

Approved: 2-24-99
Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE.

The meeting was called to order by Chairperson Phill Kline at 9:00 a.m. on January 29, 1999 in Room 514-S of the Capitol.

All members were present except: Rep. McKechnie
Rep. Nichols

Committee staff present: Legislative Research - Alan Conroy, Robert Waller, Stuart Little, RaeAnn Davis
Revisor of Statutes - Jim Wilson, Mike Corrigan

Conferees appearing before the committee:

Clyde Graeber, Acting Secretary, Kansas Department of Health and Environment
Secretary Rochelle Chronister, Department of Social and Rehabilitation Services (SRS)
Connie Hubbell, Commissioner, Mental Health and Developmental Disabilities SRS

Others attending: See attached list

Chair called meeting to order at 9:00 a.m. The chair called the committee's attention to **HB 2065** for action on the bill..

HB 2065 - Membership of joint committee on state building construction and joint committee on information technology.

Moved by Representative Reardon, seconded by Representative Neufeld, **HB 2065** be amended by appointing two members each from the House of Representatives and the Senate instead of three, and one of those two members to represent each party. Motion carried. (Attachment 1)

Moved by Representative Neufeld, seconded by Representative Reardon, **HB 2065** be passed out of committee as amended. Motion carried.

Opened hearing on:

Children's Health Care Program Initiatives

Clyde D. Graeber, Acting Secretary, Kansas Department of Health and Environment, appeared on behalf of the issue of children's health. He noted six of the 13 children's initiatives proposed by the Governor will directly impact on Kansas Department of Health and Environment. Those initiatives are (1) Healthy Start/Home Visitor; (2) Infant and Toddlers Program; (3) Immunizations; (4) Newborn Screening; (5) Innovative Child Health Programs; (6) Smoking Prevention Grants. He explained each of these programs and the funding. Much discussion by committee on division of funds for these programs. (Attachment 2)

Secretary Rochelle Chronister, Department of Social and Rehabilitation Services, introduced Connie L. Hubbell, Commissioner, Mental Health and Developmental Disabilities. Ms. Hubbell spoke on the funding of the Home and Community-Based Services (HCBS) Medicaid Waiver for children and adolescents who have a serious emotional disturbance (SED). She provided a copy of their issue paper on SED Waiver. (Attachment 3)

Next meeting will be held on February 2.

Adjournment.

Respectfully submitted,
Ann McMorris, Secretary

Attachments - 3

HOUSE BILL No. 2065

By Committee on Appropriations

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PREPARED AMENDMENTS

For Consideration of House Appropriation

January 29, 1999

Attachment 1-1
House Appropriations Committee
January 29, 1999

9 AN ACT concerning certain joint committees of the legislature; amend-
10 ing K.S.A. 1998 Supp. 46-1701 and 46-2101 and repealing the existing
11 sections.
12

13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 1998 Supp. 46-1701 is hereby amended to read as
15 follows: 46-1701. (a) There is hereby created the joint committee on state
16 building construction which shall be within the legislative branch of state
17 government and which shall be composed of ~~three senators~~ ~~six~~ members
18 of the senate and ~~three~~ ~~six~~ members of the house of representatives. The
19 ~~three~~ ~~six~~ senate members shall be the chairperson of the committee on
20 ways and means of the senate, or a member of the committee on ways
21 and means of the senate appointed by the chairperson, a senator ~~three~~
22 senators appointed by the president and a senator ~~two~~ senators appointed
23 by the minority leader. The ~~three~~ ~~six~~ representative members shall be the
24 chairperson of the committee on appropriations of the house of repre-
25 sentatives, or a member of the committee on appropriations of the house
26 of representatives appointed by the chairperson, a representative ~~three~~
27 representatives appointed by the speaker and a representative ~~two~~ rep-
28 representatives appointed by the minority leader.

29 (b) All members of the joint committee on state building construction
30 shall serve for terms ending on the first day of the regular legislative
31 session in odd-numbered years. The joint committee shall organize an-
32 nually and elect a chairperson and vice-chairperson in accordance with
33 this subsection. ~~The chairperson and vice-chairperson serving on the ef-~~
34 ~~fective date of this act will continue to serve in such capacities through~~
35 ~~June 30, 1998. On and after July 1, 1998, and until the first day of the~~
36 ~~1999 regular legislative session, the chairperson shall be one of the senate~~
37 ~~members of the joint committee elected by the members of the joint~~
38 ~~committee and the vice chairperson shall be one of the representative~~
39 ~~members of the joint committee elected by the members of the joint~~
40 ~~committee. Thereafter, on~~ and after the first day of the regular legislative
41 session in odd-numbered years, the chairperson shall be one of the rep-
42 representative members of the joint committee elected by the members of
43 the joint committee and the vice-chairperson shall be one of the senate

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On

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1 members elected by the members of the joint committee and on and
 2 after the first day of the regular legislative session in even-numbered
 3 years, the chairperson shall be one of the senate members of the joint
 4 committee elected by the members of the joint committee and the vice-
 5 chairperson shall be one of the representative members of the joint com-
 6 mittee elected by the members of the joint committee. The chairperson
 7 and vice-chairperson of the joint committee shall serve in such capacities
 8 until the first day of the regular legislative session in the ensuing year.
 9 The vice-chairperson shall exercise all of the powers of the chairperson
 10 in the absence of the chairperson. If a vacancy occurs in the office of
 11 chairperson or vice-chairperson, a member of the joint committee, who
 12 is a member of the same house as the member who vacated the office,
 13 shall be elected by the members of the joint committee to fill such
 14 vacancy.

15 (c) A quorum of the joint committee on state building construction
 16 shall be ~~four~~ ~~eight~~ All actions of the joint committee shall be taken by a
 17 majority of all of the members of the joint committee.

six

18 (d) The joint committee on state building construction may meet at
 19 any time and at any place within the state on the call of the chairperson.

20 (e) The provisions of the acts contained in article 12 of chapter 46 of
 21 the Kansas Statutes Annotated, and amendments thereto, applicable to
 22 special committees shall apply to the joint committee on state building
 23 construction to the extent that the same do not conflict with the specific
 24 provisions of this act applicable to the joint committee.

25 (f) In accordance with K.S.A. 46-1204 and amendments thereto, the
 26 legislative coordinating council may provide for such professional services
 27 as may be requested by the joint committee on state building
 28 construction.

29 (g) The joint committee on state building construction may introduce
 30 such legislation as it deems necessary in performing its functions.

31 Sec. 2. K.S.A. 1998 Supp. 46-2101 is hereby amended to read as
 32 follows: 46-2101. (a) There is hereby established the joint committee on
 33 information technology which shall be within the legislative branch of
 34 state government and which shall be composed of ~~three senators~~ ~~six mem-~~
 35 ~~bers of the senate~~ and ~~three~~ ~~six~~ members of the house of representatives.
 36 ~~One~~ ~~Three~~ of the senate members shall be appointed by the president of
 37 the senate, ~~one~~ ~~two~~ of the senate members shall be appointed by the
 38 minority leader of the senate and one of the senate members shall be
 39 appointed by the chairperson of the committee on ways and means of
 40 the senate. ~~One~~ ~~Three~~ of the representative members shall be appointed
 41 by the speaker of the house of representatives, ~~one~~ ~~two~~ of the represen-
 42 tative members shall be appointed by the minority leader of the house of
 43 representatives and one of the representative members shall be appointed

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1 by the chairperson of the committee on appropriations of the house of
2 representatives. The members of the joint committee on information
3 technology and the chairperson and vice-chairperson serving in such ca-
4 pacities on the effective date of this act shall continue serving as members
5 and in such capacities, respectively, subject to the other provisions of this
6 section.

7 (b) All members of the joint committee on information technology
8 shall serve for terms ending on the first day of the regular legislative
9 session in odd-numbered years. The joint committee shall organize an-
10 nually and elect a chairperson and vice-chairperson in accordance with
11 this subsection. ~~The chairperson and vice chairperson serving on the ef-~~

12 ~~fective date of this act shall continue to serve in such capacities through~~
13 ~~June 30, 1998. On and after July 1, 1998, and until the first day of the~~
14 ~~1999 regular legislative session, the chairperson shall be one of the senate~~
15 ~~members of the joint committee elected by the members of the joint~~
16 ~~committee and the vice chairperson shall be one of the representative~~
17 ~~members of the joint committee elected by the members of the joint~~
18 ~~committee. Thereafter, on~~ and after the first day of the regular legislative

19 session in odd-numbered years, the chairperson shall be one of the rep-
20 resentative members of the joint committee elected by the members of
21 the joint committee and the vice-chairperson shall be one of the senate
22 members elected by the members of the joint committee and, after the
23 first day of the regular legislative session in even-numbered years, the
24 chairperson shall be one of the senate members of the joint committee
25 elected by the members of the joint committee and the vice-chairperson
26 shall be one of the representative members of the joint committee elected
27 by the members of the joint committee. The chairperson and vice-chair-
28 person of the joint committee shall serve in such capacities until the first
29 day of the regular legislative session in the ensuing year. The vice-chair-
30 person shall exercise all of the powers of the chairperson in the absence
31 of the chairperson. If a vacancy occurs in the office of chairperson or vice-
32 chairperson, a member of the joint committee, who is a member of the
33 same house as the member who vacated the office, shall be elected by
34 the members of the joint committee to fill such vacancy.

On

35 (c) A quorum of the joint committee on information technology shall
36 be four ~~eight~~. All actions of the joint committee shall be taken by a ma-
37 jority of all of the members of the joint committee.

six

38 (d) The joint committee on information technology may meet at any
39 time and at any place within the state on the call of the chairperson.

40 (e) The provisions of the acts contained in article 12 of chapter 46 of
41 the Kansas Statutes Annotated, and amendments thereto, applicable to
42 special committees shall apply to the joint committee on information
43 technology to the extent that the same do not conflict with the specific

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- 1 provisions of this act applicable to the joint committee.
- 2 (f) In accordance with K.S.A. 46-1204 and amendments thereto, the
- 3 legislative coordinating council may provide for such professional services
- 4 as may be requested by the joint committee on information technology.
- 5 (g) The joint committee on information technology may introduce
- 6 such legislation as it deems necessary in performing its functions.
- 7 (h) (1) On the effective date of this act the joint committee on com-
- 8 puters and telecommunications shall be and is hereby officially designated
- 9 as the joint committee on information technology.
- 10 (2) On and after the effective date of this act, whenever the joint
- 11 committee on computers and telecommunications, or words of like effect,
- 12 is referred to or designated by a statute, contract or other document,
- 13 created before the effective date of this act, the reference or designation
- 14 shall mean and apply to the joint committee on information technology.
- 15 (3) Nothing in this act shall be construed as abolishing or reestablish-
- 16 ing the joint committee on computers and telecommunications.
- 17 Sec. 3. K.S.A. 1998 Supp. 46-1701 and 46-2101 are hereby repealed.
- 18 Sec. 4. This act shall take effect and be in force from and after its
- 19 publication in the Kansas register.



KANSAS
DEPARTMENT OF HEALTH & ENVIRONMENT
BILL GRAVES, GOVERNOR
Clyde D. Graeber, Acting Secretary

January 29, 1999

Testimony
House Appropriations Committee

Clyde D. Graeber
Acting Secretary, Kansas Department of Health and Environment

Children's Health Initiatives

Mr. Chairman and members of the committee, thank you for allowing me the opportunity to appear before you today to discuss the issue of children's health. As part of the settlement agreement with four major American tobacco companies, Kansas expects to receive a substantial sum of money. 1998 Kansas Senate Bill 424 requires that half of all state receipts from this source be spent on Children's Health Care Programs.

The Governor's budget recommendations include several areas of enhancement for the Kansas Department of Health and Environment (KDHE) from the Children's Health Care Programs Fund. KDHE fully supports the Governor's recommendations and is committed to our core Public Health mission of ensuring that the children of this state get a healthy start on life. Six of the 13 children's initiatives proposed by the Governor will directly impact on KDHE.

Healthy Start/Home Visitor is an existing program that allows Kansas families to receive in-home assistance with prenatal care and follow-up visits once a baby is born. The Governor's recommendation is to add \$1.0 million from the Children's Health Care Programs Fund to the current funding to provide a total of nearly \$2.0 million from all sources for FY 2000. This increase should allow this program to serve 36,300 families annually. The current program serves 16,300 families annually.

Attachment 2-1
House Appropriations Committee
January 29, 1999

The **Infant and Toddlers Program** provides leadership in the planning, development and promotion of policies and procedures used to identify infants and toddlers in Kansas with developmental delays. The program also provides early intervention services to eligible children and their families. 37 interagency networks across the state cooperate to provide these community-based services. The Governor recommends \$250,000 from the Children's Health Care Programs Fund be appropriated to the Infants and Toddlers program in FY 2000. That would bring the annual total expenditures to \$2,494,000.

Immunizations are crucial in the effort to prevent childhood diseases and keep Kansans healthy. The Governor's recommendation calls for an additional \$250,000 from the Children's Health Care Programs fund in FY 2000 to be spent on the immunization program in Kansas. The money will allow for additional vaccine purchases.

Newborn Screening has been a long-standing and successful program in Kansas. It promotes the early identification of four health conditions in newborn babies known to result in developmental delay or disorder. The Kansas Health and Environmental Laboratory annually screens blood samples from more than 32,000 Kansas newborns. The Newborn Screening Program provides follow-up services for babies found to be at-risk or who are diagnosed with one of these medical conditions (phenylketonuria [PKU], congenital hyperthyroidism, galactosemia, and hemoglobinopathies).

The Governor's recommendation would appropriate \$260,000 from the Children's Health Care Program Fund for FY 2000 so that the KDHE laboratory can purchase new state-of-the-art testing/screening systems. The new equipment will make the testing more efficient, allow more accurate results, and eliminate the need for most "repeat" tests. The system would be fully automated, with reports from the state lab available in less than 24 hours.

Innovative Child Health Programs will make it possible to address increasing needs in Kansas communities. The Governor's recommended expenditure of \$456,626 from the

Children's Health Care Program Fund would allow for grants to be provided to not-for-profit health agencies. The money will allow the local communities to enhance basic health care services for children and address specific local concerns.

Smoking Prevention Grants would be used to educate and reduce health risks for young Kansans. The Governor recommends \$1.0 million from the Children's Health Care Programs Fund be spent in FY 2000 for targeted tobacco use prevention programs. The funds could be distributed as grants to non-profit agencies or used to implement new prevention programs within KDHE.

KDHE is justifiably enthusiastic about these recommendations from the Governor. The health of Kansas children is at the very core of what this agency stands for in terms of public health functions. I appreciate the committee's interest in these issues and would offer any and all assistance you might need from KDHE as you consider this important topic.

CHILDREN'S HEALTH CARE PROGRAMS FUND

Program or Project	FY 2000
<p>TeleKid Care</p> <ul style="list-style-type: none"> The proposal is to expand a pilot program begun in 1998 to deliver medical services to children in school. Using PC based telemedicine technology, the project links the school nurse's office with physicians at the University of Kansas Medical Center and other health care providers around the state to provide clinical consultations. The recommended funding would expand the project to 10 additional sites. 	\$ 255,541
<p>Health Start/Home Visitor</p> <ul style="list-style-type: none"> The program provides education and support to pregnant women and families with a baby (birth through one year) for the purpose of reducing the incidence of child abuse and neglect. The program serves expectant mothers, new parents and infants, with priority to high risk families. The additional funding will allow for 20,000 additional visits, making total visits 36,300 in FY 2000. 	1,000,000
<p>Infants and Toddlers Program</p> <ul style="list-style-type: none"> The program provides screening, evaluation and assessment, and intervention for children with developmental delay. Kansas families with infants or toddlers (from birth to three years of age) who have developmental delays or disabilities are eligible for early intervention services. Services are provided through local health agencies. The program is administered by the Bureau of Children, Youth and Families in the Department of Health and Environment. 	250,000
<p>Immunizations</p> <ul style="list-style-type: none"> The program provides vaccines and supports age appropriate immunization for the children of Kansas. The goal is to prevent the spread of vaccine preventable diseases. The program is administered by the Bureau of Disease Prevention and Health Promotion in the Department of Health and Environment. 	250,000
<p>Newborn Screening</p> <ul style="list-style-type: none"> This program is provided by the Department of Health and Environment in conjunction with participating doctors and hospitals. The program is responsible for testing every infant, within a few days after birth, for specific disorders. KDHE does not charge for this services; however a charge may be made by the agency obtaining the specimen. The tests are conducted by the Division of Health and Environment Laboratories. 	260,000
<p>Innovative Child Health Programs - New Initiative</p> <ul style="list-style-type: none"> The money is added to provide grants to non-profit health agencies desiring to enhance basic health care services to children. The purpose of the funding is to issue grants for health initiatives, in addition to those which already exist. The program will be administered by the Director of Health, Kansas Department of Health and Environment. 	456,626
<p>Smoking Prevention Grants - New Initiative</p> <ul style="list-style-type: none"> The purpose of this funding is to provide grants to non-profit organizations or to administer a state program for the prevention of tobacco use. The program will be administered by the Director of Health, Kansas Department of Health and Environment. 	1,000,000

Program or Project	FY 2000
Delinquency Prevention Programs <ul style="list-style-type: none">• These programs are the core to 29 community planning teams' comprehensive plans, and come in the following forms: substance abuse, health, education, family management/crisis management, mentoring; they will serve an unknown number of at -risk juveniles from preschool to high school (the JJA is currently developing definitions for the targeted population and specific funding criteria); currently, delinquency prevention programs are funded federally through Juvenile Justice Delinquency Prevention Grants in the amount of \$830,700 (FY 1999 and FY 2000 requests); of the 29 community planning teams that submitted comprehensive plans, only 12 provided budget requests, and those amounted to a request for over \$5,000,000; the JJA's enhancement request for FY 2000 for prevention programs is \$5,000,000; the Governor recommends \$4,000,000.	4,000,000
Children's Mental Health Initiative <ul style="list-style-type: none">• This initiative serves only the most seriously ill children who require very intensive services (approximately 10 percent of the Serious Emotional Distributed population). The additional funding will increase the slots by 265 for a total of 857 slots for FY 2000.	1,000,000
At-Risk Students Weighting <ul style="list-style-type: none">• The weighting factor in the school finance law for at-risk students would be increased from 8.0% to 9.0%. State aid is based on the number of children in the district who qualify for free meals under the National School Lunch Program.	4,100,000
Four Year Old At-Risk Programs <ul style="list-style-type: none">• The number of four-year old at-risk students counted as 0.5 FTE student in the school finance formula would be increased by 444 students (from 1,350 to 1,794). Children qualify on the basis of Head Start program guidelines.	1,000,000
Parent Education <ul style="list-style-type: none">• \$777,833 would be added to the SGF appropriation, for a total of \$5,444,833 for the Parent Education Program. An estimated 9,757 parents are served by programs that involve 250 school districts.	777,833
Discretionary Grants--New Initiative <ul style="list-style-type: none">• \$250,000, plus \$100,000 from the SGF, would be available for grants for programs and projects, as determined by the State Board of Education. Examples of programs that might get grants, and are not otherwise funded in the Governor's budget, include Agriculture in the Classroom, the Kansas Cultural Heritage Center, Environmental Education, and the National Geographic Society endowment for geography education.	250,000
TOTAL	\$ 14,600,000

SUMMARY OF THE TOBACCO SETTLEMENT

Kansas Attorney General Carla Stovall announced November 20 that she will accept on behalf of the state a tobacco settlement negotiated by eight states and four major tobacco companies. Forty-five other states also accepted the agreement, leaving only the four states that had already settled individually with the tobacco industry (for a collective total of \$41.5 billion) out of the settlement. The tobacco companies involved accepted the agreement November 23. The agreement is the largest civil settlement in the history of the world and could result in more than \$200 billion being paid to the states by the tobacco industry over the next 25 years.

What Are the Financial Terms of the Agreement?

The tobacco industry is required to make payments to the states in perpetuity, with payments estimated to total \$206 billion through the year 2025. Annual payments to the states will begin no later than June 30, 2000, but payments could be received within a few months if 80 percent of the states have achieved "state specific finality", *i.e.*, a state court has approved the settlement and a 30-day period for appeals has expired (Judge Jackson approved the settlement in Kansas on December 3, 1998). The distribution formula agreed to by the attorneys general is based on calculations of each state's smoking-related health care costs, with equal weight given to Medicaid-related and non-Medicaid-related costs. Each state and territory will get the proportion of the settlement that its smoking-related health care costs bears to the total. Kansas' share of the recovery is .83 percent, which is estimated to exceed \$1.5 billion over 25 years. (Although Kansas has almost 1 percent of the population in the United States, the smoking rate is below the national average and medical treatment is less costly than in some other parts of the country.) Payments to Kansas are estimated to be:

- FY 2000—\$20 million
- FY 2001—\$53 million
- FY 2002—\$57 million
- FY 2003—\$69 million
- FY 2004—\$70 million
- FY 2005-2008—\$58 million per year
- FY 2009-2018—\$59 million per year
- FY 2019 and thereafter—\$66 million per year

Payments are subject to an annual inflation factor of 3 percent or the increase in the Consumer Price Index, whichever is greater. These increases have been figured into the estimated state payments shown above only for the years through FY 2004, which means that the amounts shown for FY 2005 and thereafter are figured in 1998 dollars. However, the settlement takes into account the tobacco companies' market share of tobacco product sales and provides that payments will be decreased if tobacco sales go down. Payments also would be affected by the bankruptcy of participating companies and offsets if local units of government sue and successfully recover judgments. There also is the possibility that the federal government would seek to recover its proportionate share of Medicaid expenditures, which, according to General Stovall, could reduce Kansas' payments by 60 percent.

In addition to the payments described above, for the fiscal years 2009 through 2018, the tobacco industry must pay a total of \$8.6 billion into a "strategic contribution fund" that will be allocated to states based on each state's contribution toward resolution of the state lawsuits against tobacco companies. The distribution formula for this money has not yet been calculated. The industry also must make a one-time payment of \$50 million to the states in March 1999, to help settling states enforce and implement the agreement and to investigate and litigate potential violations of state tobacco laws.

What Are the Restrictions on the Payments?

The agreement itself does not impose any constraints on how the states may use their tobacco money, but in Kansas the 1998 Legislature enacted legislation that sets up a fund in the Department of Social and Rehabilitation Services named the "Children's Health Care Programs Fund." Half of any money Kansas receives from the tobacco settlement or from any judgment rendered against tobacco companies must be credited to the Fund and "be used for the purposes of providing additional funding for children's health care, services for children and tobacco use prevention and cessation programs."

How Will Attorneys be Paid?

Outside counsel can either negotiate a liquidated fee agreement with the industry and be paid from a \$1.25 billion pool of money from tobacco companies over a four-year period or can go before a three-member arbitration panel and be paid whatever the arbiters award, subject to a cash flow limit of \$500 million per year. According to General Stovall, outside counsel most likely will opt for the liquidated fee agreement because, although it is subject to a cap, the fees would be paid sooner. There also is a pool of tobacco-industry money set aside to reimburse states for in-house expenses incurred as a result of the litigation.

- FY 2000--\$20 million
- FY 2001--\$23 million
- FY 2002--\$27 million
- FY 2003--\$29 million
- FY 2004--\$30 million
- FY 2005--\$28 million per year
- FY 2006--\$29 million per year
- FY 2007 and thereafter--\$28 million per year

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**State of Kansas
Department of Social
& Rehabilitation Services**

Rochelle Chronister, Secretary
Janet Schalansky, Deputy
Secretary

For additional information, contact:

SRS Office of the Secretary
Laura Howard, Special Assistant
915 SW Harrison Street, Sixth Floor
Topeka, Kansas 66612-1570
☎785.296.6218 / Fax 785.296.4685

For fiscal information, contact:

SRS Finance Office
Diane Duffy, CFO
915 SW Harrison Street, Tenth Floor
Topeka, Kansas 66612-1570
☎785.296.6216 / Fax 785.296.4676



**House Appropriations Committee
January 29, 1999**

Testimony: SED Waiver Funding

**Mental Health and Developmental Disabilities
Connie L. Hubbell, Commissioner
785.296.3773**

Attachment 3-1
House Appropriations Committee
January 29, 1999

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Testimony	SED Waiver Funding
Attachment A	SED Waiver Issue Paper

**Kansas Department of Social and Rehabilitation Service
Rochelle Chronister, Secretary**

**House Appropriations Committee
SED Waiver Funding**

January 29, 1999

Mr. Chairman, thank you for allowing me this opportunity to speak before this Committee on funding of the Home and Community-Based Services (HCBS) Medicaid Waiver for children and adolescents who have a serious emotional disturbance (SED).

In addition to my testimony this morning, I am providing you with a copy of our issue paper on the SED Waiver which will serve as background information.

New services funded from the SED Waiver include: wraparound facilitation, parent support and training, respite care, and independent living.

Wraparound Facilitation: This service involves the assessment of the child and family caretaker's strengths and needs for community relationships and involvement and determine overall need of the level of community-based waiver and non-waiver services. This service also produces an individualized community-based plan to access and be a part of informal community resources and develops relationships to help the child succeed in the community. This process emphasizes building collaboration and coordination among family, caretakers, service providers, educator, and community resources.

Parent Support and Training: These services benefit the Medicaid eligible child through activities in their home and the community. These activities include coaching and assisting the family with increasing their knowledge and awareness of their child's needs, the process of interpreting choice offered by service providers, explanation and interpretations of policies, procedures and regulations that impact the child living in the community. Training will include involving the family in developing plans of care, service design, resource availability, monitoring and evaluation in order to encourage and maintain the family to care for the child in the home and community.

Respite Care: This service provides short term and temporary direct care and supervision for youth. The primary purpose is relief to families/caretakers of a child with a serious emotional disturbance (SED). The service is designed to help meet needs of primary caretakers as well as children. These activities include aid in the home, getting a child to school or program and aid after school, at night, and/or any combination of the above.

Independent Living: This service is designed to assist children and adolescents in acquiring, retaining and improving the self-help, socialization and adaptive skills necessary to reside successfully in home and community-based settings. Activities are designed to foster eventual or

intended ability to live independently within a community setting. These activities are intended to enhance the child's mastery of social and environmental components related to family, school, work and living in the community. This service includes assistance with development, acquisition, retention, or improvement in skills necessary to enable the individual to reside in a non-institutional setting.

Current FY99 appropriations fund a total of 798 SED Waiver slots. Of that figure, 592 SED Waiver slots were funded by the FY99 appropriation of \$2,234,640 in SGF, and an additional 206 slots funded from re-appropriated funds from FY98 of \$778,819 in SGF. Total FY99 funding is \$7,431,539 AF (\$3,013,489 SGF).

FY2000 Current Services request by SRS was \$5,510,826 AF (\$2,234,640 SGF) which funds 592 SED Waiver slots.

The Governor's budget recommends \$7,976,917 AF (\$2,234,640 SGF) which would fund 857 SED Waiver slots. The Governor's budget recommendation of \$1,000,000 in tobacco settlement funds would draw down \$1,466,091 in federal funds, for a total of \$2,466,091 in AF above the current service estimate.

<u>Funding</u>	<u>Actual FY 1998</u>	<u>GBR FY 1999</u>	<u>GBR FY 2000</u>
All Funds	282,136	7,431,539	7,976,917
SGF	221,151	3,013,489	2,234,640
Children's Health	0	0	1,000,000
Federal Title XIX	60,985	4,418,050	4,742,277
Number Served	75	798	857

Issue: Serious Emotional Disturbance (SED) Waiver

Federal law allows States to waive Medicaid rules to permit expanded home and community-based services for children who would otherwise need institutional care. The SED waiver makes available an expanded array of community-based services that support a child-centered system of care. The goal is to allow children and youth to live with their families whenever possible, and be included as productive members of their community. Those eligible include children and youth under the age of 22.

For FY98, Governor Bill Graves requested and the Kansas Legislature appropriated \$1 million in State General Funds (SGF) for the SED waiver. For FY99, total SGF appropriated for the SED waiver is \$3 million.

Family choice is an important element in the SED waiver program. The family will be offered the opportunity to work with a parent support and training worker in order to assure they understand their options and how the service system operates. In all aspects, family choice and participation in treatment planning is a priority. The intent of the SED waiver is to establish a family-oriented system of care where parents are integral members of community treatment teams.

Children and youth served by the SED waiver are eligible for all Medicaid services available in the Medicaid State Plan. In addition, the SED waiver establishes new or expanded services. New services are: Wraparound Facilitation, Parent Support and Training, Respite Care, and Independent Living Services.

As of January 5, 1999, 530 children and adolescents have or are being served by the SED waiver (452 active Plans of Care and 78 terminated Plans of Care). Of the 452 children and adolescents currently served on the SED waiver, 29 are also served by privatization contracts with Children and Family Services. An additional 11 children and adolescents served by privatization contracts have been served on the SED waiver and terminated their Plans of Care. Over the next three months, it is estimated that between 233 and 293 children and adolescents will be added to the SED waiver program, based on a survey of Community Mental Health Centers (CMHCs). For FY99, the goal is to serve 775 children and adolescents on the SED waiver.

Preliminary data indicates that outcomes for children and adolescents served on the SED waiver exceed outcomes for children and adolescents as a whole who are receiving case management services.

The first year of state-wide implementation of the SED waiver will be completed in January, 1999. MH&DD has established a SED Waiver Review Committee to examine the SED waiver program accomplishments and shortcomings, and to make recommendations to Commissioner Hubbell to reduce bureaucratic barriers, improve service provision, and result in full utilization and equal access to the SED waiver.

Contact Person: Connie L. Hubbell, Commissioner
Mental Health and Developmental Disabilities
915 S.W. Harrison, 5th Flr., North
Topeka, KS 66612
(785) 296-3773

PROGRAM SUMMARY

NUMBER OF PLANS SUBMITTED: 452
 NUMBER OF PLANS AUTHORIZED: 438
 CMHCs SUBMITTING PLANS: 26

HIGHEST PROJECTED PLAN OF CARE COST: \$7,096 per month
 LOWEST PROJECTED PLAN OF CARE COST: \$290 per month
 AVERAGE PROJECTED PLAN OF CARE COST: \$2,257 per month

CMHC	# of Plans Rec'd	# of Plans Approved	FY99 Slots	Total Projected Mo. Cost	Avg. Projected Mo. Cost
Area	16	16	16	\$24,746	\$1,546
Bert Nash	18	16	20	57,776	3,209
Center for C&C	10	10	15	17,676	1,767
Central Ks.	11	10	28	31,205	2,836
ComCare	58	58	130	125,563	2,164
Cowley	13	13	18	17,892	1,376
Crawford	11	10	20	15,834	1,439
East Central	18	17	20	61,669	3,426
Family Life	9	9	12	31,624	3,513
FS&GC	27	25	60	58,947	2,183
Four County	18	18	23	49,514	2,750
Franklin	11	11	18	20,195	1,835
High Plains	21	21	30	34,061	1,621
Horizons	10	9	25	16,579	1,657
Iroquois	1	1	2	3,159	3,159
Johnson Co.	37	35	63	96,999	2,621
Kanza	5	5	14	7,364	1,472
Labette	20	20	25	31,148	1,557
Miami	5	4	11	9,291	1,858
Northeast	17	17	24	25,621	1,507
Pawnee	49	49	60	138,647	2,829
Prairie View	9	9	10	17,176	1,916
South Central	0	0	8	0	0
Southeast	27	23	28	39,977	1,480
SW Guidance	3	3	11	4,958	1,652
Sumner	2	2	16	6,402	3,201
Wyandot	26	26	69	76,140	2,928

Waiver Plans Terminated: 78

(Reasons for termination include: goals met, family request, family moved, child admitted to a SMHH, child went to privatization residential group home or moved to foster care out of area, child went to JJA)