS staff	Ongoing	
10. Mandated prescreening of <u>all</u> applicants for long-term adult care home admission.	Medicaid related presently being done; legislation required to expand to private patients.	SRS staff Legislators	Ongoing	

Kansas Department of Social and Rehabilitation Services

Status of SRS Review Commission Recommendations

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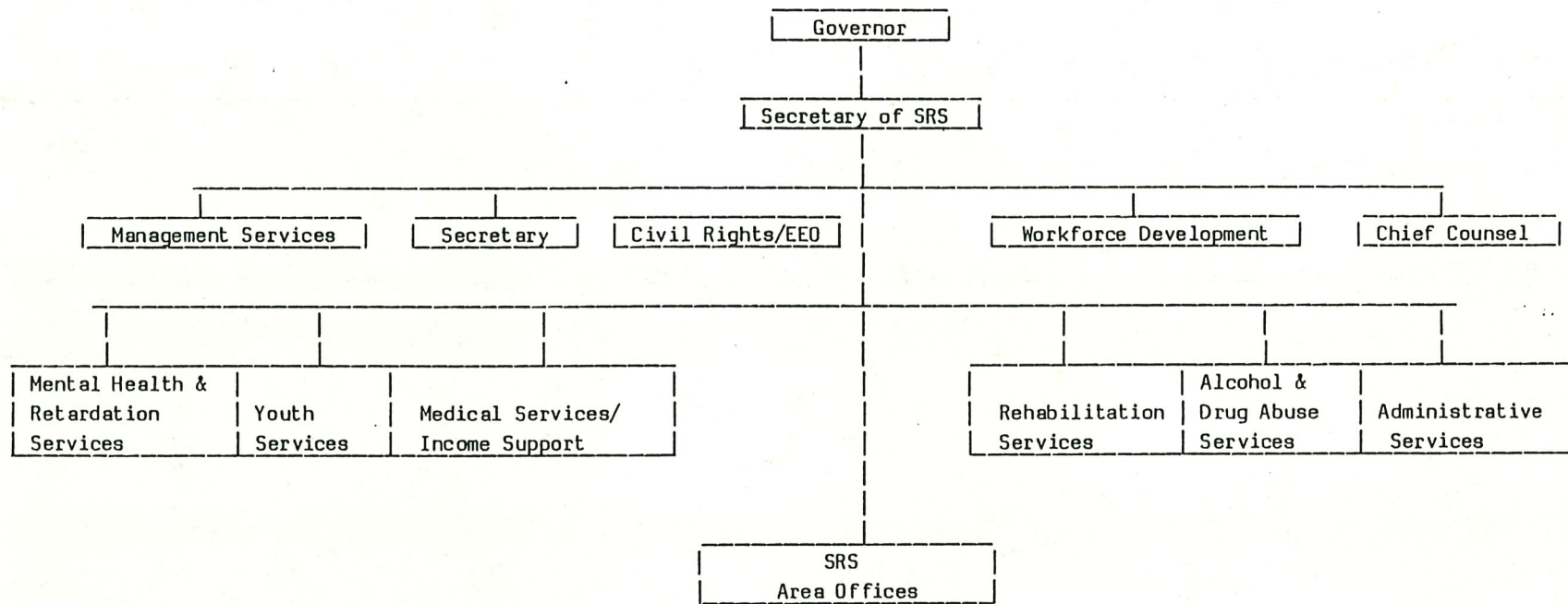
2-7

Recommendations	Proposed Action	Action/Responsible Party	Start Date	Comments
<u>MEDICAL SERVICES</u> (cont)				
11. Moratorium on the reimbursement by Medicaid for any nursing facility bed built or created through conversion after a date specified in the legislation.	Legislation needs to be developed.	SRS staff Legislators	Ongoing	
12. Create a long-term care planning commission.	Formulate legislation which will represent all concerns yet be action-oriented.	Legislative staff	Ongoing	
13. Secretary of SRS is directed to seek waivers that will enable Medicaid expansion for alternative services.	Dedicated staff within SRS need to work on these waivers.	Rita Wolf Robert Harder	Ongoing	Action is underway.
14. Secretary of SRS should place an emphasis on alternative services, i.e., adult foster care.	SRS will expand its efforts to provide alterantive community services.	Robert Harder John Alquest Carolyn Hill	Ongoing	

RCH:cjc

SWAM
January 30, 1991
Attachment 3

Social and Rehabilitation Services Organization



01/24/91

Social and Rehabilitation Services Organization

Management Services

Secretary of SRS

Director
Management Services

Budget	Community Program Funding & Contracting	Intergovernmental/ Interagency	Planning & Evaluation	Program Reports and Statistics
<ul style="list-style-type: none"> -Budget Preparation -Budget Monitoring -Caseload Trends 	<ul style="list-style-type: none"> -Mental Health -Mental Retardation -Youth Services -Vocational Rehabilitation -Home & Community Based Services -Alcohol & Drug Abuse Services 	<ul style="list-style-type: none"> -Federal Rules and Regulations -Waivers -Special Federal Funds -Private Funds 	<ul style="list-style-type: none"> -Evaluating Programs -Set Evaluation Designs -Monitoring Programs -Coordination of program planning 	<ul style="list-style-type: none"> -Federal Reports -Statistical Work

Submitted:
SRS Transition Office
12/19/90

SRS Transition Office

Functions of Management Services

December 19, 1990

Budget

- 1 Responsible for the preparation of the department budget.
- 2 Development of budget timetable.
- 3 Liaison with Division of Budget.
- 4 Development of charts related to caseloads, trends, and the flow of medical expenditures.

Community Program
Funding and
Contracting

- 1 Be aware of all the various community program funding sources.
- 2 Coordinate all funding sources to avoid duplication.
- 3 Integrate funding with program development.
- 4 Develop private funding sources.
- 5 Contracting.

Intergovernmental/
Interagency

- 1 Develop position papers protesting federal rules and regulations.
- 2 Establish partnerships between local, state, and federal agencies.
- 3 Develop an awareness of pending and final federal legislation.
- 4 Develop waivers.

Planning and
Evaluation

- 1 Develop a standard evaluation mechanism to use throughout the department.
- 2 Gear the department to view the work and programs of the department in terms of outcomes.
- 3 Work with the department to think in terms of short-term and long-term planning.
- 4 Program monitoring.
- 5 Coordinates program planning efforts.

Program Reports
and Statistics

- 1 Be responsible for all federal reporting.
- 2 Develop statistics as needed for the department.
- 3 Develop reports as needed and/or requested by the Secretary or Commissioners.
- 4 Answer special requests from the community and the legislature.

GOV RECOMMENDATION ON SELECT SRS PROGRAMS
(In Millions of Dollars)

SWAM
January 30, 1991
Attachment 4

PRGM ****	FY 90 *****	FY 91 GBR *****	FY 92 GBR *****	FY 92 CURR RES *****
AFDC	\$107.8	\$104.5	\$116.2	\$107.5
GA	13.1	12.4	11.6	2.4 *
MED	409.7	513.8	556.9	485.1
FC	35.7	42.1	47.7	47.7

* GA Prgm Eliminated effective 9/1/91.

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GOV RECOMMENDATION ON CASELOAD ESTIMATES
(Average Persons per Mo)

CASE- LOAD *****	FY 90 *****	FY 91 GBR *****	FY 92 GBR *****	FY 92 CURR RES *****	
AFDC	76,880	77,954	80,263	80,263	
GA	6,665	6,259	5,961	5,961	**
FC	3,861	4,270	4,832	4,832	
MED	137,752	153,140	161,455	153,389	
PW/KIDS *	5,657	10,745	12,165	12,165	

* FY89 pregnant women/kids avg persons per month: 1,401.

** GA Prgm Eliminated effective 9/1/91.

Rev 1/30

GOV RECOMMENDATION ON SELECT MED SERVS

(In Millions of Dollars)

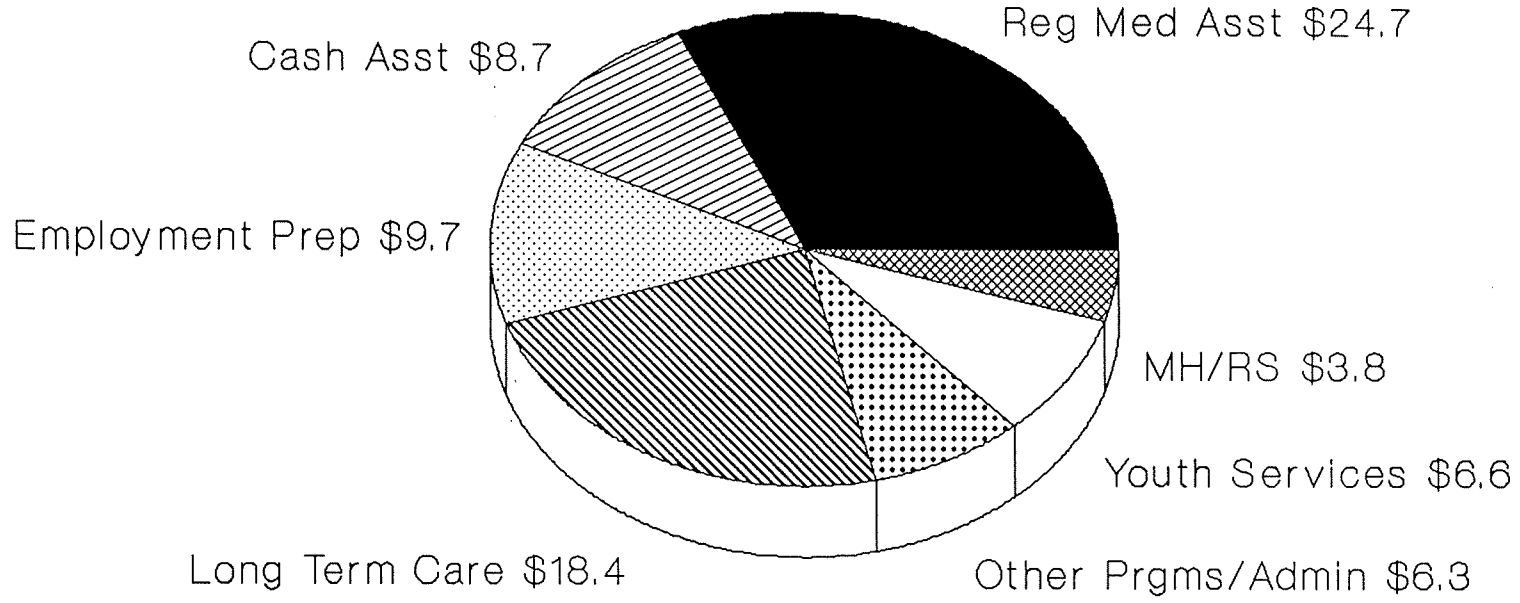
MED SERV *****	FY 90 *****	FY 91 GBR *****	FY 92 GBR *****	FY 92 CUR RES *****
HOSP	\$116.2	\$165.1	\$162.0	\$148.7
ACH	167.5	189.6	203.8	184.8
PHYS	36.1	47.6	61.0	57.8
DRUGS	29.7	36.7	45.5	22.9

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GOV RECOMMENDATION ON ALL SRS \$'s & FTE
(In Millions of Dollars)

TOTAL BUDGET *****	FY 90 *****	FY 91 GBR *****	FY 92 GBR *****	FY 92 CURR RES *****
ALL	\$819.4	\$956.0	\$1,034.2	\$939.2
SGF	384.2	404.6	440.6	390.1
FTE	3,257.7	3,213.7	3,310.2	3,310.2

FUNDS ADDED TO SRS FY 92 BUDGET (FY 92 GBR vs FY 91 GBR)



Above Amounts In All Funds-Millions of \$