

Approved: _____
Date 2-10-92

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson George Teagarden at 1:35 p.m. on January 29, 1992 in room 541-S of the Capitol.

All members were present except: Representative Fuller (excused)

Committee staff present: Ellen Piekalkiewicz, Legislative Research Department
Debra Duncan, Legislative Research Department
Jim Wilson, Revisor of Statutes
Sue Krische, Administrative Aide
Rose Baker, Committee Secretary

Conferees appearing before the committee:

Elizabeth Taylor, Executive Director, Kansas Association of Local Health Department
Steve Paige, Director, Bureau of Environmental Health Services
Ms. Frances Kastner, Kansas Food Dealers Association
Donna Whiteman, Secretary, SRS

Others attending: see attached list.

HB 2675 - Crediting interest to the wildlife fee fund.

Representative Helgerson moved that HB 2675 be recommended favorably for passage. Representative Turnquist seconded. Motion carried.

HB 2718 - Disposition of Souders Historical Farm-Museum.

Jim Wilson, Revisor of Statutes, discussed the proposed amendment for HB 2718 (Attachment 1). There is a minor clarification of language in line 22, and additional language on line 31 regarding disposition by gift. Representative Wisdom moved to amend HB 2718. Representative Helgerson seconded. Motion carried. Representative Blumenthal moved that HB 2718, as amended, be recommended favorably for passage. Seconded by Representative Kline. Motion carried.

HB 2727 - Emporia State University Foundation, changing statutory references from endowment association.

Representative Lowther moved that HB 2727 be recommended favorably for passage. Seconded by Representative Helgerson. Motion carried.

HB 2652 - KDHE, registration and inspection of retail food stores, fees.

Representative Henry Helgerson gave a brief review of discussion by his subcommittee. The subcommittee is recommending that the inspections by KDHE be covered by fees rather than by the state general fund. The subcommittee instructed KDHE to propose a policy to collect enough fees to pay for the program. This can be done, in part, through rules and regulations and partly by statutory changes. The Senate agreed with the recommendations of the Appropriations subcommittee.

Elizabeth Taylor, Executive Director, Kansas Association of Local Health Departments, presented testimony in support of HB 2652. Director Taylor provided the Committee a poem, "Ode About Funding Food Store Inspection and Regulation" (Attachment 2). KALHD supports funding the inspection of grocery stores through registrations and fees. By installation of this bill, KALHD believes that many problems can be solved.

Stephen N. Paige, Director, Bureau of Environmental Health Services, KDHE, presented testimony in support of HB 2652 (Attachment 3). Director Paige stated that the passage of HB 2652 will give the Secretary authority to establish by administrative regulation registration fees not to exceed \$50 annually. Currently, there are no fees, licenses, or permits specifically for retail food store inspections. This amount would generate an estimated \$125,000 in new revenue. Presently, inspections are being paid out of the general fund. The current cost of the retail food store inspection program is \$873,000 SGF, offset by receipts from current fees and licensing of \$505,000.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, room 541-S Statehouse, at 1:35 p.m.
on January 29, 1992.

Ms. Frances Kastner, Kansas Food Dealers Association, presented testimony in opposition to HB 2652 (Attachment 4). Ms. Kastner stated that the Kansas Food Dealers Association was opposed to this bill mainly because it is inappropriate to permit an appointed agency head to set fees without minimum or maximum limits. Ms. Kastner expressed concern regarding the cost for fees and inspections from one year to the next, or one administration to the next.

KFDA is also concerned that HB 2652 is discriminatory against the retail food stores. The bill exempts segments of the food marketing industry which include broad categories of restaurants, commissaries and cafeterias for employees and non-profit organizations. The bill doesn't specify the amount paid by any of the exempted establishments. However, under HB 2652, retail food stores would be paying the amounts the Secretary determines.

SB 496 - Appropriations for FY92, supplemental appropriations for department of social and rehabilitation services.

Donna Whiteman, Secretary, SRS, presented testimony in favor of SB 496 (Attachment 5). Secretary Whiteman requested the Committee to act quickly on this bill. This bill eliminates transfer limits from the Institutional Title XIX Receipts Fund, as well as authorizes our State Mental Hospital Superintendents to transfer funds to the SRS Social Welfare Fund, commonly known as the SRS Fee Fund. Kansas is required to match each federal dollar with \$.82 of its own. For the mental institutions to earn this federal money, they need an equal amount of state general fund appropriation. SRS must have the current limit on flow of Title XIX funds to the four institutions lifted. It is then necessary to authorize the four Superintendents to donate any amounts not appropriated for their use to the SRS Fee Fund. Once in the SRS Fee Fund, it may be utilized as matching funds on the next quarter's federal funds.

Secretary Whiteman stated that the language changes along with the transfer limit changes need to be made within this quarter or risk the possible loss of this federal money. Representative Helgerson moved to recommend SB 496 favorably for passage. Representative Goosen seconded. Motion carried.

Meeting adjourned at 2:30 p.m.

HOUSE BILL No. 2718

Proposed Amendment
1-29-92

By Joint Committee on the Arts and Cultural Resources

I-16

8 AN ACT concerning the state historical society; authorizing dispo-
9 sition of certain property; amending K.S.A. 76-2044 and repealing
10 the existing section; also repealing K.S.A. 76-2045.

11
12 *Be it enacted by the Legislature of the State of Kansas:*

13 Section 1. K.S.A. 76-2044 is hereby amended to read as follows:

14 76-2044. (a) The state historical society may ~~take and acquire all~~
15 ~~or part of the tract of land described in subsection (b) in fee~~
16 ~~simple in the name of the state by gift, grant or donation,~~
17 ~~including any and all improvements thereon, as agreed upon~~
18 ~~by the owners of said land, without expense to the state, for~~
19 ~~the purpose of establishing and maintaining the same as an~~
20 ~~historical farm and museum depicting historical methods of~~
21 ~~farming and living within the state of Kansas to be dispose of,~~
22 ~~by gift, sale or other conveyance. [~~any or~~] all state-owned property~~ or part of the
23 ~~located within the tract of land described in subsection (b), including~~
24 ~~all improvements thereon, known as the "Souders Historical Farm-~~
25 ~~Museum."~~

26 (b) The tract of land referred to in subsection (a) is described as
27 follows: The northwest quarter (NW 1/4) and the north one-half (N
28 1/2) of the southwest quarter (SW 1/4) of section 18, township twenty-
29 eight (28) south, range 4 west (R4W) of the 6th P.M. in Sedgwick
30 county, Kansas, containing two hundred forty (240) 240 acres, more
31 or less.

32 Sec. 2. K.S.A. 76-2044 and 76-2045 are hereby repealed.

33 Sec. 3. This act shall take effect and be in force from and after
34 its publication in the statute book.

(b) The disposition by gift, sale or other conveyance of state-owned property authorized by this section shall not be subject to the provisions of K.S.A. 75-3043a and amendments thereto.

HA
1-29-92
Attachment 1



Testimony in Support of House Bill 2652
House Appropriations Committee
January 29, 1992

ODE ABOUT FUNDING
FOOD STORE INSPECTION AND REGULATION

You go to the neighborhood grocery store
And what do you think you will find?
Of course there's your fruits and your vegetables
And canned goods of every kind.

But how do we know if the retail food store
Is clean and is following State laws?
It's up to our local Sanitarian
To see if the store has a flaw.

Where does the State find the money to fund
The inspection of all these food stores?
It's taken right out of the general fund
Which makes all our taxes rise more.

As taxpayers scream and are getting irate
Because they can't see where it ends.
We must have a way that will calm all their nerves
A way that will cut where we spend.

To fund the inspection of grocery stores
Is easily fixed, and you'll see
We can solve many problems by installing a bill
That requires registration and fee.

This ode is about to come to an end
And I know you will see that it's true,
We must all band together and rise to the cause
And support House Bill 2652.

For more information, contact Elizabeth E. Taylor, Executive Director, 913-354-1605.



Department of Health and Environment
Azzie Young, Ph.D., Secretary

Reply to:

Testimony presented to
House Appropriations Committee

by

The Kansas Department of Health and Environment

House Bill 2652

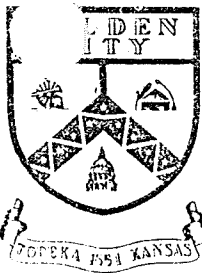
This bill was introduced last Legislative Session at the request of the Kansas Department of Health and Environment. The decision to request this bill resulted from discussions with the House Appropriations Sub-Committee regarding funding of the KDHE budget. After much consideration, it was decided the issue of funding retail food store inspections from fees should be addressed.

The Kansas Department of Health and Environment has inspected retail food stores for decades. Establishments are inspected and regulated in accordance with the Kansas Food, Drug and Cosmetic Act (K.S.A. 65-655 et. seq.). Specific retail food store regulations have been adopted based on recommendations from the U.S. Food and Drug Administration. There are currently no fees, licenses, or permits specifically for retail food store inspections.

Passage of H. B. 2652 gives the Secretary authority to establish by administrative regulation registration fees not to exceed \$50 annually. At this time, we are aware of approximately 2,500 retail food stores that would be expected to pay registration fees following the passage of H. B. 2652. Establishing fees at \$50 would generate an estimated \$125,00 in new revenue annually. These 2,500 establishments currently meet the definition of retail food store adopted by K.A.R. 28-23-81.

The KDHE supports passage of H. B. 2652.

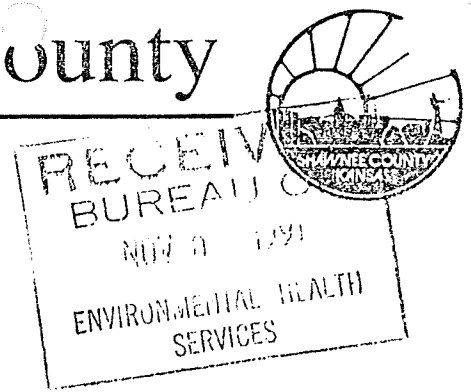
Testimony presented by: Stephen N. Paige
Director
Bureau of Environmental Health Services
Division of Health
January 29, 1992



Topeka-Shawnee County

Health Agency
1615 S.W. 8th Street
Topeka, Kansas 66606
Phone 913-233-8961

01 NOVEMBER 1991



KANSAS DEPARTMENT OF HEALTH & ENVIRONMENT
ATTN: STEVE PAIGE
900 SE KANSAS
TOPEKA, KANSAS 66603

RE: FOOD SERVICE FEES

Dear Steve,

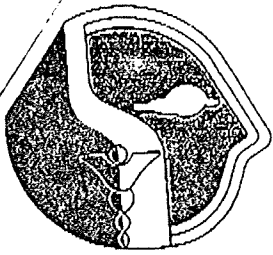
I would like to take this opportunity to express my support for the increase of all food service renewal fees to forty dollars (\$40.00) a year.

I feel the renewal fees for all classes should be the same amount as the same amount of time is required for inspections and complaints for compliance with regulations regardless of the classification of the food service.

Sincerely,

Mary May
Mary May
Sanitarian Tech. II
Environmental Health

MM:pdw



October 31, 1991

Stephen Paige, R.S., Director
Bureau of Environmental Health Services
Kansas Department of Health and Environment
Mills Building - 6th Floor
109 SW 9th Street
Topeka, KS 66612

Dear Mr. Paige:

I am writing to voice our agency's support for your proposed food service fee revision. I would ask that these comments be entered into the record at the hearing scheduled for November 4.

The current fee structure has been in effect for approximately ten years. While inspection costs have increased, revenue has remained static and actually decreased in terms of "real" dollars. This has required increased use of general tax revenues at the state and local levels to fund the needed regulatory activities.

The current proposal would place fees for the three current establishment classes at the same level. It has been our experience that plans review, pre-construction consultations, routine evaluations, and complaint investigations in class "one" or "two" facilities consume nearly as much staff time as those in class "three" establishments. Administrative and clerical time expended per establishment is identical, regardless of class.

At a time when both state and local fiscal resources are strained, many units of government have placed an increased emphasis on user fees and self-funded programs. While the proposed fee revision will increase revenue slightly, the program in question is not yet self-funded. It is our opinion that the proposal is both reasonable and necessary.

Sincerely,

Michael H. Covert, M.H.A., F.A.C.H.E.
Acting Director of Community Health



EXECUTIVE DIRECTOR
JIM SHEEHAN
Shawnee Mission

January 29, 1992

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**DIRECTOR OF
GOVERNMENTAL AFFAIRS**

FRANCES KASTNER

HOUSE APPROPRIATIONS COMMITTEE OPPOSING HB 2652

I am Frances Kastner, Director of Governmental Affairs for the Kansas Food Dealers Association. Our membership includes manufacturers, wholesalers, distributors and retailers of food products throughout the state of Kansas.

We are opposed to 2652 for a number of reasons, but mainly we believe it is inappropriate to permit an appointed agency head to set fees without minimum or maximum limits. That in itself is a frightening proposition to any businessperson. When it is combined with the terminology permitting the fees to be set .."in an amount to cover all or part of the direct or indirect costs of inspection and regulation of retail food stores" (lines 28 and 29), there is no way to predict what the cost for fees and inspections would be from one year to the next, or one administration to the next.

As recently as November 4, 1991, the DHE had hearings to increase the sliding scale for food service establishments licenses from \$30, \$35, and \$40 to a flat \$40 annual fee; and application fees from \$30, \$60, and \$90 to one rate of \$90.

I must tell you that I was the ONLY conferee who appeared at the meeting which was attended by several agency employees along with Steve Paige, Food Service Establishments Director. Copies of information shared by him are attached. You will find that only TWO written documents were submitted IN FAVOR OF THE INCREASED FEES -- from the Wichita-Sedgwick County Department of Community Health and from the Topeka-Shawnee County Health Agency.

During the hearing officer's presentation he indicated that Shawnee and Sedgwick County were among the counties who CURRENTLY DO THE INSPECTIONS OF FOOD SERVICE ESTABLISHMENTS FOR THE STATE OF KANSAS -- and for that service receive 80% of the fee paid TO THE STATE. Other Counties providing that service for the State included Saline, Wyandotte, Butler, Greenwood, Lyons, Reno, and Riley. There may be others, but those were the counties contained in my notes of 11/4/91.

HA
1-29-92
Attachment 4

When I checked with a number of our members, I found that in MOST instances there is also a LOCAL FOOD SERVICE INSPECTION FEE OF AT LEAST \$30.00. Adding 80% of the \$40 STATE LICENSE FEE our members are paying to Shawnee County \$62 for the inspection.

I have no way of knowing whether that covers the cost of the inspection. But Mr. Paige did say that the economic impact from adoption of the KAR's would be about \$25,000 -- raising the annual amount from approximately \$680,000 to approximately \$705,000.

I have not seen a fiscal note for HB 2652, but with the latitude given in HB 2652 for fees to be fixed by the Secretary of the Health and Environment annually to cover ALL OR PART OF DIRECT OR INDIRECT COSTS, the fiscal note could be substantially higher. We believe this is setting a VERY DANGEROUS precedent, and one which takes away YOUR legislative oversight.

BUSINESSES NEED TO KNOW WHAT TO EXPECT IN THE WAY OF FIXED EXPENSES AND INSPECTION FEES. As an example of fees currently paid by grocery retailers in Shawnee County I have listed over \$500 fees paid by one of our members and I have been told the amount is pretty representative of fees paid all over the state.

| | |
|------------------------------------------|----------|
| State Food Service License | \$ 40.00 |
| Shawnee County Food Service License | 30.00 |
| O.T.C. Pharmacy License | 20.00 |
| Cigarette License | 12.00 |
| LOCAL CMB License | 125.00 |
| FEDERAL CMB License | 250.00 |
| CITY License to stay open after midnight | 25.00 |

Retailers view FEES as a HIDDEN TAX. Of course it is a "cost of doing business" and that cost has to be passed on to the consumer.

We also see HB 2652 as being discriminatory against the bonafide "retail food stores" as defined in Section 1 (a). You will note the bill EXPRESSLY EXEMPTS segments of the food marketing industry... on lines 20 thru 23.... (2) roadside markets offering only fresh fruits and fresh vegetables, and food service establishments defined by K.S.A 36-501 -- which includes the broad categories of restaurants, commissaries and cafeterias for employees and non-profit organizations, etc.

Although the bill doesn't specify the amount paid by any of those exempted establishments, IF they pay the current fees, the largest restaurant in the State would be paying no more than \$40 for the annual fee and \$90 for the application fee. However, under HB 2652, "retail food stores" would be paying whatever amounts the secretary determines covers "all or part of the direct or indirect costs....."

We respectfully request that you NOT RECOMMEND THIS BILL FOR PASSAGE. I appreciate the opportunity of appearing before you and expressing our views and will be happy to answer any questions you may have.

Frances Kastner
 Frances Kastner, Director
 Governmental Affairs, KFSA

KANSAS DEPARTMENT OF HEALTH AND ENVIRONMENT
DIVISION OF HEALTH
BUREAU OF ENVIRONMENTAL HEALTH SERVICES

ECONOMIC IMPACT STATEMENT
PROPOSED AMENDMENT OF K.A.R. 28-36-30

K.A.R. 28-36-30 relating to food service establishment license application fees and license fees is proposed to be amended on a permanent basis by the Secretary, Kansas Department of Health and Environment. The proposed amendment is in response to recommendations presented to the Kansas Department of Health and Environment during the 1991 Kansas Legislative Session by the House Subcommittee on Appropriations.

Adoption of the proposed amendment of K.A.R. 28-36-30 will abolish the current food service establishment classification system designating various license application and license fees. Current application fees are established at \$30.00, \$60.00 and \$90.00. Adoption of the proposed amendment will establish all food service establishment license application fees at \$90.00. Current license fees are established at \$30.00, \$35.00 and \$40.00. Adoption of the proposed amendment will establish all food service establishment license fees at \$40.00. The vast majority of licensed food service establishments currently pay \$40.00 for annual licensing.

The adoption of the proposed amendment of K.A.R. 28-36-30 will increase annual fee revenues paid to the Kansas Department of Health and Environment from approximately \$680,000 to approximately \$705,000.

Rec'd by
KFDA
11-4-91

Kansas Department of Social and Rehabilitation Services

Legislative Testimony on Senate Bill 496
January 29, 1992

Prepared for the House Appropriations Committee

Secretary Donna Whiteman

I am before you today to urge quick action on Senate Bill 496. This bill eliminates transfer limits from the Institutional Title XIX Receipts Fund as well as authorize our State Mental Hospital Superintendents to transfer funds to the SRS Social Welfare Fund, commonly known as the SRS Fee Fund. I will explain why these technical changes have become so essential to the Department. First however, I have been asked to refresh the Committee on the issue that lies behind this emergency request, the disproportionate share policies of the federal Medicaid program.

The Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), referred to as OBRA 81, required States take into account the situation of hospitals serving a disproportionate number of low-income patients with special needs. States were allowed to choose how disproportionate share was defined. Kansas created a restrictive definition which limited the number of hospitals which were eligible. This was done as a cost saving measure since the emphasis was on general hospitals.

The basic idea of disproportionate share was to provide payment for uncompensated care in both public and private hospitals. Uncompensated care is that care for which the hospital receives either no payment or underpayment because of low income or lack of third party payors. These are not payments for Medicaid or Medicare recipients. This makes disproportionate share relatively unique for Medicaid funds. The eligibility standards are only for providers, not for recipients. The eligibility does not have to consider expenditures. However, as a Medicaid dollar, it is considered to be a reimbursement for services rendered, and therefore the provider has earned the money upon receipt and may use the money for any purpose.

The Omnibus Budget Reconciliation Act of 1987 (Public Law 99-272), referred to as OBRA 87, required a minimum eligibility criteria be used by Medicaid. This law was passed because it was felt that States were not doing enough for the low-income under disproportionate share. As a result of this law, Kansas changed the disproportionate share methodology effective on July 1, 1988. This change resulted in more hospitals being eligible for disproportionate share payments. While State hospitals did receive some disproportionate payments, the amounts were relatively small.

As OBRA 87 was reviewed and there were discussions with other states, it was determined that while there was a minimum eligibility criteria, there was no maximum payment level. Therefore, effective July 1, 1989, the disproportionate share methodology was changed to add a multiplier to the payment amounts to all hospitals eligible under one of two eligibility criteria. This resulted in a substantial increase in the payments to both the State hospitals and selected private hospitals.

HA
1-29-92
Attachment 5

The Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991 (HR 3595) has added restrictions to disproportionate share. This was passed because of concerns over potential abuse by States of both provider taxes and disproportionate share. States were categorized as either 'high' or 'low' based upon their relative size of disproportionate share funds to total Medicaid funds. The limit was 12%. Kansas is a 'high' state and will not be allowed to increase the amount of disproportionate share funds in future years. Low states would not be allowed to exceed 12%.

Kansas uses two formulas to determine eligibility. The first is the percentage of Medicaid/Medikan days to total inpatient days. Any hospital which is above a percentage determined by the State is eligible. The percentage varies each year and the hospitals eligible vary each year. The second formula is based upon the receipt of government funds and serving charity care patients (charity care is care provided for which no payment is received). Hospitals with more than 25% of their charges from these two sources are eligible.

Kansas currently has a revised State Plan under review by HCFA (to be effective 7/1/91 if approved) which clarifies the methodology which is being used. HCFA will be reviewing disproportionate share the week of Jan. 23, 1992 in Kansas. It is expected that the flow of funds will be reviewed and HCFA will be interested in whether sufficient state match funds be available for the receipt of federal funds.

The revenue received by our state mental hospitals under disproportionate share is quite large, slightly more than \$100 million per year. Since the Medicaid program is a joint state/federal effort, Kansas is required to match each federal dollar with approximately \$.82 of its own. For the mental institutions to earn this federal money they need nearly an equal amount of state general fund appropriation. The FY 92 GBR requests only \$43.4 million. Moreover, not all of this can qualify as state match. In order to address this problem SRS intended to use the first quarter's federal reimbursement as the next quarter's state match. Our position was that once the first quarter's federal funds were earned and received its future use was entirely at the state's discretion.

The Health Care Financing Administration has reviewed our position and agree if certain conditions exist. The critical condition is the Department must have truly earned the dollars. These funds must be officially received by the medical providers delivering the services. Therefore, we must have the current limit on flow of Title XIX funds to these four institutions lifted. As a result of this first procedural change it is necessary to authorize the four Superintendents to donate any amounts not appropriated for their use to the SRS Fee Fund. Once in the SRS Fee Fund it may be utilized as matching funds on the next quarter's federal funds. We may indeed need to formally match it up with the federal dollars and transfer it down to the state institutions each quarter as reflected in Attachment "A".

Legislative Testimony on SB 496
January 29, 1992
Page Three

In addition to the transfer limit changes, several changes have been made to existing wording. These may be found on lines 1-31, 2-13, 2-33, 3-10, and 3-31. The first change involves the proviso on the Institutional Title XIX Receipts Funds use. It simply changes a "shall" to a "may". The other 4 changes change a "shall" to a "may" with respect to the Director of Accounts and Reports duty to transfer funds from fund to fund. We tried to convince HCFA these changes were unnecessary, but were not successful. HCFA contends for these federal dollars to be truly discretionary earnings of the state, there must be no undue strings attached to the Secretary's use of them. We explained that a "shall" directed by the Legislature to the Director of Accounts and Reports had no bearing on the SRS' ultimate use of these funds. They insisted on this language.

I recognize the disproportionate share issue is a significant one. There may be debate over its flow, its value, and the ultimate use of these dollars. While these policy issues are being debated and decided by the legislature, the Department needs these technical legislative changes in order to keep the federal funds flowing. Our most recent federal award letter deferred payment of further disproportionate share dollars pending the outcome of this bill. These changes need to be within this quarter or we will risk possible loss of this federal money. I request your favorable consideration of Senate Bill 496. Thank you.

COMPARISON OF CURRENT FLOW OF DISPROPORTIONATE FUNDS WITH THAT REQUIRED BY HCFA
Kansas Department of Social and Rehabilitation Services
Division of Management Services

Current Flow of Disproportionate Revenue

Required Flow of Disproportionate Revenue

| INCOMING FEDERAL FUNDS FOR INST CARE | |
|--------------------------------------|-------------------|
| <u>REG TITLE XIX FED FUNDS</u> | |
| \$10 | MH Insts |
| 33 | MR Inst |
| 3 | Audit Settlements |
| \$46 | |
| <u>DISP SHARE FED FUNDS</u> | |
| \$26 | Quarter 1 |
| 26 | Quarter 2 |
| 26 | Quarter 3 |
| 26 | Quarter 4 |
| \$104 | |

| INCOMING FEDERAL FUNDS FOR INST CARE | |
|--------------------------------------|-------------------|
| <u>REG TITLE XIX FED FUNDS</u> | |
| \$10 | MH Insts |
| 33 | MR Inst |
| 3 | Audit Settlements |
| \$46 | |
| <u>DISP SHARE FED FUNDS</u> | |
| \$26 | Quarter 1 |
| 26 | Quarter 2 |
| 26 | Quarter 3 |
| 26 | Quarter 4 |
| \$104 | |

| <u>SRS Fee Fund</u> | |
|-------------------------|-------|
| Normal Annual Receipts: | |
| D Share | \$88 |
| All Else | 17 |
| Total | \$105 |

(CURRENT TRANSFER LIMIT = \$12)

| <u>Inst Recpts Fund</u> | |
|-------------------------|-------|
| Normal Annual Receipts: | |
| D Share | \$104 |
| Reg Inst XIX | 46 |
| Total | \$150 |

(CURRENT TRANSFER LIMIT = \$62)

| <u>Institutions</u> | |
|------------------------|------|
| Normal Annual Funding: | |
| D Share | \$16 |
| Reg Inst XIX | 46 |
| Combined | \$62 |

| <u>SRS Fee Fund</u> | |
|-------------------------|-------|
| Normal Annual Receipts: | |
| Inst Earnings | \$88 |
| All Else | 17 |
| Total | \$105 |

(NO LIMIT ON TRANSFERS)

| <u>Inst Recpts Fund</u> | |
|-------------------------|-------|
| Normal Annual Receipts: | |
| D Share | \$104 |
| Reg Inst XIX | 46 |
| Total | \$150 |

(NO LIMIT ON TRANSFERS)

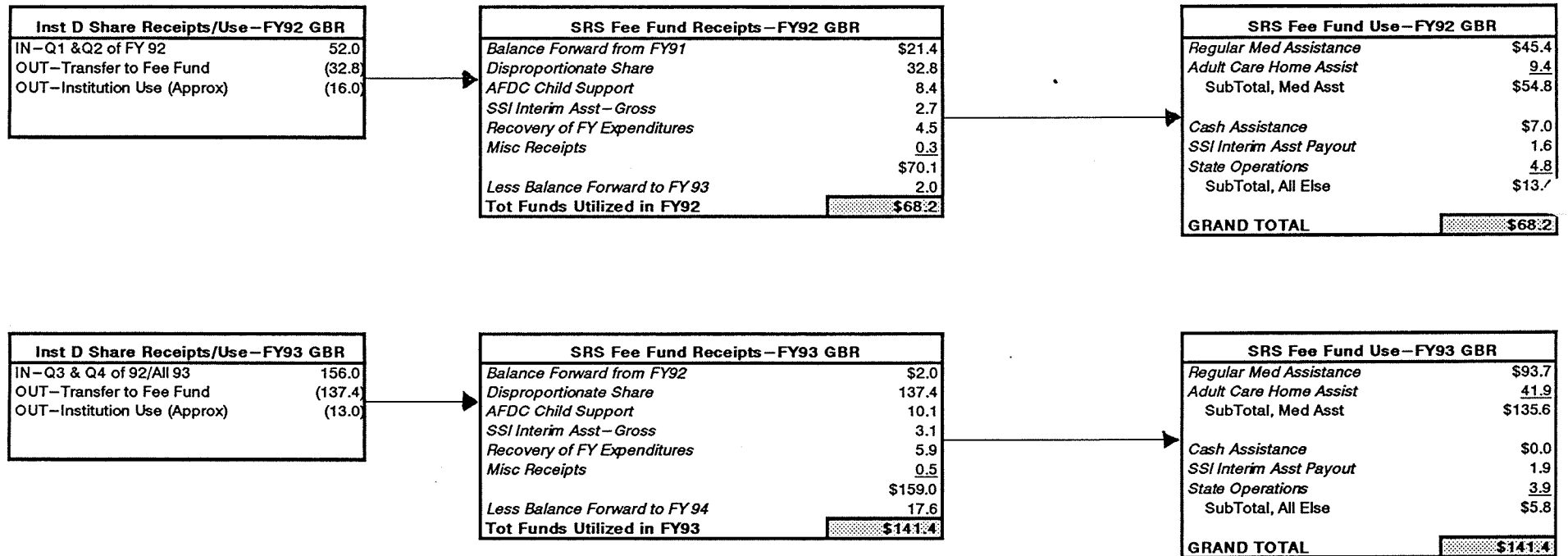
| <u>Institutions</u> | |
|------------------------|--------|
| Normal Annual Funding: | |
| D Share | \$16 |
| Reg Inst XIX | 46 |
| Combined | \$62 |
| <hr/> | |
| IN-D Share | \$88 |
| OUT-Earnings | (\$88) |

44

SOURCES AND USES OF SRS FEE FUND AS PER THE GOVERNORS BUDGET

Kansas Department of Social and Rehabilitation Services

Division of Management Services



Disproportionate Share Payments - FY 1992

GENERAL HOSPITALS: The disproportionate share payments for general hospitals will consist of State General Fund (SGF) dollars from the budget of the SRS Division of Medical Services (DMS) and federal matching dollars (FFP).

| <u>Provider Number</u> | <u>Facility</u> | <u>Calculated Dispr. Share</u> | <u>DMS SGF</u> | <u>Federal Match FFP (2)</u> |
|------------------------|---------------------------------------|--------------------------------|----------------|------------------------------|
| 300093 | Baxter Springs Hospital(1) | \$7,945 | \$3,389.00 | \$4,556.00 |
| 300194 | Coffeyville Regional Medical Center | \$121,083 | \$49,934.63 | \$71,148.37 |
| 300216 | Comanche County Hospital | \$10,595 | \$4,369.38 | \$6,225.62 |
| 300690 | Geary Community Hospt. | \$39,916 | \$16,461.36 | \$23,454.64 |
| 300701 | Bethany Medical Center | \$374,146 | \$154,297.81 | \$219,848.19 |
| 300745 | University of Kansas Medical Center | \$835,093 | \$344,392.35 | \$490,700.65 |
| 300925 | Cushing Memorial Hospital | \$24,889 | \$10,264.22 | \$14,624.78 |
| 301004 | Manhattan Memorial | \$401,731 | \$165,673.86 | \$236,057.14 |
| 301498 | Hamilton County Hospital | \$30,591 | \$12,615.73 | \$17,975.27 |
| 301522 | Stormont-Vail Regional Medical Center | \$353,035 | \$145,591.63 | \$207,443.37 |
| 301623 | Riverside Hospital | \$197,502 | \$81,449.82 | \$116,052.18 |
| 305190 | The Children's Mercy Hospital | \$224,896 | \$92,747.11 | \$132,148.89 |
| 313378 | Truman Medical Center | \$531,569 | \$219,219.06 | \$312,349.94 |
| Subtotal | | \$3,152,991 | \$1,300,405.97 | \$1,852,585.03 |

STATE INSTITUTIONS: The disproportionate share payments for state institutions will consist of State General Fund (SGF) dollars as provided by SRS Mental Health & Retardation Services (MH & RS) and federal matching dollars (FFP).

| <u>Provider Number</u> | <u>Facility</u> | <u>Calculated Dispr. Share</u> | <u>MH&RS SGF</u> | <u>Federal Match FFP (2)</u> |
|------------------------|--------------------------------|--------------------------------|----------------------|------------------------------|
| 340018 | Larned State Hospital | \$95,606,075 | \$39,427,945.33 | \$56,178,129.67 |
| 340020 | Osawatomie State Hospital | \$23,214,135 | \$9,573,509.27 | \$13,640,625.73 |
| 340031 | Topeka State Hospital | \$44,391,009 | \$18,306,852.11 | \$26,084,156.89 |
| 340042 | Rainbow Mental Health Facility | \$16,505,757 | \$6,806,974.19 | \$9,698,782.81 |
| Subtotal | | \$179,716,976 | \$74,115,280.90 | \$105,601,695.10 |
| Grand total | | \$182,869,967 | \$75,415,686.87 | \$107,454,280.13 |

| | | |
|-----------------|-----------------------------------------------|-------------------------|
| SUMMARY: | SGF from DMS budget: | \$1,300,405.97 |
| | SGF provided by MH&RS: | \$74,115,280.90 |
| | Federal Match (FFP) (2): | \$107,454,280.13 |
| | Total Disproportionate Share Payments: | \$182,869,967.00 |

NOTES: (1) Baxter Springs Hospital closed 8/31/91. Amount reflects payment for July and August 1991 only. Calculation: \$47,668/12 = \$3,972; 2 x \$3972 = \$7,945 (figures rounded)
 (2) FFP match rates are based on 1 qtr. federal fiscal year '91 & 3 qtrs federal fiscal year '92

SOURCE: DMS fiscal unit, 1/16/92, DISPSHAR.WK3

STATE OF KANSAS

SOCIAL AND REHABILITATION SERVICES

Kansas Medicaid
Disproportionate Share Payments
for 1992

Listed below are those hospitals which received disproportionate share payments for 1992.

| Facility | Amount |
|----------------------------------------------|--------------|
| Baxter Springs Hospital | \$ 7,945 |
| Coffeyville Memorial Hospital Medical Center | \$ 121,083 |
| Commanche County Hospital | \$ 10,595 |
| Geary County Hospital | \$ 39,916 |
| Bethany Medical Center | \$ 374,146 |
| The University of Kansas Medical Center | \$ 835,093 |
| Cushing Memorial Hospital | \$ 24,889 |
| Manhattan Memorial Hospital | \$ 401,731 |
| Hamilton County Hospital | \$ 30,591 |
| Stormont-Vail Regional Medical Center | \$ 353,035 |
| Riverside Hospital | \$ 197,502 |
| The Children's Mercy Hospital | \$ 224,896 |
| Truman Medical Center | \$ 531,569 |
| Larned State Hospital | \$95,606,075 |
| Osawatomie State Hospital | \$23,214,135 |
| Topeka State Hospital | \$44,391,009 |
| Rainbow Mental Health Facility | \$16,505,757 |

Donna L. Whiteman
Secretary of Social and
Rehabilitation Services

Formula for Low-Income Utilization Rate for Disproportionate Share Hospitals
Kansas Department of Social and Rehabilitation Services
Division of Management Services

THE SUM OF:

1) The Fraction..... $\frac{\text{Government Payments Excluding Medicare}}{\text{Amount of Hospital Charges}}$
less
the Amount of Contractual Allowances and Discounts

AND

2) The Fraction..... $\frac{\text{The Total Amount of a Hospital's Charges for Inpatient Services which are Attributable to Charity Care}}{\text{Total Amount of Hospital Charges for Inpatient Services}}$
less
the Portion of Cash Subsidies for Patient Services Received Directly from the State and Local Governments Reasonably Attributable to Inpatient Services.