

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Senator August "Gus" Bogina, Chairperson at 11:16 a.m. on April 11, 1991, in Room 123-S of the Capitol.

All members were present except:

Committee staff present:

Norman Furse, Gordon Self, Revisors' Office
Diane Duffy, Leah Robinson, Legislative Research Department
Judy Bromich, Administrative Assistant
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Secretary Robert Harder, Department of Social and Rehabilitation Services
Richard Morrissey, Deputy Director, Division of Health
Gene Johnson, Kansas Association of Alcohol and Drug Program Directors,
Kansas Community Alcohol Safety Action Project Coordinators
Association, Kansas Alcohol and Drug Addiction Counselors
Association
Senator Doug Walker
Secretary Mark Beshears, Department of Revenue
Steve Starr, Kansas Bureau of Investigation
Bob Wunsch, Legislative Liaison, University of Kansas Medical Center

The Chairman called the meeting to order and announced that today's meeting would constitute the official hearing for the block grants as required by federal law with respect to funding of programs from these grants by the Department of Social and Rehabilitation Services and the Department of Health and Environment.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES FEDERAL BLOCK GRANT HEARING

The Chairman called the hearing to order and asked Secretary Harder for his comments on the block grants. Secretary Harder distributed and reviewed information regarding the Kansas Social Service Block Grant, the Low Income Home Energy Assistance Block Grant, and the Alcohol, Drug Abuse and Mental Health Block Grants (Attachment 1). The Chairman asked if there were any comments from those present on any part of the federal block grants. Because there were no further comments, he declared the hearing closed.

DEPARTMENT OF HEALTH AND ENVIRONMENT FEDERAL BLOCK GRANT HEARING

Mr. Richard Morrissey distributed and reviewed a summary of the Preventive Health and Health Services Block Grant and the Maternal and Child Health Services Block Grant (Attachment 2). Seeing that there were no additional conferees, the Chairman declared the hearing closed at 11:24 a.m.

Senator Feleciano moved, Senator Gaines seconded, introduction of bill draft 1 RS 1576 - an act concerning school districts; relating to budgets of operating expenses per pupil; amending K.S.A. 1990 Supp. 72-7055, as amended by section 7 of the 1991 Senate Bill No. 26, and repealing the existing section. The motion carried.

SB 76- concerning alcohol and drug safety programs; relating to assessments

Mr. Gene Johnson appeared in support of SB 76 and reviewed copies of Attachment 3. The Committee reviewed some of the details discussed in the February 18 meeting. In answer to a question, Mr. Johnson noted that the court approves and certifies rates that are charged for the services. On the average, he said, 9% of the fees collected are used for administrative costs. Senator Doyen moved, Senator Allen seconded, that SB 76 be

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, April 11, 1991.

recommended favorable for passage. The motion carried on a roll call vote.

HB 2018 - Changes in funding for local health departments

Amendments made by the Public Health and Welfare Committee were reviewed. In answer to a question, Mr. Morrissey stated that the maintenance of effort requirement was recommended because the amount of local funding is greater than the state investment, and the intent is to continue that amount of local effort.

Norman Furse outlined technical amendments to the bill. The first suggested amendment regards maintenance of effort on page 2, lines 40-43 and page 3, lines 1-3. He noted that the word "dollar" should be inserted before the word "amount" and "reduction" on line 2 of page 3. The second suggestion was to delete lines 28-30 on page 4 in order to change the funding back to a quarterly payment over 2 state fiscal years. Senator Feleciano moved, Senator Rock seconded, that HB 2018 be amended with these technical amendments. The motion carried.

Senator Allen moved, Senator Gaines seconded, that HB 2018 as amended be recommended favorable for passage. The motion carried on a roll call vote.

HB 2020 - Concerning agricultural extension programs; authorizing establishment of extension districts

The Committee voted on April 5 to reconsider HB 2020. Norman Furse explained that Committee amendments to the bill resulted in an election procedure that is not workable. In order to provide that the Board of County Commissioners make appointments to the initial district board until the time of an odd numbered year election, Senator Allen moved, Senator Doyen seconded, that HB 2020 be amended with the balloon contained in Attachment 4. The motion carried. It was moved by Senator Gaines and seconded by Senator Doyen that HB 2020 as amended be recommended favorable for passage. The motion carried on a roll call vote.

SB 257 - Concerning salaries and compensation of justices and judges of the judicial branch of state government

The Committee reviewed provisions of the bill which were heard in the March 18 meeting. Senator Winter moved, Senator Rock seconded, that SB 257 be recommended favorable for passage. The motion carried on a roll call vote.

SB 403 - Kansas commission on the future of health care, inc., created

Senator Doug Walker appeared before the Committee in support of SB 403 and reviewed Attachment 5. In answer to a question, he stated that the end product of this legislation would be that a Board of Directors would conduct town meetings across the state to discuss health care and health care reform in order to determine what Kansans want in a health care system. In answer to Senator Hayden's concern, Senator Walker stated that this study should help identify those people in western Kansas who do not have access to health care and provide answers to their problems.

Senator Winter moved, Senator Gaines seconded, that SB 403 be amended on page 3, section 7, to allow the receipt of funds from for-profit agencies in an amount not to exceed \$20,000 and to change the proviso. The motion carried on a voice vote.

Senator Winter moved, Senator Doyen seconded, that SB 403 be amended by reducing the health care fund from \$500,000 to \$300,000. The motion carried on a voice vote.

Senator Winter moved, Senator Doyen seconded, that SB 403 as amended be

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, April 11, 1991.

recommended favorable for passage. The motion carried on a roll call vote.

SB 439 - Concerning the Civil Air Patrol

Senator Allen told the Committee that this bill was introduced as a recommendation of the subcommittee to speak to the liability insurance of the Civil Air Patrol. Correspondence from Major Ward Ferguson, Director of the Kansas Department of the Civil Air Patrol, was distributed to the Committee. (Attachment 6) Senator Doyen moved, Senator Gaines seconded, that SB 439 be recommended favorable for passage. The motion carried on a roll call vote.

SB 444 - Transferring law enforcement personnel of the Division of Alcoholic Beverage Control to the Kansas Bureau of Investigation

Mr. Starr appeared before the Committee to state that, as the bill reads, all 28 law enforcement agents of the ABC would be transferred to the KBI because they would have been performing law enforcement powers and duties effective prior to July 1, 1991. Due to the recent introduction of the bill, he said that his agency had not an opportunity to ascertain the impact it might have.

Secretary Mark Beshears testified before the Committee in opposition to SB 444. There was lengthy discussion about the subcommittee's recommendation to abolish 12 FTE alcohol beverage control positions and to transfer the remaining law enforcement positions to the KBI. (See recommendation 7 of Attachment 2, March 5, 1991) The Secretary said that it was his recommendation to abolish the positions in order to meet the projected budget cut, but voiced his concern that administrative and investigative functions of the ABC could not continue if the 16 positions were transferred to the KBI. Committee members voiced their displeasure that the Secretary had not contacted them about his concern over the introduction of this legislation. The Chairman stated that because the revenue budget was still in conference, this issue could be revisited.

SB 378 - Establishing a family support subsidy program

Secretary Robert Harder told the Committee that SB 378 was introduced for the SRS Task Force. He noted that SB 162, the SRS appropriations bill, provides \$600,000. for SRS to fund a family subsidy program which he said is not unlike supported adoptions. He suggested that the conference committee consider the \$600,000. in SB 162, and in a conference committee report indicate guidelines for the program, thus giving the department more flexibility. There was some concern regarding eligibility criteria for the program, i.e., taxable family income not exceeding \$60,000. Secretary Harder stated that he could get the guidelines that are followed under the Adoption Support program for the conference committee to consider and also suggested that the bill include some type of reporting mechanism. The Chairman stated that the Committee would hold the bill.

HB 2619 - Concerning scholarships available to medical students admitted to or enrolled at the University of Kansas School of Medicine; relating to repayment and service obligations

Mr. Bob Wunsch appeared before the Committee on behalf of the University of Kansas Medical Center and reviewed Attachment 7. It was the opinion of Medical Center personnel that HB 2619 would protect the financial interests of the state against students who might declare bankruptcy and have the liability waived. Senator Kerr expressed his belief that students who have completed residency would be eligible for a bank loan. It was moved by Senator Kerr, seconded by Senator Winter, that HB 2619 be amended so that those who fail to apply for and enter an approved three-year primary care postgraduate residency training program, those who enter but fail to complete an approved three-year primary care postgraduate residency training

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS, April 11, 1991.

program, and those who enter and complete an approved three-year primary care postgraduate residency training program but fail to satisfy the obligation to engage in the full-time practice of medicine and surgery within the appropriate service commitment area of the state for the required period of time shall repay the loan plus accumulated interest at an annual rate of 15% within 90 days after completing the residency training program. The motion carried on a voice vote.

Senator Winter offered a conceptual amendment, Senator Allen seconded, to provide that an individual who was fulfilling his contractual obligations at Memorial Hospital in Topeka, Kansas at the time of its closing be allowed to fulfill the rest of his obligation in another critically medically underserved area in the specialty of emergency medicine. The motion carried.

A motion was offered by Senator Winter, seconded by Senator Parrish, to recommend HB 2619 as amended favorable for passage. The motion carried on a roll call vote.

HB 2624 - Concerning the University of Kansas Medical Center; relating to an out-patient cancer treatment service center; authorizing certain capital improvement projects by KUMC and a certain private organization, a lease agreement and acquisition of certain real estate in connection therewith

Mr. Bob Wunsch testified in support of HB 2626 and reviewed Attachment 8. In answer to a question, he stated that pledging university hospital receipts to the cancer center would be subject to negotiation, but would be the first step in getting into a contract position. He said that it is hoped that the hospital and cancer center will eventually share anticipated revenues. It was Senator Bogina's concern that the university hospital would have financial obligations that should be the responsibility of the cancer center. In answer to a question, Marlin Rein, Associate University Director, KUMC, confirmed that diverting moneys from the Hospital Revenue Fund that might be used to operate the current facility is a concern. However, in his judgment, the cancer center would contribute to the income of the hospital through increased patient volume and would provide academic and research opportunities for students. He told the Committee that there is the potential of a severe loss to KUMC if the cancer center would contract with another entity. It was moved by Senator Winter, seconded by Senator Kerr that HB 2624 be amended to include a provision that a contract cannot be entered into without a predetermination by the Board of Regents that the arrangement will provide a positive cash flow to KUMC (after netting out all losses, including building purchase and lease, bonds, renovation, revenue loss to radiology, etc.) The motion carried.

Senator Winter moved, Senator Harder seconded, that HB 2624 as amended be recommended favorable for passage.

The Chairman adjourned the meeting at 2:33 p.m.

GUEST LIST

COMMITTEE: SENATE WAYS AND MEANS

DATE: 4-11-91

NAME (PLEASE PRINT)	ADDRESS	COMPANY/ORGANIZATION
WAYNE K WIAWECI	TOPEKA	KS. AFSCME
Gene Johnson	Topoka	Ks. ASAP. Inc
Karen Delaney	GRS Topoka	
Robert Hudson	SRS Topoka	SRS
Nancy Eckel	Topoka	Dept. of Adm. DRS
Art Gragg	Stablehouse Rm 263	Dept of Adm.
ELIZABETH E. TAYLOR	TOPEKA	Asso of Local ^{DEPT} TEACHERS
Arthur Schumann	TOPEKA	KDHE
Richard Morrissey	Topoka	KDHE
Charles Konigsberg	TOPEKA	KDHE
Gosta W. J. J.	Topoka	"
Archie Young	Topoka	KDHE
Louis Sprague	KC KS	E.O.F.
Rita J. Adams	KCK	E.O.F.
John J. Smith	K.C.K.	E.O.F.
Patricia Armstrong	KCK	E.O.F.
Gene McNamee	K.C.K.	E.O.F.
John J. Burgers	K.C.K.S	EOF
STEVE KEANEY	TOPEKA	DIST. JUDGES
Craig Grant	Topoka	K-NEA
Barbara Cole	McPherson	KNEA
Steve Stark	Topoka	KBT
Tom Mckay	TOPEKA	KBT
Homer Capelle	Ks City, Ks	E.O.F.
Reginald V. Shield	Ks. City. Ks	EOF
Tess Bauer	1717 Grove TOPEKA	KAPE
Tom Bell	Topoka	Ks. Hosp Assn
Mike Keenan	Topoka	DOR
Jim Conant	Top.	Ks. ABC
Robert Engler	Top.	Ks. ABC
Jack Ansoob	Topoka	Ks. ABC
Neal Whitaker	Topoka	KBWA
TRUCK DRIVER	Topoka	KWSWA

KANSAS DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Testimony presented to
The Senate Ways and Means Committee
Regarding

FEDERAL BLOCK GRANTS

April 11, 1991

11:00 a.m.

Room 123-South

Capitol Building

Presented by:

Robert C. Harder, Acting Secretary
Department of Social and
Rehabilitation Services
(913) 296-3271

SWAM
April 11, 1991
Attachment 1

Summary
Kansas Social Service Block Grant
July 1, 1991 to June 30, 1992

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

Historical Perspective

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

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

Eligibility and Requirements

Individual eligibility for social service block grant funding is based on two criteria: 1) There must be a need for the service; and 2) income levels must be met. A single individual may not have a gross income exceeding \$828 per month. This scale is graduated upward. For example, for a family of four the gross income may not exceed \$1,675 per month. The scale is set at 150% of the federally established poverty level.

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

For FY 1992, the Kansas Social Service Block Grant Program allocation was \$28,265,434. The estimated expenditures per service are as follows:

Direct Staff Services	\$ 7,358,667
Child Day Care	2,200,000
Adult Day and Community Living	9,180,000
Home Care	1,233,947
POS* for Foster Care	8,292,820
<u>Total</u>	<u>\$28,265,434</u>

* Purchase of Service

Social Service Block Grant

Page 2

July 1, 1991 to June 30, 1992

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

The Kansas Social Services Block Grant Plan will be presented later this spring and a thirty-day public comment period will follow. The Plan is scheduled to be adopted by the Secretary in June and submitted to the federal government later that month.

Department of Social and
Rehabilitation Services
Office of the Secretary
Date: April 11, 1991

STATE OF KANSAS
REPORT ON PROPOSED USES OF
LOW INCOME HOME ENERGY ASSISTANCE BLOCK GRANT FUNDS

BACKGROUND

The Department administers the energy assistance block grant authorized by the Omnibus Budget Reconciliation Act of 1981 which has been reauthorized through Federal FY 1994. The grant provides revenue for three SRS programs:

- 1) 75% funds the Low Income Energy Assistance Program (LIEAP).
- 2) 15% supplements the Department of Energy Weatherization Program.
- 3) 10% supplements Social Services Block Grant funds (This federal transfer option ends in Federal FY 1994).

LIEAP PROGRAM DESCRIPTION

LIEAP benefits reduce the financial impact of home energy costs. Income eligibility limits are currently 150% of the federal poverty level, the maximum level federally allowed. Households must also demonstrate regular utility self-payments. The program is operated during two seasons:

- 1) Winter Assistance - This program serves 49,798 with benefits averaging \$217 or about 15% of annual energy costs. One-time applications are received December through March.
- 2) Summer Assistance - Applications are accepted July through August from two populations. The larger program serves 22,400 elderly and disabled. A smaller, crisis program serves households having a medical need for cooling and a utility disconnect notice. This restrictive crisis program assists about 900 households. The seasonal benefits for both populations average approximately \$120.

LIEAP benefits vary according to three factors affecting need and ability to pay energy costs: 1)Income level, 2)dwelling type, and 3)utility rates. Temporary program technicians screen the applications and determine eligibility in SRS local offices using a system on-line to a centralized computer system.

Federally required outreach efforts continue to increase caseloads. A large portion of the client base receives no other public assistance, i.e., working poor and social security recipients.

OIL OVERCHARGE FUNDING

Federal litigation against oil companies resulted in restitution payments to the government. States began receiving these "oil overcharge funds" in the mid-1980's and were to use them for specific energy programs. Beginning in 1986, Congress cut LIEAP appropriations citing that states were not using their oil overcharge funds in the "timely manner" specified by court order.

The Kansas Legislature appropriated oil overcharge funds FY 1988 through FY 1991 to supplement for federal losses. This supplementation prevented benefit cuts or other program reductions. Currently, 38% of LIEAP revenues are from oil overcharge funds.

PROGRAM CHANGES

The State's reserve of oil overcharge funding is nearly depleted, necessitating program modifications to contain expenditures within federal funds. Although 1992 budget recommendations include oil overcharge supplements, combined funding is expected to be less than previous levels. The following changes are planned in FY 1992 to contain expenditures within available funds:

- 1) Reduce the number of households served by lowering maximum income standards to 110% of poverty. This reduces program coverage by 20% but maintains assistance to poorest households, saving \$2.5 million.
- 2) Consolidate winter and summer application periods beginning next winter and automatically issue summer assistance to elderly and disabled populations, thereby eliminating need to hire summer staff for separate eligibility determinations. Such cost savings are necessary to keep expenses within diminishing federal administrative allowances.

These program changes will maintain expenditures within FY 1992 budget levels and transition into FY 1993 when additional program adjustments may be necessary as oil overcharge funds are depleted.

Department of Social and Rehabilitation Services
Office of the Acting Secretary
April 11, 1991

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

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

Federal regulations governing the application process require the State Legislature to conduct public hearings on proposed use and distribution of those funds for the period beginning October 1, 1991 and ending September 30, 1992.

ALCOHOL AND DRUG ABUSE SERVICES

The FY 1992 Federal Block Grant award to Kansas is expected to total \$8,436,000. Of that amount \$6,141,000 must be utilized for alcohol and drug abuse activities. The balance of the total award must be utilized for mental health activities.

The proposed distribution of those funds would be as follows:

- | | |
|---|-------------|
| 1.) Treatment grants to community based programs: | \$3,479,189 |
| 2.) Prevention grants to community based programs: | \$1,324,811 |
| 3.) Grants to provide services to women (treatment and prevention): | \$1,030,000 |
| 4.) State Agency (ADAS) administration: | \$ 307,000 |

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

The State's criteria for distribution of funds will be prioritized based on demonstrated need for financial assistance and directed to areas of the State that are underserved.

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

Department of Social and
Rehabilitation Services
Office of the Secretary
April 11, 1991

Report on Proposed Use of
Mental Health Block Grant Funds
State Fiscal Year 1992

For the Federal fiscal year beginning October 1, 1990 and ending September 30, 1991, the State of Kansas received \$2,136,057 for mental health services. This is an increase of approximately \$135,000 from fiscal year 1990.

The Department of SRS/Mental Health and Retardation Services proposes to continue the use of Mental Health Block Grant Funds to provide comprehensive mental health services to specially targeted populations with the intent of preventing unnecessary institutionalization. The majority of funding is targeted to community services for adults with severe and persistent mental illness. Over 18% of Block Grant funding is directed to services for severely emotionally disturbed children and adolescents. In accordance with federal guidelines, the administrative portion of the Block Grant is no more than 5%.

Mental Health Block Grants are distributed to licensed community mental health centers and their affiliates for the provision of services in the least restrictive environment. Services must be offered regardless of the client's ability to pay. They must be readily accessible and must assure continuity of care in a manner which preserves human dignity.

Proposed distribution of funds for FY 92 would be, approximately, as follows:

1. Community Support Services (for adults with severe and persistent mental illness) \$1,495,000
2. Community-Based Services (for children and adolescents with severe emotional disturbance) \$398,000
3. 24-Hour Emergency Services \$136,000
4. Administration \$106,800

Additional information regarding the Mental Health Block Grant is available through SRS/Mental Health and Retardation Services, Docking State Office Building, Topeka, Kansas, 66612.

Department of Social and
Rehabilitation Services
Office of the Secretary
April 11, 1991

Report on Proposed Use of
Projects for Assistance in Transition From Homelessness (PATH)
[formerly Mental Health Services for the Homeless (MHS)]
Block Grant Funds
State Fiscal Year 1992

For the Federal fiscal year beginning October 1, 1990 and ending September 30, 1991, the State of Kansas received \$300,000 from the Projects for Assistance in Transition from Homelessness formula grant. This is an increase of \$25,000 from the previous year's Mental Health Services for the Homeless Block Grant award.

The Department of SRS/Mental Health and Retardation Services proposes to expand the target population to :

Individuals who are suffering from serious mental illness; or are suffering from serious mental illness and from substance abuse; and are homeless or at imminent risk of becoming homeless.

This target population conforms to the federal target population for these funds and expands on the target population (individuals who are chronically mentally ill and homeless) for the preceding MHS block grant.

PATH funds will be used to provide outreach, crisis assistance, case management, housing assistance, referrals, screening and diagnostic treatment services, and other community support services to homeless individuals with severe and persistent mental illness. The services will be designed to assist homeless individuals to control the symptoms of their mental illness and to develop the skills and acquire the supports necessary to help them live as independently and productively in the community as possible.

MHS recipients for FY '90 were licensed community mental health centers in the three urban areas: Kansas City, Topeka, and Wichita. Proposed distribution of FY '91 PATH funds would continue and expand on the existing programs as follows:

1. Sedgwick County Department of Mental Health - \$95,306
2. Shawnee County Mental Health Center - \$109,981
3. Wyandot Mental Health Center - \$94,713

Additional information regarding PATH is available through SRS/Mental Health and Retardation Services, Docking State Office Building, Topeka, Kansas, 66612.

Department of Social and
Rehabilitation Services
Office of the Secretary
April 11, 1991

COMMUNITY SERVICES BLOCK GRANT

The following testimony relates to the proposed 1991 Kansas Community Services Block Grant State Plan, which grants funds during SFY 1992.

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

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

Approximately 100,000 low-income Kansans are served annually through the CSBG program. Funds are available for the following activities:

- o to secure and retain employment
- o to attain an adequate education
- o to make better use of available income
- o to obtain and maintain adequate housing
- o to obtain emergency assistance
- o to remove obstacles to self-sufficiency
- o to achieve greater participation in the community
- o to make use of other poverty programs

The Kansas Community Services Block Grant Program allocation is \$2,929,095 for FFY 1991. SRS proposes to maintain the same percentage allocation to local agencies as established in FY 1988. This includes:

City of Wichita, Human Services Department	\$549,118
Economic Opportunity Foundation, Inc.	478,731
Southeast Kansas Community Action Program	474,513
East Central Kansas Economic Opportunity Corp.	326,623
Northeast Kansas Community Action Program	247,801
Mid-Kansas CAP, Inc.	185,588
Shawnee County Community Assistance & Action	180,052
Harvest America Corporation	193,760

The city of Wichita and the following counties will be served:

Allen	Butler	Douglas	Greenwood	Kearney	Miami	Seward	Wichita
Anderson	Cherokee	Finney	Harvey	Labette	Montgomery	Shawnee	Wilson
Atchison	Coffey	Franklin	Haskell	Leavenworth	Nemaha	Sherman	Woodson
Bourbon	Crawford	Grant	Jackson	Linn	Neosho	Thomas	Wyandotte
Brown	Doniphan	Greeley	Johnson	Lyon	Osage	Wallace	

The CSBG program was reauthorized in 1990.

Dept. of Social and Rehabilitation Services
Office of the Secretary

April 11, 1991



State of Kansas

Joan Finney, Governor

Department of Health and Environment
Division of Health

Stanley C. Grant, Ph.D.,
Acting Secretary

Landon State Office Bldg., Topeka, KS 66612-1290

FAX (913) 296-6231

Testimony presented to

SENATE WAYS AND MEANS COMMITTEE
LEGISLATIVE HEARING

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

by

The Kansas Department of Health and Environment

April 11, 1991

The federal block grant concept was implemented to enable states to provide more administrative authority over federal funding received with only broad general control exercised from the federal level. The Department of Health and Environment has been awarded two federal block grants - Preventive Health and Health Services Block Grant (PH) and Maternal and Child Health Services Block Grant (MCH).

By federal regulation, a legislative hearing is required for the Preventive Health and Health Services Block Grant to insure that the funding will be utilized to meet the State's priorities. Since programs that may be funded by either of the two block grants overlap to some extent, the Maternal and Child Health Services Block Grant is also included for this hearing even though not federally required.

The Preventive Health and Health Services Block Grant supports preventive health services for individuals and families, especially those with limited means, and a variety of public health services designed to reduce preventable morbidity and mortality and improve quality of life. These funds may be used to fund public health programs which:

support comprehensive public health services;

provide for community-based programs to assist in reducing health risks;

support programs to deter smoking and use of alcoholic beverages among children and adolescents;

-1-

SWAM
April 11, 1991
Attachment 2

establish and maintain preventive health programs to detect and prevent hypertension (high blood pressure);

support community and school based fluoridation programs; and

provide for services to rape victims and rape awareness education and prevention programs.

The Health Omnibus Programs Extension Act of 1988 expanded preventive health activities to include:

immunization services;

programs designed to reduce the incidence of chronic diseases;

serum cholesterol control projects;

control programs for breast and uterine cancer; and

public health services funded by the Block Grant which are intended to tie state programs to year 2000 Health Objectives for the nation.

The **Maternal and Child Health Services Block Grant** under Title V of the Social Security Act supports activities to improve the health of all mothers and children consistent with applicable national goals and objectives established under the U.S. Public Health Services Act for the Year 2000. In 1989, Congress adopted the Omnibus Budget Reconciliation Act (OBRA '89) which contained a number of important amendments affecting access to comprehensive health care for women and children including children with special health care needs. Those amendments consisted of new requirements of states in planning, service delivery and reporting. Specifically, these changes were designed to improve planning, accountability, targeting federal funds to priority populations and explicitly linking Title V MCH services Block grant program purposes to applicable goals and objectives for the Nation for the Year 2000. Kansas had anticipated these amendments and is currently in substantial compliance with them.

The OBRA 89 amendments to Title V redefine the program's mission (in section 501 of the law) as: "to improve the health of all mothers and children, consistent with the applicable National health status goals and objectives established by the Secretary under the Public Health Service Act for the Year 2000."

Funds will be allocated to Kansas by a block grant formula enabling the State to:

- (1) Provide and assure mothers and children (particularly those with low income or with limited availability of

health services) access to quality maternal and child health services;

- (2) Reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children; reduce the need for impatient and long-term care services; increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services; promote the health of mothers and infants by providing prenatal, delivery, and postpartum care for low-income, at-risk pregnant women; and, to promote the health of children by providing preventive and primary care services for low-income children;
- (3) Provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under Title XVI (of the Social Security Act), to the extent medical assistance for such services is not provided under Title XIX; and
- (4) Provide and promote family-centered, community-based, coordinated care (including care coordination services) and to facilitate the development of community-based systems of service for children with special health care needs and their families.

The application process has changed significantly under OBRA '89. Beginning with fiscal year 1991, Kansas is required to include the following in its application:

- o new requirement for expending federal funds (30-30) (States must dedicate at least 30% for preventive and primary care for children; and at least 30% for services for children with special health care needs.) Note that 60% of the funds are earmarked for health services for children. The remaining 40% of the funds are available to support all other MCH populations and services;
- o statewide needs assessment to be conducted every five years identifying services for children, services for pregnant women and infants, and services for children with special health care needs (including family-centered, community-based coordination care and service systems);
- o plan for meeting the identified needs;
- o state-specific goals and objectives consistent with the national health objectives for 2000;

- o description of services to be provided and categories of individuals to be served;
- o description of activities to promote improved access to MCH services that are family centered, community-based and coordinated;
- o identification of areas of the state where services will be provided;
- o maintenance of effort (States must maintain the same level of state support as in 1989);
- o services which complement the major expansions of medicaid eligibility for pregnant women and children up to age 6; and
- o a description of the information the state will collect for its annual report.

Attached to this material are four tables exhibiting actual expenditures for State FY's 1989 and 1990, and projected expenditures for State FY's 1991 and 1992.

The first table (Attachment I) exhibits expenditures for the two block grants on a combined basis. State Operations include payment for services purchased from local medical providers in the Services for Children with Special Health Care Needs Program (formerly Crippled and Chronically Ill Children's Program). Since either source of funding may be used for the Aid To Local, Healthy Start/Lay Home Visitor Program, and the mix is determined by funding availability, a combined analysis is the most meaningful. The table of combined expenditures shows the following:

Between 53 and 55 percent of expenditures are for State Operations with funding for the Children with Special Health Care Needs Program being the major expenditure item.

Between 39 and 44 percent of expenditures are for Aid to Locals (mostly local health department) grants.

Between 2 and 5 percent of expenditures are for grants to another State agency. The FY 92 amount shows a decrease of \$194,000 due to discontinuation of KDHE support for the University of Kansas Medical Center Perinatal Program.

The second table (Attachment II) shows data for each of the block grants separately.

The third table (Attachment III) shows PH and MCH funding for State Operations by Program/Subprogram. Funding for each Program/Subprogram is divided into salaries and other operating expenditures.

The fourth table, (Attachment IV,) exhibits PH and MCH funding for Aid to Local (mostly local health departments) grant programs. An amount to be used to purchase vaccine for local health departments is also exhibited on this table.

Following is a brief description of individual program items to be funded by MCH and PH Block grants for FY 92:

State Operations:

MCH - Data processing costs for recording and producing reports from Children with Special Health Care Needs Program data.

MCH - Minor part of operating expenditures for Vital Statistics Program for health statistics.

MCH and PH - A part of the operating expenditures for Health and Environmental Education within the Division of Information Services.

MCH - PH - A part of operating expenditures of the Office of Rural Health Systems for consultation, education and support services for community health programs with an emphasis on preventive and risk reducing health promotion.

MCH - Operating expenditures for Child Care Facilities Licensure Program.

MCH - PH - Minor part of operating expenditures for Bureau of Disease Control.

MCH - Major part of operating expenditures for Services for Children with Special Health Care Needs.

MCH - Minor part of operating expenditures for Nutrition and WIC Services to develop nutrition resources and services that contribute to the prevention and correction of health problems related to nutrition for women, infants and children who are not participating in the WIC program.

MCH - A part of operating expenditures for Children with Families services.

PH - Minor part of operating expenditures for the Office of Comptroller for financial and administrative services to distribute and monitor funds to county health agencies and other nonprofit providers.

PH - Operating expenditures for Office of Chronic Disease and Health Promotion, and dental health programs.

Aid To Locals:

MCH and SGF - The Maternal and Infant Program provides funding to 69 counties to conduct Maternal and Infant Projects. Each county provides services for pregnant women of all ages and their infants, specifically those uninsured or with other access barriers. Such services include physician and nursing pre-natal and post-natal supervision; nutrition assessment; consultation and intervention; social work services; health maintenance; perinatal and parenting education; family planning referrals; and, follow-up of the mother and infant for the first year post delivery.

MCH, PH and SGF - Healthy Start/Lay Home Visitor services include home visits by trained lay persons to prenatal clients and to families with a newborn infant to provide family support, to promote the use of preventive health resources and to prevent family stress leading to abuse and neglect of children.

MCH - Healthy Family and Young Children - This program funds lay persons, trained and supervised by local health department nurses, to make home visits to families with toddlers ages 1-4. Lay persons are very cost effective in the followup of immunizations for children, providing information regarding injury prevention including home and automobile safety education, fostering family support, and in making referrals to other community agencies for needed services.

MCH - Maternal and Child Health Program has provided three basic services. 1) A dental health project for the Wichita-Sedgwick County Health Department to assist parents in obtaining dental care for their children; 2) Outpatient medical services to provide a comprehensive program in Shawnee and Wyandotte counties to assist children on an outpatient hospital basis to receive screening, diagnosis and limited treatment or referral to the University of Kansas Medical Center if warranted; and 3) Maternal and child health services which are provided through demonstration projects in 46 counties and include information and services in the area of accident prevention, immunizations, well-child clinics, women's health care and EPSDT screening.

MCH and SGF - Black Infant Mortality Program - This program provides funds for community health education programs which focus on black adolescents and are designed to heighten awareness about the black infant mortality rate which is double that of the white population in Kansas and nationally. Community groups work to develop strategies to promote the health of black mothers.

PH - Cardiovascular risk reduction - LIVELY (Life, Interest and Vigor Entering Later Years) grants are awarded annually in support of health promotion programs for adults and elders.

MCH and SGF - Adolescent Health Programs - The Adolescent Health projects focus on primary care, health risk appraisal services, and maternity home programs. These projects are designed to address the promotion of adolescent health, the prevention of disease, and the prevention of pregnancy. In the case of the maternity homes which are funded solely with state general funds, the focus is on the prevention of repeat pregnancies while the young women are still adolescents.

MCH and PH - Health Prevention Projects target funding to specific identified needs. FY 1992 funding is projected to provide \$50,000 to the Kansas Children's Service League to focus on family preservation and to implement a teenage pregnancy prevention/intervention service delivery and evaluation model in Wyandotte County. Funds will also be used to assist the Governor's Council on Fitness, a Black Hypertension project, the Heartland Health Conference, and the Coalition on Aging Conference.

PH - Provides funding for purchase of vaccine to be distributed to Local Health Departments.

Transfers of MCH and PH funding to other State agencies:

MCH - Perinatal Program. Prior to FY 92, Level III Centers (centers providing care for normal patients, but especially for all serious maternal, fetal and neonatal illnesses and abnormalities) were partially funded (\$194,000) by KDHE for the Kansas University Medical Center to provide consultation to physicians and hospitals statewide for care of high-risk mothers and newborns, outreach education activities, and leadership in planning and coordination for statewide perinatal care services. Funding from KDHE is scheduled for elimination in FY 92.

MCH - Phenylketonuria and hypothyroidism diagnostic and control clinic services are funded (\$10,000) at the University of Kansas School of Medicine. These services are mandated of KDHE by state statute.

PH - A part of PH funding to Kansas is designated in the federal award for rape prevention programs, and is granted to the Crime Victims Compensation Board.

MATERNAL AND CHILD HEALTH AND PREVENTIVE HEALTH BLOCK GRANTS

FY & %	STATE OP	AID/ASST	* NON REPT	TOTAL

ACTUAL				
1989-MCH	2,249,655	1,674,909	204,000	4,128,564
MCH-VAC		144,000		144,000
PH	463,313	340,714	73,065	877,092
	-----	-----	-----	-----
	2,712,968	2,159,623	277,065	5,149,656
	52.7	41.9	5.4	100.0
ACTUAL				
1990-MCH	2,212,412	1,567,195	204,000	3,983,607
PH	373,787	269,563	67,270	710,620
	-----	-----	-----	-----
	2,586,199	1,836,758	271,270	4,694,227
	55.1	39.1	5.8	100.0
PROJECTED				
1991-MCH	2,352,486	1,715,983	204,000	4,272,469
PH-VAC		79,256		79,256
PH	360,039	293,469	72,106	725,614
	-----	-----	-----	-----
	2,712,525	2,088,708	276,106	5,077,339
	53.4	41.1	5.4	100.0
PROJECTED				
1992-MCH	2,345,009	1,819,869	10,000	4,174,878
PH-VAC		79,256		79,256
PH	393,892	293,469	72,106	759,467
	-----	-----	-----	-----
	2,738,901	2,192,594	82,106	5,013,601
	54.6	43.7	1.6	100.0

* Transfers to Another State Agency for Expenditure

MATERNAL AND CHILD HEALTH BLOCK GRANT

FY & %	*			TOTAL
	STATE OP	AID/ASST	NON REPT	
ACTUAL				
1989	2,249,655	1,674,909	204,000	4,128,564
VACCINE		144,000		144,000
	2,249,655	1,818,909	204,000	4,272,564
	52.7	42.6	4.8	100.0
ACTUAL				
1990	2,212,412	1,567,195	204,000	3,983,607
	2,212,412	1,567,195	204,000	3,983,607
	55.5	39.3	5.1	100.0
PROJECTED				
1991	2,352,486	1,715,983	204,000	4,272,469
	2,352,486	1,715,983	204,000	4,272,469
	55.1	40.2	4.8	100.0
PROJECTED				
1992	2,345,009	1,819,869	10,000	4,174,878
	2,345,009	1,819,869	- 10,000	4,174,878
	56.2	43.6	0.2	100.0

PREVENTIVE HEALTH BLOCK GRANT

FY & %	*			TOTAL
	STATE OP	AID/ASST	NON REPT	
ACTUAL				
1989	463,313	340,714	73,065	877,092
	463,313	340,714	73,065	877,092
	52.8	38.8	8.3	100.0
ACTUAL				
1990	373,787	269,563	67,270	710,620
	373,787	269,563	67,270	710,620
	52.6	37.9	9.5	100.0
PROJECTED				
1991	360,039	293,469	72,106	725,614
VACCINE		79,256		79,256
	360,039	372,725	72,106	804,870
	44.7	46.3	9.0	100.0
PROJECTED				
1992	393,892	293,469	72,106	759,467
VACCINE		79,256		79,256
	393,892	372,725	72,106	838,723
	47.0	44.4	8.6	100.0

* Transfers to Another State Agency for Expenditure

ATTACHMENT III

MATERNAL & CHILD HEALTH BLOCK GRANT AND PREVENTIVE HEALTH BLOCK GRANT
STATE OPERATIONS (SALARIES + OTHER OPERATING EXPENDITURES)

MATERNAL AND CHILD HEALTH BLOCK GRANT (3616)

PROGRAM	PROG NO.	SFY 89			SFY 90			SFY 91			SFY 92		
		SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL
COMMUNICATIONS SERV	0210	62,054	280	62,334	57,686	2,181	59,867	62,278	203	62,481	64,041		64,041
VITAL STATISTICS	0220	11,310	35,949	47,259	11,275	27,288	38,563	11,189	36,631	47,820	11,080	36,631	47,711
HEALTH ED & PUB INF	0230	45,902	11,365	57,267	39,284	18,021	57,305	43,593	22,874	66,467	42,053	24,618	66,671
DIR OF HEALTH	6000	90,131	20,634	110,765	58,890	18,230	77,120	93,356	24,810	118,166	92,638	24,810	117,448
CHILD CARE FAC LIC	6220	261,554	68,052	329,606	194,443	53,317	247,760	203,289	44,615	247,904	179,625	65,332	244,957
DISEASE CONTROL	6400	18,676		18,676	11,442		11,442	16,367		16,367	16,175		16,175
CHILD SPEC HLTH	7110	93,274	1,325,844	1,419,118	184,416	1,331,002	1,515,418	239,156	1,350,093	1,589,249	265,472	1,320,383	1,585,855
NUTRITION/WIC	7120	9,494	300	9,794	7,818	171	7,989	13,173	0	13,173	13,111	300	13,411
MATERNAL & INFANT	7130	171,830	23,006	194,836	178,370	18,578	196,948	182,193	8,666	190,859	180,374	8,366	188,740
TOTAL		764,225	1,485,430	2,249,655	743,624	1,468,788	2,212,412	864,594	1,487,892	2,352,486	864,569	1,480,440	2,345,009

PREVENTIVE HEALTH BLOCK GRANT (3614)

PROGRAM	PROG NO.	SFY 89			SFY 90			SFY 91			SFY 92		
		SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL	SALARIES	OTHER OP	TOTAL
GENERAL SERV	0121			0			0		9,280	9,280			0
HEALTH ED & PUB INF	0230	43,302	26,629	69,931	65,618	30,091	95,709	67,545	30,379	97,924	65,159	33,081	98,240
DIR OF HEALTH	6000	254,234	36,557	290,791	172,048	9,673	181,721	218,490	22,372	240,862	257,882	25,797	283,679
FOOD DRUG & LODGING	6311	20,887		20,887	20,660		20,660			0			0
DISEASE CONTROL	6400			0			0		11,973	11,973		11,973	11,973
LAB INFO & REPT	8410		3,310	3,310		4,932	4,932			0			0
ANALY. CHEM. LAB	8420		41,001	41,001		44,967	44,967			0			0
MICROBIOLOGY LAB	8430		37,393	37,393		25,734	25,734			0			0
LAB IMPROVEMENT	8440			0		64	64			0			0
TOTAL		318,423	144,890	463,313	258,326	115,461	373,787	286,035	74,004	360,039	323,041	70,851	393,892

22

MATERNAL & CHILD HEALTH BLOCK GRANT AND PREVENTIVE HEALTH BLOCK GRANT
AID/OTHER ASSISTANCE (3010)

	FY 89				FY 90				FY 91				FY 92			
	ACTUAL	SGF	MCH	PH	ACTUAL	SGF	MCH	PH	PROJECTED	SGF	MCH	PH	PROJECTED	SGF	MCH	PH
3013 MOTHERS & INFANTS	1,157,056	500,000	657,056		1,350,048	700,000	650,048		2,268,356	1,611,300	657,056		2,268,356	1,417,300	851,056	
3016 GENERAL HEALTH SERVICES	1,695,095	1,614,737		80,358	1,997,547	1,997,547			1,988,708	1,988,708			1,988,708	1,988,708		
3017 HOME VISITOR/HEALTHY START	341,393	104,926	135,911	100,556	472,264	236,505	135,203	100,556	664,625	428,866	135,203	100,556	664,625	428,866	135,203	100,556
3017 HLTHY FAM & YOUNG CHILD															51,666	
3018 MATERNAL AND CHILD HEALTH	704,161		704,161		705,607		705,607		705,607		705,607		705,607		705,607	
3019 BLACK INFANT MORTALITY						40,000				39,300				50,746	48,554	
3026 HYPERTENSION - LIVELY	154,800			154,800	164,007			164,007	150,800			150,800	150,800			150,800
3032 PRIMARY CARE	27,781		27,781				27,783									
3015 ADOLESCENT HEALTH PROGRAMS	100,000		100,000		100,000	100,000			428,305	258,742	169,563		286,525	258,742	27,783	
3112 HEALTH & PREVENTION PROJECTS	55,000		50,000	5,000	53,554		48,554	5,000	102,113	11,446	48,554	42,113	42,113			42,113
SUBTOTAL	4,235,286	2,219,663	1,674,909	340,714	4,843,027	3,074,052	1,567,195	269,563	6,308,514	4,338,362	1,715,983	293,469	6,106,734	4,144,362	1,819,869	293,469
VACCINE	898,740	754,740	144,000		768,535	768,535			1,274,048	1,194,792		79,256	1,573,759	1,494,503		79,256
GRAND TOTAL	5,134,026	2,974,403	1,818,909	340,714	5,611,562	3,842,587	1,567,195	269,563	7,582,562	5,533,154	1,715,983	372,725	7,680,493	5,638,865	1,819,869	372,725



Sunflower Alcohol Safety Action Project, Inc.

Suite F, 112 S.E. 7th / Topeka, Kansas 66603 / Phone (913) 232-1415

April 1, 1991

Senator August Bogina
Chairman, Ways and Means Committee
Kansas Senate
State Capitol
Topeka, Kansas

RE: SB 76

Dear Senator Bogina:

Following the hearing on SB 76 held on February 18, 1991, we received a report from the Judicial Administrators Office for the year of 1990. We would like to share some of our thoughts on this report. The following chart will summarize the arrest, court adjudication and collection of the past past Fiscal Year of 1990.

FY90	No. DUI Arrests	No. DUI Adjudicated	Total DUI Assessments	Assessments Deposited	Administration Costs	To Certified Programs
City Courts	11,066	9,236	1,015,960	881,878	119,361	706,822
District Courts	8,064	7,101	781,110	630,461	24,218	562,867
Total	19,130	16,337	1,747,010	1,512,339	143,579	1,269,689

Percent of assessments to Certified Programs for DUI Adjudication 70.6%
Percent of assessments to Certified Programs for Court Collections 84%

These figures would indicated that approximately 13% of those DUI offenders adjudicated by the courts are ruled indigent by the court or have their assessment fee waived for some other reason.

In addition, 9.5% of all monies collected are retained by the District Courts and Municipal Courts for administrative purposes.

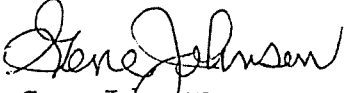
The remaining 6.9% of monies collected could be in the process of being paid to certified programs or being paid to programs or individuals who are not certified under K.S.A. 8-1008.

In conclusion the certified programs, on the average statewide, are only receiving 70.6% of the \$110.00 assessment as provided for in K.S.A. 8-1008. This amounts to \$77.60 per case.

SWAM
April 11, 1991
Attachment 3

We hope this short analysis based on the report furnished by the Judicial Administrator will be used in your committee's decision to pass SB 76 favorably and forward to the full Senate for further legislative action.

Respectfully,



Gene Johnson
Lobbyist for

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

[As Amended by House Committee of the Whole]

As Amended by House Committee

Session of 1991

HOUSE BILL No. 2020

By Special Committee on Ways and Means/Appropriations

Re Proposal No. 38

12-28

13 AN ACT concerning agricultural extension programs; authorizing es-
14 tablishment of extension districts; prescribing powers, duties and
15 functions therefor; authorizing certain tax levies; amending K.S.A.
16 2-608 and 2-609 and K.S.A. 1990 Supp. 2-615 and 2-616 and
17 repealing the existing sections.

18
19 *Be it enacted by the Legislature of the State of Kansas:*

20 New Section 1. (a) Prior to July 1 of any year, any two or more
21 county extension councils may establish an extension district com-
22 posed of all of the counties of such councils by entering into an
23 agreement in accordance with this section to combine the extension
24 programs for each county involved into one extension program serv-
25 ing the extension district. No such agreement shall be effective unless
26 such agreement has received the prior approval of (1) the board of
27 county commissioners of each county included in the proposed ex-
28 tension district and, subject to the provisions of subsection (i); (2)
29 the executive board of the extension council of each county included
30 in the proposed extension district and the director of extension of
31 Kansas state university of agriculture and applied science, or the
32 director's authorized representative, acting together as a body; and
33 (3) the attorney general in accordance with subsection (h).

34 (b) Prior to July 1 of any year, one or more county extension
35 councils and the governing body of any existing extension district
36 may establish a new extension district by entering into an agreement
37 in accordance with this section to combine the extension programs
38 for each such county and such district into one extension program
39 serving a new extension district composed of all counties represented
40 by such county extension councils and the area served by the existing
41 extension district. No such agreement shall be effective unless such
42 agreement has received the prior approval of (1) the board of county
43 commissioners of each county being added to the existing extension

SWAM
April 11, 1991
Attachment 4

1 district and, subject to the provisions of subsection (i); (2) the executive board of the county extension council of each county being
 2 added to the existing extension district, the governing body of the
 3 existing extension district and the director of extension of Kansas
 4 state university of agriculture and applied science, or the director's
 5 authorized representative, acting together as a body; and (3) the
 6 attorney general in accordance with subsection (h).
 7

8 (c) On January 1 after the approval under subsection (a) or (b)
 9 of an agreement to establish an extension district, such extension
 10 district is hereby established and shall constitute a body corporate
 11 and politic possessing the usual powers of a corporation for public
 12 purposes under the name of "extension district no. _____"
 13 (the number designated by the director of extension), _____
 14 counties (naming the counties included within the district), state of
 15 Kansas." Each extension district is a taxing subdivision and has the
 16 power to contract, sue and be sued and to acquire, hold and convey
 17 real and personal property in accordance with law.

18 (d) Upon the establishment of an extension district under sub-
 19 section (a) or (b), all of the personnel and property of each of the
 20 extension programs which are combined into the new district ex-
 21 tension programs shall be transferred to the new extension district
 22 and shall be subject to the authority of the governing body of the
 23 extension district in accordance with the agreement to establish the
 24 extension district.

25 (e) Upon the establishment of an extension district under sub-
 26 section (a), ~~the agreement shall provide for the election of the first~~
 27 ~~members of the governing body of the new extension district. The~~
 28 ~~election shall be held prior to the January 1 on which the extension~~
 29 ~~district is to be established and otherwise in accordance with section~~
 30 ~~2 and amendments thereto.~~

31 (f) In the case of one or more counties being included in an
 32 existing extension district under subsection (b), ~~the agreement shall~~
 33 ~~provide for the election of the members representing the counties~~
 34 ~~being added to the existing extension district in accordance with~~
 35 ~~section 2 and amendments thereto.~~ The offices of the members of
 36 the governing body of the existing extension district shall continue
 37 in existence and the persons in such offices shall be members of the
 38 governing body of the expanded extension district which is estab-
 39 lished on January 1 for the remainder of their existing terms of
 40 office.

41 (g) In addition to other required provisions, each agreement
 42 entered into under this section shall specify the permissible method
 43 or methods to be employed in disposing of the assets and liabilities

board of county commissioners of each county joining in the establishing of an extension district shall appoint four qualified electors to membership on the governing body of the district. The terms of all members so appointed shall commence on January 1 following their appointment. Of the members so appointed two members shall serve for terms ending upon the election and qualification of their successors at an election held on the first Tuesday in April of the first odd-numbered year following their appointment and two members shall serve for terms ending upon the election and qualification of their successors at an election held on the first Tuesday in April of the second odd-numbered year following their appointment.

board of county commissioners of each county being included in an existing extension district shall appoint four qualified electors of the county to membership on the governing body of the expanded district. The terms of all members so appointed shall commence on January 1 following their appointment. Of the members so appointed two members shall serve for terms ending upon the election and qualification of their successors at an election held on the first Tuesday in April of the first odd-numbered year following their appointment and two members shall serve for terms ending upon the election and qualification of their successors at an election held on the first Tuesday in April of the second odd-numbered year following their appointment.

4-2

1 of the extension district in the event that one or more counties
2 withdraw from the extension district under section 6 and amend-
3 ments thereto.

4 (h) Each agreement entered into under this section or under
5 section 6 and amendments thereto, prior to and as a condition
6 precedent to its entry into force, shall be submitted to the attorney
7 general who shall determine whether the agreement is in proper
8 form and compatible with this act and the other laws of Kansas.
9 The attorney general shall approve any agreement submitted for
10 approval under this section or section 6 and amendments thereto
11 unless the attorney general finds that the submitted agreement does
12 not meet the requirements of this act. In such case, the attorney
13 general shall specify in writing to the proposed parties to the agree-
14 ment and to each other entity required to approve the agreement,
15 the specific respects in which the proposed agreement fails to meet
16 the requirements of law. Failure by the attorney general to dis-
17 approve an agreement submitted pursuant to this subsection within
18 90 days of its submission shall constitute approval of the agreement
19 by the attorney general.

20 (i) Prior to approving an agreement under this section, the board
21 of county commissioners of each county to be included in a proposed
22 extension district under subsection (a) or to be added to an existing
23 extension district under subsection (b), as the case may be, shall
24 adopt a resolution stating the intention of the board of county
25 commissioners to approve such agreement and specifying the coun-
26 ties that are to be included in the extension district. Such resolution
27 shall be published once each week for two consecutive weeks in
28 the official county newspaper. If, within 60 days following the last
29 publication of the resolution, a petition in opposition to the approval
30 of the agreement and the inclusion of the county in the extension
31 district is signed by not less than 5% of the qualified electors of
32 the county and is filed with the county election officer, such board
33 of county commissioners shall not approve such agreement and the
34 county shall not be included in the extension district unless and
35 until the same is approved by a majority of the qualified electors
36 of the county voting thereon at a primary election or general elec-
37 tion or at a special election called and held for such purpose. Any
38 such special election shall be called, noticed and held in accordance
39 with the provisions of K.S.A. 10-120, and amendments thereto.

40 New Sec. 2. (a) The governing body of each extension district
41 shall be composed of four representatives from each county included
42 in the extension district. ~~The four members representing each county~~
43 in an extension district shall be elected in a county-wide election

4-3
At the conclusion of the terms of the
members first appointed to membership
on the governing body of the district

4-7

1 by the qualified electors of the county.

2 (b) Each member of the governing body shall hold office for a
 3 term of four years and until such member's successor is elected and
 4 qualified, ~~except that of the first four members elected to represent~~
 5 ~~a county, two members shall be elected for terms of office of four~~
 6 ~~years and two members shall be elected for terms of office of two~~
 7 ~~years, so that 1/2 of the representatives from each county shall be~~
 8 ~~elected every two years. Each such term of office shall commence~~
 9 ~~on the January 1 that such county is included in an extension district~~
 10 and shall continue until the member's successor is elected and
 11 qualified.

12 (c) (1) Except as otherwise provided in this act, an election to
 13 elect successors to members of the governing body whose terms
 14 are expiring shall be held on the first Tuesday in April in each
 15 year ~~that a member's term expires in the county represented by~~
 16 ~~such member.~~

17 (2) Elections to choose members of the governing ~~board~~ of an
 18 extension district shall be conducted, the returns made and the
 19 results ascertained in the manner provided by law for general
 20 county elections except as otherwise provided by this act. Not later
 21 than 12:00 noon of the Wednesday next following the ~~primary elec-~~
 22 ~~tion as such term is defined in subsection (b) of K.S.A. 25-2502 and~~
 23 ~~amendments thereto, each person desiring to be voted upon as a~~
 24 ~~member of the governing board, in any election, shall file a dec-~~
 25 ~~laration of candidacy with the county election officer of the county~~
 26 ~~represented by the member of the governing board whose successor~~
 27 is to be elected, as a candidate in such election. The election officer
 28 in making up the ballots and in placing the names thereon shall
 29 place the names on the ballots in alphabetical order.

30 (3) The county election officer of each county within the exten-
 31 sion district shall appoint election boards as provided by law for
 32 other elections and shall designate places for holding the election.
 33 The county ~~clerk~~ shall cause to be ascertained the names of all
 34 persons within the district who are ~~also~~ qualified electors, and shall
 35 furnish lists thereof to the judges of the election. Notice of the time
 36 and place of holding each election, signed by the county election
 37 officer, shall be given in a newspaper published in the county and
 38 posted in a conspicuous place in the office of the ~~board of directors~~
 39 at least five days before the holding thereof.

40 (4) All election expenses shall be paid by the extension district.
 41 Election officials shall receive the same compensation as provided
 42 under the general election laws.

43 (e) (e) Any vacancy in the membership of the governing body of

At the conclusion of the terms of the members first appointed to membership on the governing body of the district

on the date of receipt of certification of election by the member elected

odd-numbered

body

Tuesday, five weeks preceding the first Tuesday in April in odd-numbered years

as a candidate for membership on

body

body

county

election officer

governing body (?)

1 an extension district shall be filled by appointment by the governing
2 body for the unexpired term of office. Each member so appointed
3 shall be a resident of the county which was represented by the
4 member creating the vacancy.

5 (e) (f) The governing body of each extension district shall or-
6 ganize annually in January by electing from among its members a
7 chairperson, vice-chairperson, secretary and treasurer.

8 New Sec. 3. (a) The governing body of each extension district
9 shall plan and conduct the educational extension programs for the
10 extension district in accordance with this act. The governing body
11 of the extension district shall appoint program development com-
12 mittees to develop educational program plans on extension work in
13 agricultural pursuits, in home economics work, in 4-H club and youth
14 work, and in economic development initiatives. Each program de-
15 velopment committee shall consist of six or more members from each
16 county. Each program development committee shall be chaired by
17 a member of the governing body of the extension district and shall
18 meet as needed to plan educational programs to meet the needs of
19 the extension district. All program plans shall be subject to final
20 approval of the governing body of the extension district.

21 (b) The governing body of the extension district and the director
22 of extension of Kansas state university of agriculture and applied
23 science, or the director's authorized representative, shall meet and
24 adopt the annual budget for the extension district to provide for the
25 extension programs, acting together as a body, in accordance with
26 and subject to the provisions of K.S.A. 79-2925 *et seq.*, and amend-
27 ments thereto, regarding the budgets of taxing subdivisions, except
28 as otherwise specified by this act.

29 (c) The governing body of the extension district, in the same
30 manner as provided by law applying to other taxing subdivisions,
31 may make an annual tax levy upon all the taxable tangible property
32 of the extension district for the purpose of raising funds to be used
33 to plan and conduct the educational extension programs of the ex-
34 tension district, to be levied and collected as other taxes, at a rate
35 fixed in accordance with the approved budget and of not to exceed
36 the greater of (1) the rate of 2.5 mills or (2) the rate determined to
37 yield an amount equal to the product of \$75,000 multiplied by the
38 number of counties within the extension district. The governing body
39 shall certify the levy so fixed to the county clerk of each county in
40 the extension district who is hereby authorized and required to place
41 such levy on the tax rolls of the county to be collected by the county
42 treasurer and paid by the county treasurer to the treasurer of the
43 extension district.

STATE OF KANSAS



TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS

MEMBER: CONFIRMATIONS
EDUCATION
ENERGY AND NATURAL RESOURCES
FEDERAL AND STATE AFFAIRS
PUBLIC HEALTH AND WELFARE

DOUG WALKER
SENATOR, 12TH DISTRICT
MIAMI, BOURBON, LINN,
ANDERSON, ALLEN AND
NEOSHO COUNTIES
212 FIRST
OSAWATOMIE, KANSAS 66064
(913) 755-4192 (HOME)
(913) 296-7380 (STATE CAPITOL)

TESTIMONY FAVORING PASSAGE OF SB 403

Senate Bill 403 is an important step in our efforts to reform our health care system. As you are all aware, we have studied the problem in depth through interims, task forces, and commissions for several years -- yet we are little closer than we were in the beginning to actually implementing the comprehensive reform measures needed to control costs and provide adequate access to health care for the citizens of Kansas. In fact, only one proposal has even been introduced to reform the entire system, Senate Bill 205.

The more we examine the current health care system, the more it becomes explicitly evident that a patchwork of short range solutions to the problem will never address the greater need of a complete overhaul of the system.

For any major overhaul of our system to be implemented in the first place -- and to be successful once implemented -- requires in-depth understanding and support from the people of Kansas. SB 403 provides the forum that will allow Kansans to participate in the development of a new health care policy. Taken in the context of a bill like SB 205, these public forums

SWAM
April 11, 1991
Attachment 5

would provide information to clearly define services to be covered under a universal health plan, would emphasize the areas of health care where spending would be most appropriate and, overall, help policy makers better understand what Kansans want and expect from a health care system. Once these priorities are defined, these public forums could further be used to inform the public on the specifics of any reform plan, gather public feedback and generate public support for its implementation.

Senate Bill 403 is the result of work by a bipartisan group who believe that the time has come to change our current system. It will use both state and private money and limit participation and manipulation by special interest groups which might have an interest in the out come of the commission report.

This is another step in the on-going process of reforming our health care system and I encourage this committee to pass it out favorably.

STATE OF KANSAS



Kansas Department of Civil Air Patrol
Building 328, Mail Stop 52
McConnell Air Force Base, Kansas 67221-5000
(316) 686-7407

Maj. Ward P. Ferguson

~~Col. Ralph W. Bissinger, Jr.~~
Director

Col. Patricia A. Lane
Commander, Kansas Wing

Joan Finney

~~Governor of Kansas~~
Governor of Kansas

April 10, 1991

Division of the Budget
Statehouse Room 152-E
Topeka, KS 66612-1578

ATTENTION: MARK MANNING

RE: S.B. 439

Dear Mark;

I just received notice that I am to have information to you by tomorrow. As an argument for a FAX machine let me mention that the Division of the Budget letter of April 5, 1991 was not received at Wing Headquarters (55 miles from my office in McPherson) until this morning. Our C.A.P. secretary used a FAX from another location to get a copy of it to me at our law office. When dealing with other State offices, this time element has become almost common, making it impossible to properly handle our communications.

BACKGROUND: After our budget hearing with the House Sub-Committee we received a request from the Bonds, Insurance and Surety Committee for an amendment to our national insurance policy to name the State of Kansas as an insured or for \$2,000.00 from our agency to provide coverage under the State of Kansas policy. It was our understanding that the national policy could not be amended and that we needed the \$2,000.00. We brought this up at the Senate Sub-Committee with the suggestion that either the State provide us additional funds to cover this or that legislation be passed showing that these vehicles are "federal assets" and not subject to the insurance requirements or State of Kansas license tags.

The 1992 budget includes \$667 for Kansas license tags, and if the bill passes we should be able to provide our own license tags such as is done by the C.A.P. in Oklahoma, Missouri, Iowa and Minnesota (to name a few). We would save the difference

RECEIVED
APR 11 1991
DIVISION OF BUDGET
State of Kansas

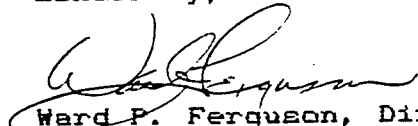
SWAM
April 11, 1991
Attachment 6

in the costs of providing our own and paying the State. Just offhand I do not have the figures but it should be about \$500 for the first year and more than that as we get additional vehicles.

PRESENTLY: Bill Newman of the Legal Department of the Department of Administration tells me by phone that he feels these vehicles are federal assets anyway. He has just been in contact with the Civil Air Patrol Headquarters in Alabama and with I.N.A., who has the C.A.P. insurance, and is in the process of working out the details of trying to add the State of Kansas to that policy. He feels that we may not have to pay the \$2,000 now, but that S.B.439 would be beneficial concerning the insurance question regardless.

My conclusion is that any confusion regarding the status of the vehicles would be cleared up by passage of S.B.439, that our agency would save probably \$500 per year and possibly \$2,500 in expenses now, that our budget would not have to be increased to cover said amounts, that jeopardization of future insurance contracts with other companies would be avoided with the clarification that passage of this bill would bring about. Our agency will not have any increased staffing or operating levels over our present status, and I find nothing in the change which would adversely effect any other department or agency.

Sincerely,



Ward P. Ferguson, Director
Major, Civil Air Patrol

Testimony before Senate Ways and Means Committee
on House Bill 2619

April 1991

Robert S. Wunsch
University of Kansas Medical Center

K.S.A. 76-373 et seq. provides for the medical scholarship program at the University of Kansas Medical Center. This program has been modified a number of times since its inception in the late 1970s to address the ever-changing circumstances involved in the delivery of health care in Kansas. House Bill 2619 addresses two problems which have arisen during the past year.

Under current law, persons first receiving a scholarship after December 31, 1985 are required to enter a primary care residency upon graduation from medical school. Those who do not must repay all monies received plus interest at the rate of 15 percent within 90 days of graduation. The first individuals having received scholarships under this provision graduated from medical school last spring. Several did not enter primary care residences, although all have entered some residency program. Those individuals are faced with immediately paying the total amount they received under the program plus interest. The range of this obligation is from approximately \$9,000 to nearly \$60,000.

This repayment provision should be contrasted with that provided for persons who likewise graduated last spring who enter and complete the required primary care residency, but who then do not enter practice in a community of 12,000 or less, as required by the statute. Those individuals will be required to repay the amounts they received at the same interest rate, but in five annual installments beginning at the time they complete the residency.

Another distinction between the two groups of individuals is that those who do not enter the required primary care residency, and therefore are obligated to immediately repay in full, are at a stage in their medical training which does not afford them the income to make a lump sum repayment, whereas the individuals who default after completing a primary care residency not only have five years in which to complete repayment, but will also be at a stage in their career to have the earning capacity to repay the amount due. Admittedly, neither group is accomplishing the goal the scholarship program intended.

Further, it is our understanding that the provision requiring immediate repayment within 90 days of graduation was the result of a Senate floor amendment. Undoubtedly, the long-term consequences of the amendment went undetected.

We presently are faced with collection of the amount owed by those covered by

SWAM
April 11, 1991
Attachment 7

the 90-day repayment provision. We have received evidence from several individuals of their current financial status and inability to immediately repay, even though they acknowledge their obligation. Reviewing the information provided suggests that we would likely be unsuccessful in obtaining any substantial recovery if we instituted legal procedures to compel repayment. Furthermore, if we initiated litigation under these circumstances, it is possible that an individual might attempt to discharge the obligation in bankruptcy. While such an individual would face substantial obstacles in pursuing this course, it seems to us that H.B. 2619 provides a practical solution which would eventually accomplish repayment.

Under the provisions of H.B. 2619, a person who does not enter a primary care residency will be treated in the same way as the person who does enter the required residency but fails to practice in an appropriate service location, except that the person failing to enter the residency would be required to annually pay accrued interest on the outstanding obligation. At the time the individual completes the non-complying residency, he or she would be obligated to repay the entire amount owed in five annual installments.

The second part of House Bill 2619 beginning at line 9 on page 3 addresses the situation of those individuals who are practicing medicine full-time in compliance with their service obligations, but who wish to reduce their practice to less than full-time. A request has recently been made by a pregnant physician who wishes to reduce her practice to less than full-time, but who is willing to extend her service obligation for an additional period of time. Under the proposed amendment, the Chancellor or his or her designee, upon a finding of exceptional circumstances on a case-by-case basis, could authorize a person to practice less than full-time, but at least half-time, with a corresponding increase in the length of the service obligation. For example, a person with an obligation to practice full-time for 4 years who reduces to half-time practice after having served full-time for 2 years would have to practice half-time for an additional 4 years, for a total of 6 years. We believe that this modification furthers the purpose intended under the scholarship program, plus affording relief when circumstances so warrant.

**Testimony before Senate Ways and Means Committee
on House Bill 2624**

April 1991

**Robert S. Wunsch
University of Kansas Medical Center**

The principal mission of the University of Kansas Medical Center is to educate and train health care professionals. Essential to this teaching mission is the University Hospital and the training laboratory that it provides. As an additional service, the University Hospital has for decades provided the highest quality and greatest diversity of health care services available to the citizens of Kansas and the region.

Over the years, the University Hospital has been able to attract sufficient numbers of patients to support its operating costs and the educational needs of the institution. One of the realities of the changes in the health care delivery system is that high quality tertiary care health services are no longer available only at University teaching facilities. In Kansas, very sophisticated health care facilities are available to meet the health care needs for the region. This increased competition for patients places the University Hospital in a position of having to alter its longtime passive approach to attracting patients. No longer can the institution merely rely on referrals of patients from physicians across Kansas and throughout the midwest as its principal source of patients to support academic programs. Other health care providers actively promote their institutions and programs through a variety of means. To remain competitive in this ever changing health care environment, it becomes imperative that the University Hospital become more proactive in developing the kinds of services and programs that will make it attractive to sufficient numbers of patients in the years to come.

Currently, the University Hospital is recognized as the premier provider of cancer care in the greater Kansas City area. An opportunity is now available to significantly advance our cancer care program and substantially increase our effectiveness in meeting the needs of the citizens of Kansas and the region, as well as to enhance the educational opportunities for medical student and residents alike. Our association with a private enterprise to develop an outpatient detection, screening, diagnostic and treatment service center related to cancer would enable us to provide the following services which are not presently available: 24-hour outpatient care; funding for retention and enhancement of staff; enhancement of marketing and public relations; educational opportunities for student, residents and fellows in an multidisciplinary cancer center environment; modernization and upgrading of equipment; improvement in community education and outreach programs; and satellite programs which allow us to expand our service area.

Entering in to such a contractual arrangement would enable the institution to protect its existing patient base as well as to enhance its competitive position in today's ever changing health care market. Unless the University Hospital moves aggressively in

*SWAM
April 11, 1991
Attachment 8*

areas such as cancer treatment, among others, it will inevitably suffer in its ability to support the educational needs of the institution. Participation with a private concern in establishing such an outpatient service center related to cancer would offer numerous advantages to the State of Kansas and its citizens: improved facilities and support for patients and faculty/staff; the opportunity to offer on-the-spot multivisibility in the community; a clinical cornerstone for a comprehensive cancer center status as defined by the National Cancer Institute; improved early detection opportunities; and a better payor mix of patients due to increased patient convenience.

We are seeking through H.B. 2624 authority to pursue a relationship with a private concern which would initially involve certain arrangements for the renovation of existing facilities in order to establish an interim center. Construction of a permanent center would then be undertaken in conjunction with the private entity. We have proposed in H.B. 2624 several alternative methods of accomplishing those undertakings, which would also include a long-term lease arrangement through which the private concern would operate the patient care aspects of the center. This would create a kind of joint venture between the Medical Center and the private concern, with each drawing on the strengths and expertise of the other in order to provide the enhancements to our program which are described above.

The organization we are currently considering now operates cancer centers jointly with a number of hospitals throughout the United States. It is interested in expanding its operation through a center in the greater Kansas City area. Should our current discussions not prove fruitful, we would be interested in pursuing affiliations with other entities.

New Section 2 of H.B. 2624 is modeled after K.S.A. 76-757 which authorizes endowment associations to construct, repair and renovate buildings on state property. Under New Section 2 the private organization would be authorized to repair, remodel and renovate existing facilities in the University Hospital where the cancer center would operate on an interim basis. These improvements would be totally financed from the monies of the private organization. The section would further authorize the private organization to construct a facility to permanently house the center on state property. Again, this would be totally financed by the private organization. At the completion of the project, whether renovation or new construction, the facilities involved would become the property of the State. The statute further provides that no such project would be undertaken without the Board of Regents first advising and consulting with the Joint Committee on State Building Construction, and plans and specifications for the project would be approved by the Secretary of Administration.

New Section 3 provides an alternative method of accomplishing the renovation of existing facilities or the construction of new facilities. Under this section, the Board of Regents would be authorized to issue revenue bonds to finance all or a part of the costs of the renovation or construction. The Board could not issue bonds without first advising and consulting with the Joint Committee on State Building Construction. The principal and interest on the bonds would be payable from revenues arising out of the operation

of the University Hospital or the operation of the cancer center itself.

New Section 4 authorizes the Board of Regents to enter into an agreement to lease the interim or permanent facilities described in both Sections 2 and 3 to the private organization, with or without receiving direct monetary consideration. This agreement would be for a maximum of 35 years. The section also enumerates certain provisions which must be in the agreement, such as provisions for termination, etc. The agreement may not be entered until the Board of Regents has consulted with the Joint Committee on State Building Construction.

We anticipate that space for the interim facility will be located in an area within the University Hospital where administrative functions are now located. These units will be relocated to other areas of the Hospital which are now used principally for storage purposes. We believe it is more cost effective to relocate storage space to an off-site location and to utilize the "prime" Hospital space for administrative space. Therefore, we seek authority to acquire an existing facility in Wyandotte County for storage space. The statute would provide for the Board of Regents to issue revenue bonds to pay for the acquisition of this real estate. If the property cannot be obtained through negotiation, the statute would also authorize the acquisition of the property through eminent domain. The income to finance the bonds, principal and interest, would come from revenue of the University Hospital.

New Section 6 is necessary to revise the definitions of "institution" and "building" as those terms are used in the statutes authorizing the Board of Regents to issue revenue bonds, K.S.A. 76-6a13 et seq.

In reviewing the bill, we recognize the remote possibility that a site on the Medical Center campus might be found unsuitable for construction of the permanent facility. Therefore, we need to extend the authority provided in new Section 3 to include acquisition of a site adjacent to the Medical Center.