

Approved: 3-11-99  
Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE.

The meeting was called to order by Chairperson Phill Kline at 9:00 a.m. on February 24, 1999 in Room 514-S of the Capitol.

All members were present except:

Committee staff present: Legislative Research - Alan Conroy, Stuart Little, Robert Waller,  
Kathie Sparks  
Revisor of Statutes - Jim Wilson, Mike Corrigan  
Secretary - Ann McMorris

Conferees appearing before the committee:

Rep. Henry Helgerson  
Steve Williams, Secretary, Kansas Wildlife & Parks Department  
Laura Kelly, Executive Director, Kansas Recreation & Park Assn.  
Rep. Gene Vickery  
Mike Hutfles, SRS  
Bob Curtis, Miami Mental Health Department  
Gwen Faherty, Miami Mental Health Department  
Jackie Stewart, MCCDC Miami County

Others attending: (See attached list)

Chair opened hearings on:

**H.B. 2230 - Conveyance of property by SRS to Miami County mental health center and Osawatomie**

Proponents: Rep. Gene Vickery  
Mike Hutfles, SRS (Attachment 1)  
Bob Curtis, Miami Mental Health Department (Attachment 2)  
Gwen Faherty, Miami Mental Health Department  
Jackie Stewart, MCCDC Miami County

Moved by Representative Phill Kline, seconded by Representative Spangler, to pass this bill out favorably on consent calendar. Motion carried.

**H.B. 2413 - Providing funding for state parks and local recreation grants**

Proponents: Rep. Henry Helgerson (Attachment 3)  
Steve Williams, Secretary, Kansas Wildlife & Parks Department (Attachment 4)  
Laura Kelly, Executive Director, Kansas Recreation & Park Assn (Attachment 5)

Chair closed hearing on **H.B. 2413.**

**H.B. 2366 - Presidential preference primary; repealed.**

Proponents: Rep. Henry Helgerson (Attachment 6)

Chair closed hearing on **H.B. 2366**

Approval of Minutes

Moved by Representative Farmer, seconded by Representative Neufeld, approval of the minutes for Appropriations Committee meetings held on January 27, January 28, January 29, February 2, February 3, February 4, February 9, February 10, February 11, February 15, and February 16, 1999. Motion carried.

CONTINUATION SHEET

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE, Room 514-S Statehouse, at 9:00 a.m. on February 24, 1999.

**Introduction of Bills**

Moved by Representative Weber, seconded by Representative Ballard, introduction of a bill (9rs113s) repealing the statutes that refer to rail bank, rails-to-trails projects, and including projects like the Landon trail and the Prairie Spirit Rail Trail. Motion carries.

Moved by Representative Ballard, seconded by Representative Reinhardt, introduction of a bill (9rs0660) regarding services for blind and unusually impaired persons and creating a department thereof, secretary powers and duties thereof, executive board and duties thereof, policies and amending and repealing of section. Motion carried.

Moved by Representative Nichols, seconded by Representative Powell, introduction of a bill (9rs1069) setting up an infant and toddler day care loan program regarding child care. Motion carried.

Moved by Representative Neufeld, seconded by Representative Phil Kline, introduction of a bill to appoint a State Gifts Review commission comprised of the secretary of state Historical Society, chief justice of the Supreme Court and the executive director of the Governmental Ethics Commission to decide which items received as gifts by the Governor and other statewide elected officials are of historical value to the state. Motion carried.

Moved by Representative Landwehr, seconded by Representative Neufeld, introduction of a conceptual bill (9rs1112) that will change the word "ombudsman" to "advocate", create a joint legislative committee for advocates, establish the office of advocates, create a foster care advocate and a health care advocate. Motion carried.

Department of Aging

Moved by Representative Neufeld, seconded by Representative Ballard, adoption of the Social Services Budget Committee recommendations for FY1999 and FY2000 budget for the Department of Aging as amended. Motion carried. (Attachment 7)

Next meeting will be held on March 3.

Adjournment.

Respectfully submitted,

Ann McMorris, Secretary

Attachment - 7

**HOUSE APPROPRIATIONS COMMITTEE  
GUEST LIST**

**DATE: FEBRUARY 24, 1999**

NAME	REPRESENTING
Robert D. Curtis	Miami County Mental Health Center
Gwendolyn J. Faherty	Miami Co. Mental Health Ctr.
Patsy Samson	KS Dept on Aging
Terry Glasscock	KS Dept on Aging
Guy Braum	KDOA
Kammer	Dept on Aging

**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



**February 24, 1999**

**House of Appropriations  
Testimony: HB 2230**

**Office of the Secretary  
Mike Hutfles, Special Assistant to the Secretary  
(785) 296.6218**

Attachment 1-1  
House Appropriations Committee  
February 24, 1999

Mr. Chairman, members of the Committee. My name is Mike Hutfles, representing Secretary Rochelle Chronister, Department of Social and Rehabilitation Services. I am here today to testify in support of HB 2230.

HB 2230 transfers two pieces of property located on the grounds of Osawatomie State Hospital. Just over 12 acres of land is to be transferred to Miami County Mental Health Center; they plan to build a facility to house children and family programs. The second parcel of land, just under an acre, is being transferred to the City of Osawatomie.

This property is part of leased agricultural land at the State hospital. This land is currently not used for state hospital operations, nor are there any plans to use this land in the future.

I urge your support of HB 2230. Thank you for your time.



# MIAMI COUNTY Mental Health Center

## Report for Land Transfer

Partner	Commitment	Item	Savings
Osawatomie	\$50,000	Water and electrical Lines, Donated labor, fees, materials	<ul style="list-style-type: none"> <li>◆ The Center reduces present bond rate from 6.6-7.5% to 3.5-5.5%.</li> </ul>
Miami County		Certificates of participation	<ul style="list-style-type: none"> <li>◆ Lower interest allows Center to maintain its current monthly payment.</li> </ul>
Federal	\$400,000	Community Development block Grant	<ul style="list-style-type: none"> <li>◆ Need to redeem current bond issue by end of March. Next opportunity would not be until October.</li> </ul>
ERC	\$26,000	Office furniture	
			<b>Minus</b>
State		12 Acres of Land	<ul style="list-style-type: none"> <li>◆ Current rate might not be available in October.</li> </ul>
Center	\$447,600	Site survey, soil testing, architectural services, insurance, administration, construction bonds,	<ul style="list-style-type: none"> <li>◆ Construction loan could cost 8%-10%.</li> <li>◆ Preliminary work begun (site survey, geotechnical exploration) on land we don't own to meet construction schedule</li> </ul>

401 North East Street ■ Paola, KS 66071  
 (913) 294-5755 ■ Fax (913) 294-9247 ■ Kansas City 557-9096 ■  
 507 Sixth Street ■ Osawatomie, KS 66064 ■ (913) 7  
 24 hour Emergency Services 1-800-241-1266

Attachment 2-1  
 House Appropriations Committee  
 February 24, 1999



## Report for Land Transfer

### Why:

The Center has received a \$400,000 Small Cities Community Building Development Grant through the efforts of Osawatomie, a city of approximately 4,750 people. The city conducted a survey as part of its long range planning procedure. From that survey the city learned that providing quality public services was one of the priorities of its citizens. Most of the other priorities could be met through the city's comprehensive procedures, policies and budgeting authority. This one could not.

### NEED:

A satellite facility was established in Osawatomie in a leased office building because the main office could no longer meet the needs of the large low-to-moderate income population of this area. The Osawatomie facility is minimally adequate to house our staff resulting in poor flexibility of space to provide group therapy, individual therapy and recreational or educational services. The present building does not allow for discretion and anonymity for clients and is disruptive for staff.

The electrical lighting and wiring is barely adequate for patient and office use. The building does not meet ADA requirements. The layout of the building does not allow for expansion.

Miami County is the second fastest growing county in the state. The county is just south of Johnson County and much of its growth is due to people migrating to the county. They bring with them the problems of the city putting a strain on the services that are in place. In addition Allen County just south of Miami County is now being recognized as the highest producer of methamphetamine jeopardizing the youth of our county.

Miami County (per Kansas Kid Count, 1995) has the seventh highest population of children in the state. Based on national averages 5% of the youth population is identified as having severe emotional disabilities. This means of the 7,142 youth in our county aged 18 and under, 357 suffer from SED. Currently we are only serving 100 of these youth. The Center is critically hampered by the lack of adequate space and funding to provide the space to service these youth or to add additional services.

### SUMMARY

- ◆ It has been found that as the State cuts back their services provided at OSH, the patients tend to stay in the immediate vicinity and are absorbed in the community.
- ◆ The ability of partnering with other agencies is severely limited in the present facility.
- ◆ The landlord of the existing facility is reluctant to upgrade the building to all for new handicapped toilets.
- ◆ The existing facility has no room for expanding programs.
- ◆ No other building is available without expensive remodeling.
- ◆ This land is ideally located to the Osawatomie State Hospital and highways to all parts of the county.

**Our children and our families will benefit from the expanded and new programs that a building at this site will allow. We have already forged a partnership with the George York Community School on the OSH campus. Being closer to the school will allow for more flexibility in services to these children.**

**TIMELINE:**

Design Development	February 15, to March 15, 1999	In process
Construction Documents	March 15, 1999 to June 15, 1999	In process (Some survey work completed on the land).
Bonds Redeemed and reissued	April 1, 1999	Waiting on land transfer
Bidding	June 15 to August 1, 1999	
Construction	August 1 to May 1, 2000	Federal completion date

Robert Curtis  
Executive Director



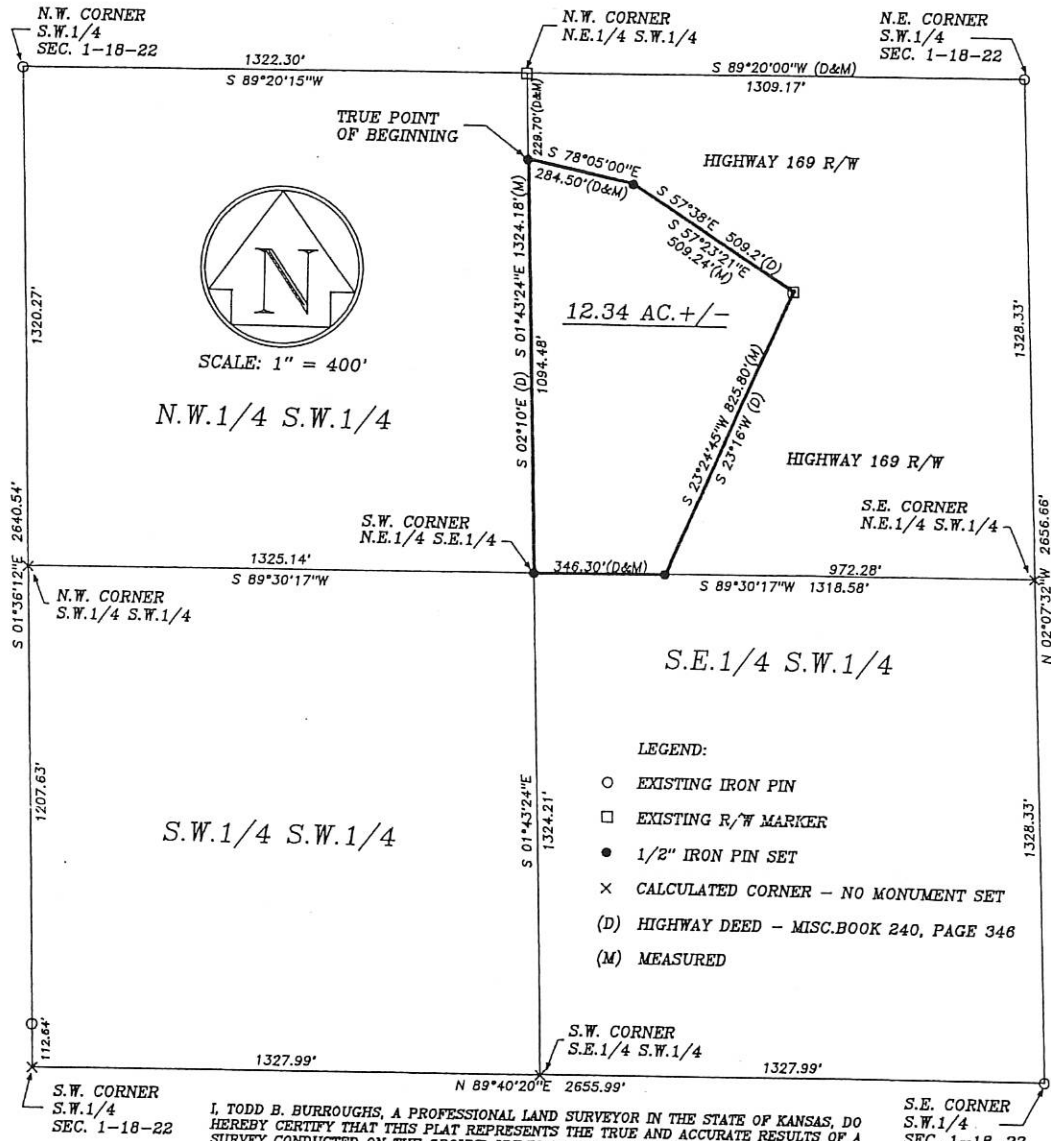
# Taylor Surveying

Todd B. Burroughs

Professional Land Surveyor

308 S. Main • P.O. Box 327 • Ottawa, KS 66067  
 785-242-8845 • 800-500-8845 • 913-294-8463 • 785-242-8852 (fax)

SURVEY ORDERED BY: Miami County Mental Health  
 DATE SURVEY COMPLETED: December 29, 1998 JOB # 11603  
 DESCRIPTION: See Page 2 of 2.



I, TODD B. BURROUGHS, A PROFESSIONAL LAND SURVEYOR IN THE STATE OF KANSAS, DO HEREBY CERTIFY THAT THIS PLAT REPRESENTS THE TRUE AND ACCURATE RESULTS OF A SURVEY CONDUCTED ON THE GROUND UNDER MY DIRECT SUPERVISION ON DECEMBER 29, 1998. THIS BOUNDARY SURVEY DOES NOT CERTIFY OWNERSHIP, THE EXISTENCE OR LOCATION OF FENCES, EASEMENTS, SETBACKS OR STRUCTURES.



2-4

STATE OF KANSAS

HENRY M. HELGERSON, JR.

REPRESENTATIVE, EIGHTY-SIXTH DISTRICT

4009 HAMMOND DRIVE

WICHITA, KANSAS 67218-1221

WICHITA 316-683-7628

TOPEKA 1-800-432-3924

785-296-7691

(WHEN IN SESSION)



TOPEKA

HOUSE OF  
REPRESENTATIVES

COMMITTEE ASSIGNMENTS  
RANKING DEMOCRAT: EDUCATION  
MEMBER: ENVIRONMENT  
FINANCIAL INSTITUTION

TESTIMONY ON HB 2413  
EDIF FOR PARKS

Mr. Chairman, members of the Appropriation Committee. Thank you for the opportunity to address you.

HB 2413 changes the cap for the state gaming revenues fund from \$50,000,000 to \$55,000,000 and dedicates the additional \$5 million to the Economic Development Initiatives Fund, \$2,000,000 going to the local outdoor recreation grant fund and \$3,000,000 to a comprehensive capital improvement funds.

Land and Water Conservation Fund

From the 1970s though 1991, the federal government provided park funding to states through the Land and Water Conservation Fund. Revenues were derived from an off-shore oil trust fund established during the expansion of off-shore oil drilling. The federal government provided funds to the state. At the peak, \$3 to \$4 million dollars a year came to Kansas. The program did not continue after 1991 or 1992.

In Kansas, funds were divided, and one-half was spent on state parks and one-half of the funding was passed through to local units of government. A Joint Committee on Recreation existed under the old Park Authority, to review plans and distribute funds to local units of government.

Attachment 3-1  
House Appropriations Committee  
February 24, 1999

### Local Outdoor Recreation Grants

The 1998 Legislature appropriated \$500,000 for Local Government Outdoor Recreation Grants from the Economic Development Initiative Fund. Over \$3.3 million was requested from the Department of Wildlife and Parks and they distributed the \$500,000. (See attachment for list of grant requests and awards)

The Governor's FY 2000 budget includes \$1,000,000 SGF for Local Government Outdoor Recreation Grants. The Senate Ways and Means Subcommittee has removed the \$1,000,000 SGF and added \$500,000 EDIF. The House Budget Committee has added \$500,000 EDIF in addition to the \$1,000,000 SGF.

### \$10 Million Budget Stabilization Fund for Park Improvements (See attachment for a list of projects)

Comprehensive FY 1999 Capital Improvement Project for State Parks. The 1998 Legislature approved a capital improvement initiative for state parks, providing \$10.0 million from the State Budget Stabilization Fund (SBSF). The funding will address the needs of Kansas' 30-year-plus state park infrastructure by restoring, preserving, and enhancing the state's park system. The project reflects the recommendations of a Task Force on Outdoor Kansas. The Task Force was created by the Commission on Wildlife and Parks, consisting of fourteen members and included representation from the Kansas Legislature and the public. The Task force identified a need for more than \$10.0 million to renovate state park infrastructure and provide modern facilities that meet ADA standards.

In FY 1999, \$4,426,280 SBSF is being spent on agency-identified capital improvement projects. The FY 2000 capital improvement budget includes expenditures requests of \$5,680,000 SBSF. The SBSF funding of the full \$10.0 million was approved by the 1998 Legislature and the agency will continue to spend from the fund for projects over the next two fiscal years.

This bill was originally drafted after the Budget Committee heard of the on-going need of the state parks and programs. However, I also realize the difficulty you face in crafting a state budget and the position you have taken on funding tourism. Therefore I propose that you adjust this legislation to \$3 million from EDIF and all of it goes to the Local Government Outdoor Recreation Grant Program.



STATE OF KANSAS  
DEPARTMENT OF WILDLIFE & PARKS

Office of the Secretary  
900 SW Jackson, Suite 502  
Topeka, KS 66612-1233  
785/296-2281 FAX 785/296-6953



February 24, 1999

The Honorable Phill Kline, Chairperson  
Committee on Appropriations  
House of Representatives  
State Capitol Building  
Topeka, Kansas 66612

Dear Representative Kline:

SUBJECT: House Bill No. 2413

House Bill No. 2413 amends existing state law pertaining to the State Gaming Revenue Fund. The bill provides that the maximum amount of receipts to the State Gaming Fund shall not exceed \$55 million, this is an increase of \$5 million to the existing limitation. In addition, the provisions of the bill provide that the transfer to the EDIF from the State Gaming Fund will increase from 85% to 86.364% which will provide an additional \$5 million to the EDIF. The bill further provides that the additional \$5 million will be transferred to two different funds which will be administered by the Kansas Department of Wildlife and Parks (KDWP).

The two funds identified by HB 2413 to receive transfers from the EDIF are the Local Government Outdoor Recreation Grants Fund, which would receive an amount of \$2 million per year, and the State Parks Comprehensive Capital Improvements Fund which would receive an amount of \$3 million per year. The transfers to these two funds would occur in equal amounts on July 15 and January 15 of each fiscal year.

The 1998 Legislature passed House Bill No. 2876 creating the Kansas Local Government Outdoor Recreation Grant Act. The bill provided that such grants would be financed from appropriations made by the Legislature. The 1998 Omnibus Appropriation Bill created the EDIF - Local Government Outdoor Recreation Grants Fund for FY 1999 which was financed with a transfer of

Attachment 4-1  
House Appropriations Committee  
February 24, 1999

\$500,000 from the EDIF. For FY 2000, the Governor has recommended an amount of \$1 million from the State General Fund for grants-in-aid in accordance with provisions of the Kansas Local Government Outdoor Recreation Grant Act (KSA 1998 Supp. 32-1201 through 32-1203).

The Kansas task Force on Outdoor Kansas identified a need for long-term, stable funding to meet the needs of local communities for outdoor recreation. However, provisions of HB 2413 are not included in the Governor's budget recommendations for utilization of the EDIF and would impact other state agencies and programs included in those recommendations.

The KDWP appreciates the support that has been received from the Legislature to improve the infrastructure of the state parks system. This need was also addressed by the Task Force on Outdoor Kansas. The 1998 Legislature appropriated an amount of \$10 million for this purpose. The provisions of HB 2413 would provide an additional \$3 million per year for continued improvement of the state park system. The FY 2000 Governor's Budget Report does not contain any additional funding for state parks capital improvements since the 1998 appropriation is not yet fully utilized. After the total amount has been expended, the KDWP will be in a position to evaluate needs at that time and could present to the Governor and the Legislature a program to further improve the state parks system.

The KDWP appreciates the opportunity to comment on the provisions of HB 2413. If additional information is required, please advise. Thank you.

Sincerely,



Steve Williams, Secretary

# Kansas Recreation and Park Association



700 SW Jackson St Ste 705 • Topeka Kansas 66603-3758 • (785) 235-6533 PH • (785) 235-6655 FX

Testimony Prepared for the  
House Appropriations Committee  
Wednesday, February 24, 1999

Re: HB 2413

Laura Kelly, Executive Director  
Kansas Recreation and Park Association

Representative Kline and Committee Members:

I appreciate the opportunity to appear before you today on behalf of the 808 members of the Kansas Recreation and Park Association to express our interest in establishing a long term, secure source of funding for outdoor recreation in the State of Kansas and, thus, our support of HB 2413.

In 1995 the Kansas Department of Wildlife and Parks Commission created a Task Force on Outdoor Kansas to identify outdoor recreation needs in the state, determine appropriate levels of funding to meet these needs and identify long-term, stable funding sources to generate the necessary revenues. In its report issued in Spring 1997, the Task Force recommended an immediate infusion of \$10 million into the State Park system to address the backlog of repairs and renovations created by years of underfunding; a \$2.9 million annual park operations enhancement to address the ongoing facility and program needs of the agency; and \$2 million annually for a community parks assistance program. These funds would be available to Kansas communities on a matching grant basis for the development, renovation and repair of outdoor recreation facilities and the acquisition of park land.

Last year, the Kansas Legislature appropriated the \$10 million for state park projects and passed into law HB 2876 creating the Local Government Outdoor Recreation Grant Program (LGORGP). Based on the recommendations of the Task Force on Outdoor Kansas, funding at the level of \$2 million was sought for this 50/50 matching grant program. The House voted to appropriate the \$2 million. The final appropriation was \$500,000. The \$2.9 million for annual state park operations was not addressed.

HB 2413 provides for both the \$2 million deemed necessary for the community parks assistance program and the annual operations enhancement for state parks. Setting aside a portion the Economic Development Initiative Funds for local and state parks makes sense since quality parks and recreation facilities have been shown to contribute significantly to the economic well-being of communities and states by making them attractive places to live, to work and to visit.

I encourage this committee to support enhanced annual funding for the Local Government Outdoor Recreation Grant Program and for state parks operations.

Thank you.

Attachment 5-1  
House Appropriations Committee  
February 25, 1999

*President*  
Bill Cobb  
JohnsonCo

*President-elect*  
Michael Braught CLP  
Newton

*Past President*  
Stevens Friend CLP  
Burlington

*Secretary*  
Betty Zeka CLP  
Hutchinson

*Treasurer*  
Annette Deghand  
Lawrence

*Member at Large*  
Stephen Herig CLP  
Leavenworth

*Member at Large*  
Rick Claiborn CLP  
Hays

*Executive Director*  
Laura Kelly

*An  
affiliate  
of the  
National  
Recreation  
and Park  
Association*



HENRY M. HELGERSON, JR.  
REPRESENTATIVE, EIGHTY-SIXTH DISTRICT  
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WICHITA 316-683-7628  
TOPEKA 1-800-432-3924  
785-296-7691  
(WHEN IN SESSION)



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TESTIMONY ON HB 2366  
ELIMINATION OF PRESIDENTIAL PREFERENCE PRIMARY

Mr. Chairman, members of the Appropriations Committee. Thank you for this opportunity to address the committee.

HB 2366 eliminates the presidential preference primary. By taking this action you save the state \$1.5 million dollars.

Four years ago the Legislature opted not to fund the presidential preference primary and we were able to use those savings for other projects.

This year the Governor has proposed not funding this election.

By enacting this legislation you stop this policy from being enacted through an appropriation action but rather urge the legislature to handle the policy in a separate bill.

Also if the Legislature wants to look at other alternatives such as a less costly mail ballot election, or an Internet presidential preference primary I would be prepared to address those topics.

Thank you again for your consideration of this matter.

Attachment 6-1  
House Appropriations Committee  
February 24, 1999



## House Budget Committee Report

Agency: Department on Aging

Bill No. 2519

Bill Sec. 54

Analyst: Sparks

Analysis Pg. No. 485

Budget Page No. 39

Expenditure Summary	Agency Est. FY 99	Gov. Rec. FY 99*	House Budget Committee Adjustments
State Operations	\$ 16,496,529	\$ 15,835,464	\$ 0
Aid to Local Units	5,914,125	5,914,125	0
Other Assistance	310,475,419	302,653,769	(198,912)
Total - Operating Expend.	<u>\$ 332,886,073</u>	<u>\$ 324,403,358</u>	<u>\$ (198,912)</u>
State General Fund	\$ 137,990,927	\$ 133,474,540	\$ 0
Other Fund	194,895,146	190,928,818	(198,912)
Total - Operating Expend.	<u>\$ 332,886,073</u>	<u>\$ 324,403,358</u>	<u>\$ (198,912)</u>
FTE Positions	155.8	155.8	0.0
Unclassified Temp. Positions	3.0	3.0	0.0
TOTAL	<u>158.8</u>	<u>158.8</u>	<u>0.0</u>

\* Includes Governor's Budget Amendment No. 1, Item 4.

### Agency Est./Governor's Recommendation

The agency estimates FY 1999 expenditures of \$332,886,073 (including \$137,990,927 from the State General Fund). The estimate is an increase of \$15,283,448 or 4.8 percent (\$4,923,360 SGF, or 3.7 percent) above the approved amount of \$317,602,625. The principal increases are found in Long-Term Care programs and include the following: \$8,548,596 (\$4,922,392 SGF) in Nursing Facilities and Home and Community Based Services for the Frail Elderly (HCBS/FE) and Targeted Case Management. In addition, miscellaneous federal and fee fund increases of \$1,061,793 are included, as is a reappropriation of \$968 from the State General Fund for program grants.

**The Governor** recommends \$324,403,358 from all funds, including \$133,474,540 from the State General Fund. The recommendation is a decrease of \$8,482,715 or 2.5 percent, including \$4,516,387 SGF, or 3.3 percent below the agency request. The recommendation increases the shrinkage rate from 2.5 percent to 5.0 percent for FY 1999 and reduces salaries and wages by \$189,065. Other operating expenditures are reduced by \$472,000. The Long -Term Care programs are reduced by \$7,821,650 from all funding sources including a reduction of \$4,040,726 from the State General Fund below the agency estimate for FY 1999. Finally, the Governor's recommendation concurs with the estimate for aid to local units of government.

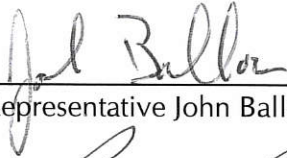
## House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following exceptions and comments:

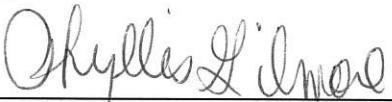
1. Concur with the Governor's Budget Amendment No. 1, Item 4, which includes \$198,912 from the State General Fund for Targeted Case Management to correct the match rate.
2. Deletes \$198,912 from the Medicaid Fund for Targeted Case management to correct the match rate.
3. The agency is requested to prepare a plan for the HCBS/FE waiver that will address how services will be provided, without a waiting list, within the Governor's budget recommendation for the program. The agency had requested \$32,760,000 all funds, including \$13,202,280 from the State General Fund for the program. The Governor recommended \$33.0 million including \$13,260,900 from the State General Fund. If the funding is insufficient, the agency is requested to inform the Governor and the Committee. In addition, the Committee is respectfully requesting a Governor's Budget Amendment to fully fund the program. Therefore, the House Budget Committee recommends that the HCBS/FE waiver be reviewed during Omnibus. In addition, during the Omnibus Session, after resolution to the HCBS waiver issues, the Committee will also review the funding for the Income Eligible and Senior Care Act programs.

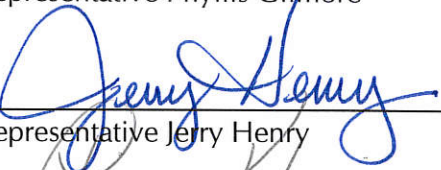
  
\_\_\_\_\_  
Representative Melvin Neufeld, Chair

  
\_\_\_\_\_  
Representative Barbara W. Ballard


  
\_\_\_\_\_  
Representative John Ballou

  
\_\_\_\_\_  
Representative Bob Bethell

  
\_\_\_\_\_  
Representative Phyllis Gilmore

  
\_\_\_\_\_  
Representative Jerry Henry

  
\_\_\_\_\_  
Representative Phill Kline

  
\_\_\_\_\_  
Representative Brenda Landwehr

  
\_\_\_\_\_  
Representative Doug Spangler

## HOUSE BUDGET COMMITTEE REPORT

**Agency:** Department on Aging

**Bill No.**

**Bill Sec.**

**Analyst:** Sparks

**Analysis Pg. No.** 485

**Budget Page No.** 39

Expenditure Summary	Agency Request FY 00	Gov. Rec. FY 00*	House Budget Committee Adjustments
State Operations	\$ 18,836,278	\$ 15,468,999	\$ (3,577,703)
Aid to Local Units	6,384,037	5,900,908	0
Other Assistance	<u>336,613,751</u>	<u>316,820,481</u>	<u>(202,788)</u>
Total—Operating Expend.	<u><u>361,834,066</u></u>	<u><u>338,190,388</u></u>	<u><u>(3,780,491)</u></u>
State General Fund	\$ 150,823,606	\$ 137,920,390	\$ 56,297
Other Funds	<u>211,010,460</u>	<u>200,269,998</u>	<u>(3,836,788)</u>
	<u><u>\$ 361,834,066</u></u>	<u><u>\$ 338,190,388</u></u>	<u><u>\$ (3,780,491)</u></u>
FTE Positions	155.8	155.8	0.0
Unclassified Temp. Positions	<u>2.0</u>	<u>2.0</u>	<u>0.0</u>
TOTAL	<u><u>157.8</u></u>	<u><u>157.8</u></u>	<u><u>0.0</u></u>

\* Includes Governor's Budget Amendment No. 1, Item 4.

### Agency Request/Governor's Recommendation

The Agency requests \$361,834,066 from all funding sources, including \$150,823,606 from the State General Fund for FY 2000. The request is an increase of \$28,947,993 (8.7 percent) all funds, including \$12,832,679 (9.3 percent) from the State General Fund above the FY 1999 estimate. The increase provides an additional \$25,315,440 all funds (\$10,182,403 SGF) above the FY 1999 estimate for the nursing facilities, Home and Community Based Services for the Frail Elderly (HCBS/FE) waiver and the targeted case management. The agency operations are increased by \$2.3 million and include three enhancement packages for community grants. The nutrition grants are increased by \$569,316.

**The Governor** recommends \$338,190,388 from all funding sources, including \$137,920,390 from the State General Fund for FY 2000. The recommendation is a decrease of \$23,643,678 or 6.5 percent from all funding sources and \$12,903,216 or 8.6 percent from the State General Fund below the agency request. The major reduction occurs in the Long-Term Care program for nursing facilities of \$13,184,577 (\$6,100,885 SGF); HCBS/FE waiver of \$3,940,000 (\$1,631,920 SGF) below the agency request. The recommendation for the nursing facilities concurs with the consensus caseload estimate; however, the HCBS/FE waiver program was removed from the caseload estimating process at the request of the Division of the Budget. Targeted Case Management is reduced by \$1,449,176 (\$666,680 SGF) below the agency request. The nutrition grants are reduced by \$618,914.

Agency operations are reduced by \$3,367,279, no enhancement packages are recommended and the shrinkage rate is increased from the requested 2.5 percent to 5.0 percent. The Governor does fund the 1.0 percent classified base salary adjustment, 2.5 percent step movement, full longevity bonus, and a 3.5 percent merit pool at a cost of \$206,467 for FY 2000.

### House Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following exceptions and comments:

1. Concur with the Governor's Budget Amendment No. 1, Item 4, which includes \$202,788 from the State General Fund for Targeted Case Management to correct the match rate.
2. Deletes \$202,788 from the Medicaid Fund to correct the match rate for the Targeted Case Management program.
3. Technical corrections are made to the bill to reflect the Governor's intent.
4. Adds \$192,297 State General Fund from the Kansas Savings Incentive Program (KSIP) for the re-engineering project the agency has undertaken to prepare for the expanded customer base as the baby boomers age. The agency is looking at the contrasts between the requirements of current customers and the anticipated needs, desires and expectations of those who will soon be seniors. The project began during FY 1999 and will continue through FY 2000.
5. Shifts \$784,000 from the Medicaid Fund to the State General Fund for the Kansas Aging Management Information System (KAMIS). The Governor had shifted the funding to Medicaid believing that the project would pull down at least this amount during FY 2000. However, the agency testified that it has contacted the U. S. Department of Health and Human Services and has been informed that Medicaid funds cannot be used for this purpose.
6. The agency is requested to prepare a plan for the HCBS/FE waiver that will address how services will be provided, without a waiting list, within the Governor's budget recommendation for the program. The agency had requested \$38,940,000 all funds, including \$15,692,820 from the State General Fund for the program. The Governor recommended \$35.0 million including \$14,060,900 from the State General Fund. If the funding is insufficient, the agency is requested to inform the Governor and the Committee. In addition, the Committee is respectfully requesting a Governor's Budget Amendment to fully fund the program. Therefore, the House Budget Committee recommends that the HCBS/FE waiver be reviewed during Omnibus. In addition, during the Omnibus Session, after resolution to the HCBS waiver issues, the Committee will also review the funding for the Income Eligible and Senior Care Act programs.
7. Deletes \$3.8 million all funds, including \$950,000 from the State General Fund for nursing home inspections from a reportable amount to a non-reportable amount.

The inspections are completed by Kansas Department of Health and Environment (KDHE) which is also showing the expenditures as a reportable.

8. The Budget Committee requests that the Legislative Committee which reviews the results of the agency's re-engineering project also examine the proper placement for the nursing home inspections. It is the consensus of the Committee that further investigation should be made to determine if the nursing home industry and the State of Kansas are receiving the most efficient use of resources with the current placement in KDHE.
9. The Budget Committee requests the agency investigate the issue of people who hide assets in order to qualify for Medicaid funding. The agency should report at Omnibus on its findings and make recommendations on how the State can encourage private long-term care financing as opposed to relying on state funding. The agency may wish to contact the Council on State Government (CSG), as it is the belief of the Committee, that CSG has recently published a new booklet on this topic.
10. Adds \$30,000 from the State General Fund to authorize the Secretary to fund a private grant for the provision of a Senior Legal Hotline. The grant must stipulate that the provider will match the state funds a minimum of 50/50 or more. In the past, the Senior Legal Hotline was funded with federal funds. The goals of the Hotline were to act as a first resort for seniors who have legal problems or questions; empower seniors to resolve their own problems, determine when a client's legal issue needs further legal services; and monitor seniors for recurring legal problems. The Hotline, currently, is the only senior hotline in operation in the United States whose model is designed to run mainly on volunteer power with approximately 135 volunteer attorneys. In Federal Fiscal Year 1998, the Hotline handled 3,650 calls and served more than 3,000 seniors. The major types of calls handled by the Hotline were: consumer finance, family, health, income maintenance, and housing. Currently, eligibility is all residents sixty years of age or older.
11. The Budget Committee wishes to commend the Department on Aging for its foresight in convening the re-engineering project. The need to prepare for the influx of persons requesting the agency's services over the next few decades, is evident, as Kansas has seven of the 15 "oldest" counties in the nation. In fact, Smith County is the oldest in the nation. In light of this information, the Budget Committee commends the agency for its proactive approach in dealing with the looming problem.
12. The Committee also wishes to commend the agency and the Area Agencies on Aging for their efforts to better facilitate communications which has shown marked improvement. The agency's and AAA's effort is improving the quality of care given our older citizens in Kansas which benefits all citizens of the state.
13. The Budget Committee was made aware of a new U. S. Department of Health Care Financing Administration's (HCFA) plan to require an Outcome and Assessment Information Set (OASIS) for all patients of agencies which are Medicare-certified. This unfunded mandate requires the providers, Department on Aging and Area Agencies on Aging, to absorb the additional costs of doing the assessment. This is not a small matter as the new rules require an initial 18 page assessment be

completed by a registered nurse; with a 13 page follow-up every 60 days. Again, Medicare certified agencies will not be reimbursed for the time it takes to complete the assessments on non-Medicare clients, nor the administrative costs to upgrade computer hardware for data transmission. As of January 1999, the final regulations for OASIS have not been published; however, HCFA officials are telling providers of in-home services to begin to implement this rule.

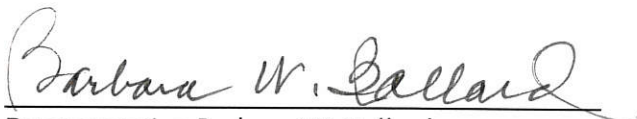
The Department on Aging, upon learning about this rule change, did convene a meeting with HCFA, about their concerns with the new rules; but, as of this date, HCFA is proceeding. Therefore, The Budget Committee is drafting a letter to Kansas' Congressional Delegation, outlining the problems, both emotional for the clients and financially for the providers, caused by the rule change. In addition, the Committee requests that the agency continue its efforts and report back prior to the Omnibus Session.

14. The Budget Committee recommends that legislation be drafted which would make the Medical Recoveries and Collections Fund a interest bearing account. The fund collects fees generated from fines imposed on nursing facilities by the Department of Health and Environment or the Health Care Financing Administration for licensure deficiencies; and, recoveries and collection of Medicaid provider overpayments. The only use of the funds is to pay the costs of relocating residents when a nursing facility closes. The Committee also recommends that the interest from the account be used exclusively for training of case managers and the agency staff.

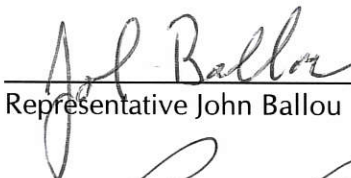




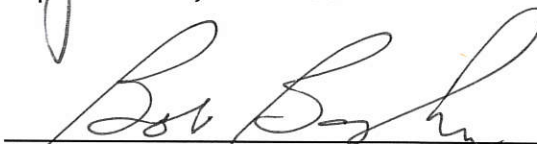
Representative Melvin Neufeld, Chair



Representative Barbara W. Ballard



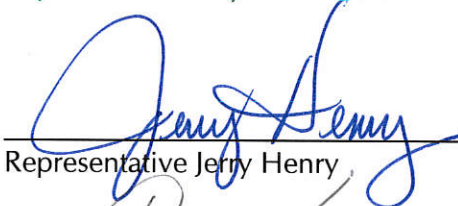
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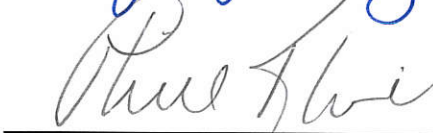
Representative Bob Bethell



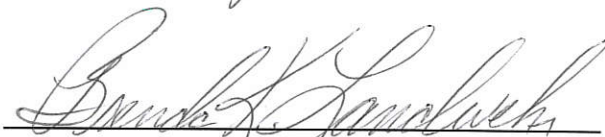
Representative Phyllis Gilmore



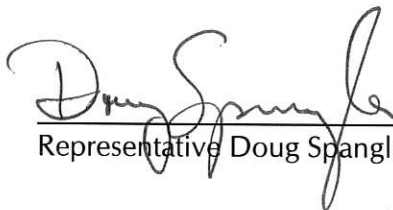
Representative Jerry Henry



Representative Phill Kline



Representative Brenda Landwehr



Representative Doug Spangler