

Approved: 4-28-97

Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Phil Kline at 9:20 a.m. on April 25, 1997 in Room 514-S of the Capitol.

All members were present except: Representative Pottorff - Excused

Committee staff present: Alan Conroy and fiscal analysts, Legislative Research Department;
Jim Wilson, Mike Corrigan, Revisor of Statutes Office;
Marcia Ayres, Appropriations Secretary; Helen Abramson, Administrative Aide

Conferees appearing before the committee: Mr. Mike Hutfles, Kansas Department of SRS
Mr. Richard Jackson, Ks. Ass'n. Community Action Program
Mr. Randy L. Speaker, Ks. Dep't. of Commerce & Housing
Secretary Rochelle Chronister, Kansas Department of SRS
Dr. Steven R. Potsic, Ks. Dep't. of Health & Environment

Others attending: See attached list

The minutes of April 24 were distributed for review by the members. Research staff distributed a list titled, *House Subcommittee Recommendations, KLRD Memo and Governor's Budget Amendment No. 2*, dated April 24, 1997.

Chairperson Kline recognized Paul West of the fiscal staff to explain the revised memo distributed yesterday regarding Cedar Crest. The figures crossed out on the memo reflect what projects could be eliminated to keep the total repairs close to \$1,000,000.

The chairman reported that two subcommittees still have work to complete so the full committee will recess until 10:30 a.m. when a status report will be given regarding the disposition of Topeka State Hospital and a Federal Block Grant Hearing will be held. He announced that the two subcommittees will meet in the afternoon to finish their work, and all members should plan to be back at 9:00 a.m. Monday, April 28, to put together the Omnibus Bill.

The meeting recessed at 9:25 a.m.

The meeting reconvened at 10:45 a.m.

Chairperson Kline recognized Mike Hutfles of SRS to review a draft report called, *The Future Use of Topeka State Hospital* prepared by the Evaluation and Analysis Committee and dated April 25, 1997. (Attachment 1)

Questions followed and Representative McKechnie expressed concern that the legislature has been too involved in planning the future of Topeka State Hospital rather than allowing the local unit of government to be in control.

A motion was made by Representative Helgerson, seconded by Representative Feuerborn, to introduce a bill authorizing the board of education of U.S.D. No. 501, Shawnee County, to levy a tax for acquisition of Capitol City High School and related purposes. The motion carried.

Hearing on Federal Block Grants

Richard Jackson. Mr. Jackson, of the Kansas Association of Community Action Programs, Inc., addressed the committee regarding the Community Services Block Grant funding and distributed a packet of information on their programs. (Attachment 2)

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS, Room 514-S Statehouse, at 1:30 P.M. on April 25, 1997.

Randy L. Speaker. Mr. Speaker, director of housing for the Department of Housing and Commerce, provided an overview of the plans for the Community Services Block Grant program for the coming year. (Attachment 3)

Several questions followed regarding the expansion program.

Rochelle Chronister. Ms. Chronister, Secretary of the Department of Social and Rehabilitation Services, provided information on the Federal Block Grant programs administered by SRS. (Attachment 4)

Steven Potsic. Dr. Potsic, director of health for the Department of Health and Environment, appeared to report on the Preventive Health and Health Services Block Grant and the Maternal and Child Health Services Block Grant awarded by the federal block grant program to the Department of Health and Environment. (Attachment 5)

Following one question of Dr. Potsic, the hearing on federal block grants was closed.

A motion was made by Representative Dean, seconded by Representative Helgerson, to approve the minutes of April 24. The motion carried.

Research staff distributed a revised list of *House Subcommittee Recommendations, KLRD Memo and Governor's Budget Amendment No. 2* dated April 25, 1997.

The meeting adjourned at 11:47 a.m.

The next meeting is scheduled for April 28, 1997.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: April 25, 1997

NAME	REPRESENTING
Paul Shelby	OJA
Jerry Sloan	OJA
LORI ROST	KTEC
Elaine Frisbie	Div. of the Budget
Jill CRUMPACKER	KDHR
Gerald Schneider	KDHR
ARMAND CARPOLONGO	KDHR
Gina McDonald	RACIL
Josie Torres	Families Together, Inc.
John Peterson	Ks Governmental Consulting
Bill Watts	KDOT
Meggan Briggs	Keeney Law Office
Karen Lowrey	HRB

The Future Use of Topeka State Hospital

April 25, 1997

Prepared for
Secretary Rochelle Chronister

by
Evaluation and Analysis Committee

Appropriations
4-25-97
Attachment 1

INTRODUCTION

This report provides recommendations for the future use of Topeka State Hospital (TSH). The Evaluation and Analysis committee for Request for Proposal 32190 makes the following recommendations to the Secretary of Social and Rehabilitation Services(SRS).

Background

The 1995 Legislature created the Hospital Closure Commission to make binding recommendations to the 1996 Legislature. This Commission was to look at the need for the State of Kansas to maintain seven state hospitals, four mental health facilities and three developmental disability facilities. The Commission recommended that the State close two hospitals, Topeka State Hospital and Winfield State Hospital and Training Center and that the hospitals close no later than December 31, 1997.

The Closure Commission stated the following guiding principles:

- ◆ The welfare and safety of the clients should be the primary consideration of all decisions made throughout the closure process;
- ◆ The State should assist the employees of the hospitals to ensure appropriate care of patients through closure and assist those employees as they seek other employment;
- ◆ The State should consider the economic impact of closure on the two communities as it considers alternative uses for the closed facilities.

The 1996 Legislature upheld the findings of the Hospital Closure Commission. In addition, the 1996 Legislature passed House Substitute for SB 388 which provided an enhanced severance package for those hospital employees who remain with the state hospital until closure. The House Appropriations Committee placed a proviso on the 1996 budget bill that required the Department of Social and Rehabilitation Services to seek approval from the Legislature before disposing of either State Hospital.

Evaluation and Analysis Committee

In August of 1996, the Secretary of SRS began exploring options to look at alternative uses for Topeka State Hospital and Winfield State Hospital. After

consulting with the Governor's Cabinet Commission on Closure, the Secretary initiated Request for Proposal(RFP) 32190. The department went through the normal RFP process with one exception. The normal process creates a 3-person Procurement Negotiating Committee to evaluate the bids that are received. SRS, with the approval of the Governor and the Legislative Leadership, created an 8-person Evaluation and Analysis (E&A) Committee. The committee is made up of the following members or their designees:

- The Secretary of SRS
- The Secretary of Commerce and Housing
- The Secretary of Administration
- The Division of Purchasing
- Senate President
- Speaker of the House
- Senate Minority Leader
- House Minority Leader

The designated members of the committee are:

- Michael Hutfles, SRS (Chairman)
- Randy Speaker, Commerce and Housing
- Jeff Wagaman, Dep't of Administration
- Fran Welch, Division of Purchasing
- Senator Ben Vidricksen
- Representative Brenda Landwehr
- Senator Janis Lee
- Representative Henry Helgerson

The Secretary felt it was very important that the Legislature be involved in this process. Any decision that this committee makes will need the support of both the Executive branch and the Legislature. We are pleased that the Legislative Leadership agreed to join us on this decision making process.

RECOMMENDATIONS

The Evaluation and Analysis Committee makes the following recommendations concerning the next use of Topeka State Hospital:

1. The State should accept the proposal from USD 501(attachment A) with the following modifications:
 - ▶ USD 501 will purchase Capitol City High for \$1,075,200 on a 10 year contract at 6% interest rate. This amounts to approximately \$140,000 per

year for 10 years.

- ▶ The state will continue to provide power and heat from the power plant for up to 14 months. The school district will pay a fair market rate for these utilities. This 14 month window will allow Capitol City to become self-reliant for power and heat.
- 2. The State should reject the proposal from Health Resources(attachment B). Although the purchase offer of \$7.6 million does look attractive, the deductions within the proposal significantly reduce the purchase offer. In fact, depending on the unknown costs of some of the deductions requested by Health Resources, this proposal could cost the State money.
- 3. The State should reject the proposal from Main Street Investors, LLC(attachment C). The Committee endorses the concept that the taxpayers of Kansas and of Topeka will be far better off if the Topeka State grounds are put back on the tax rolls. The State may choose to work with Main Street at a later time.
- 4. The State should reject the proposal from the City of Topeka at this time. No member of the committee believed it was in the best interest of the State to “give away” the entire campus. On April 16, a three-member subcommittee met with Mayor Wagnon to discuss the City’s proposal. After the City reaffirmed its proposal, the subcommittee countered with an offer to give the City the state hospital buildings included in the City’s proposal and the land immediately around those buildings. The City rejected the counter-offer

The Mayor and the subcommittee discussed upon following:

- a. It would not be fiscally prudent for the City to accept the State’s counter-proposal. The City taxpayers would be asked to pay for the renovation of the buildings because the not-for-profits agencies may not have the resources.
- b. If and when it is possible, the majority of the Topeka State Campus should be back on the tax rolls.
- c. The State and the City of Topeka should continue to work together on the future use of the Topeka State property. If this endeavor is to be successful, the City and State will have to work together on all possible development activities.
- d. A priority of both the City and the State should be the retention of State employees in the downtown/State Capitol corridor. In addition, those State

agencies that are located in other areas of Topeka should look at consolidating closer to the Capitol as space becomes available.

OTHER RECOMMENDATIONS

The following recommendations are not tied specifically to any of the proposals received through the RFP process. They are intended to give the Governor and the Legislature a possible course of action for the remainder of the Topeka State Hospital Campus.

1. The State should end all negotiations on RFP #32190. The Evaluation and Analysis Committee has completed its work on RFP #32190 at this time. The Committee has accepted one proposal and has rejected three others regarding Topeka State Hospital and has completed its work with Winfield State Hospital and Training Center.
2. The Legislature, through proviso, should create a fund for payments received from USD 501 with the necessary spending authority related to the future use and maintenance of the Topeka State Hospital campus. All expenditures related to the sale, transfer or lease of the property should require Finance Council approval.
3. The Executive Branch and the Legislature should ask the appropriate Cabinet Secretary to reappoint the Evaluation and Analysis Committee to continue its work concerning the future use of the property at Topeka State Hospital. The combination of Legislators and Executive Branch members should be retained. The Mayor of Topeka, or her designee, should also be a member of this committee. The Committee should report its progress to the Interim Budget Committee and prepare a report for the 1998 Legislature. Any selling, conveying, leasing or otherwise disposing of the Topeka State Campus or Winfield State Hospital and Training Center should require Finance Council approval.
4. The State should consider contracting with a real estate consultant to develop a comprehensive development plan for the Topeka State Campus. Any attempt to sell this large a property, as is, may result in undervalued sale prices. Both the City and the State would lose in that scenario. The State would receive pennies on the dollar for the asset. The City would still control zoning issues and the issuance of building permits, but it would have little control over who would develop the campus or how it would be developed. Both entities will have to work together for this project to succeed.

5. The Secretaries of Agriculture, Corrections, and Social and Rehabilitation Services should begin exploring options to move their operations off the Topeka State Campus. This will achieve two objectives: 1) The value of the campus should increase, thus more property can be placed back on the tax rolls; 2) The consolidation of SRS could provide a boost to downtown Topeka.
6. The Governor's Budget Amendments released on Thursday, April 24, recommends that the Secretary of Administration take over operations at Topeka State on July 1, 1997.

DRAFT

**Phase II Proposal
for
Acquisition of the Karl Menninger Education
and Activity Center
and the School Shop**

Proposal No. 32190

Phase II Proposal

**Submitted by:
Dr. Jeffrey W. Weaver
Superintendent of Schools
Unified School District No. 501
Topeka Public Schools
624 West 24th Street
Topeka, Kansas 66611**

April 4, 1997

3.2 Proposer's Qualifications

- a. USD No. 501 is a local educational agency formed in 1869 to provide education for school-age children.
- b. The Topeka Public Schools maintain the status, privileges, and responsibilities of a Kansas unified school district whose Board of Education acts on the authority given it by Kansas Statutes.
- c. USD 501 is a governmental agency and has no partners.
- d. USD 501 is an educational agency and has no other lines of business.

3.3 A Description of the Proposer's Qualifications and Experience with Similar Projects.

The Topeka Public Schools have provided educational programs for school-age children in Topeka since 1869. The Topeka Public Schools provide educational services in 44 facilities with 1237.8 teachers, 729.8 classified personnel, 52 campus administrators and 29.5 central administrators. Approximately 14,500 students are enrolled in the Topeka Public Schools educational program. Special education services have not only been provided at the local level, but also for the Kansas Department of Social and Rehabilitation Services at the Topeka State Hospital. Since 1965, the Topeka Public Schools have contracted for the operation of the special education school program at Topeka State Hospital. The Topeka Public Schools continue to administer the program and maintain all standards of accreditation and program accessibility. The students served in the program range in age from five through twenty-one years and the majority are diagnosed as individuals with behavior disorders. Additional programs have included the Comprehensive Evaluation and Treatment Unit for youth and contractual services with surrounding school districts for low-incident students. Approximately forty-nine certified staff, twenty-two paraprofessionals, one security officer, one bus driver, two secretaries, one food service worker, one-half time nurse, and a bookkeeper are assigned to the present program.

3.4 Detailed Description of the Phase II Concept Proposal.

- a. USD No. 501 desires to continue providing educational programs for school age children with behavior disorders on the campus of the Topeka State Hospital. Specifically the district is interested in the Karl Menninger Education and Activity Center (Building I.D. No. 20), the School Shop (Building I.D. No. 19) and approximately 12.35 acres of grounds including the above buildings, and the south parking lot (See Attachment A). These buildings are located on the Topeka State Hospital campus.

b. The local school district is mandated by State and Federal regulations to provide appropriate special educational services. The cost of educating school-age patients is presently the responsibility of the Topeka State Hospital. When the hospital closes, this responsibility will shift to the local school districts. This funding shift from Social and Rehabilitation Services to USD 501 will have a dramatic financial impact on the education budget of the local school district. Acquisition of the Karl Menninger Building would assist USD 501 in meeting this new responsibility to educate students previously funded through the Topeka State Hospital budget. The Karl Menninger Building was specifically designed to serve students with emotional and behavior needs.

While it is recognized that Topeka State Hospital serves students from districts other than USD 501, it is suspected that students and families from rural areas are going to gravitate to communities where they can receive both mental health and education services. As the Topeka community increases its mental health and education services to meet the needs of patients formerly served by the Topeka Hospital, more families will depend on the Topeka community to provide appropriate services. Surrounding school districts are already contacting USD 501 to inquire about the possibility of continuing educational services at Capital City Schools for school-age students who will reside in their community after they are discharged from the Topeka State Hospital.

Capital City Schools consists of fully accredited K-12 educational programs designed to meet the needs of school age students from the community who are diagnosed as behaviorally and educationally unable to function in a regular public school setting. The educational programs include Capital City High/Middle/Elementary School, Homebound classes, Satellite classes, Intervention Interval Program and Cluster classes. The major premise of Capital City Schools is that a child of school age with behavior problems should not be deprived of an opportunity to continue with his/her education. The educational programs are staffed with faculty certified in their academic content fields as well as trained and certified in special education. The educational programs are operated under the administration and guidance of a principal and assistant principal with qualifications in special education. The school presently operates officially under the aegis of USD #501 by contractual arrangements between the Topeka State Hospital, the Comprehensive Evaluation and Treatment Unit, and the local school district. The district proposes to utilize the buildings and the surrounding land to provide specialized education services for school age students with behavioral disorders.

c. Unlike other agencies seeking facilities at the Topeka State Hospital, Capital City Schools is presently located on the grounds of the Topeka State Hospital. If USD 501 is not successful in acquiring the Karl Menninger Education and Activity Center and the School Shop Building, the program will need to be located in other facilities. Therefore, USD 501 is requesting continuing occupancy. Topeka Public School proposes to continue to occupy the Karl Menninger Education and Activity Center Building, the School Shop Building and approximately 12.35 acres of land adjacent to the subject property through a purchase agreement.

d. The Topeka Public Schools has the following expectations of the State:

(1) If the district is successful in purchasing the Karl Menninger Education and Activity Center, it will be necessary to continue to utilize the power plant for heat for up to twelve months.

(2) USD 501 will need access to the Karl Menninger Education and Activity Center and School Shop buildings from Center Building Drive which is on the Topeka State Hospital campus. USD 501 requests the egress road which now exits onto sixth street from the Karl Menninger Education and Activity Center parking lot.

(3) That all fixed assets, including fixtures and all equipment, not currently owned by USD No. 501, remain with the facility and grounds as part of the purchase agreement.

e. USD 501 seeks ownership of the property by warranty deed. The property should be surveyed.

f. The Topeka Public Schools presently maintains its 44 facilities by a central service staff. The District would incorporate the Karl Menninger Educational and Activity Center and the School Shop into its comprehensive, district-wide building maintenance planning schedule. This maintenance schedule is supported by a team of professionals skilled in the trades necessary to maintain and support the buildings and grounds.

3.5 Payment

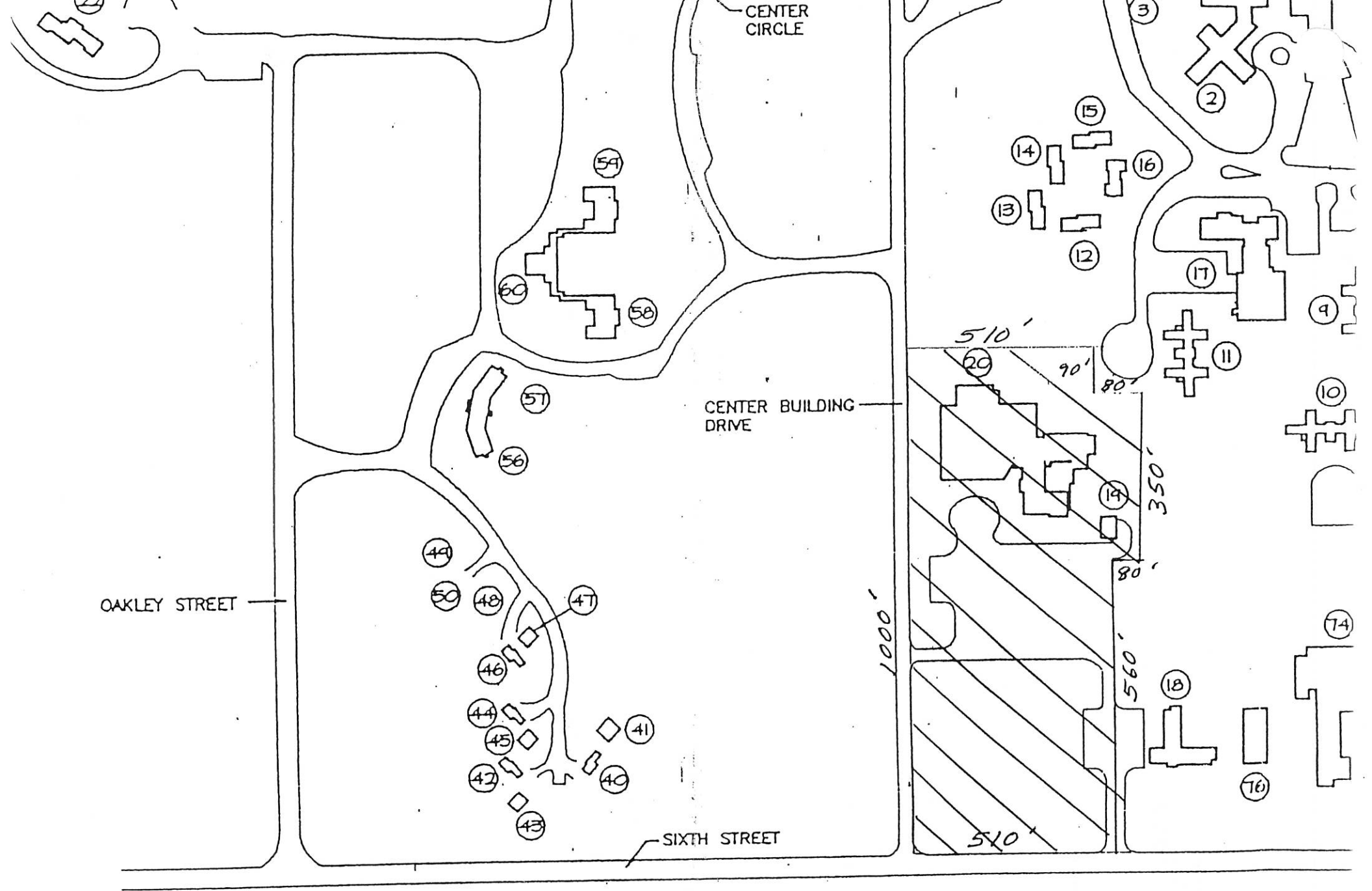
USD 501 does not make this offer lightly. The Mental Health Reform Act emphasizes a shift from institutional to community-based mental health care. For the many children and adolescents served by Topeka State Hospital this means a comprehensive expansion of community services. One constant in the lives of every child whether in an institution or living in the community, is education. Once the Topeka State Hospital closes, Capital City Schools will continue to operate as it has--serving the same student population it

always has served. As a political subdivision of the State of Kansas, USD 501 has been serving the educational needs of children and adolescents with serious emotional disturbance at the Capital City Schools program for the past 32 years. In a proactive effort to effectively plan for the shift from institutional to community-based mental health care, Capital City Schools and Family Service and Guidance Center designed and implemented a Day Treatment Program at the school, which provides mental health community based services for students. In effect, the sale of Capital City Schools site to USD 501 can be seen as retaining a portion of the Topeka State Hospital campus for continued use by the State of Kansas, which has chosen to deliver mental health services at the local level.

Should USD 501 acquire ownership of the Capital City Schools site, it is currently estimated that in excess of \$400,000 will need to be expended to make repairs, add a boiler, change electrical service, conform with requirements of the ADA, change the telephone system, and to transport students. Unfortunately, these expenditures will divert capital improvement funds otherwise intended to maintain our other buildings.

Therefore, USD 501 offers the following proposal:

- A. USD 501 requests continued occupancy of the building from June 1, 1997 until the completion of the sale.
- B. USD 501 will make payment of \$275,000 on June 30, 1997 for a clear title to the Karl Menninger Educational and Activity Center, the School Shop, all fixed assets, including fixtures and equipment, and the 12.35 acres.
- C. USD 501 requests continued utilization of the power plant for up to fourteen months beginning June 1, 1997. USD 501 will reimburse the State for the power used until a conversion is accomplished.



1-12

TOPEKA STATE HOSPITAL CAMPUS - SITE PLAN

health resources®
5505 N.W. Fox Hill road
Kansas City, MO 64152-3427
Fax: (816) 531-4470
(816) 5870920

Office of the Chairman

Friday 04 April 1997
Delivered by hand

Kansas Division of Purchases
Attention: Frances Welch, Procurement Officer
Proposal # 32190-Phase II
Closing: April 4, 1997
900 SW Jackson Street, Room 102 N
Topeka, Kansas

Dear Ms. Welch:

I am pleased to submit 15 copies of our Phase II response to the above referenced Request for Proposals.

Sincerely,



Ronald L. Hammerle
Chairman and Chief Executive Officer

Enclosed: 15 copies, sealed, and hand delivered on this date.

Financial Summary of Health Resources' Proposal

I. Purchase

Purchase offer \$ 7,600,000

Less deductions for the following property exclusions:

1. The independent transfer of 2 buildings and 7 acres of land to the Topeka Unified School District; and (900,000)
2. fair market value for exclusion of an unknown amount of land used as a cemetery. (Unknown)

In addition, the following deductions will be made from our offer for the reasons noted:

3. 115% of the actual costs incurred to correct pre-existing defects and current liabilities in the property by:
 - a. Clearing and removing all but 5 buildings (the power plant, laundry, Aichorn, Sullivan, and Gerard).
 - b. Environmentally-sealing or removing heating tunnels below the campus and correcting any other environmental defects on, in, or below the land.
 - c. Bringing the five buildings and all land into full compliance with city, state and federal code in order to obtain clear and marketable title. (Unknown)
4. We propose to purchase the laundry and its equipment for \$496,143, as soon as that facility meets all city, state and federal codes.

II. Lease

To facilitate the process of immediate redevelopment, we propose to lease *all of the land* on the campus (excluding the school and cemetery properties) for \$ 1 per year. At soon as portions of the property become ready for redevelopment and are able to meet all legal requirements for sale, we will make pro-rated land purchase payments, based upon the land values contained in the State's January 31, 1997 appraisal.

III. Management

Our proposal contains provisions for an immediate facilities management contract with the State. Under that contract, we will preserve existing assets, begin the process of re-development, provide job opportunities for hospital personnel, prevent the rapid decline of abandoned property, and provide property management services for a flexible period of time to enable current State agencies to relocate on or off campus.

MAIN STREET INVESTORS, LLC

110 McDONALD DR., SUITE 190 • LAWRENCE, KANSAS 66044 • (913) 841-6565 • FAX: (913) 841-8016

April 4, 1997

Kansas Division of Purchases
Room 102 N
900 SW Jackson Street
Topeka, Kansas 66612

RE: Contract #32190

To Whom It May Concern,

Main Street Investors LLC would like to see the Topeka State Hospital grounds redeveloped and put back on the tax role for the benefit of Topeka.

Main Street Investors, LLC provides the following Phase II detailed proposal:

1. Manage the final identification of hazardous materials and manage abatement as needed.
2. Manage demolition of those properties mutually deemed valueless in today's market.
3. Manage the sale or disposition of the subject tract or tracts as mutually agreed.

Main Street Investors, LLC will manage this project for a negotiated fee to accomplish all goals and objectives as mutually agreed.

Currently our sister company, Advanco, Inc. is performing similar services under an agreement with Alliant Techsystems at Sunflower Army Ammunition Plant which covers 10,000 acres in Johnson County.

Sincerely,



Warren Sullivan
Mainstreet Investors, LLC



CITY OF TOPEKA

Harry "Butch" Felker, Mayor
 215 E. 7th Street Room 352
 Topeka, Kansas 66603
 Phone 913-295-3895
 Fax Number 913-295-3850

TRANSMITTAL LETTER

April 4, 1997

Mike Hutfles, Chairman
 Proposal Evaluation and Analysis Committee
 Department of Social and Rehabilitation Services
 Docking State Office Building
 915 SW Harrison Street
 6th Floor
 Topeka, Kansas 66612

RE: Proposal No. 32190; Topeka State Hospital; Phase II

Dear Chairman Hutfles:

The City of Topeka is pleased to submit the attached Phase II "Detailed Offer" with respect to RFP No. 32190, for review and recommendation by the Proposal Evaluation and Analysis Committee.

This Phase II Detailed Offer is submitted on behalf of the City and the following 11 entities, most of which have been, or will be, directly impacted by the closure of Topeka State Hospital:

Shawnee County Health Agency
 Shawnee Community Mental Health Center
 Florence Crittenton Services
 Sunflower Alliance for the Mentally Ill
 Kansas Mental Illness Awareness Council
 U.S.D. 501¹

Kansas Children's Service League
 Family Service and Guidance Center
 Topeka Day Care, Inc.
 Sunshine Connection
 Depressive/Manic Depressive Association
 of Kansas

¹U.S.D. 501 has submitted its own Phase II Detailed Offer. As explained below, we support U.S.D. 501's separate proposal and have included U.S.D. 501 as part of this proposal in order to formally express that support and to explain the linkage between a continuation of Capital City School and the success of our Service Campus.

Additional information as to each of the above organizations or entities participating in this community proposal ("participating organizations") was included in the Phase I Concept Proposal, submitted January 24, 1997, under Tab B.

Because the Community's Phase I Concept Proposal provided considerable detail as to our request for buildings and land to establish the Topeka-Shawnee County Service Campus for Families, Youth and Adults, the enclosed Phase II Detailed Offer makes only minor revisions to the Phase I proposal. This document repeats our proposal that certain land and buildings be conveyed without the payment of any consideration to the State of Kansas. The attached materials provide an updating and minor revisions to that portion of the Phase I Concept Proposal which appeared under the heading of Tab A of that document.

SUMMARY OF REVISIONS TO THE PHASE I CONCEPT PROPOSAL:

1. At the request of the Shawnee County Board of County Commissioners, by action taken by the Board on April 3, 1997, the Shawnee County Health Agency has been added as a participating organization. As noted below, the Health Agency desires to locate clinical services and administrative offices at TSH, most likely at the Awl Building and Woodward Building.
2. The Phase I Concept Proposal noted the Community's strong support for the separate proposal submitted by U.S.D. 501 for the Capital City School Building. U.S.D. No. 501 has participated in the development of the Community's proposal over the past 16 months. After consultation with U.S.D. 501 officials we have specifically identified U.S.D. 501 as one of our participating organizations. We understand that U.S.D. 501 will submit a separate Phase II Detailed Offer for the Capital City School, however we wish to use every means at our disposal to emphasize the level of support this Community has for Capital City School remaining with U.S.D. 501, and for Capital City School to be incorporated within the Service Campus as an integral and necessary element to the Campus proposal.
3. The City of Topeka proposes to utilize the Awl Building as a facility to supplement the Child and Adolescent Assessment Center, now housed at the Adams Building, and to serve as a detention facility for juveniles who violate local ordinances, such as curfew, which does not place them within the juvenile justice system.
4. The boundaries of the Human Services Campus have been revised to include the Woodward Building and Awl Building at the northern edge of the Service Campus, at the request of the Shawnee County Health Agency and City of Topeka.

5. Our Phase I proposal for proposed use of the Southard Building has been revised. Because the Kansas Children's Service League has had to take immediate action to secure additional space for its fast-growing operation, it no longer proposes to utilize the Southard Building. The Phase II proposal states that Southard would be utilized by some or all of the participating organizations for food service, dining facilities, conference rooms and administrative office space. Collective ownership of the Southard Building is proposed in Phase II.

With the exception of the above noted revisions and updates, the Phase II Detailed Offer is virtually identical to the Phase I Concept Proposal.

DESIGNATION OF USERS FOR SERVICE CAMPUS BUILDINGS:

As expressly noted in the Phase I Concept Proposal, an integral part of the Human Services Campus plan is the retention of flexibility to match buildings with specific users and proposed uses. If the State of Kansas agrees to convey the 20 buildings requested, the participating organizations will reach agreement as to the specific utilization and ownership of each building as well as the possibility of common ownership of certain properties, such as parking lots, and common ownership of "shared" buildings, such as the Southard Building.

FINANCIAL CONSIDERATIONS:

1. **Buildings.** As express in the Phase I Proposal the City and participating organizations are requesting the State's conveyance of the 20 buildings, and intervening land, parking lots, etc. as indicated on the enclosed map.

The proposal does not provide for the payment of any consideration to the State of Kansas for these 20 buildings and adjoining properties. We request conveyance at no cost in the belief that the State of Kansas will recognize: (a) the benefits to Kansans which will result from creation of the Service Campus; (b) that this community has suffered a large economic hit as a result of the closure of the Hospital; and (c) that the Service Campus cannot be created if buildings and grounds must be purchased from the State. We request the State's partnership in this undertaking in the form of conveyance at no cost to the participating entities.

2. **Land.** Because the Service Campus is not feasible without the expenditure of moneys

Page Four
Mike Hutfles, Chairman
April 4, 1997

to make certain modifications to the 20 buildings, to bring the buildings into ADA compliance, to remove asbestos and potentially other environmental problems, financial support for the Service Campus, from the State of Kansas, must be secured.

Consistent with the Phase I Proposal we are requesting conveyance by the State of the open space at Topeka State Hospital, with such property proposed to be converted into moneys to be applied to necessary improvements and infrastructure. It is not envisioned that any of the open space will be retained for public use or ownership other than: (a) the two acre building site for the City of Topeka's fire station and (b) the 10 acre building site for the Shawnee Community Mental Health Center, both as noted in the Phase I Concept Proposal and the enclosed Phase II Detailed Offer. For the balance of the open space requested, the proposal is for sale or lease of that property for private development and redevelopment. This strategy is intended to promote the creation of jobs and strengthening of the Topeka economy and the movement of property onto the property tax roles -- events which will hopefully lessen the economic impacts of TSH closure.

The disposition and reuse of Topeka State Hospital is a matter of enormous importance. We have presented a plan under which not only Topekans, but all Kansans would benefit from the services provided at the Families, Youth and Adult Service Campus. The City of Topeka and the other participating organizations look forward to the opportunity to meet with the Proposal Evaluation and Analysis Committee to further discuss our plan for a partnership with the State to turn the buildings and land of Topeka State Hospital into a valuable Community and State asset.

On behalf of the entire Community, we respectfully submit this Phase II Detailed Offer for your Committee's consideration.

Very truly yours,


Mayor Butch Felker

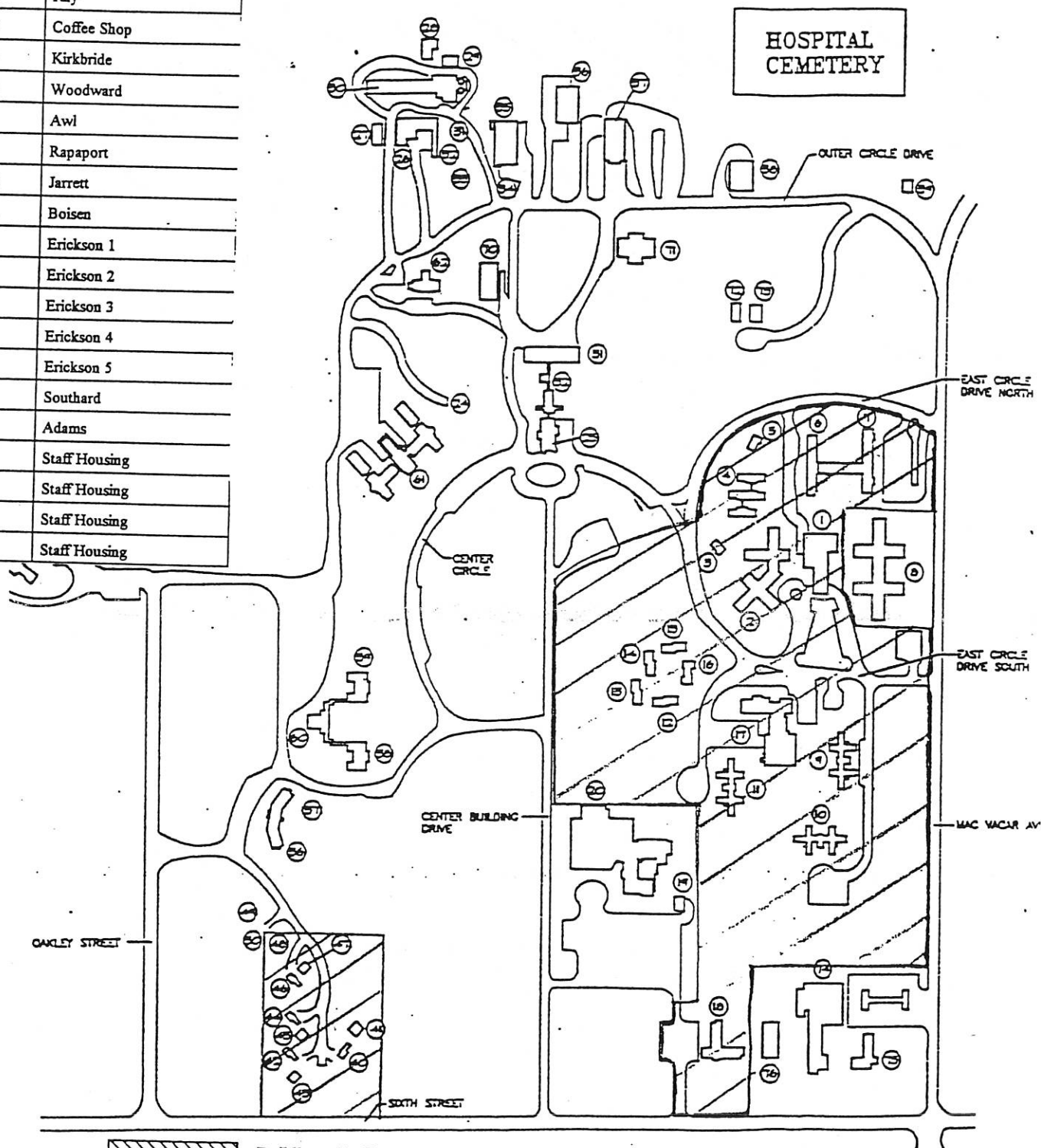
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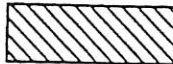
cc: Members of the Shawnee County Delegation
Mayor-Elect Joan Wagnon

1-19

Bldg. No.	Building Name
1	Eastman
2	Ray
3	Coffee Shop
4	Kirkbride
6	Woodward
7	Awl
9	Rapaport
10	Jarrett
11	Boisen
12	Erickson 1
13	Erickson 2
14	Erickson 3
15	Erickson 4
16	Erickson 5
17	Southard
18	Adams
40	Staff Housing
42	Staff Housing
44	Staff Housing
46	Staff Housing

HUMAN SERVICES CAMPUS

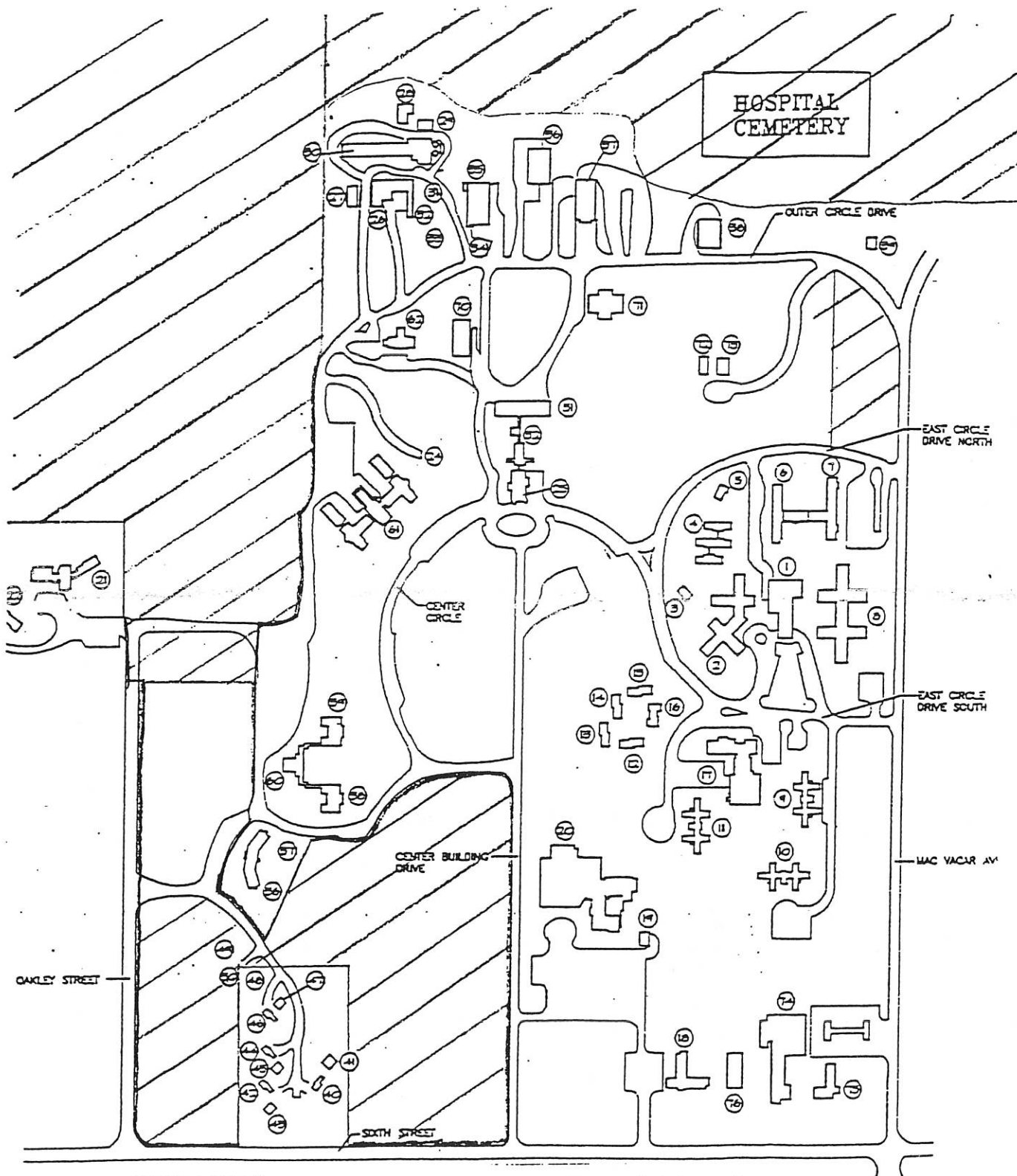


 Buildings, Parking and Common Area requested as part of the Community's Proposal

TOPEKA STATE HOSPITAL CAMPUS - SITE PLAN



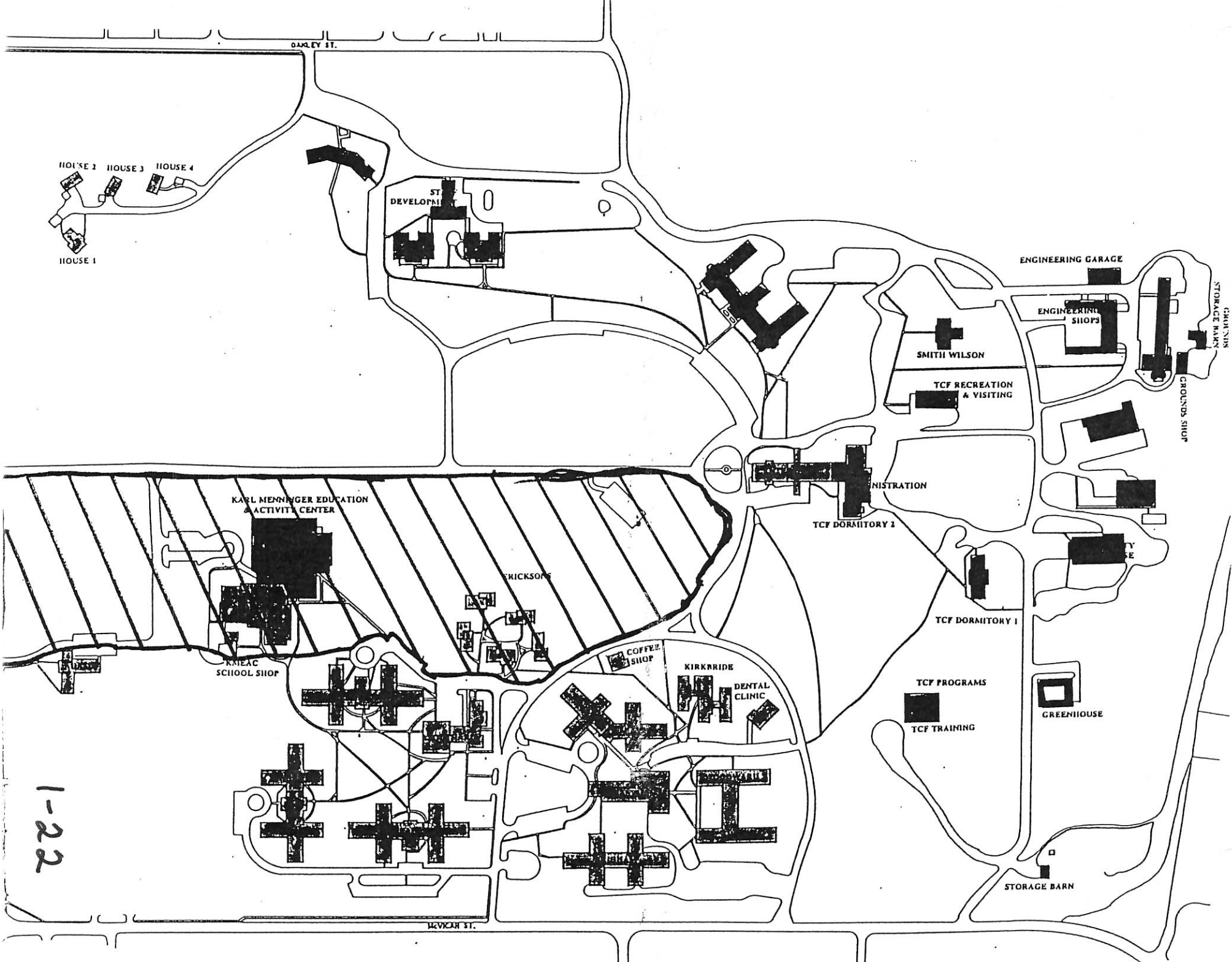
OPEN SPACE (View 1)



Undeveloped Land requested as part of Community's Proposal

TOPEKA STATE HOSPITAL CAMPUS - SITE PLAN





1-22

Mr. Chairman and Members of the House Appropriations Committee:

On behalf of the Kansas Association of Community Action Programs, I would like to thank you for the opportunity to address you this morning regarding the Community Services Block Grant funding and the Department of Commerce and Housing.

You have before you in your packet some information regarding the eight community action agencies in the state and the various programs that we operate to meet the needs of our low-income population. I want to mention just a few programs we operate, so you can get a feel for the types of services we provide.

1. Head Start
 - A. Program for 3-4 year olds
2. Weatherization
3. Food Banks
4. Family Self Sufficiency
 - A. Similar to the welfare initiatives to get people off the welfare roles
5. Budget Counseling

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As a result of a welfare reform we are seeing an increase need for many of the services we are providing:

- Food
- Housing
- Finding Jobs - Employment
- Child Care
- Transportation

You will find a more detail program information in your packet.

As a result of a good working relationship with the Department of Commerce and Housing, we have been able to assist more low-income Kansas with their housing needs such as rental assistance through the construction of new homes or rehabilitation of existing housing, the first time home buyers program, and low-income tax credits. With funding from Department of Commerce and Housing we were able to develop some, private, public partnerships.

But, in spite of our good working relationship we do from time to time have disagreements. Today, I want to address an area of concern that we have with the Department of Commerce and Housing's desire for expansion of community action agencies in the areas currently not covered by community action programs.

First, let me say, we are not opposed to expansion. Nothing would please us more than if all 105 counties had a community action presence.

But, we are opposed to the plan that the Department of Commerce and Housing has currently adopted.

We would like to see the expansion process put on hold until we and the Department of Commerce and Housing can come together with a focus that is coordinated in the best interest of not only Community Action Programs, but the entire state of Kansas.

You have before you a position paper developed by our association that not only states our concerns, but also, gives you a historical prospective on community action expansion dating back to 1980.

As an alternative to CSBG expansion efforts as currently designed, the state's CSBG program sponsors would like to suggest the following:

(These can be found on pages 5 and 6 of the position paper.)

- (1) That the existing references to expansion in the State CSBG Plan be deleted by amending the current State Plan.
- (2) That an inventory be made of existing CSBG and non-CSBG federal, state, and private anti-poverty efforts and resources in every Kansas county. (The absence of CSBG funds is not necessarily evidence of the absence of an effective local anti-poverty effort.)
- (3) That a set of broadly agreed on policies be developed to guide and drive the creation of an integrated, state-wide, multiple funding source anti-poverty network in the state. (Arizona did this with excellent results.) This is not a pre-condition of support for this process, but as an example, the Kansas CSBG sponsors would suggest that

consideration be given to adopting the principle that the persons most in need of human services should receive them.

- (4) That the Governor's Office, Department of Commerce and Housing, the Department of Social and Rehabilitation Services, the Department of Human Resources, other state agencies, federal officials, existing CSBG Program sponsors, and representatives of the Kansas Legislature use the policy framework developed[see (3) above] to guide joint effort to develop a plan to create and sustain an effective anti-poverty presence in every Kansas county. One model for portions of this process might be the comprehensive rural development strategic planning partnership described in the new Farm Bill. Another might be elements of the HUD Consolidated Plan development process.

We would, also, suggest, that

- (1) an interim committee of the legislature take a look at the issue of expansion and services to the low income population.
- (2) Some consideration should be given to providing supplemental funds for a community action expansion effort.

In summary, more of the same in regard to CSBG program expansion efforts in Kansas cannot and will not accomplish anything of substance for the state's low-income residents. Something different is necessary. The CSBG program sponsors in Kansas are willing to explore a broad range of options in this regard with only two preconditions. First, the process used must bring decision makers to the table who can and will contribute to the design and delivery of improved anti-poverty program services for citizens in Kansas. Second, the existing commitment to a process and expansion design that is not working and will not work must be abandoned.

**TESTIMONY BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
THE KANSAS DEPARTMENT OF COMMERCE & HOUSING
DIVISION OF HOUSING
RANDY L. SPEAKER, DIRECTOR OF HOUSING
APRIL 25, 1997**

Mr. Chairman and members of the Committee, I am honored to be here today to provide you with an overview of our plans for the Community Services Block Grant program for the coming year. After my brief presentation, I would welcome any questions and/or comments you might have for me.

Introduction

The Community Services Block Grant program is designed to encourage community responses to the problem of poverty. Agencies receiving CSBG funding are required to "provide a range of services and activities having a measurable and potentially major impact on causes of poverty in the community." The guiding principles of CSBG are that local communities are best equipped to develop solutions to the problem of poverty, and that these solutions work best when they are developed by a broad spectrum of community members. Therefore, local agencies are given wide latitude to select activities that best fit local needs. The

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State has only limited ability to alter funding allocations or require that agencies provide specific services.

The State does have discretion in other areas, however, and the remainder of my remarks will address three such areas. We will be placing particular emphasis on the following areas in the coming year.

Expansion

The expansion of the Community Services Block Grant Program into presently unserved counties remains a high priority. At present, a full range of CSBG-funded services is available in only 29 counties. Our current phase of expansion will add 11 counties to this total by July 1, 1997.

In the coming year, we expect to begin the process of adding an additional 14 counties. Most of these counties were selected because of the high number of their residents below the poverty line. The map on page 21 of the handout shows these areas. The process of adding these counties will be completed by April 1, 1999.

In order to provide equitable distribution of CSBG coverage across the state, expansion of the program is necessary. We believe that it is important to expand the geographic range of the program so that other areas can be served by this unique,

effective approach to poverty. Because federal allocations are based on statewide statistics, we are currently funding only a portion of the state with funds intended to serve the entire state.

The expansion procedure we have developed gives existing agencies the choice of whether to provide services to counties designated for expansion. Entities not currently receiving CSBG funds will be offered the chance to provide service to expansion counties only after existing subgrantees have declined to serve those areas. It is understandable that expanding into new areas without additional funds is difficult. To assist expanding agencies, the Division of Housing has extended additional business opportunities to these agencies. Such opportunities include contracts for inspections of housing units, and participation in our HERO rehabilitation program.

Outcome Measures

An area of emphasis for the CSBG program is the development of a system to measure changes produced in clients' lives resulting from CSBG activities. Agencies will be able to rate families' progress using a five-level scale. Progress can be measured in ten different areas of families' lives: housing,

employment, education, transportation, nutrition, health, income and budget, family relations, community involvement, and child development. Agencies will rate progress by comparing a family's status according to the scale to that family's status when it first had contact with the agency. Agencies will report to the state on the total number of changes produced.

These scales will become valuable management tools for the State and the CSBG agencies. Reports of the changes produced will help us evaluate certain programs and activities, and will help determine what activities are effective in fighting poverty. We are currently working with boards of directors of these agencies to understand how to use these scales to evaluate services. These boards can use the results to discontinue ineffective activities and adopt practices that have been shown to be effective in other places.

Implementation of this system has been a long-term process. We have been designing the measurement scale and establishing procedures for the better part of two years. The system will be tested during the first part of the program year that began on April 1, 1997. After the test, we will make any needed refinements to the system, and will implement it at the start of the following program year. The system will allow us to respond to federal requirements for outcome-based information, as well as meet requests that have come from members of this committee in the past.

Welfare Reform

We believe that the Community Services Block Grant program and our subgrantee agencies have a role to play in welfare reform, and we are continuing to work to clarify that role. With its emphasis on addressing the causes of poverty and helping people become more self-sufficient, CSBG naturally complements the purposes of welfare reform. CSBG staff are working with other KDOC&H staff as well as with SRS on a number of issues related to welfare reform. In addition, a number of local agencies have been working on developing their own role, and some have started demonstration projects in cooperation with SRS.

DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

Testimony on the SRS Federal Block Grant Programs
House Appropriations Committee
April 25, 1997

Mr. Chairman and members of the Committee, thank you for the opportunity to provide you information on the Federal Block Grant programs administered by the Department of Social and Rehabilitation Services. Included in the attached packet is information on the following block grants:

- Social Services Block Grant (SSBG)
- Block Grant for the Prevention and Treatment of Substance Abuse
- Community Mental Health Services Block Grant
- Low Income Energy Assistance Block Grant (LIEAP)
- Projects for Assistance in Transition from Homelessness Block Grant (PATH)

	<u>Block Grant Amount</u>	<u>Total Budget For Service</u>	<u>% Block Grant</u>
SSBG	\$23,170,260		
* <i>Adult Protective Services</i>	1,707,395	\$ 2,391,809	71.4%
* <i>Children & Families</i>	1,430,560	50,136,776	2.9%
* <i>Child Care</i>	4,974,796	40,564,558	12.3%
* <i>Foster Care</i>	7,493,894	53,199,549	14.1%
* <i>Adult Day</i>	7,563,615	172,409,726	4.4%
Substance Abuse	10,472,687	19,162,827	54.7%
Mental Health	2,370,291	62,980,366	3.8%
LIEAP	9,800,000	9,800,000	100.0%
PATH	300,000	62,980,366	0.05%
TOTAL	\$46,113,238	\$ 473,625,977	9.7%

* These are included in the SSBG

The total amount of federal dollars appropriated for these block grant programs would be over \$56 million in FY 1998 if not otherwise rescinded or reduced. The attached summaries are submitted for your review and each provides information specifically on each block grant.

I am available to answer any questions on these programs.

Thank you.

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SUMMARY
REPORT ON THE PROPOSED USE OF THE
KANSAS SOCIAL SERVICE BLOCK GRANT
July 1, 1997 to June 30, 1998

The Department of Social and Rehabilitation Services formulates and carries out a program of social services designed to promote the welfare of targeted needy persons by enhancing the opportunity to develop their capabilities to the greatest extent possible. This is the seventeenth year of the social services block grant program.

Eligibility and Requirements

Individual eligibility for social service block grant funding is based on two criteria: 1) There must be a need for the services; and 2) income levels must be met. A single individual may not have a gross income exceeding \$987 per month. This scale is graduated upward and 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; and 5) when no other alternatives exist, providing services to help persons receive the most appropriate institutional care (i.e., adult care homes, state institutions, private institutions, etc.).

For FY 1998, the Kansas Social Service Block Grant Program allocation is \$23,170,260. The estimated expenditures are as follows:

Adult Protective Services	\$ 1,707,395
Youth and Families Support Grants	1,430,560
Child Care Services/Grants/Contracts	4,974,796
Foster Care	7,493,894
Adult Day & Community Living Grants	<u>7,563,615</u>
Total	\$23,170,260

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 SRS 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

SUMMARY
REPORT ON THE PROPOSED USE OF THE BLOCK GRANT
FOR THE PREVENTION AND TREATMENT OF SUBSTANCE ABUSE
July 1, 1997 through June 30, 1998

The Block Grant for the Prevention and Treatment of Substance Abuse is authorized by Public Law 102-321. The Substance Abuse Prevention and Treatment (SAPT) is the administrative agency within the Public Health Services of Health and Human Services.

The current estimate of Kansas' share of the Block Grant is \$10, 472,687 million. The funds will be utilized as indicated below:

<u>Services</u>	<u>Funding Amount</u>
Administration	\$ 382,518
Substance Abuse Prevention Services	2,390,804
Substance Abuse Treatment Services	7,699,365

In our prevention efforts, we utilized a regional approach. Within each of the regions, or SRS Management Areas, high risk data concerning families, youth, and schools is used to target prevention services to communities with high risk factors for substance.

Our treatment approach is to fund programs that provide the least restrictive environment for recovery from alcohol and other drug addictions. The use of five regional assessment centers to accurately assess the level of care needed for each client is allowing the client to receive the most appropriate and cost effective form of treatment available to the majority of Kansans. Priority populations served are pregnant women, women with children, anyone who has been exposed to or is at high risk for TB and/or HIV and lastly, those who would not be able to afford treatment otherwise. While clinically sound treatment for all who seek those services is our goal, we also place great emphasis on treatment outcomes and improvement in the delivery system to Kansans. Treatment services funded by the Block Grant for the Prevention and Treatment of Substance Abuse are projected to provide services for over 18,000 persons who seek treatment and our prevention centers will reach over one million persons during FY 98.

COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT

Funding: For SFY98 MHDD will receive \$2,370,291 under this grant.

Distribution: 5%, or \$112,081, is allocated to the central office. The balance of the \$2,370,291 is distributed via a performance based system of contracting to the 28 mental health centers.

Community Mental Health Centers funded under these contracts provide an organized, comprehensive community-based system of care for individuals with severe and persistent mental illness and children with serious emotional disturbances. CMHCs have a combined staff of over 2,000 and provide mental health services to every county in the state. The independent, locally-operated centers foster a quality system of services for the benefit of citizens needing mental health care and treatment.

Through case management, the primary CMHC service delivery mechanism an array of services, based on an individual's ability to pay, are provided. Basic services provided are outpatient, 24-hour emergency services, consultation and education, screening and aftercare. These services are complemented by a variety of specialized services. Some of these special services are:

- Attendant care

- Respite Care

- In-Home Family Therapy

- Drop-In Services for persons with severe and persistent mental illness

- Vocational Services for persons with severe and persistent mental illness

- Homeless Projects

- Preschool Day Treatment Programs

- Children's Day Hospital

- Parent Education Classes

SUMMARY OF PROPOSED USES
LOW INCOME ENERGY ASSISTANCE PROGRAM BLOCK GRANT
JULY 1, 1997 TO JUNE 30, 1998

The federal Low Income Energy Assistance (LIEAP) block grant helps low income households purchase home heating fuel. The 1997 Kansas allocation was \$9.8 million. If the President's 1998 budget proposal is adopted by Congress, funding would remain level, allowing SRS to continue using the block grant in the following manner:

1. **Energy Assistance** (85% of the grant) - The LIEAP income eligibility limit is 110% of poverty, the most restrictive level federally allowed. Currently, one-person LIEAP household income averages only about 77% of poverty (or \$497 monthly). These households frequently have difficulty paying basic living costs such as rent, fuel, utilities, food, and medicine. Their vulnerability is worsened by other problems such as medical conditions and disabilities. LIEAP recipients are typically elderly with "low-end" Social Security benefits, families with children, or disabled individuals.

Applicants must demonstrate a regular payment history as a condition of eligibility. This state-added requirement emphasizes the household's responsibility for paying its own bills, promotes the importance of maintaining a regular payment history, and provides positive reinforcement. By supplementing the household's own payments, LIEAP helps elderly and disabled persons continue to stay in their homes, and protects vulnerable families who are at risk to homelessness.

Applicants may apply using a mail-in application. About 300 volunteer organizations help distribute outreach materials to households who are unaware of the assistance. SRS verifies income using a variety of data bases, system matches and other methods. Once the household is determined eligible, benefits are applied to the household's fuel or utility account to ensure that the benefit is used for energy. Assistance levels vary according to household income and size, fuel type, housing type, and the household's utility unit rates. About 29,000 households will receive assistance in 1997; the annual benefit is projected average \$270 per household.

2. **Weatherization Assistance** (15% of the grant) - Federal regulations allow States to use up to 15% of LIEAP funding for weatherization improvements. If funding permits, the Department proposes transferring the maximum amount allowed to the Kansas Department of Commerce and Housing's Weatherization Program.

Department of Social and Rehabilitation Services
Office of the Secretary

**PROJECTS FOR ASSISTANCE IN TRANSITION FROM
HOMELESSNESS(PATH)**

Funding: Kansas is a minimum allotment state under this federal formula grant program. \$300,00 has been received for each of the last 6 years.

Distribution: All funds are distributed to homeless programs at five mental health centers. The allocations are as follows:

Shawnee CMHC	-	\$109,981
Wyandotte CMHC	-	\$ 40,113
Bert Nash MHC	-	\$ 26,600
Franklin County MHC	-	\$ 28,000
<u>ComCare</u>	-	<u>\$ 95,306</u>
TOTAL		\$300,000

Shawnee CMHC, COMCARE: Funds are used at these centers in conjunction with major homeless initiatives funded under the federal ACCESS project. PATH funds at these centers allow staff to provide outreach and case management services to persons who are homeless and mentally ill. Case managers help people secure transitional and permanent housing, health services and mental health and substance abuse services in appropriate cases.

WYANDOTTE CMHC: Services provided with PATH funds at this mental health center are similar to those provided in Shawnee and Sedgwick County. Location on the Kansas/Missouri line affects the number of homeless persons in Wyandotte County. Many homeless persons go to the Missouri side for services and shelter.

FRANKLIN CO. CMHC, BERT NASH: Both these centers are new to PATH funding this year. Both centers provide outreach case management and work to link homeless persons with health, mental health and substance abuse services. Case management assists persons with transitional and permanent housing and vocational services.

State of Kansas

Bill Graves



Governor

Department of Health and Environment

James J. O'Connell, Secretary

Testimony presented to

HOUSE APPROPRIATIONS COMMITTEE
LEGISLATIVE HEARING

PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT
MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT
presented by
The Kansas Department of Health and Environment

April 25, 1997

In the early 1980's, the federal block grant programs were initiated in order to provide states greater flexibility in administering federal funding to provide needed services. Funding from a number of programs was consolidated into block grants to provide centralized administrative oversight. The Department of Health and Environment was awarded two federal block grants, the Preventive Health and Health Services Block Grant (PH) and the Maternal and Child Health Services Block Grant (MCH). By federal regulation, public hearings are required for both Block grants. This hearing meets legislative hearing and public review and comment requirements for these grant programs for public input into expenditure of block grant funds toward priority state health needs.

The Preventive Health and Health Services Block Grant supports preventive health programs and services that address **preventable** health problems that contribute to the state's leading causes of premature death and disability and that are consistent with the Year 2000 Health Objectives for the nation. The 1992 amendment to Title XIX, Part A of the PHS Act significantly changed both the application process and reporting requirements in order to better respond to the National Objectives. Beginning with the fiscal year 1993 application, KDHE responded to the new requirements by:

- facilitating a process to identify preventable health priorities for Kansas that are compatible with National Priorities. The Healthy Kansans 2000 Plan has seven priority health areas for Kansas. More than 200 people have participated in the process, which produced a state plan that includes target populations for which activities are to be carried out, populations with greater need and strategies for implementation;
- providing a description of the programs and projects that are funded with PHHS block grant and estimate the number of individuals to be served;
- establishing a state preventive health advisory committee, chaired by the state health officer, to make recommendations regarding development, implementing the state plan, and holding public hearings on the State plan as stipulated by law;
- establishing an ongoing process for public review and comment;
- measuring progress towards meeting the state preventive health objectives, including developing the necessary surveillance systems for measuring progress towards meeting the state's objectives and submission of required uniform data items.

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The revised law stipulates that the state use funds to supplement and increase the level of state, local and other non-federal funds and will not supplant other non-federal funds. State expenditures for activities should be maintained at a level that is not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying.

Section 1904 of the revised law stipulates that funds may be used for the following:

- activities consistent with making progress toward achieving the year 2000 health objectives for the health status of the population;
- preventive health service programs for the control of rodents and for community and school based fluoridation programs;
- feasibility studies and planning for emergency medical services systems and the establishment, expansion, and improvement of such systems;
- providing services to victims of sex offenses and for prevention of sex offenses;
- program activities related to planning, administration and education, including monitoring evaluation of the Year 2000 Health Objectives addressed in the state plan.

A state may not use the funds to:

- a) provide inpatient services;
- b) make cash payments to intended recipients of health services;
- c) purchase or improve land, purchase, construct, or permanently improve any building or other facility, or purchase major medical equipment;
- d) satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds; or,
- e) provide financial assistance to any entity other than a public or nonprofit private entity.

The Maternal and Child Health Services (MCH) 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 for states in planning, service delivery and reporting. Specifically, the changes were designed to improve planning and accountability, targeting federal funds to priority populations and explicitly linking Title V Maternal and Child Health to applicable goals and objectives for the Year 2000. Kansas is currently in compliance with these amendments.

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

- provide and assure mothers and children (particularly those with low income or with limited access to services) access to quality maternal and child health services;

- reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children;
- reduce the need for inpatient 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;
- promote the health of children by providing preventive and primary care services for low-income children;
- 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,
- provide and promote family-centered, community based, coordinated care (including care coordination services) and facilitate the development of community-based systems of service for children with special health care needs and their families.

The MCH block application process has been changed significantly under OBRA '89. Beginning with fiscal year 1991, the Kansas application was required to address the following:

- public review and comment;
- new requirement for expending federal funds (30-30) - states must dedicate at least 30% for preventive and primary care for children, at least 30% for services for children with special health care needs, and no more than 10% of federal may be spent for administration;
- plan for meeting the needs identified in the statewide assessment;
- state-specific goals and objectives consistent with the national health objectives for Year 2000;
- description of services to be provided and categories of individuals to be served;
- description of activities to promote improved access to MCH services that are family centered, community-based and coordinated;
- identification of areas of the state where services will be provided;
- maintenance of effort (states must maintain the same level of state support as in 1989);
- services which support and complement the major expansions of Medicaid eligibility for pregnant women and children up to age 6; and,
- a description of the information the state will collect for its annual report.

Attached to this material are two tables exhibiting actual expenditures of prior state Fiscal Years, and projected expenditures for state FY's 1997 and 1998.

The tables show data for each of the block grants separately.

The tables exhibit PH and MCH funding for Aid to Local (primarily local health department) grant programs. The tables also show PH and MCH funding for state operations by program/ subprogram. Over eighty percent of funding in the Children with Special Health Care Needs Program is for direct payment of medical specialty services, pharmaceuticals and equipment for children with disabling conditions.

DESCRIPTION OF SERVICES TO BE FUNDED IN FY 98:

Aid to Local Agencies:

MCH, PH, and SGF - The Maternal and Child Health Grants - Ninety Six (96) Kansas counties provide M & I prenatal services, Healthy Start home visitor and Child Health services to optimize the health of Kansas families, in particular for uninsured families and those with limited access to care. Counties must provide comprehensive services by coordinating with all available community resources. Based on a community health assessment, counties provide a set of core services. Up to 30% of the funding is flexible to be used on these and other locally-identified MCH priorities.

PH - Chronic Disease Risk Reduction - grants are awarded to support development and implementation of community-based programs to decrease premature death and disability due to cancer and cardiovascular disease, the two leading causes of death in Kansas. Program interventions are designed to decrease the leading modifiable risk factors for cancer and cardiovascular disease, including tobacco use, physical inactivity, and nutrition. Currently, 25 counties, representing over 50% of the state's population are included in the program. Interventions are delivered through schools, worksites, churches, community organizations and in other community settings.

MCH, PH, and SGF - Seven adolescent health projects provide primary care and teen pregnancy reduction services. Projects focus on high risk adolescent health issues. In the case of the maternity homes, funded solely with state general funds, the focus is repeat pregnancy prevention.

MCH and SGF - Black Infant Mortality project in Wichita and the Black Family Preservation project in Kansas City provide community, group and individual education to adolescents and their parents about the consequences of too early childbearing by black youth.

PH - Health Prevention projects fund specific services based on identified need. Funds will be awarded to Pittsburg State University for facilitation of a statewide initiative to promote physical activity, a Black Churches Hypertension/Cholesterol reduction project in Sedgwick County, and the Heartland Health Conference.

Transfers of PH funding to other State agencies:

PH - A portion of PH funding to Kansas is designated, per federal mandate, for rape prevention education and programming, and is granted to the Attorney General's office to be used for local programs. The Kansas award was increased this year as a result of the Federal Crime Bill. The new allocation to Kansas will be used exclusively for rape prevention education, as stipulated via the authorizing legislation.

State Operations:

MCH - Data processing costs for data reports related to maternal and child health services.

MCH - Portion of operating expenses for Vital Statistics, providing health status indicators related to maternal and child health.

MCH - Portion of operating expenses for Child Care Facilities Licensure and Registration Program.

MCH - Operating expenses for Services for Children with Special Health Care Needs section to include direct provider payments for medical specialty services for children with disabling conditions.

MCH - Minor portion of operating expenses for Nutrition and WIC services section to develop nutrition resources and services that contribute to the prevention and correction of health problems related to nutrition for women, infants and children.

MCH - Portion of operating expenses for Children and Families section to provide program oversight to local agencies providing maternal and child health services.

MCH - Minor portion of local funding for immunization initiatives.

PH - Minor portion of operating expenses for Office of Epidemiologic Services in the Director of Health's budget.

PH - Portion of operating expenses for Bureau for Disease Prevention and Health Promotion.

MCH and PH - Portion of operating expenses for Health and Environmental Education which disseminates education and public information materials relating to maternal and child health and other appropriate subjects.

MCH and PH - Portion of operating expenses for the Bureau of Local and Rural Health Systems for consultation, education and support services by community nurse/public health specialists relating to maternal and child health and risk reduction/health promotion activities.

Presented by: Steven R. Potsic, MD, MPH
Director of Health
Kansas Department of Health and Environment
April 25, 1997

KANSAS DEPARTMENT OF HEALTH & ENVIRONMENT

Preventive Health Block Grant - Direct Expenditures

23-Apr-97

FUND # 3614

PROGRAM NAME	PRG NO	Actuals FY 93 P H B G	Actuals FY 94 P H B G	Actuals FY 95 P H B G	Actuals FY 96 P H B G	GBR FY 97 P H B G	GBR FY 98 P H B G
Gov't & Commun Relations Off of the Secretary	0161 0111	\$93,046	\$98,558	\$96,873	\$80,248	\$98,940	\$98,281
Healthy Start / Home Visitor		\$198,814	\$195,869	\$199,642	\$199,484	\$200,556	\$200,556
Teen Pregnancy Reduction		\$52,000	\$51,897	\$51,371	\$52,000	\$52,000	\$52,000
C/V Risk Reduction		\$168,236	\$148,956	\$150,702	\$150,465	\$150,800	\$150,800
Vaccine / Outbreak Supplies		\$14,250	\$42,208	\$652	\$0	\$79,256	\$79,256
Health & Prevention Proj		\$0	\$0	\$41,424	\$0	\$42,113	\$42,113
Child Health Assessments		\$63,727	\$58,480	\$36,001	\$45,350	\$66,000	\$66,000
Aid to Counties - Subtotal		\$497,027	\$497,410	\$479,792	\$447,299	\$590,725	\$590,725
Director of Health	6010	\$496,503	\$0	\$14,816	\$12,249	65,881	75,997
Bureau for Disease Prev & Health Promotio	6030	\$0	\$341,827	\$349,484	\$445,223	336,809	395,344
Bureau of Local & Rural Health	6040	\$0	\$117,457	\$102,217	\$127,300	138,411	138,411
Director of Health - Subtotal		\$496,503	\$459,284	\$466,517	\$584,772	\$541,101	\$609,752
Bureau of Disease Control	6400	\$11,997	\$11,973	\$3,794	\$21,962	0	0
Microbiology Lab	8430	\$26,436	0	0	0	0	0
AGENCY TOTAL DIRECTS		\$1,125,009	\$1,067,225	\$1,046,976	\$1,134,281	\$1,230,766	\$1,298,758
AGENCY TOTAL Non-Reportables		106,389	106,133	109,626	106,757	68,644	343,197
AGENCY TOTAL		\$1,231,398	\$1,173,358	\$1,156,602	\$1,241,038	\$1,299,410	\$1,641,955

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KANSAS DEPARTMENT OF HEALTH & ENVIRONMENT

Maternal Child Health Block Grant - Direct Expenditures

23-Apr-9

FUND # 3616

PROGRAM NAME	PRG NO	Actuals FY 93 MCH	Actuals FY 94 MCH	Actuals FY 95 MCH	Actuals FY 96 MCH	GBR FY 97 MCH	GBR FY 98 MCH
Office of the Secretary	0111	\$2,704	\$2,806	0	0	\$73,352	\$74,141
Gov't & Commun Relations	0161	\$65,635	\$69,263	\$70,219	\$42,362	\$0	\$0
Off of Information Systems	0212	71,759	\$73,713	\$59,309	54,176	47,365	75,062
Vital Statistics	0220	43,344	\$46,805	\$50,009	87,225	113,642	122,176
Mothers and Infants		\$1,008,347	\$1,007,320	\$1,007,022	\$1,008,663	\$1,008,856	\$1,008,856
Healthy Start / Home Visitor		133,824	133,052	134,644	134,978	135,203	135,203
Black Infant Mortality		48,554	48,485	49,115	49,115	49,115	49,115
Child Health		701,748	711,524	707,536	703,200	705,607	711,607
Adolescent Health Promotion		117,762	117,810	117,463	117,783	117,783	117,783
Child Health Assessments		74,020	0	48,117	61,051	76,578	70,578
Health and Prevention Project		0	75,651	0			
Immunization Incentive Pool			38,484	72,969	21,324	189,810	130,000
Aid to Counties - Subtotal	3010	2,084,255	2,132,326	2,136,866	2,096,114	2,282,952	2,223,142
Director of Health	6010	68,376	\$18,046	\$441	\$4,828	45,318	50,911
Early Childhood Coor Council	6020	0	991	0	0	0	0
Bureau of Local & Rural Health	6040	0	54,684	63,072	72,109	71,505	110,505
Childcare Facility Licensing	6220	244,784	\$248,290	\$271,087	\$277,944	242,476	242,476
Bureau of Disease Control	6400	16,989	\$14,885	\$10,169	\$24,945	0	0
Child w/Spec Needs	6511	1,311,154	\$1,237,044	\$1,268,854	\$1,497,938	1,605,571	1,605,565
Children & Families	6512				376,318	573,232	410,191
Children Develop Servs	6513				49,672	101,437	101,864
Nutri & WIC	6520	2,744	\$3,802	\$56,890	\$29,467	60,310	61,843
Children & Families	6530	226,238	\$418,395	\$378,195			
AGENCY TOTAL		\$4,137,982	\$4,321,050	\$4,365,111	\$4,613,098	\$5,217,160	\$5,077,876