

Approved: 2/17/98  
Date

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Phil Kline at 1:30 p.m. on February 12, 1998 in Room 514-S of the Capitol.

All members were present except: Representative Mike Farmer - Excused  
Representative Henry Helgerson - Excused  
Representative George Dean - Excused  
Representative John Edmonds - Excused  
Representative Joe Kejr - Excused  
Representative Ed McKechnie - Excused  
Representative Doug Spangler - Excused  
Representative Shari Weber - Excused

Committee staff present: Stuart Little, Susan Kannarr, Shannon Nichols, Carolyn Rampey, Legislative Research Department  
Jim Wilson, Mike Corrigan, Revisor of Statutes Office  
Helen Abramson, Administrative Aide; Linda Swain, Appropriations Secretary

Conferees appearing before the committee: None

Chair Kline recognized Representative Pottorff to introduce the Subcommittee reports for the mental health institutions.

Representative Pottorff reported the House Subcommittee concurred with the Governor's recommendations for FY 98 and FY 99 for mental health institutions (Attachment 1). The House Subcommittee does, however, express concern that the performance measures submitted by the hospitals do not reflect any type of strategic plan. There were no questions or comments.

A motion was made by Representative Pottorff, seconded by Representative Minor to adopt the Subcommittee Report for Mental Health Institutions. There was no discussion. The motion carried.

Representative Pottorff reported the House Subcommittee concurred with the Governor's recommendations for FY 98 for mental retardation and developmental disabilities (Attachment 2). The House Subcommittee concurred with the Governor's recommendation for FY 99. The Subcommittee notes that there is a concern over the slow rate at which the Average Daily Census at the Mental Retardation and Developmental Disability (MHDD) hospitals is declining. In addition, the Subcommittee is concerned that the performance measures submitted by the hospitals do not reflect any type of overall strategic plan.

A motion was made by Representative Pottorff, seconded by Representative Minor to adopt the Subcommittee Report for Mental Retardation and Developmental Disabilities. There was no discussion. The motion carried.

Representative Pottorff reported the House Subcommittee concurred with the Governor's recommendations for FY 98 for MHDD Commission of the Department of Social and Rehabilitation Services (SRS) (Attachment 3). The House Subcommittee concurred with the Governor's recommendations for FY 99 with five additional exceptions and comments.

A motion was made by Representative Neufeld, seconded by Representative O'connor to accept a conceptual motion to combine various funds together in a block grant, allowing competitive bids for that money to get the maximum use and benefit out of the funds. The motion carried.

A motion was made by Representative Pottorff, seconded by Chair Kline to amend by substitute language for #3 under the House Subcommittee Recommendations to say "The Subcommittee requests that MHDD determine the amount of administrative costs in community mental health services and report the findings to the Subcommittee in Omnibus. Subcommittee can then determine an appropriate cap on these costs." The motion carried.

A discussion followed.

A motion was made by Representative Pottorff, seconded by Representative Minor to adopt the Subcommittee report on MHDD Services Commission of the SRS. The motion carried.

Representative Pottorff reported the House Subcommittee concurred with the Governor's recommendation

for FY 98 for SRS - Community Developmental Disabilities Services (Attachment 4). The House Subcommittee concurred with the Governor's recommendation for FY 99 with two exceptions/comments.

A motion was made by Representative Pottorff, seconded by Representative Minor to amend the recommendation by substitute language in #1 to say "The Subcommittee requests that MHDD determine the amount of administrative costs in Community Development Disabilities Services and report the findings to the Subcommittee at Omnibus. Subcommittee can then determine an appropriate cap on these costs." The motion carried.

A motion was made by Representative Pottorff, seconded by Representative Minor to adopt the Subcommittee report for the SRS - Community Development Disabilities Services. The motion carried.

Chair Kline noted a number of funding items have been reluctantly put off to Omnibus because the tax bill has not yet been passed. The tax bill is needed to correctly identify the amount of funds to be appropriated.

The meeting was adjourned at 2:00. The next meeting is scheduled for Monday, February 16.

# APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 2/12/98

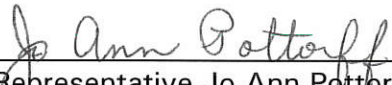
NAME	REPRESENTING
Robert D. Hilliland RA	Nursing KSNA
Kristina Garcia	Student Nurses
Rosie Torrez	Families Together
Kim M. Miller	INTERHAB
Jane Ada	Key for Networking
Rosie Cooper	Key " "
Choc kel	KCP
Jennifer Daniel	KSNA / Avila College
Alycia Gellrich	KSNA
Jose Trevizo	KGC
Carol Courtney	Sumner County Leadership
Mike Hattles	SRS
Janet Schalansky	SRS
Connie Hesser	SRS
Don Jordan	SRS
Clayton Porter	RC12
Jerry Hughes	Sumner Co. Leadership Com.
David B. Dallam	DOB
Ellen Pickett	Assoc. of CMHCS




# Subcommittee Reports

for

## MENTAL HEALTH INSTITUTIONS

  
\_\_\_\_\_  
Representative Jo Ann Pottorff  
Chairperson

  
\_\_\_\_\_  
Representative Phil Kline

  
\_\_\_\_\_  
Representative George Dean

  
\_\_\_\_\_  
Representative Melvin Minor

Appropriations  
2-12-98  
Attachment 1

**SUBCOMMITTEE REPORT**

**Agency:** Mental Health Institutions

**Bill No.**

**Bill Sec.**

**Analyst:** Nichols

**Analysis Pg. No.** 752,  
770, 786, 798

**Budget Page No.** 347,  
365, 375, 453

<u>Expenditure Summary</u>	<u>Agency Estimate FY 98</u>	<u>Gov. Rec. FY 98</u>	<u>House Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 54,782,080	\$ 54,381,670	
Aid to Local Units	0	0	0
Other Assistance	<u>89,655</u>	<u>89,655</u>	<u>0</u>
Subtotal - Operating	\$ 54,871,735	\$ 54,471,325	\$ 0
Capital Improvements	<u>230,279</u>	<u>230,279</u>	<u>0</u>
<b>TOTAL</b>	<b><u>\$ 55,102,014</u></b>	<b><u>\$ 54,701,604</u></b>	<b><u>\$ 0</u></b>
<b>State General Fund:</b>			
State Operations	\$ 22,445,290	\$ 20,049,790	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>1,500</u>	<u>1,500</u>	<u>0</u>
Subtotal - Operating	\$ 22,446,790	\$ 20,051,290	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u>\$ 22,446,790</u></b>	<b><u>\$ 20,051,290</u></b>	<b><u>\$ 0</u></b>
<b>Other Funds:</b>			
State Operations	\$ 32,424,945	\$ 32,331,880	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>88,155</u>	<u>0</u>
Subtotal - Operating	\$ 32,424,945	\$ 32,420,035	\$ 0
Capital Improvements	<u>230,279</u>	<u>230,279</u>	<u>0</u>
<b>TOTAL</b>	<b><u>\$ 32,655,224</u></b>	<b><u>\$ 32,650,314</u></b>	<b><u>\$ 0</u></b>
FTE Positions	1,458.2	1,434.2	-
Unclassified Temp. Positions	<u>0.0</u>	<u>0.0</u>	<u>-</u>
<b>TOTAL</b>	<b><u>1,458.2</u></b>	<b><u>1,434.2</u></b>	<b><u>-</u></b>

**Agency Estimate/Governor's Recommendation**

**Estimates for operating expenditures at the state mental health institutions total \$55,102,014** in FY 1998, an aggregate decrease of \$17.6 million, or 24.2 percent below FY 1997 actual expenditures. State General Fund expenditures total \$22,446,790 in FY 1998, a decrease of \$3,773,900, or 14.4

percent. The mental health institutions request at total of 1,458.2 FTE positions in FY 1998, a decrease of 56.2 FTE from the actual number of positions in FY 1997.

The hospitals also estimate capital improvements expenditures of \$230,279 in FY 1998 for rehabilitation and repair projects.

Beginning with the 1996 Legislature, State General Fund (SGF) appropriations for all of the state institutions' (mental health and mental retardation) operating expenditures and central office aid and assistance grants were placed in a single line item. The Secretary of Social and Rehabilitation Services was given the authority to move SGF funds among hospitals and between hospitals and community services at the Secretary's discretion. The Secretary also has the discretion to transfer FTE positions among hospitals.

**The Governor recommends operating expenditures of \$54,701,604** for the state mental health institutions, a decrease of \$262,836, or 0.4 percent below the agencies' estimates. State General Fund expenditures of \$20,051,290 are recommended for FY 1998, a decrease of \$2,395,500, or 10.7 percent, below the agencies' estimates. Included in the recommendation is funding for 1,434.2 FTE positions, a decrease of 134.7 FTE positions below the estimates. System wide salaries and wages were also adjusted to reflect retirements. **The Governor concurs** with the estimates for capital improvements expenditures.

The following table shows the estimates for the individual institutions and the Governor's recommendations:

Institution	Agency Estimate FY 1998	Gov. Rec. FY 1998
Larned State Hospital		
State General Fund	\$ 11,831,052	\$ 11,559,634
All Other Funds	17,597,921	17,597,921
Total	<u>\$ 29,428,973</u>	<u>\$ 29,157,555</u>
Osawatomie State Hospital		
State General Fund	7,704,016	7,579,934
All Other Funds	11,566,224	11,561,314
Total	<u>\$ 19,270,240</u>	<u>\$ 19,141,248</u>
Rainbow Mental Health Facility		
State General Fund	\$ 2,911,722	\$ 2,911,722
All Other Funds	3,291,078	3,291,078
Total	<u>\$ 6,202,800</u>	<u>\$ 6,202,800</u>
Topeka State Hospital		
State General Fund	\$ 0	\$ 0
All Other Funds	200,001	200,001
Total	<u>\$ 200,001</u>	<u>\$ 200,001</u>
 TOTAL	 <u><u>\$ 55,102,014</u></u>	 <u><u>\$ 54,701,604</u></u>
 FTE Positions:		
Larned State Hospital	771.6	771.6
Osawatomie State Hospital	519.2	519.2
Rainbow Mental Health Facility	143.4	143.4
Topeka State Hospital	24.0	0.0
Unclassified Temp. Positions	0.0	0.0
TOTAL	<u>1,458.2</u>	<u>1,434.2</u>
 Capital Improvements:		
Larned State Hospital	\$ 154,757	\$ 154,757
Osawatomie State Hospital	75,522	75,522
Rainbow Mental Health Facility	0	0
Topeka State Hospital	0	0
TOTAL	<u>\$ 230,279</u>	<u>\$ 230,279</u>

**House Subcommittee Recommendation**

The Subcommittee concurs with the Governor's recommendation.



**SUBCOMMITTEE REPORT**

**Agency:** Mental Health Institutions

**Bill No.**

**Bill Sec.**

**Analyst:** Nichols

**Analysis Pg. No.** 752,  
770, 786, 798

**Budget Page No.** 347,  
365, 375, 453

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
<b>All Funds:</b>			
State Operations	\$ 55,409,351	\$ 55,430,449	\$ 0
Aid to Local Units	0	0	0
Other Assistance	1,500	92,561	0
Subtotal - Operating	<u>\$ 55,410,851</u>	<u>\$ 55,523,010</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 55,410,851</u></u>	<u><u>\$ 55,523,010</u></u>	<u><u>\$ 0</u></u>
<b>State General Fund:</b>			
State Operations	\$ 15,529,998	\$ 14,761,128	\$ 0
Aid to Local Units	0	0	0
Other Assistance	1,500	1,500	0
Subtotal - Operating	<u>\$ 15,531,498</u>	<u>\$ 14,762,628</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 15,531,498</u></u>	<u><u>\$ 14,762,628</u></u>	<u><u>\$ 0</u></u>
<b>Other Funds:</b>			
State Operations	\$ 39,879,353	\$ 40,769,321	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	91,061	0
Subtotal - Operating	<u>\$ 39,879,353</u>	<u>\$ 40,860,382</u>	<u>\$ 0</u>
Capital Improvements	0	0	0
<b>TOTAL</b>	<u><u>\$ 39,879,353</u></u>	<u><u>\$ 40,860,382</u></u>	<u><u>\$ 0</u></u>
FTE Positions	1,400.4	1,398.4	--
Unclassified Temp. Positions	0.0	0.0	--
<b>TOTAL</b>	<u><u>1,400.4</u></u>	<u><u>1,398.4</u></u>	<u><u>--</u></u>

**Agency Request/Governor's Recommendation**

The mental health institutions request a total of \$55,410,851 for operating expenditures in FY 1999, an increase of \$308,837, or 0.6 percent above the FY 1998 estimate. State General Fund requests total \$15,531,498, a decrease of \$6,915,292, or 30.8 percent, below the FY 1998 estimate. The requests

include funding for 1,400.4 FTE positions, a decrease of 586.8 FTE below FY 1997. Included in the salaries and wages request is funding for classified step movement, 2.5 percent unclassified merit increases, and longevity bonus payments.

**The Governor recommends operating expenditures of \$55,523,010** for the four hospitals in FY 1999, an increase of \$112,159, or 0.2 percent, above the request. State General Fund expenditures are recommended at \$14,762,628, a decrease of \$768,870, or 5.0 percent, below the request. The recommendation includes a 1.0 percent base salary adjustment for all institutions. The Governor recommends a total of 1,398.4 FTE positions, a decrease of 2.0 FTE positions below the agency estimate. These positions are eliminated from Rainbow Mental Health Facility.

The following table shows the estimates for the individual institutions and the Governor's recommendations:

Institution	Agency Estimate FY 1999	Gov. Rec. FY 1999
Larned State Hospital		
State General Fund	\$ 9,036,764	\$ 8,677,519
All Other Funds	20,888,197	21,379,258
Total	<u>\$ 29,924,961</u>	<u>\$ 30,056,777</u>
Osawatomie State Hospital		
State General Fund	\$ 4,069,179	\$ 3,693,609
All Other Funds	15,123,245	15,601,214
Total	<u>\$ 19,192,424</u>	<u>\$ 19,294,823</u>
Rainbow Mental Health Facility		
State General Fund	\$ 2,425,555	\$ 2,391,500
All Other Funds	3,867,911	3,879,910
Total	<u>\$ 6,293,466</u>	<u>\$ 6,271,410</u>
Topeka State Hospital		
State General Fund	\$ 0	\$ 0
All Other Funds	0	0
Total	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 55,410,851</u></u>	<u><u>\$ 55,623,010</u></u>
FTE Positions:		
Larned State Hospital	771.6	771.6
Osawatomie State Hospital	485.4	485.4
Rainbow Mental Health Facility	143.4	141.4
Topeka State Hospital	0.0	0.0
Unclassified Temp. Positions	0.0	0.0
TOTAL	<u><u>1,400.4</u></u>	<u><u>1,398.4</u></u>
Capital Improvements	0.0	0.0

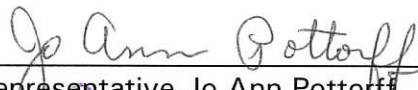
### **House Subcommittee Recommendation**

The House Subcommittee concurs with the Governor. The House Subcommittee does, however, express concern that the performance measures submitted by the hospitals do not reflect any type of strategic plan.

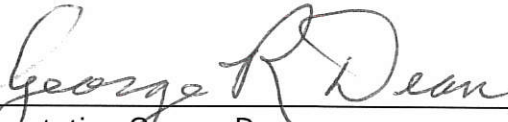
**Subcommittee Reports**

**for**

**Mental Retardation and Developmental Disabilities**

  
\_\_\_\_\_  
Representative Jo Ann Pottorff

  
\_\_\_\_\_  
Representative Phil Kline

  
\_\_\_\_\_  
Representative George Dean

  
\_\_\_\_\_  
Representative Melvin Minor

*Appropriations  
2-12-98  
Attachment 2*

**SUBCOMMITTEE REPORT**

**Agency:** Mental Retardation Institutions

**Bill No.**

**Bill Sec.**

**Analyst:** Nichols

**Analysis Pg.** 803, 815,  
831

**Budget Page No.** 323,  
369,513

Expenditure Summary	Agency Est. FY 98	Gov. Rec. FY 98	House Subcommittee Adjustments
<b>All Funds:</b>			
State Operations	\$ 49,820,412	\$ 49,707,250	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 49,820,412	\$ 49,707,250	\$ 0
Capital Improvements	429,786	429,786	0
<b>TOTAL</b>	<b>\$ 50,250,198</b>	<b>\$ 50,137,036</b>	<b>\$ 0</b>
<b>State General Fund:</b>			
State Operations	23,365,977	23,200,437	0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 23,365,977	\$ 23,200,437	\$ 0
Capital Improvements	0	0	0
<b>TOTAL</b>	<b>\$ 23,365,977</b>	<b>\$ 23,200,437</b>	<b>\$ 0</b>
<b>Other Funds:</b>			
State Operations	26,385,551	26,506,813	0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal - Operating	\$ 26,385,551	\$ 26,506,813	\$ 0
Capital Improvements	429,786	429,786	0
<b>TOTAL</b>	<b>\$ 26,815,337</b>	<b>\$ 26,936,599</b>	<b>\$ 0</b>
FTE Positions	1,571.0	1,571.0	0.0
Unclassified Temp. Positions	3.1	3.1	0.0
<b>TOTAL</b>	<b>1,574.1</b>	<b>1,574.1</b>	<b>0.0</b>

## Agency Estimate/Governor's Recommendation

**Total operating expenditures for all state mental retardation institutions are estimated to be \$50,250,198** in FY 1998, a decrease of 11.9 million below FY 1997 actual expenditures. State General Fund expenditures are estimated to be (19.1 percent), a decrease of \$3,811,227 (14.0 percent) below actual FY 1997 State General Fund expenditures. Included in the request is salaries and wages funding for 1,574.1 FTE positions. The hospitals request \$429,786 for capital improvement expenditures for various rehabilitation and repair projects.

Beginning with the 1996 Legislature, State General Fund (SGF) appropriations for all of the state institutions' (mental health and mental retardation) operating expenditures and central office aid and assistance grants were placed in a single line item. The Secretary of Social and Rehabilitation Services was given the authority to move SGF funds among hospitals and between hospitals and community services at the Secretary's discretion. The Secretary also has the discretion to transfer FTE positions among hospitals.

**The Governor recommends operating expenditures of \$50,137,036 for the state mental retardation institutions** in FY 1998, a decrease of \$113,162 (0.2 percent) below the agencies' estimates and a decrease of \$12.0 million (19.3 percent) below actual FY 1997 expenditures. The Governor recommends State General Fund expenditures of \$23,200,437, a decrease of \$3,976,767 (14.6 percent) below the agencies' estimates and a decrease of \$6,079,290 (26.2 percent) below actual FY 1997 State General Fund expenditures. **The Governor** concurs with the estimate for capital improvements in FY 1997.

The following table shows the estimates for the individual institutions and the Governor's recommendations:

<u>Institution</u>	<u>Agency Estimate FY 1998</u>	<u>Gov. Rec. FY 1998</u>
Kansas Neurological Institute		
State General Fund	\$ 12,124,002	\$ 12,025,578
All Other Funds	12,054,028	12,175,290
Total	<u>\$ 24,178,030</u>	<u>\$ 24,200,868</u>
Parsons State Hospital & Training Center		
State General Fund	\$ 9,905,241	\$ 9,838,125
All Other Funds	8,655,130	8,655,130
Total	<u>\$ 18,560,371</u>	<u>\$ 18,493,255</u>
Winfield State Hospital & Training Center		
State General Fund	\$ 1,336,734	\$ 1,336,734
All Other Funds	6,106,179	6,106,179
Total	<u>\$ 7,442,913</u>	<u>\$ 7,442,913</u>
 TOTAL	 \$ 50,250,198	 \$ 50,137,036
 FTE Positions:		
Kansas Neurological Institute	676.0	676.0
Parsons State Hospital & Training Center	524.0	524.0
Winfield State Hospital & Training Center	371.0	371.0
Unclassified Temp. Positions	3.1	3.1
TOTAL	<u>1,574.1</u>	<u>1,574.1</u>
 Capital Improvements		
Kansas Neurological Institute	\$ 390,400	\$ 390,400
Parsons State Hospital and Training Center	32,532	32,532
Winfield State Hospital and Training Center	6,854	6,854
TOTAL	<u>\$ 429,786</u>	<u>\$ 429,786</u>

**House Subcommittee Recommendation**

The Subcommittee concurs with the Governor's recommendation.

**SUBCOMMITTEE REPORT**

**Agency:** Mental Retardation Institutions

**Bill No.**

**Bill Sec.**

**Analyst:** Nichols

**Analysis Pg. No.** 803, 815, **Budget Page No.** 323,  
831

369, 513

Expenditure Summary	Agency FY 99	Gov. Rec. FY 99	House Subcommittee Adjustments
<b>All Funds:</b>			
State Operations	\$ 43,386,146	\$ 43,807,820	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>68,953</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 43,455,099	\$ 43,807,820	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u><u>\$ 43,455,099</u></u></b>	<b><u><u>\$ 43,807,820</u></u></b>	<b><u><u>\$ 0</u></u></b>
<b>State General Fund:</b>			
State Operations	\$ 18,730,394	\$ 18,882,263	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>68,953</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 18,799,347	\$ 18,882,263	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u><u>\$ 18,799,347</u></u></b>	<b><u><u>\$ 18,882,263</u></u></b>	<b><u><u>\$ 0</u></u></b>
<b>Other Funds:</b>			
State Operations	\$ 24,655,752	\$ 24,925,557	\$ 0
Aid to Local Units	0	0	0
Other Assistance	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal - Operating	\$ 24,655,752	\$ 24,925,557	\$ 0
Capital Improvements	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL</b>	<b><u><u>\$ 24,655,752</u></u></b>	<b><u><u>\$ 24,925,557</u></u></b>	<b><u><u>\$ 0</u></u></b>
FTE Positions	1,200.0	1,198.0	0.0
Unclassified Temp. Positions	<u>3.1</u>	<u>3.1</u>	<u>0.0</u>
<b>TOTAL</b>	<b><u><u>1,203.1</u></u></b>	<b><u><u>1,201.1</u></u></b>	<b><u><u>0.0</u></u></b>



## Agency Request/Governor's Recommendation

**Operating expenditures of \$43,455,099 are requested for the state mental retardation institutions** in FY 1999, a decrease of \$6.8 million (13.5 percent) below the FY 1998 estimate. State General Fund requested expenditures of \$18,799,347 are a decrease of \$4,566,630 (19.5 percent) below FY 1998 State General Fund estimates. No capital improvements are requested.

**The Governor recommends operating expenditures of \$43,807,820** for FY 1999, an increase of \$352,721 (0.8 percent) above the request. Recommended State General Fund expenditures of \$18,882,263 are an increase of \$82,916 (0.4 percent) above the request. The overall increase in expenditures is the result of the Governor's recommendation for a 1.0 percent base salary adjustment for classified positions and a 4.0 percent unclassified merit increase. The Governor does not recommend any capital improvement expenditures.

## Closure of Winfield State Hospital and Training Center (WSH&TC)

WSH&TC was initially scheduled to close on December 31, 1997 as recommended by the 1995 Hospital Closure Commission and approved by the 1996 Legislature. The actual date of closure was January 30, 1998, when the final layoffs of the hospital's employees took place (the last patients were discharged on January 28, 1998). After January 30, 1998, WSH&TC will continue to have 28 employees at the facility through March 6, 1998 to close out records, inventory supplies and equipment, disperse inventory throughout the remaining institutions and the Kansas Veterans Home and any other tasks necessary for closure. At the time of the closure announcement, the facility had 241 clients. Of those clients, 196 individuals and their families/guardians chose placement at community services throughout Kansas and 36 transferred to another State Hospital. The remaining nine passed away, moved to another state or chose to arrange their own services. A discussion of the funding for community services can be found in the analysis for the Division of Mental Health and Developmental Disabilities (MH&DD) Services in this publication.

The following table shows the estimates for the individual institutions and the Governor's recommendations:

<u>Institution</u>	<u>Agency Request FY 1999</u>	<u>Gov. Rec. FY 1999</u>
Kansas Neurological Institute		
State General Fund	\$ 10,231,467	\$ 10,198,356
All Other Funds	14,227,564	14,460,896
Total	<u>\$ 24,459,031</u>	<u>\$ 24,659,252</u>
Parsons State Hospital & Training Center		
State General Fund	\$ 8,567,880	\$ 8,683,907
All Other Funds	10,428,188	10,464,661
Total	<u>\$ 18,996,068</u>	<u>\$ 19,148,568</u>
Winfield State Hospital & Training Center		
State General Fund	\$ 0	\$ 0
All Other Funds	0	0
Total	<u>\$ 0</u>	<u>\$ 0</u>
 TOTAL	 \$ 43,455,099	 \$ 43,807,820
FTE Positions:		
Kansas Neurological Institute	676.0	674.0
Parsons State Hospital & Training Center	524.0	524.0
Winfield State Hospital & Training Center	0.0	0.0
Unclassified Temp. Positions	3.1	3.1
TOTAL	<u>1,203.1</u>	<u>1,201.1</u>
Capital Improvements	\$ 0	\$ 0

### House Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation. The Subcommittee notes that there is a concern over the slow rate at which the Average Daily Census at the Mental Retardation and Developmental Disability hospitals is declining. In addition, the Subcommittee is concerned that the performance measures submitted by the hospitals do not reflect any type of overall strategic plan.

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House Appropriations Subcommittee on  
State Hospitals and General Government

Subcommittee Reports on

Mental Health and Developmental Disabilities Services (MHDD) Commission  
of the Department of Social and Rehabilitation Services

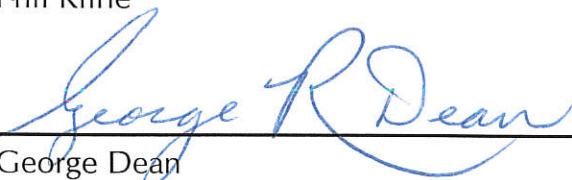
For Fiscal Years FY 1998 and FY 1999



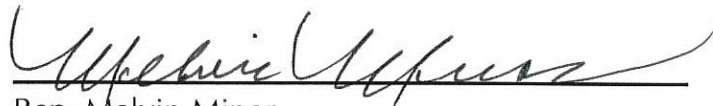
Rep. Jo Ann Pottorff, Chair



Rep. Phil Kline



Rep. George Dean



Rep. Melvin Minor

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Attachment 3

## SUBCOMMITTEE REPORT

**Agency:** SRS - Community Mental Health  
Services and MHDD Administration

**Bill No.**

**Bill Sec.**

**Analyst:** Kannarr

**Analysis Pg. No.** 929

**Budget Page No.** 434

Expenditure Summary	Agency FY 98*	Gov. Rec. FY 98*	House Subcommittee Adjustments*
State Operations	\$ 5,328,778	\$ 5,328,778	-
Aid to Local Units	52,050,047	52,050,047	-
Other Assistance	11,474,000	10,800,000	-
Total - Oper. Expend.	<u>\$ 68,852,825</u>	<u>\$ 68,178,825</u>	-
State General Fund	\$ 54,597,787	\$ 54,503,847	
All Other Funds	14,255,038	13,674,978	
Total - Oper. Expend.	<u>\$ 68,852,825</u>	<u>\$ 68,178,825</u>	
FTE Positions	50.0	50.0	-
Unclassified Temp. Positions	23.0	23.0	-
TOTAL	<u>73.0</u>	<u>73.0</u>	-

\* Includes expenditures for the Hospital Special Projects and Special Education programs.

### Agency Estimate/Governor's Recommendation

For **FY 1998**, the agency estimates expenditures of \$1.5 million, including \$0.8 million from the State General Fund, for the MH&DD Administration division. The estimate is an all funds decrease of \$95,548 (6.1 percent) and a State General Fund decrease of \$252,611 (23.8 percent) below FY 1997 expenditures. One of the reasons for the decrease is the shifting of funding of \$680,000 State General Fund for atypical antipsychotic medications from Administration to Mental Health Services. The estimate includes 19.5 FTE positions, an increase of 1.0 FTE over FY 1997. The 1.0 position was shifted from within MH&DD.

**The Governor concurs** with the agency estimate for FY 1998.

For **FY 1998** the agency estimates operating expenditures of \$66.5 million, including \$53.8 million from the State General Fund, for the Mental Health Services division. The estimate is an all funds increase of \$10.5 million (18.8 percent) and a State General Fund increase of \$10.6 million (24.6 percent). The largest factors in the increase are an increase in grants (\$6.1 million) due to enhanced community funding as a result of the closure of Topeka State Hospital and an increase in Nursing Facilities - Mental Health (\$3.5 million) due to increased caseloads.

The estimate includes 30.0 FTE and 23.0 UT positions, an increase of 19.0 FTE positions over

the FY 1997 number. Of the increase, 6.0 FTE represent transfers within MH&DD and 13.0 represent FTE transferred to MH&DD from state hospitals to implement a quality assurance system for community services. Twelve positions will be located in the various SRS Area Offices to provide local quality assurance activities regarding the services provided by Community Mental Health Centers and their affiliates. The other 1.0 position is the Quality Assurance supervisor located in the central office.

**The Governor recommends** expenditures of \$65.8 million, including \$53.7 million from the State General Fund for Mental Health Services in FY 1998. The recommendation is a decrease of \$674,000 all funds and \$93,940 State General Fund. The Governor adjusts NF-MH expenditures to reflect November 1997 consensus caseload estimates. The Governor concurs with the agency estimate of 30.0 FTE and 23.0 UT positions.

The agency estimates expenditures of \$853,130 in federal grants and assistance for **FY 1998** for the Special Education program.

**The Governor** concurs with the agency in FY 1998.

The agency requests expenditures of \$17,957 for **FY 1998** for the Hospital Special Projects program, a decrease of \$7,840 below actual FY 1997 expenditures.

**The Governor** concurs with the agency in FY 1998.

### **House Subcommittee Recommendation**

The House Subcommittee concurs with the Governor's recommendation for FY 1998.

**SUBCOMMITTEE REPORT**

**Agency:** SRS - Community Mental Health Services and MHDD Administration

**Bill No.**

**Bill Sec.**

**Analyst:** Kannarr

**Analysis Pg. No.** 929

**Budget Page No.** 434

<u>Expenditure Summary</u>	<u>Agency Request FY 99*</u>	<u>Gov. Rec. FY 99*</u>	<u>House Subcommittee Adjustments*</u>
State Operations	\$ 5,468,809	\$ 5,494,022	-
Aid to Local Units	53,730,047	54,445,019	1,875,000
Other Assistance	12,162,440	11,200,000	-
Total - Oper. Expend.	<u>\$ 71,361,296</u>	<u>\$ 71,139,041</u>	<u>\$ 1,875,000</u>
State General Fund	\$ 56,854,636	\$ 57,285,778	\$ 75,000
All Other Funds	14,506,660	13,853,263	1,800,000
Total - Oper. Expend.	<u>\$ 71,361,296</u>	<u>\$ 71,139,041</u>	<u>\$ 1,875,000</u>
FTE Positions	50.0	50.0	-
Unclassified Temp. Positions	23.0	23.0	-
TOTAL	<u>73.0</u>	<u>73.0</u>	-

\* Amounts include expenditures for the Hospital Special Projects and Special Education Programs.

**Agency Request/Governor's Recommendation**

For **FY 1999**, the agency requests operating expenditures of \$1.6 million, including \$0.9 million from the State General Fund. The request is an all funds increase of \$97,174 (6.6 percent) and a State General Fund increase of \$75,063 (9.3 percent) above the FY 1998 estimate. The request includes 19.5 FTE positions, the same number as in the FY 1998 estimate. No enhancement package is requested for the MH&DD Administration division.

**The Governor recommends** expenditures of \$1.6 million, including \$877,155 from the State General Fund, for FY 1999. The recommendation is a decrease of \$1,170 (\$4,977 State General Fund) below the agency request. Included in the recommendation are adjustments for salary enhancements for 19.5 FTE positions.

For **FY 1999** the agency requests expenditures of \$68.9 million, including \$56.0 million from the State General Fund. The request is an increase of \$2.4 million all funds (3.6 percent) and \$2.2 million (4.1 percent) State General Fund above the FY 1998 estimate. The increases are in Mental Health Grants and the Nursing Facilities - Mental Health (NF-MH) programs. The request includes 30.0 FTE and 23.0 UT positions which is the same number as in FY 1998. Also included in the request is an enhancement package of \$1.0 million State General Fund to continue the Children's Mental Health

Initiative begun in FY 1998 and approved by the 1997 Legislature.

**The Governor recommends** expenditures of \$68.7 million, including \$56.4 million from the State General Fund, for FY 1999. The recommendation is a decrease of \$221,085 (0.3 percent) all funds and an increase of \$436,119 (0.8 percent) State General Fund as compared to the agency request. The Governor concurs with the agency request for 30.0 FTE and 23.0 UT positions but makes adjustments for recommended salary enhancements. The Governor concurs with the agency enhancement request for \$1.0 million State General Fund for the Children's Mental Health Initiative. In addition, the Governor's recommendation includes \$714,972 to fund a 2.0 percent increase in state funding for aid to community mental health centers, mental health reform and hospital closure. Finally, the Governor adjusts NF-MH expenditures to reflect November 1997 consensus caseload estimates.

**The agency** requests expenditures of \$853,570, an increase of \$17,606 (2.1 percent) above the FY 1998 estimate for the Special Education. The requested funding would continue current service levels. Funding for a 0.5 FTE position is included in the estimate.

**The Governor** concurs with the agency in FY 1999.

**The agency** requests expenditures of \$18,495 for **FY 1999** for the Hospital Special Projects program, an increase of \$538 over the FY 1998 estimate. The requested funding would continue current services levels.

**The Governor** concurs with the agency in FY 1999.

### **House Subcommittee Recommendation**

The House Subcommittee concurs with the Governor's recommendation for FY 1999 with the following exceptions and comments:

1. Add \$75,000 State General Fund to expand supportive employment services and community mental health centers. Total state funding for FY 1999 would be \$400,000 which would be matched by \$1,477,934 in federal dollars. The additional funding would enable all community mental health centers to provide supportive employment services.
2. The Subcommittee is concerned about the adequacy of the funding for the maximum number of allowable slots for the Children's Mental Health Initiative waiver program in FY 1999. The Governor recommended \$2.0 million State General Fund to be matched with \$3.0 million in federal Medicaid funds (total funding of \$5.0 million) to support the waiver in FY 1999. The cost per slot is estimated to be \$9,300 with 1,000 slots anticipated to be served in FY 1999 for a total cost of \$9.3 million. To address this issue, the Subcommittee recommends the following:
  - a. Increase the expenditure limitation on the Social Welfare Fund (SRS Fee Fund) by \$1.8 million to fully fund the Children's Mental Health Initiative waiver in FY 1999. Total state funding would be \$3.8 million (\$2.0 million State General Fund) to be matched by approximately \$5.5 million federal Medicaid funding (total funding \$9.3 million).

- b. Add unlimited reappropriation language to the children's mental health initiative account of the State General Fund. Any funds remaining in this account at the end of FY 1998 should be reappropriated to FY 1999 to help fund the children's waiver.
    - c. Add a proviso to the appropriations bill stating that funding required in excess of dollars available in the children's mental health initiative account of the State General Fund, to fund needed slots in FY 1999 (up to the maximum of 1,000) must come from the Social Welfare Fund (SRS Fee Fund) and not existing Community Mental Health Center funds.
  3. The Subcommittee recommends administrative overhead costs for community mental health service providers and the Mental Health Services division of SRS not exceed 10 percent of the overall budget.
  4. The Subcommittee recommends the following items be reserved for Omnibus consideration:
    - a. A request by Kansas Advocacy and Protective Services (KAPS) for \$250,000 State General Fund to provide monitoring and advocacy services to persons with mental illness and developmental disabilities who are now in the community.
    - b. A request for additional funding of \$200,000 State General Fund for the Parent Assistance Network (Families Together) to begin serving the mentally ill/emotionally disturbed population. Current funding is \$150,000 State General Fund.
    - c. Two alternate requests were made for increased funding for consumer run organizations (CROs). Current funding is \$260,000 State General Fund. The first is additional funding of \$524,000 State General Fund for total funding of \$784,000. The alternative request is for CROs to receive a line item of 1 percent of the total mental health services budget. The recommended budget for FY 1999 is \$68.7 million. According to testimony, the additional funding would allow for the expansion of 12 existing programs and add another 16 programs.
    - d. A request for \$300,000 State General Fund for total funding to Keys for Networking. Current funding is \$150,000 State General Fund.
    - e. A request for \$377,545 to increase state grants to community mental health centers (Mental Health Reform, State Aid and Closure Funding) by 3 percent at a cost of \$1,092,517 State General Fund. The Governor recommended a 2 percent increase in these items at a cost of \$714,972 and the requested funding represents the difference between the 2 percent and 3 percent increases.



5. The Subcommittee expresses concern regarding the adequacy of mental health services for youth between the ages of sixteen and twenty-four. The Subcommittee heard testimony that this age group requires specialized services not always available in the community.

## SUBCOMMITTEE REPORT

**Agency:** SRS - Community Developmental Disabilities Services (includes KCDD)

**Bill No.**

**Bill Sec.**

**Analyst:** Kannarr

**Analysis Pg. No.** 929

**Budget Page No.** 424

<u>Expenditure Summary</u>	Agency Est. FY 98	Gov. Rec. FY 98	House Subcommittee Adjustments
State Operations	\$ 5,699,113	\$ 5,692,356	-
Aid to Local Units	23,670,934	23,670,934	-
Other Assistance	145,111,112	146,000,000	-
Total - Oper. Expend.	<u>\$ 174,481,159</u>	<u>\$ 175,363,290</u>	-
State General Fund	\$ 77,086,840	\$ 77,446,840	-
All Other Funds	97,394,319	97,916,450	-
Total - Oper. Expend.	<u>\$ 174,481,159</u>	<u>\$ 175,363,290</u>	-
FTE Positions	27.0	27.0	-
Unclassified Temp. Positions	2.0	2.0	-
TOTAL	<u>29.0</u>	<u>29.0</u>	-

### Agency Est./Governor's Recommendation

**For FY 1998**, the agency estimates expenditures of \$173.0 million, including \$77.1 million from the State General Fund, for the Developmental Disabilities Services Division. The estimate is an increase of \$18.8 million (12.2 percent) all funds and \$7.2 million (10.4 percent) State General Fund as compared to actual FY 1997 expenditures. The significant increase is in the Home and Community Based Services/Mental Retardation (HCBS/MR) waiver program due to continued refinancing. The estimate includes 24.0 FTE positions, the same number as in FY 1997.

**The Governor** recommends expenditures of \$173.9 million, including \$77.4 million from the State General Fund, for FY 1998. The recommendation is an increase of \$888,888 (0.5 percent) all funds and \$360,000 (0.5 percent) State General Fund as compared to the agency estimate. The Governor concurs with the agency estimate of 24.0 FTE. The recommendation reflects adjustments for November 1997 consensus caseload estimates for the HCBS/MR and ICF-MR programs.

**For FY 1998**, the Kansas Council on Developmental Disabilities (KCDD) estimates expenditures of \$1,518,034 million in federal grants and assistance, an increase of \$988,945 (186.9 percent) over FY 1997 expenditures. The large increase is a result of the agency not initiating the number of local grants it anticipated in FY 1997 and because one of its authorized positions was left vacant in FY 1997. The estimate includes funding for 3.0 FTE positions.

**The Governor recommends** \$1,511,277 in expenditures for FY 1998, a decrease of \$6,757 (0.4

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percent) below the agency estimate. Adjustments are made to salaries and wages to correct fringe benefit rates.

### **House Subcommittee Recommendation**

The House Subcommittee concurs with the Governor's recommendation for FY 1998.

**SUBCOMMITTEE REPORT**

**Agency:** SRS - Community Development  
Disabilities Services (including KCDD)

**Bill No.**

**Bill Sec.**

**Analyst:** Kannarr

**Analysis Pg. No.** 929

**Budget Page No.** 424

<u>Expenditure Summary</u>	<u>Agency Request FY 99</u>	<u>Gov. Rec. FY 99</u>	<u>House Subcommittee Adjustments</u>
State Operations	\$ 5,813,583	\$ 5,829,155	--
Aid to Local Units	23,691,542	23,691,542	--
Other Assistance	153,419,097	152,800,000	--
Total - Oper. Expend.	<u>\$ 182,924,222</u>	<u>\$ 182,320,697</u>	--
State General Fund	\$ 80,787,435	\$ 80,150,235	--
All Other Funds	102,136,787	102,170,462	--
Total - Oper. Expend.	<u>\$ 182,924,222</u>	<u>\$ 182,320,697</u>	--
FTE Positions	27.0	27.0	--
Unclassified Temp. Positions	2.0	2.0	--
TOTAL	<u>29.0</u>	<u>29.0</u>	--

**Agency Request/Governor's Recommendation**

**For FY 1999**, the agency requests expenditures of \$181.4 million, including \$80.8 million from the State General Fund, for this division. The request is an increase of \$8.4 million (4.9 percent) all funds and \$3.7 million (4.8 percent) State General Fund over the FY 1998 estimate. The increase is almost entirely in the ICF-MR and HCBS/MR programs. The agency requests the same number of FTE positions as in FY 1998.

**The Governor** recommends \$180.8 million, including \$80.2 million from the State General Fund, for FY 1999. The recommendation is an all funds decrease of \$0.6 million and a State General Fund decrease of \$0.6 million below the agency request. The Governor concurs with the agency request for 24.0 FTE positions but makes adjustments for recommended salary enhancements. The recommendation includes an increase of \$4.4 million in the HCBS/MR program and an offsetting decrease of \$5.0 million in the ICF-MR program to reflect November 1997 consensus caseloads estimates for those programs.

**The KCDD** requests expenditure authority of \$1,523,342, an increase of \$5,308 (0.3 percent) above the FY 1998 estimate. The request includes 3.0 FTE positions, the same number as in FY 1998. Current services are maintained and no enhancement package is requested.

**The Governor recommends** expenditure authority of \$1,522,995, a decrease of \$347 below the

agency request. The Governor adjusts salaries and wages to correct fringe benefit rates. The Governors recommendation includes \$2,789 for a 1.5 percent classified base salary adjustment and a 4.0 percent unclassified merit pool.

### **House Subcommittee Recommendation**

The House Subcommittee concurs with the Governor's recommendation with the following exception and comments:

1. The Subcommittee recommends administrative overhead costs for community developmental disabilities and the Developmental Disabilities Services division of SRS not exceed 10 percent of the overall budget.
2. The Subcommittee recommends the following items be reviewed during Omnibus:
  - a. A request for an 8 percent increase in all HCBS/MR rates to begin addressing community staffing issues. Funding requested is \$3.8 million State General Fund to be matched by \$5.6 million in federal matching funds.
  - b. A request for \$3.0 million State General Fund to be used as matching funds for Targeted Case Management. This amount would be matched by the community developmental disabilities organizations in an equal amount.
  - c. A request for additional funding of \$250,000 for the Parent Assistance Network (Families Together).