

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson David Adkins at 9:15 a.m. on February 15, 2000 in Room 514-S of the Capitol.

All members were present except: Representative Allen - excused
Representative Kline - excused
Representative Peterson - excused
Representative Weber - excused

Committee staff present: Alan Conroy, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
Stuart Little, Kansas Legislative Research Department
Paul West, Kansas Legislative Research Department
Deb Hollen, Kansas Legislative Research Department
Mike Corrigan, Revisor of Statutes Office
Dave Stallings, Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee:
Ron Snell, National Council of State Legislatures, Denver, Colorado

Others attending: See attached list

Information was distributed to the Committee regarding the Children's Initiatives Fund (Attachment 1).

Overview of Performance Budgeting in Other States

Chairman Adkins welcomed Mr. Ronald Snell, National Council of State Legislatures of Denver, Colorado. Mr. Snell presented detailed information to the Committee regarding Performance-Based Budgeting (Attachment 2). He described performance-based budgeting (PBB), reasons for adopting it, and how to implement it. Mr. Snell also provided information about the following states which he noted are examples of the way performance expectations are linked to agency appropriations in those states:

- Florida (Attachment 3)
- Texas (Attachment 4)
- Louisiana (Attachment 5)

There were Committee questions and detailed discussions regarding performance budgeting. The Chairman thanked Mr. Snell for appearing before the Committee.

Bill Introductions

Chairman Adkins recognized Representative Neufeld who explained that the SRS Oversight Committee had introduced a bill on dental practices earlier in the year and was found to be flawed when it got to Committee and are now wanting to re-introduce the bill worded correctly. Representative Neufeld made a motion, seconded by Representative Landwehr, to introduce a bill regarding dental practices for federally qualified health care centers. Motion carried.

The meeting was adjourned at 10:40 a.m. The next meeting is scheduled for February 16, 2000.

Children's Initiatives Fund (Tobacco)

Program	Revised Gov. Rec. FY 2000		Gov. Rec. FY 2001	
	Tobacco Funds	All Funds	Tobacco Funds	All Funds
Department of Health and Environment				
Healthy Start/Home Visitor	\$ 250,000	\$ 1,197,203	\$ 250,000	\$ 1,197,203
Infants and Toddlers Program	500,000	5,263,542	500,000	5,302,000
Vaccine Purchases	250,000	922,410	0	674,898
Newborn Screening Equipment Purchases	260,000	260,000	0	0
Community Partnership Grants	0	0	3,000,000	3,000,000
Smoking Prevention Program Grants	500,000	500,000	500,000	500,000
Subtotal - KDHE	\$ 1,760,000	\$ 8,143,155	\$ 4,250,000	\$ 10,674,101
Juvenile Justice Authority				
Juvenile Prevention Program Grants	\$ 4,000,000	\$ 4,000,000	\$ 5,000,000	\$ 5,000,000
Juvenile Graduated Sanctions Grants	2,000,000	19,284,416	2,000,000	19,284,416
Community Management Information Systems Grants	85,000	230,000	0	200,000
Subtotal - JJA	\$ 6,085,000	\$ 23,514,416	\$ 7,000,000	\$ 24,484,416
Department of Social and Rehabilitation Services				
Children's Mental Health Initiative	\$ 1,000,000	\$ 5,000,000	\$ 1,000,000	\$ 7,000,000
Family Centered System of Care	5,000,000	5,000,000	5,000,000	5,000,000
HCBS Services for Mentally Retarded	3,000,000	167,860,564	3,000,000	166,860,564
HCBS Services for Physically Disabled	1,800,000	49,246,062	1,800,000	51,000,444
Best Children's Programs Practices Research	0	0	250,000	250,000
Subtotal - SRS	\$ 10,800,000	\$ 227,106,626	\$ 11,050,000	\$ 230,111,008
Attorney General				
Statewide DARE Program	\$ 165,300	\$ 165,300	\$ 159,956	\$ 159,956
Department of Education				
Parent Education	\$ 777,833	\$ 5,417,333	\$ 1,277,833	\$ 5,917,333
Four-Year -Old At-Risk Programs	0	0	1,000,000	1,000,000
School Violence Prevention	500,000	500,000	500,000	500,000
Kan-Ed	0	0	4,500,000	4,500,000
Natl. Geographic Society Ed. Foundation Endowment	250,000	250,000	0	0
Subtotal - Dept. of Ed.	\$ 1,527,833	\$ 6,167,333	\$ 7,277,833	\$ 11,917,333
University of Kansas Medical Center				
Tele-Kid Health Care Link	\$ 0	\$ 0	\$ 250,000	\$ 250,000
TOTAL	\$ 20,338,133	\$ 265,096,830	\$ 29,987,789	\$ 277,596,814

House Appropriations
 2-15-00
 Attachment 1



KANSAS HEALTH FOUNDATION

Memorandum

Date: January 13, 2000

To: Kansas Health Foundation Community Leadership Initiative participants

From: Steve Coen *SC*

RE: Community Foundations Projects

Greetings! I hope this finds all of you doing well and looking forward to the next leadership training opportunity occurring later this month. I am sending you this memo to give you the "heads-up" on an exciting program you may soon hear about from the media or others across the state.

For the past several months, the Kansas Health Foundation has been investigating ways in which we could help develop philanthropy across the state. One program we have discussed replicating in Kansas is a program initiated by the Lily Endowment in 1991, with a goal to increase the numbers, and assets levels of, community foundations in Indiana.

When Lily first began its program, there were less than 12 community foundations across the state with total assets of \$100 million. Now, through a combination of grants from the Lily Endowment and local matching dollars, there are 93 community foundations across the state of Indiana with a total of over \$600 million in assets. You can imagine how this has changed the ability of Indiana communities to address emerging community issues.

Because of our interest in leadership development and children's health, the Foundation has been discussing the possibility of replicating the Lily program in Kansas with a slightly different twist. Should this program come to fruition, it would be our intent to provide the communities participating in our Community Leadership Initiative ("CLI"), who do not currently have community foundations, the opportunity to receive the technical assistance necessary to begin one. Once the local community foundation is up and operating, the Kansas Health Foundation would then provide funding to the newly-created community foundation as outlined below. In communities with community foundations, the Foundation would simply disburse the funds to the existing entity.

KHF CLI
Page Two
January 13, 2000

Under our proposed program, each CLI community would be eligible to receive a total of \$100,000 to create two endowed funds housed at the local community foundation. Annual earnings from the first endowed fund of \$50,000 would be used to support the local leadership program and cover the annual operating costs (income tax returns, etc.) of the community foundation. Earnings from the second endowed fund of \$50,000 would be used by the local leadership organization to initiate programs aimed at improving the lives of children living in the community. Assuming a conservative investment return of 5% per year, \$2,500 per fund would be made available each year to be used for these purposes.

It is the hope of the Foundation that other monies could be leveraged to increase the asset base of the newly created endowed funds as well as the creation of other endowed funds within the existing community foundations. Recently, Foundation staff has been meeting with Governor Graves and members of the Children's Cabinet to see if there might be a possibility that some of the state's tobacco settlement funds could be targeted toward this program. As you might imagine, it is far too early to know whether this effort will be successful as the legislature has the final say on how these funds will be spent. In the future, the Foundation also anticipates it will make additional monies available to the communities on a matching funds basis to help grow the community foundation asset base.

Attached is a summary of the program that we are sharing with others who we hope will join us in funding this effort. I caution all of you that this program is merely in the discussion phase and could change dramatically over time or possibly not occur at all.

If you have any questions, please feel free to give me a call. I am certain this will be a topic of discussion at our upcoming training session.

SC/dvh

Attachment



KANSAS HEALTH FOUNDATION

Community Foundations Overview

The Kansas Health Foundation, a private nonprofit philanthropy, is planning a grant to help establish and support community foundations in Kansas that will improve the health of children by building resources at the local level. While the grant is still in early planning stages, at this point the Foundation is considering funding up to \$30 million dollars during the next 10 years.

The Foundation's intent with this grant is to work with community foundations across the state to support and build local communities' abilities to improve the health of their citizens. It is consistent with the Foundation's mission, which is to improve the health of all Kansans.

Currently, the Foundation is conducting research on community foundations and funding criteria to further develop the program. The concept of local foundations combines the Kansas Health Foundation's three major funding areas - leadership, public health, and children's health - and incorporates the Foundation's core principles of prevention and long-term systems change. By helping establish or assisting local foundations, the Kansas Health Foundation collaborates with communities to turn a one-time grant into a lifetime of benefit for citizens by placing the funding closest to where it's needed - in Kansas communities.

Each year the Kansas Health Foundation awards more than \$20 million in grants based on a strategic plan developed through statewide listening tours, feedback from community leaders, and independent research and analysis.

Budget

\$30 million over 10 years

- \$2 million annually over 5 years
- \$4 million annually over 5 years

Communities

The Foundation hopes to initiate this program by first targeting the 18 communities that are participating in its Community Leadership Initiative. The goal of the Community Leadership Initiative is to strengthen community leadership programs so they focus on developing skills that help move a community to action on behalf of the health of their children. This program provides a unique opportunity to partner with business leaders across the state and create a statewide system that supports children.

Timeline

By 5/2000 Determine and provide the technical assistance necessary to support community foundations.

By 1/2001 Provide grants of up to \$100,000 per community to establish endowed funds at community foundations located in communities participating in the Kansas Health Foundation's Community Leadership Initiative. Earnings from the fund will be used to initiate programs that improve the health and well being of children, support the local leadership program, and assist with annual operating costs of the local community foundation.

The Foundation will pursue other funding resources to increase the assets of the local community foundation.

2002 and beyond Foundation expands its Community Leadership Initiative to additional communities across the state.

**The Kansas Children's Cabinet
Final Recommendations
to the
Governor and Kansas Legislature
for State Fiscal Year 2001**

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I. BACKGROUND

The future of children and youth in Kansas stands to be significantly brighter as a result of the commitment made by the Legislature and Governor in 1999. Passage of Senate Substitute for House Bill 2558 dedicated 95 percent of the state's portion of the Master Tobacco Settlement to improving the health and well being of children and youth in the state. This decision to meaningfully address the needs of developing citizens is unprecedented nationally. Directing these moneys to children and youth creates the opportunity to position Kansas as the best state in the nation in which to raise a child. The Children's Cabinet is committed to have the vision of State's leadership become a reality.

The decision to designate tobacco settlement moneys for the well-being of children and youth reflects both visionary leadership and a deep commitment to respond to the needs of the citizens of the state. Youth violence, low levels of school achievement, unhealthy and high risk behaviors and juvenile crime rates are serious concerns. Early prevention is the most cost-effective and efficient way to deal with these problems and designation of the tobacco settlement for children and youth provides significant new resources to support programs that address the threats to children's health and well-being. By providing support for early intervention and prevention programs that are data-driven, outcomes based, have a history of success, and have a clear plan for implementation, the state has the opportunity to greatly enhance the quality of life for children and youth.

The wisdom of the leadership's decision is supported by a growing body of research:

- Over 90 percent of brain development occurs during the first three years of life, largely determining the foundation for later social and intellectual development.
- Evaluations of comprehensive early child development programs show over a 700 percent return on investment; the benefits include significantly reduced crime rates, reduced need for special education, increased high school graduation and school achievement rates, and better overall health.
- Preventive health services save over 450 percent of what they cost.
- Programs for youth that provide safe alternatives between 3 p.m. and 6 p.m. dramatically reduce juvenile crime and increase school achievement, saving significant local and state resources.

No other investment offers such incredible returns. Investing in supporting healthy child and youth development not only provides immediate benefits, but also provides significant savings for the state long into the future. The decision on the use of tobacco settlement moneys establishes the cutting edge of an understanding that there is no resource more important to a state than its people. Clearly, there are no more effective means for ensuring citizens maximize their potential than to provide a quality start in life. The courageous foresight of the state's leadership to address these needs has gained national attention and strong support throughout the state.

In order to support the needs of children and youth into the future, Senate Substitute for House Bill 2558 provides for the following:

- The **Kansas Endowment for Youth (KEY) Fund**, a landmark trust fund that will ensure financial resources are sustained long into the future. The fund will be managed by the trustees of the Kansas Public Employees Retirement System (KPERs).
- The **Children's Initiatives Fund**, which will annually receive funds from the Endowment. This fund will be used for providing additional funding for programs, projects, improvements, services, and other purposes directly or indirectly beneficial to the physical and mental health, welfare, safety, and overall well-being of children in Kansas.
- The **Kansas Children's Cabinet**, whose responsibilities as directed by the statute include:
 - Advising the Governor and the legislature regarding the uses of the moneys credited to the Children's Initiatives Fund;
 - Conducting Performance Audits to assist in making decisions for the uses of the moneys credited to the Children's Initiatives Fund;
 - Utilizing the Children's Initiatives Accountability Fund to assess and evaluate initiatives receiving funding from the Children's Initiatives Fund;
 - Assisting the Governor in developing and implementing a coordinated, comprehensive delivery system to serve the families of children of Kansas;
 - Identifying barriers to and gaps in services due to boundaries between departments and agencies;
 - Facilitating interagency and interdepartmental cooperation; and,
 - Identifying methodologies for combining funds across department boundaries.

The diverse fifteen member Cabinet was appointed in June of 1999. Present members are:

Ex-Officio Members:

The Assistant Secretary of Health and Environment, **Jane Mackey**

The Secretary of Social and Rehabilitation Services, **Janet Schalansky**

The State Board of Regents designee, **Dr. Mabel Rice**

The Commissioner of Education, **Dr. Andy Tompkins**

The Deputy Commissioner of Juvenile Justice, **Mr. J. Kenneth Hales**

Supreme Court Justice, **Honorable Ed Larson**

Voting Members:

The House Speaker's designee, **Representative Barbara Allen**

The House Minority Leader's designee, **Mr. Marvin Barkis**

The President of the Senate's designee, **Senator Dave Kerr**

The Senate Minority Leader's designee, Insurance Commissioner **Kathleen Sebelius**

Voting members appointed by the Governor:

Mr. John E. Moore, Executive Vice President, Cessna Aircraft Company

Ms. Carol Nazar, Executive Director, Wichita Public Library Foundation

Judge James P. Buchele, Kansas Senior Judge

Ms. Donna Shank, Vice President, Al Shank Insurance Inc.

Honorable Carla Stovall, Attorney General

The Mission Statement of the Kansas Children's Cabinet is to identify, evaluate, recommend funding, promote, measure and re-evaluate programs, prevention services and delivery services that directly benefit the physical and mental health, welfare, safety and overall well-being of children in Kansas.

These programs, prevention services and delivery systems will result in measurable improvement in the following areas:

- Pregnant women and newborns thrive
- Children are nurtured and live in safe, supportive families
- Children enter school ready to learn and do succeed
- Youth choose healthy behaviors
- Youth become productive adults

The Cabinet began meeting in August and held nine days of hearings. The meetings included testimony from a diverse range of experts on the most effective use of these funds including child and youth advocates, state government representatives, child welfare organizations, and tobacco prevention and cessation advocates.

Clear consensus emerged from the views expressed: addressing the needs of children and youth before they become costly is the most responsible and effective way to use the resources. By dedicating the resources to prevention programs that demonstrate the most promising opportunities for success, high risk behaviors that threaten the health and well-being of children and youth can be changed.

From these meetings, extensive discussion and research, the Kansas Children's Cabinet presents the enclosed recommendations for consideration by the Legislature, the Governor and the public.

The recommendations have the following areas of focus:

- Designing and piloting of a system of **community-based partnerships** that maximizes local control of resources. This reflects a commitment to empower citizens to have a strong voice in deciding how the resources are best used to address their community's issues;
- Determining a **statewide strategic plan** of programs that are needed to support children and youth in local communities;
- Implementing **programs for tobacco prevention**;
- Determining the **process for making funding decisions** about moneys from the Kansas Children's Initiatives Fund;
- Cabinet expenses; and,
- Programs identified for SFY 2000 funding.

The Cabinet applauds the leadership of the state for its commitment to the state's future. This nationally unparalleled decision places Kansas at the forefront of being able to be the best state in the country in which to raise a child.

II. FUNDING RECOMMENDATIONS

The members of the Cabinet feel strongly that the tobacco settlement moneys present the state with an unparalleled opportunity to strategically and systematically improve the overall well-being of our children. In order to ensure thoughtful, responsible allocation of the resources, the first year will be dedicated to a thorough planning process. Following good project management practices, this planning process will compile the results of existing research, collect and analyze/recommend best practices from Kansas communities and other states, and create a model resource development and delivery system to address the needs of children, youth, and families statewide.

A. COMMUNITY-BASED PARTNERSHIPS

The Cabinet recommends the development of a system that supports distribution of a majority of the tobacco settlement with the highest amount of local control possible. A community's citizens and advocates have critical voices and important perspectives on addressing the needs of a community's children. Providing resources to community-based partnerships will support communities in the identification and prioritization of local needs and the development of targeted interventions that address specific, pressing community problems which include healthy child and youth development.

This planning process will not duplicate past planning processes. The planning period will focus on best practices and evaluating research to craft a world-class system of community partnerships. This system will be piloted before the end of the year and will have the continuing support needed to sustain its work.

The planning process will determine the following:

- a. Identification of the critical community stakeholders whose participation in community partnerships would be required for communities to access support from the Children's Initiatives Fund. It is clear from community-based partnerships in other states that community collaboration and the development of a collective vision is critical for the long-term success and sustainability of these partnerships;
- b. Processes for establishing public/private partnerships with philanthropic organizations, the business community and other state and community partners to leverage additional resources;
- c. Development of local leadership, training and assistance efforts to maximize the talent and abilities available in Kansas communities;
- d. Legal and structural requirements defining the relationship between local foundations or other appropriate local funding designees and the Children's Cabinet;

- e. Organizational and staffing requirements for the Children's Cabinet to oversee the development and growth of community-based partnerships;
- f. Legislative authority and oversight governing the distribution of Children's Initiatives Funds;
- g. Refinement of the list of predictive risk factors for children and youth health and well-being. These will be used to identify areas where interventions are needed in local communities. Improvement over time in the areas measured by the indicators would be one way to evaluate the effectiveness of the funding;
- h. Data collection and an evaluation plan which would be supported by credible research, constitute best practices in the field, reflect data to benchmark program outcomes and have clearly articulated objectives; and,
- i. Requirements to administer the Children's Initiatives Fund including functions such as accounting, research, grant and contract selection and administration, program compliance monitoring and financial audits, legal counsel, technical assistance to community foundations or other local fiscal agent, and general administrative support.

There are numerous examples of successful community-based partnerships where a county or a partnership of counties receive state funds to address the health and well-being of children. One of the most successful and comprehensive of these programs that address the needs of children is the Smart Start model in North Carolina which was implemented in 1995. This program has documented extensive success to include dramatically improved school readiness rates and significantly improved overall early childhood health. This program, along with community-based partnership models

implemented in Ohio, Vermont, and Virginia, will be closely evaluated, with best-practices adapted to meet the needs of the state of Kansas.

Pilot community-based partnerships will be implemented following the planning period; financial support will be awarded based on criteria established during the planning process through a competitive process. Grant awards will be based on need, with awards determined through a comprehensive review process. Based on the lessons learned from this piloting, the community-based partnerships will be refined and expanded to include additional communities.

The funding for this component of the recommendations would be used to develop the structure and internal processes of supporting community-based partnerships, based on best practices from other states, and the administration of grants to local communities selected during the first fiscal year. The planning period would also be used for determining and sustaining evaluation mechanisms for the funding, to ensure the resources are being used to directly benefit the health and well-being of children. The funding for the community-based partnerships will be used for leadership training, facilitated meetings with local communities, staff to support the community-based planning and implementation process, technical assistance for the partnerships, resources for additional programs at the community level, and leveraging additional funding.

The Kansas Health Foundation has long believed in the value of community-based partnerships. In January of 2000, the Foundation made a \$30,000,000 commitment over 10 years to create a number of these partnerships across Kansas. The Children's Cabinet will work closely with the Health Foundation to maximize the synergies and

resources of the two organizations to develop community-based partnerships which most effectively provide solutions to the problems facing the children and youth in communities across the state. This potentially powerful affiliation offers great promise for the future of our children and youth.

FISCAL NOTE: \$6,950,000

B. STATEWIDE STRATEGIC PLAN FOR CHILDREN

The Children's Cabinet recognizes that while communities are in a unique position to determine and address local needs, there are specific statewide programs that would benefit the entire state. An evaluation of statewide programs and service infrastructure to recommend specific enhancements is recommended. The strategic plan will identify gaps in services that address the needs of children, describe barriers to services being effectively administered, and identify strategies for more effectively coordinating services. The additional programs that are recommended will be designed to provide a strong base of services and supports for children statewide, with targeted community-based interventions augmenting this strong system.

This plan will specifically address two of the key responsibilities of the Cabinet: to assist the Governor in developing and implementing a coordinated delivery system to serve children and families; and, to facilitate interagency and interdepartmental coordination. Building upon the results of research and a comprehensive evaluation of the needs of children in the state, this plan would assist in making funding determinations to address specific needs of children statewide. The strategic plan will also examine current relationships between state agencies and initiatives. Recommendations will be made on interagency coordination to increase the quality and availability of services for children and youth.

The development of the strategic plan will be completed by soliciting proposals, selecting an entity or combination of entities that possess the expertise to develop such a plan, and close coordination with the Children's Cabinet to ensure the plan addresses

the topics that the Children's Cabinet has been charged by statute to address. The plan will open to public comment throughout the planning process and the formal plan will be presented to the 2001 Legislature.

Fiscal Note: \$350,000

A clear resource that is needed immediately to support communities' knowledge of resources is an enhancement of the information system that catalogs information on programs for children and youth statewide. The Community Access Network (CAN), also known as the Children's Access Network and Service Index, is a catalog available to Internet users of Kansas' services available that will be another critical ingredient in defining each community's landscape of services. When complete, this catalog will include easily located services commonly used by private consumers and professionals working with children and families. In order to implement CAN on a statewide basis, it will be necessary to upgrade its software. This will be a one-time expenditure.

Successful implementation of this project will directly benefit the physical and mental health, welfare and safety of children in Kansas through better coordination and dissemination of information about critical services; greater availability of information about these services; and, by eliminating the need for multiple resource directories across the state. CAN will also be a tool which policy makers can use to make decisions regarding the distribution of scarce resources.

Fiscal Note: \$70,000

Total Fiscal Note: \$420,000

C. TOBACCO PREVENTION PROGRAMS

As noted in introductory comments to the Children's Cabinet recommendations, the money the Legislature has dedicated to children's overall health and well-being is derived from settlement of the tobacco lawsuits the state filed in August of 1996. The genesis of the suits was a desire to recoup the money the state expends for Medicaid recipients with smoking-related ailments and for injunctive relief which would prevent the tobacco companies from continuing to market to Kansas children. It has been recognized as important by the Cabinet that at least some of the monies from this historic settlement would be spent in fulfilling the objectives of the lawsuit.

To become better informed in this area, the Cabinet convened a panel of tobacco control experts. A key concern of the members was how to quantify any outcomes of spending on tobacco prevention. Speakers included Dr. Michael Erickson, Ph.D., Director of the Office on Smoking and Health at the Center for Disease Control (CDC); Dr. Thomas Houston, MD, Program Director with the American Medical Association; and an Overland Park teen, Emily Broxterman, who has been active in the youth prevention movement in Kansas and nationally for several years.

Tobacco use is responsible for more than 430,000 deaths nationwide each year - or one in five and *is the single most preventable cause of death and disease* in our country. Last year, *nearly 4,000 Kansans* died of smoking related conditions. Unequivocal documentation exists that proves smoking can cause chronic lung disease, coronary heart disease, stroke, cancer of the lung, larynx, esophagus, mouth, and bladder. Smokeless tobacco and cigars also have fatal consequences which include cancer of the lung, esophagus, and mouth.

In addition, environmental tobacco smoke, or "*second-hand*" smoke, causes approximately *50,000 deaths* each year - which is nearly equivalent to all the young men and women in American uniforms killed in Vietnam during the war. *Three hundred thousand* children suffer from lower respiratory tract infections.

With the significant health consequences of tobacco use, it is not surprising to note the astronomical price tag associated with providing *medical treatment* for these conditions: more than \$100 billion nationally. In Kansas last year, the smoking related costs were pegged at *more than \$630 million*. State government, itself, pays *\$72 million* each year in Medicaid expenses for smoking related medical conditions.

- Despite the general knowledge that smoking causes cancer, adolescents continue to pick up the habit at alarming and increasing numbers. A recent study by the Kansas Department of Health & Environment found that *more than 20 percent of Kansas middle school students* (between the ages of 11 and 13) use tobacco on a regular basis. The rate of smoking among students *almost doubles between the sixth and eighth grades* and the use of smokeless tobacco increases more than four times. Four out of ten students who currently smoke report that they want to stop. These results caused KDHE Secretary Clyde Graeber to conclude, "*Tobacco use among our youth has reached epidemic proportions.*"

To combat the devastating health consequences that stem from tobacco use, the CDC has developed a model for a statewide initiative of tobacco control called "*Best Practices.*" The programs recommended are *comprehensive, sustainable, and accountable* and are derived from work of California, Florida, Maine, Massachusetts, Minnesota, Mississippi, Oregon, and Texas. A Kansas implementation of the comprehensive "Best Practices" would require spending at least \$6.96 to \$17.22 per capita or \$18 to \$44 million. This is not an insignificant amount of money but neither are lives lost to tobacco diseases insignificant, nor are the health costs we now incur insignificant, nor is the state's share of the tobacco settlement (\$1.6 billion) insignificant. These numbers *are insignificant*, however, when compared to the *\$5 billion* the tobacco industry spends annually to promote its products.

The majority of the Cabinet was conservative in its recommendation for spending in tobacco prevention and recommended that the \$500,000 allocated, but not appropriated, by the 1999 Legislature, be released for expenditure. An additional \$2 million of spending was recommended in Fiscal Year 2001. The Cabinet recognizes that this \$2.5

million cannot be expected to achieve the same results as the CDC's recommended investment of \$18 million. However, it is a first step in recognizing the state's need to begin to address this phenomenon that robs the state of healthy and productive citizens and drains the state's economy by treating medical conditions that were preventable.

The following recommendations are based upon CDC's "Best Practices" and address the nine components of a comprehensive Tobacco Control program. Evidence-based analyses of comprehensive State tobacco control programs call for a minimum amount of \$18,000,000 per year to be invested in Kansas to produce substantial and sustainable reductions in tobacco use. The following distribution is modified to outline a \$2,500,000 level of funding as requested by the Children's Cabinet. While this level of investment will not produce the reductions in tobacco use as would the funding amount recommended by CDC, it will certainly provide a critical first step in developing the framework from which to build a viable tobacco-use prevention program to protect Kansas children from a lifetime of illness due to tobacco use.

I. Community Programs

-Grants to community coalitions

- support of local coalition activities*
- support of chronic disease programs to reduce the burden of tobacco-related diseases*

-Regionally sited intervention experts

- Salary for public health educators and operating expenses (others will be supported by federal dollars to ensure availability of technical assistance in all public health districts.*
- Operation support for public health nurses that are located in each public health region.*

II. School Programs

- identification of curricula to be used statewide*
- workshops for teachers by region*
- workshops for teachers locally*
- incentives for schools that use curriculum*

III. Statewide Program Structure

- administrative expenses: tracking expenditures, monitoring contracts, ensuring fiscal integrity*
- surveillance and evaluation: statewide assessment of youth tobacco use, evaluation of impact of local interventions*
- contracts with state level organizations that reach high risk populations*

IV. Counter-marketing

- paid and PSA television ads*
- paid and PSA radio ads*
- paid Billboard ads*
- paid print ads*

The Cabinet is confident that matching federal funds can be received for expenditures made from the Children's Initiative Fund for smoking prevention programs.

The tobacco control experts' offered persuasive information which linked the price of tobacco products with usage. It is strongly recommended by the Cabinet that the excise tax on cigarettes be substantially increased to reduce tobacco usage and raise funds for the State.

Total Budget \$2,500,000.00

D. RESEARCH AND PLANNING TO DETERMINE THE BEST PROCESS FOR MAKING FUNDING DECISIONS

The tobacco settlement funding and the commitment to the Kansas Children's Cabinet provide the opportunity to create a world-class system of services to support children and youth. In order to ensure the resources are spent in the most effective way, at both the state and local level, the Children's Cabinet recommends that two studies be commissioned.

First, the Cabinet is clearly directed by the statute to review, assess and evaluate Children's Initiatives Fund expenditures and to measure the efficiency and effectiveness of practices used in programs, projects, improvements, services or other purposes funded by the Children's Initiatives Fund. In order to best meet this responsibility, a comprehensive nationwide study is recommended by the Cabinet to determine the criteria for evaluating and recommending funding for programs. This information will help ensure resources are allocated to programs that effectively target the most predictive elements of child and youth well-being.

Second, the Cabinet is directed to initiate and evaluate studies to identify best practices. To this end, the Cabinet recommends a second study to identify "Best Practices" nationwide. The focus of this will be in the area of community-based partnerships.

In order to capitalize on the results of quality research and best practices nationally, the Cabinet will explore the opportunity to enter into a partnership with the national Administration on Children, Youth and Families' (ACYF) Commissioner's Office of Research and Evaluation. As an entity that is devoted solely to identifying best practices, commissioning research studies to evaluate specific programs, and integrating the findings of research into programs to serve children and youth, ACYF is in a unique position to support the work of the Cabinet. Through ACYF's extensive contacts and national partnerships, the Children's Cabinet and ACYF can determine the most effective and research proven mechanisms to addressing the needs of children and youth in the state. The Children's Cabinet also plans to work with individual state and community agencies throughout the country to learn more about the successful programs and methods of distributing resources.

Fiscal Note: \$350,000

E. SFY 2001 Cabinet Costs:

<u>OBJECT OF EXPENDITURE</u>	<u>FY 2001</u>
Total Salaries and Wages	\$86,674
Communication	2,850
Printing and Advertising	25,000
Rents	105,120
Travel and Subsistence	52,414
Fees - Other Services	40,000
Fees - Professional Services	40,000
Other Contractual Services	22,000
Total Contractual Services	277,384
Professional and Scientific Supplies	11,500
Stationery & Office Supplies	11,500
Total Commodities	23,000
Subtotal-State Operations	387,058
Federal Aid to Local Units	<u>453,500</u>
Total Expenditures	\$840,558

F. PROGRAMS IDENTIFIED FOR SFY 2000 FUNDING

During the 1999 legislative session, the Legislature and Governor identified 17 organizations or activities that were to receive \$20,338,133 during SFY 2000. These moneys were provided by the State General Fund which was to be reimbursed from tobacco settlement funds in July of 2000. Those organizations and the moneys they were to receive are as follows:

PROGRAM OR PROJECT	FUNDS
Healthy Start/Home Visitor	\$ 250,000
Infants & Toddlers Program	500,000
Immunizations	250,000
Newborn Screening	260,000
Smoking Prevention Grants	500,000
Juvenile Justice Programs:	
Prevention Program Grants	4,000,000
Graduated Sanction Grants	2,000,000
Community Information Systems Grants	85,000
Children's Mental Health Initiative	1,000,000
Family Centered System of Care	5,000,000
Increases in CDDO Rate Reimbursement	1,000,000
Home & Community Based Services:	
Mental Retardation Waiting Lists	2,000,000
Services for the Physically Disabled	1,800,000
Statewide D.A.R.E. Program	165,300
Parent Education	777,833
National Geographic Society Endowment	250,000
Experimental Wraparound Kansas Project	<u>500,000</u>
TOTAL	\$20,338,133

One of the Cabinet's key responsibilities is to review, assess and evaluate expenditures from the Children's Initiatives Fund and the enabling statute sets forth specific and objective standards to be applied. Programs, projects, services or activities funded from the Children's Initiatives Fund must have clearly articulated objectives that are to be achieved in addition to being data-driven and outcomes based. Every program must demonstrate: its design is supported by credible research; it constitutes best practices in the field; data is available to benchmark its outcomes; and, an evaluation and assessment component is present. This evaluation and assessment component must be capable of: determining program performance; identifying needed program modifications; showing how the program can be transferred to other venues; and, indicating when funding is no longer justified.

Representatives from those organizations that were designated by the Legislature and Governor to receive funds in SFY 2000 appeared before the Cabinet at its September meeting. Because of the relatively short period of time between the Cabinet's formation and the preparation of this recommendation, an objective application of the statutory criteria was impossible. However, the moneys committed to newborn screening, \$260,000, and the National Geographic Society Endowment, \$250,000, were intended to be one-time expenditures. Children's Initiatives Fund moneys should not be used for these purposes in SFY 2001.

It is also obvious from our limited scrutiny that expenditures have been made from settlement funds that do not meet the legislature's established objective. For example, it is clear that only \$273,000 of the \$2,000,000 for the Mental Retardation Waiting Lists and \$47,783 of the \$1,800,000 for the Services for the Physically Disabled actually target individuals birth to 18. Thus, the purpose for which these expenditures are to be made does not meet the most fundamental and first screening test. It is not even necessary to evaluate if these programs are research-driven, have clearly articulated objectives which they are meeting or if any of the other validation tests are being met. The legislature is encouraged to find alternative sources for this \$3,479,217 as soon as possible.

The Cabinet makes no recommendations whether these programs should receive future funding from the Children's Initiatives Fund. Subsequent meetings of the Cabinet will involve a detailed evaluation of programs funded by the tobacco settlement in SFY 2000. Recommendations on whether or not the aforementioned programs should continue to be funded by the tobacco settlement resources in SFY 2002 will be made. The fiscal note for all 15 programs/projects for SFY 2001 is \$19,828,133.

III. FINANCIAL SUMMARY

Community-Based Partnerships	\$6,950,000
Statewide Strategic Planning	420,000
Smoking Cessation Programs	2,000,000
Research and Planning	350,000
Cabinet Expenses	387,058
Programs Identified for SFY 2000	<u>19,828,133</u>
Total Expenses	\$29,935,191

PERFORMANCE-BASED BUDGETING IN STATE GOVERNMENT

A Presentation for the Kansas Legislature

Ronald K. Snell
National Conference of State Legislatures
February 15, 2000

This presentation addresses these questions:

What is performance-based budgeting?

What are the reasons for doing performance-based budgeting?

How to go about it?

What has other states' experience been?

1. What is performance-based budgeting (PBB)?

It is a process of linking an agency's funding to its performance in achieving expected results.

- Policymakers specify in advance the *level and quality of services* a program should provide considering the resources it will have (for example, 50 bridges to be replaced in a year).
- Policymakers also specify expected *outcomes* (for example, improved highway safety and traffic flow).
- Agency managers track and report program results.
- Policymakers evaluate results, may reward or penalize an agency on the basis of results, and may reconsider budget decisions on the basis of agency performance.

Attached are examples of the way performance expectations are linked to agency appropriations in Florida, Louisiana and Texas.

B. Issues that need particular attention:

- Whether to link PBB with state-wide and agency strategic planning.
- The development of performance measures that capture the major responsibilities of agencies without burdensome levels of reporting.
- Whether to develop a system of unit-cost measurement. (Unit cost measurement is intended to show the true costs of one unit of service – the cost of maintaining one inmate one year in a correctional institution, the cost of collecting one dollar in tolls on a turnpike, or inspecting the safety of one elevator.)
- Evaluation of agency performance measures and reports for validity and accuracy. (*Validity* refers to whether the performance measures are well-designed – will they actually show how well the agency is doing the job the governor and legislature expect it to do? *Accuracy* refers to the correctness of the information reported.)
- Training for agency personnel.

4. What has other states' experience been?

A. Most states have experimented with some form of performance *reporting*; few states have shifted to performance-based *budgeting*.

B. Minnesota, Oregon and Missouri have state-wide benchmarking, or performance reporting, programs, but do not have performance-based budgets. These benchmarking reports measure state progress to broad social, economic, and environmental goals.

C. Florida and Texas have the most fully developed performance-based budgeting systems

D. Legislators in those states use performance reports in considering new programs or revisions of existing programs, but have had difficulty linking performance measures and appropriations.

E. Consensus among legislators who use performance-based budgeting:

- It's a diagnostic tool.
- It's one consideration in the budget process.
- It's useful in educating legislators, but it does not make decisions easier.

SECTION 3 - HUMAN SERVICES

	GOV RECS 1999-2000		LEGIS APPRO 1999-2000		LEGIS APPRO 1999-2000 OVER (UNDER) GOV RECS 1999-2000	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
ELDER AFFAIRS, DEPT OF						
<p>From the funds in Specific Appropriations 426 through 443, the Services to Elders Program will meet the following performance standards as required by the Government Performance and Accountability Act of 1994, to assist elders to live in the least restrictive and most appropriate community settings and maintain independence.</p>						
<pre> ===== Performance FY 1999-00 Measures Standards ----- ----- OUTCOMES: ----- ----- Percent of elders CARES determined to be eligible for nursing home placement who are diverted.....15.1% ----- ----- Percentage of CARES imminent risk referrals served.....95% ----- ----- Additional approved performance measures and standards are established in the FY 1999-00 Implementing Bill and are incorporated herein by reference. ===== </pre>						
426	SALARIES AND BENEFITS					
	GENERAL REVENUE FUND	5,091,493		4,687,896		403,597-
	ADMINISTRATIVE TRUST FUND	47,112		47,112		
	TOBACCO SETTLEMENT TF			275,912		275,912
	FEDERAL GRANTS TRUST FUND	3,994,906		3,994,906		
	GRANTS AND DONATIONS TF	186,926		186,926		
	OPERATIONS AND MAINT TF	6,083,592		6,083,592		
	TOTAL POSITIONS	349		347		2-
	TOTAL APPRO	15,404,029		15,276,344		127,685-
427	OTHER PERSONAL SERVICES					
	GENERAL REVENUE FUND	249,821		249,821		
	FEDERAL GRANTS TRUST FUND	77,992		77,992		
	OPERATIONS AND MAINT TF	473,378		473,378		
	TOTAL APPRO	801,191		801,191		
428	EXPENSES					
	GENERAL REVENUE FUND	891,108		677,971		213,137-
	ADMINISTRATIVE TRUST FUND	77,463		77,463		
	TOBACCO SETTLEMENT TF			193,200		193,200
	FEDERAL GRANTS TRUST FUND	1,211,671		1,211,671		
	GRANTS AND DONATIONS TF	24,682		24,682		
	OPERATIONS AND MAINT TF	1,362,398		1,362,398		
	TOTAL APPRO	3,567,322		3,547,385		19,937-
429	OPERATING CAPITAL OUTLAY					
	GENERAL REVENUE FUND	30,880				30,880-
	TOBACCO SETTLEMENT TF			19,641		19,641
	OPERATIONS AND MAINT TF	58,982		58,982		
	TOTAL APPRO	89,862		78,623		11,239-
430	SPECIAL CATEGORIES					
	AAS TRAINING & EDUCATION					
	FEDERAL GRANTS TRUST FUND.....	119,493		119,493		
431	SPECIAL CATEGORIES					
	G/A-ALZ DISEASE PROJ/SRVC					
	GENERAL REVENUE FUND	3,834,824		3,645,824		189,000-
	TOBACCO SETTLEMENT TF			189,000		189,000
	TOTAL APPRO	3,834,824		3,834,824		

From the funds in Specific Appropriation 431, \$189,000 in recurring Tobacco Settlement Trust Fund is provided for a Memory Disorder Clinic at the Lee Memorial Hospital in Lee County, as authorized in

House Appropriations
2-15-00
Attachment 3

SECTION 3 - HUMAN SERVICES

	GOV RECS 1999-2000		LEGIS APPRO 1999-2000		LEGIS APPRO 1999-2000 OVER (UNDER)	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
ELDER AFFAIRS, DEPT OF						
Chapter 430.502(1)(j), F.S.						
432 SPECIAL CATEGORIES						
G/A-ALZHEIMER/RESPIRE SVCS						
GENERAL REVENUE FUND		8,543,518		7,301,939		1,241,579-
TOBACCO SETTLEMENT TF				500,000		500,000
TOTAL APPRO		8,543,518		7,801,939		741,579-
433 SPECIAL CATEGORIES						
G/A-COMMUNITY CARE/ELDERLY						
GENERAL REVENUE FUND				38,178,085		38,178,085
TOBACCO SETTLEMENT TF		52,784,728		10,101,184		42,683,544-
FEDERAL GRANTS TRUST FUND		249,025		249,025		
OPERATIONS AND MAINT TF		750,000		750,000		
TOTAL APPRO		53,783,753		49,278,294		4,505,459-
From funds in Specific Appropriation 433, a minimum of \$35,000 from general revenue may be retained by each Area Agency on Aging for administrative costs associated with Community Care for the Elderly, except for those Area Agencies on Aging who competitively procure Community Care for the Elderly services through the request for proposal process directed in Chapter 430, Florida Statutes, where the department may contractually negotiate a higher amount not to exceed \$70,000 per Area Agency on Aging to address workload issues related to contract management.						
Of the funds in Specific Appropriation 433, the department may allocate funds in Planning and Service Areas (PSA) to support CCE caseload growth produced by placing CARES pre-admission screening staff in local hospitals. These funds shall be distributed proportionately based on the number of referrals in each PSA.						
From funds in Specific Appropriation 433, \$200,000 in non-recurring Tobacco Settlement Trust Fund shall be used to establish two new dementia specific daycare facilities in Palm Beach and Martin Counties.						
434 SPECIAL CATEGORIES						
G/A-HOME CARE/ELDERLY						
GENERAL REVENUE FUND				13,458,403		13,458,403
TOBACCO SETTLEMENT TF		13,458,403				13,458,403-
TOTAL APPRO		13,458,403		13,458,403		
435 SPECIAL CATEGORIES						
G/A-HOME ENERGY ASSISTANCE						
FEDERAL GRANTS TRUST FUND.....		1,000,758		1,000,758		
436 SPECIAL CATEGORIES						
G/A-OLDER AMERICANS ACT						
GENERAL REVENUE FUND		346,998		346,998		
FEDERAL GRANTS TRUST FUND		60,154,225		60,154,225		
TOTAL APPRO		60,501,223		60,501,223		
437 SPECIAL CATEGORIES						
G/A-CONTRACTED SERVICES						
GENERAL REVENUE FUND		1,602,344		1,378,868		223,476-
TOBACCO SETTLEMENT TF				623,476		623,476
FEDERAL GRANTS TRUST FUND		10,258,258		10,258,258		
GRANTS AND DONATIONS TF		128,812		128,812		
OPERATIONS AND MAINT TF		128,813		128,813		
TOTAL APPRO		12,118,227		12,518,227		400,000

Of the funds in Specific Appropriation 437, the following shall apply to the RELIEF respite program. The maximum hourly rate for respite services shall not exceed an amount equal to the federal minimum wage and shall be considered a stipend. The

SECTION 3 - HUMAN SERVICES

	GOV RECS 1999-2000 POS AMOUNT	LEGIS APPRO 1999-2000 POS AMOUNT	LEGIS APPRO 1999-2000 OVER (UNDER) GOV RECS 1999-2000 POS AMOUNT
ELDER AFFAIRS, DEPT OF			
<p>department shall continue to administer the program and will contractually negotiate acceptable administrative costs with service providers necessary to operate the program, not to exceed \$40,000 per Planning and Service Area.</p> <p>From the funds in Specific Appropriation 437, \$400,000 in recurring Tobacco Settlement Trust Fund is provided for the Respite for Elders Living in Everyday Families program in Broward County. The funding for administrative costs for this one site shall not exceed 10%.</p> <p>From the funds in Specific Appropriation 437, \$200,000 in recurring Tobacco Settlement Trust Fund is provided for a statewide Osteoporosis Enhancement program for training and education.</p>			
438			
SPECIAL CATEGORIES			
ALF STAFF TRAINING			
ADMINISTRATIVE TRUST FUND.....	364,293	364,293	
439			
SPECIAL CATEGORIES			
HOME/COMM SERVICES WAIVER			
GENERAL REVENUE FUND		19,824,640	19,824,640
TOBACCO SETTLEMENT TF	22,361,477	2,000,000	20,361,477-
OPERATIONS AND MAINT TF	27,976,397	27,212,693	763,704-
TOTAL APPRO	50,337,874	49,037,333	1,300,541-
<p>Of the funds in Specific Appropriation 439, the department may allocate funds in Planning and Service Areas (PSA) to support Medicaid waiver caseload growth produced by placing CARES pre-admission screening staff in local hospitals. These funds shall be distributed proportionately based on the number of referrals in each PSA.</p> <p>Of the funds in Specific Appropriation 439, up to \$4,039,000 may be used to implement a consumer directed care project, subject to the approval of a waiver by the Federal Health Care Financing Administration.</p>			
440			
SPECIAL CATEGORIES			
ALF WAIVER			
GENERAL REVENUE FUND		4,570,909	4,570,909
TOBACCO SETTLEMENT TF	6,070,909	2,000,000	4,070,909-
OPERATIONS AND MAINT TF	7,673,571	8,254,374	580,803
TOTAL APPRO	13,744,480	14,825,283	1,080,803
441			
SPECIAL CATEGORIES			
G/A-LOCAL SVCS PROGRAMS			
GENERAL REVENUE FUND	3,433,443	3,433,443	
TOBACCO SETTLEMENT TF		217,870	217,870
TOTAL APPRO	3,433,443	3,651,313	217,870
<p>From the funds in Specific Appropriation 441, \$248,750 is to continue to be provided to Pinellas, Pasco, and Broward Counties.</p> <p>From funds in Specific Appropriation 441, \$120,346 in non-recurring Tobacco Settlement Trust Fund is provided to Southwest Social Services in Dade County for an elderly meals program and \$97,524 in non-recurring Tobacco Settlement Trust Fund is provided to Goodlet-Hialeah Senior Center Elderly Meals Program.</p> <p>From funds in Specific Appropriation 441, \$300,000 in recurring General Revenue is continued to be used for the Meals on Wheels Plus of Manatee, Inc. to provide adult day care services in Manatee County.</p>			

SECTION 3 - HUMAN SERVICES

	GOV RECS 1999-2000		LEGIS APPRO 1999-2000		LEGIS APPRO 1999-2000 OVER (UNDER) GOV RECS 1999-2000	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
ELDER AFFAIRS, DEPT OF						
442 SPECIAL CATEGORIES						
RISK MANAGEMENT INSURANCE						
GENERAL REVENUE FUND		24,663		24,663		
FEDERAL GRANTS TRUST FUND		8,799		8,799		
TOTAL APPRO		33,462		33,462		
443 SPECIAL CATEGORIES						
LONG TERM CARE OMBUD CNCL						
GENERAL REVENUE FUND.....		33,203		33,203		
443A SPECIAL CATEGORIES						
COMMUNITY CARE PRG/ELDERLY						
TOBACCO SETTLEMENT TF.....			1,116,700		1,116,700	
The Tobacco Settlement Trust Funds in Specific Appropriation 443A provided for community care programs for the elderly shall be allocated as follows:						
Association of Retired and Disabled Persons, Inc - Dade County.....	16,700					
Jewish Community Alliance - Program for the Frail Elderly - Duval.....	100,000					
Mount Sinai Medical Center - Elderly House Call Program.....	200,000					
Little Havana Activities and Nutrition Center of Dade County, Inc....	200,000					
James E. Scott Community Association, Inc - Dade.....	500,000					
Allapattah Community Action, Inc. - Homebound Meals - Dade.....	100,000					
444 DATA PROCESSING SERVICES						
TRC - DMS						
OPERATIONS AND MAINT TF.....		5,288		5,288		
Funds in Specific Appropriation 444A and 444B for purchase of or improvements to real property are contingent upon the contractor or political subdivision granting to the state a security interest in the property at least to the amount of the state funds provided for at least five years from the date of purchase or the completion of the improvements or as further required by law.						
444A G/A-LOC GOV/NONPR ORG-FCO						
G/A-SENIOR CITIZEN CENTERS						
GENERAL REVENUE FUND.....			2,539,000		2,539,000	
The non-recurring general revenue funds in Specific Appropriation 444A shall be allocated as follows:						
Elfers Senior Center - Pasco.....	139,000					
Mae Volen Senior Center - Palm Beach....	600,000					
Dunedin Senior Center - Pinellas.....	600,000					
Mildred Pepper Senior Center - Dade....	600,000					
Putnam Senior Center.....	150,000					
Crescent Theatre - Pasco.....	200,000					
Mount Olive Development Corporation						
Senior ALF (MODCO) - Broward.....	250,000					
444B G/A-LOC GOV/NONPR ORG-FCO						
ADULT DAY CARE						
GENERAL REVENUE FUND.....			300,000		300,000	
The non-recurring general revenue funds in Specific Appropriation 444B shall be allocated for the community care program as follows:						
Barefoot Bay/Micco Daycare Center.....	300,000					

SECTION 3 - HUMAN SERVICES

	GOV RECS 1999-2000		LEGIS APPRO 1999-2000		LEGIS APPRO 1999-2000 OVER(UNDER) GOV RECS 1999-2000	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
ELDER AFFAIRS, DEPT OF						
TOTAL: ELDER AFFAIRS, DEPT OF						
GENERAL REVENUE FUND		24,082,295		100,651,663		76,569,368
ADMINISTRATIVE TRUST FUND		488,868		488,868		
TOBACCO SETTLEMENT TF		94,675,517		17,236,983		77,438,534-
FEDERAL GRANTS TRUST FUND		77,075,127		77,075,127		
GRANTS AND DONATIONS TF		340,420		340,420		
OPERATIONS AND MAINT TF		44,512,419		44,329,518		182,901-
TOTAL TRUST FUNDS		217,092,351		139,470,916		77,621,435-
TOTAL POSITIONS	349		347		2-	
TOTAL DEPARTMENT		241,174,646		240,122,579		1,052,067-
MAJOR ISSUES						
CONTINUE CURRENT PROGRAMS						
1. ESTIMATED EXPENDITURES	323.00	214,231,745	323.00	214,231,745		
2. CONTINUATION OF CURRENT PROGRAMS WITH PRICE LEVEL INCREASES AND EQUIPMENT REPLACEMENT		62,814		62,814		
3. WORKLOAD						
A. EMERGENCY MANAGEMENT PLANNING			1.00	63,467	1.00	63,467
4. FUND SHIFT						
A. REALIGNMENT OF TOBACCO FUNDS - GENERAL REVENUE		76,032,037-				76,032,037
B. REALIGNMENT OF TOBACCO FUNDS - TOBACCO SETTLEMENT TRUST FUND		76,032,037				76,032,037-
5. FLORIDA EMPLOYEE LONG TERM CARE PLAN	3.00	422,318			3.00-	422,318-
6. COMMUNITY CARE PROGRAMS FOR THE ELDERLY				1,116,700		1,116,700
IMPROVED PROGRAMS						
7. MEDICAID WAIVER SERVICES						
A. EXPANSION OF THE HOME AND COMMUNITY BASED WAIVER		5,826,452		4,525,911		1,300,541-
B. ASSISTED LIVING FACILITY WAIVER		3,445,108		4,525,911		1,080,803
8. ALZHEIMER'S DISEASE INITIATIVE						
A. PROJECTS AND SERVICES		1,430,579		689,000		741,579-
9. COMMUNITY CARE FOR THE ELDERLY						
A. SERVICES TO APPLICANTS ON THE WAITING LIST		14,606,643		9,901,184		4,705,459-
10. LONG TERM CARE OMBUDSMAN COUNCIL						
A. OSTEOPOROSIS PROGRAM ENHANCEMENT - TRAINING AND EDUCATION				200,000		200,000
11. NURSING HOME PREADMISSION SCREENING (CARES) PROGRAM	21.00	848,987	21.00	848,977		10-
12. VOLUNTEER INITIATIVES						
A. RESPITE FOR ELDERS LIVING IN EVERYDAY FAMILIES				400,000		400,000

SECTION 3 - HUMAN SERVICES

MAJOR ISSUES	GOV RECS 1999-2000		LEGIS APPRO 1999-2000		LEGIS APPRO 1999-2000 OVER(UNDER) GOV RECS 1999-2000	
	POS	AMOUNT	POS	AMOUNT	POS	AMOUNT
ELDER AFFAIRS, DEPT OF IMPROVED PROGRAMS						
13. PUBLIC GUARDIANSHIP OVERSIGHT OFFICE	2.00	300,000	2.00	300,000		
14. ELDERLY MEALS INCREASE - SOUTHWEST SOCIAL SERVICES				120,346		120,346
15. GOODLET - HIALEAH SENIOR CENTER MEALS PROGRAM				97,524		97,524
16. DEMENTIA SPECIFIC DAYCARE FACILITIES IN PALM BEACH AND MARTIN COUNTIES				200,000		200,000
FIXED CAPITAL OUTLAY						
17. CAPITAL IMPROVEMENTS PLAN A. FIXED CAPITAL OUTLAY				2,839,000		2,839,000
TOTAL: ELDER AFFAIRS, DEPT OF TOTAL POSITIONS	349		347		2-	
TOTAL DEPARTMENT	241,174,646		240,122,579		1,052,067-	

DEPARTMENT OF ELDER AFFAIRS

ENROLLED

1999 Legislature

SB 2502, 2nd Engrossed

1 (a) For the program entitled Service to Elders
2 Program, the purpose of which is to assist elders to live in
3 the least restrictive and most appropriate community settings
4 and maintain independence, the outcome measures, output
5 measures, and associated performance standards with respect to
6 funds provided in Specific Appropriations 426-443 are as
7 follows:

8 1. OUTCOME MEASURES.--

9 a. Percentage of elders CARES determined to be
10 eligible for nursing home placement who are diverted.....15.1%

11 b. Percentage of Adult Protective Services referrals
12 served.....FY 2000-2001 LBR

13 c. Percentage of CARES imminent risk referrals served
1495%

15 d. Satisfaction with the quality and delivery of home
16 and community-based care for service recipients is equal or
17 greater than previous periods.....FY 2000-2001 LBR

18 e. Cost of home and community-based care (including
19 non-DOEA programs) is less than nursing home care for
20 comparable client groups.....FY 2000-2001 LBR

21 f. Percentage of elders assessed with high or moderate
22 risk environments who improved their environment score....83%

23 g. Percentage of elders assessed with a high social
24 isolation score who have improved in receiving services...53%

25 h. Percentage of new service recipients with high-risk
26 nutrition scores whose nutritional status improved.....FY
27 2000-2001 LBR

28 i. Percentage of new service recipients whose ADL
29 assessment score has been maintained or improved..FY 2000-2001
30 LBR
31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

- 1 j. Percentage of new service recipients whose IADL
- 2 assessment score has been maintained or improved..FY 2000-2001
- 3 LBR
- 4 k. Percentage of family and family-assisted caregivers
- 5 who self-report they are very likely to provide care.....95%
- 6 l. Percentage of caregivers assessed at risk who
- 7 self-report they are very likely of continuing to provide care
- 8FY 2000-2001 LBR
- 9 m. Percentage of people placed in jobs after
- 10 participating in the Older Worker Program.....77%
- 11 n. Average wage at placement for people in the Older
- 12 Worker Program.....\$7.07
- 13 o. Percentage of new service recipients (congregate
- 14 meal sites) whose nutritional status has been maintained or
- 15 improved.....FY 2000-2001 LBR
- 16 p. Percentage of Elder Helplines with an excellent
- 17 rating on the Elder Helpline evaluation assessment.....FY
- 18 2000-2001 LBR
- 19 q. Percentage of people who rate the Memory Disorder
- 20 Clinic assessment conference as very helpful..FY 2000-2001 LBR
- 21 r. Percent of clients satisfied with the quality of
- 22 insurance counseling and information received.FY 2000-2001 LBR
- 23 2. OUTPUT MEASURES.--
- 24 a. Total number of CARES assessments.....77,410
- 25 b. Percentage of Community Care for the Elderly
- 26 clients defined as "probable Medicaid eligibles" who remain in
- 27 state-funded programs.....13.5%
- 28 c. Number of elders who enter DOEA service programs
- 29 each year with a risk score above the 1997-1998 average..2,481
- 30
- 31

CODING: Words ~~stricken~~ are deletions; words underlined are additions.

1	<u>d. Number of elders who enter DOEA service programs</u>	
2	<u>each year with a frailty level above the 1997-1998 average</u>	
3	8,954
4	<u>e. Percentage of copayment goal collected.....</u>	100%
5	<u>f. Number of caregivers assessed.....</u>	11,806
6	<u>g. Number of people trained in Older Workers Program</u>	
7	609
8	<u>h. Number of new congregate meal service recipients</u>	
9	<u>(assessed).....</u>	FY 2000-2001 LBR
10	<u>i. Number of people evaluated for memory loss by</u>	
11	<u>Memory Disorder Clinics.....</u>	FY 2000-2001 LBR
12	<u>j. Number of volunteer hours.....</u>	FY 2000-2001 LBR
13	<u>k. Number of volunteers.....</u>	FY 2000-2001 LBR
14	<u>l. Number of people served.....</u>	127,589

15 Section 56. The performance measures and standards
 16 established in this section for individual programs in Public
 17 Safety and Judiciary agencies shall be applied to those
 18 programs for the 1999-2000 fiscal year. These performance
 19 measures and standards are directly linked to the
 20 appropriations made in the General Appropriations Act for
 21 Fiscal Year 1999-2000 as required by the Government
 22 Performance and Accountability Act of 1994.

23 (1) DEPARTMENT OF CORRECTIONS.--
 24 (a) For the Custody and Control Program, the purpose
 25 of which is to protect the public and provide a safe secure
 26 environment for incarcerated offenders and the staff
 27 maintaining custody of them by applying effective physical
 28 security methods and procedures and providing accurate risk
 29 assessment and classification of inmates and adequate
 30 nutrition and facility maintenance, the outcome measures,
 31 output measures, and associated performance standards with

CODING: Words stricken are deletions; words underlined are additions.

ARTICLE II

HEALTH AND HUMAN SERVICES

Section 1. The several sums of money herein specified, or so much thereby as may be necessary, are appropriated out of any funds in the State Treasury not otherwise appropriated, or out of special funds as indicated, for the support, maintenance, or improvement of the designated health and human services agencies.

DEPARTMENT ON AGING

	For the Years Ending	
	August 31, 2000	August 31, 2001
A. Goal: SERVICES AND OPPORTUNITIES		
To enable older Texans to live dignified, independent, and productive lives within a safe living environment through an accessible, locally-based, comprehensive and coordinated continuum of services and opportunities.		
Outcome (Results/Impact):		
Percent of Older Population Receiving Services Who Are Low-Income	78%	79%
Percent of Older Population Receiving Services Who are Moderately to Severely Impaired	25%	26%
Percent of Older Population Receiving Services Who Remained Independent Due to Services	90%	90%
Percent of Nursing Homes With a Certified Ombudsman	77%	81%
 A.1.1. Strategy: CONNECTIONS	 \$ 8,522,709	 \$ 8,522,709
Provide a statewide, locally-based system that connects people with the services and benefits they need through ombudsman services, Options case management, information and legal assistance.		
Output (Volume):		
Number of Certified Ombudsmen	892	938
Number of Persons Receiving Options Case Management	10,409	10,409
Number of Unlicensed Assisted Living Facilities Identified	200	300
Efficiencies:		
TDOA Cost per Certified Ombudsman	2,267	2,267
TDOA Cost per Options Case Management Client	198	198
 A.1.2. Strategy: NUTRITION SERVICES	 \$ 36,413,923	 \$ 36,413,923
Provide a statewide, locally-based system of nutrition services that includes meals, counseling, and education designed to promote good health and to prevent illness.		
Output (Volume):		
Number of Congregate Meals Served	4,816,766	4,816,766
Number of Home Delivered Meals Served	4,535,928	4,535,928
Number of Meals Reimbursed by USDA	15,000,000	15,000,000
Efficiencies:		
TDOA Cost per Congregate Meal	2.83	2.83
TDOA Cost per Home-delivered Meal	2.56	2.56
USDA Reimbursement Rate per Meal	.5539	.5539

*House Appropriations
2-15-00
Attachment 4*

DEPARTMENT ON AGING
(Continued)

A.1.3. Strategy: INDEPENDENCE/PRODUCTIVITY	\$ 13,156,560	\$ 13,156,560
Provide a statewide, locally-based system of services designed to maintain personal independence through the provision of supportive services, transportation, and senior center activities; and provide opportunities for increased personal productivity through community service volunteering.		
Output (Volume):		
Number of Persons Receiving Homemaker Services	4,725	4,725
Number of One-way Trips (Demand-response Transportation Services)	1,813,416	1,813,416
Efficiencies:		
TDOA Cost per Person Receiving Homemaker Services	357	357
TDOA Cost per One-way Trip	2.44	2.44
Total, Goal A: SERVICES AND OPPORTUNITIES	<u>\$ 58,093,192</u>	<u>\$ 58,093,192</u>

B. Goal: DIRECT AND INDIRECT ADMIN

Direct and Indirect Administrative and Support Costs

B.1.1. Strategy: DIRECT AND INDIRECT ADMIN	\$ 2,242,043	\$ 2,242,044
Direct and Indirect Administrative and Support Costs		

Grand Total, DEPARTMENT ON AGING	<u>\$ 60,335,235</u>	<u>\$ 60,335,236</u>
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Method of Financing:

General Revenue Fund

General Revenue Fund	\$ 4,420,303	\$ 4,420,303
GR Match for Federal Funds (Department on Aging)	3,068,838	3,068,838
Earned Federal Funds	<u>25,000</u>	<u>25,000</u>

Subtotal, General Revenue Fund	<u>\$ 7,514,141</u>	<u>\$ 7,514,141</u>
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Federal Funds	<u>52,821,094</u>	<u>52,821,095</u>
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Total, Method of Financing	<u>\$ 60,335,235</u>	<u>\$ 60,335,236</u>
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Number of Full-time Equivalent Positions (FTE)	35.0	35.0
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Schedule of Exempt Positions and Per Diem of Commission Members

Executive Director, Group 2	\$65,000	\$65,000
Per Diem of Commission Members	4,400	4,400

1. **Data on RSVP Matching Funds Required.** It is the intent of the Legislature that the Department on Aging maintain data on the amount of matching funds required for federal grants to local retired senior volunteer programs. The department shall submit to the Legislative Budget Board and the Governor's Budget Office by October 1 of each fiscal year, a report in such detail as the two budget offices may require.
2. **Unit Cost Reporting Required.** It is the intent of the Legislature that the Texas Department on Aging maintain a reporting system that clearly and accurately identifies the unit cost of each service provided by each Area Agency on Aging for all strategies, except for volunteer services in A.1.3, and that the results of this unit cost reporting be provided to the Legislative Budget

DEPARTMENT ON AGING
(Continued)

3. **Memorandum of Agreement: Options for Independent Living Program.** It is the intent of the Legislature that the Texas Department on Aging will maintain a Memorandum of Agreement with the Texas Department of Human Services which specifies that there will be no duplication of services to elderly clients served by the "Options" program and elderly clients served by the Texas Department of Human Services.

4. **Appropriation and Unexpended Balances: Affordable Housing for the Elderly.** Funds appropriated above include fees collected pursuant to Section 394.902, Local Government Code, and Section 101.022, Human Resources Code, as amended, for the purpose of promoting affordable housing for the elderly. The Department on Aging shall submit a report to the Legislative Budget Board and the Governor by October 1 of each year. The report shall identify for the prior fiscal year the amount of fees collected and deposited into the General Revenue Fund, the dollar value of grants issued with such funds, the number of persons or entities receiving grants, and the specific purposes for which grants were issued.

 Contingent upon certification by the Department on Aging and verification by the Comptroller, all fees collected in excess of \$90,000 each year of the biennium (estimated to be \$110,000 in fiscal year 2000 and \$121,000 in fiscal year 2001) are hereby appropriated to the Department on Aging to promote affordable housing for the elderly. The Department on Aging shall provide written notification of the agency's intention to expend fee-generated general revenue in excess of \$90,000 each year of the biennium to the Legislative Budget Board and the Governor at least 14 days prior to the planned expenditure, and document the amount and specific purpose of the planned expenditure. Any unexpended balances in fees collected to promote affordable housing for the elderly for the fiscal year ending August 31, 2000, may be carried forward into fiscal year 2001, and such balances are hereby appropriated.

5. **Area Agencies on Aging.** It is the intent of the Legislature that if the Department on Aging plans to alter local planning and service areas in effect on September 1, 1999, that the department receive approval from the Health and Human Services Commission and that the Governor and the Legislative Budget Board be notified before the adoption of such plans.

6. **Sunset Contingency.** Funds appropriated above for fiscal year 2001 for the Department on Aging are made contingent on the continuation of the Department on Aging by the Legislature. In the event that the agency is not continued, the funds appropriated for fiscal year 2000 or as much thereof as may be necessary are to be used to provide for the phase out of agency operations.

COMMISSION ON ALCOHOL AND DRUG ABUSE

For the Years Ending	
August 31, 2000	August 31, 2001
<hr/>	<hr/>

A. Goal: SERVICES DISTRIBUTION
 Provide for the delivery of substance abuse prevention, intervention, and treatment services based on need throughout the state.

Outcome (Results/Impact):

Percent of Treatment Providers Who Also Provide Family Services	35%	40%
Percent of Youth Completing Treatment Programs Who Report		

COMMISSION ON ALCOHOL AND DRUG ABUSE
(Continued)

Percent of Youth Who Report They Are Abstinent When Contacted Following Discharge	83%	83%
Percent of Adults Entering Treatment Programs Who Report They Are Abstinent When Contacted Following Discharge	77%	77%
 A.1.1. Strategy: PREVENTION SERVICES	 \$ 31,430,432	 \$ 31,430,382
Implement community and family based prevention services to increase resilience and reduce the risk of chemical use, abuse and dependency in Texas.		
Output (Volume):		
Number of Adults Served in Prevention Programs	68,828	68,828
Number of Youth Served in Prevention Programs	183,259	183,259
Efficiencies:		
Average Cost per Youth for Prevention Services	120.96	120.96
Average Cost per Adult for Prevention Services	134.59	134.59
 A.1.2. Strategy: INTERVENTION SERVICES	 \$ 27,265,362	 \$ 27,260,196
Implement community and family based intervention services to interrupt the illegal use of alcohol, tobacco, and other drugs by youth and to break the cycle of harmful use of legal substances and all use of illegal substances by adults.		
Output (Volume):		
Number of Adults Served in Intervention Programs	208,482	208,443
Number of Youth Served in Intervention Programs	201,996	201,957
 A.1.3. Strategy: TREATMENT SERVICES	 \$ 86,195,863	 \$ 85,346,333
Implement a continuum of community and family based treatment and related services for chemically dependent persons.		
Output (Volume):		
Percent of Adults Completing Treatment Programs	70%	70%
Percent of Youth Completing Treatment Programs	60%	60%
Efficiencies:		
Average Cost per Adult Served in Treatment Programs	2,254	2,254
Average Cost per Youth Served in Treatment Programs	4,857	4,857
Explanatory:		
Number of Adults Served in Treatment Programs	27,896	27,520
Number of Youth Served in Treatment Programs	3,510	3,510
Number of Dual Diagnosis Clients Served	5,350	5,350
 A.1.4. Strategy: CRIMINAL JUSTICE TREATMENT	 \$ 6,500,000	 \$ 6,500,000
Provide criminal justice based chemical dependency services.		
A.2.1. Strategy: COMPULSIVE GAMBLING	<u>\$ 375,000</u>	<u>\$ 375,000</u>
Provide problem gambling awareness and prevention services.		
Output (Volume):		
Number of Telephone Calls to Gambling Prevention Hotline	45,863	45,863
 Total, Goal A: SERVICES DISTRIBUTION	 <u>\$ 151,766,657</u>	 <u>\$ 150,911,911</u>

B. Goal: QUALITY ASSURANCE
Ensure value, safety and accountability of substance abuse prevention, intervention, and treatment services.

Outcome (Results/Impact):

LOUISIANA

H.B. NO. 1 , 1999 Appropriations Bill

ENROLLED

1	MEANS OF FINANCE:	
2	State General Fund (Direct)	\$ 1,316,801
3	State General Fund by:	
4	Fees & Self-generated Revenues from Prior	
5	and Current Year Collections	\$ 2,515,033
6	Federal Funds	<u>\$ 2,628,830</u>
7	TOTAL MEANS OF FINANCING	<u><u>\$ 6,460,664</u></u>

01-132 NORTHEAST LOUISIANA WAR VETERANS HOME

9	EXPENDITURES:	
10	Northeast Louisiana War Veterans Home - Authorized Positions (149)	<u>\$ 5,126,547</u>
11	Program Description: <i>Provides nursing home and domiciliary care to disabled</i>	
12	<i>and homeless Louisiana veterans; operates a 156-bed facility, which opened in</i>	
13	<i>December 1996, in Monroe.</i>	
14	Objective: To increase the number of nursing care beds to 156 through the	
15	conversion of 20 domiciliary care beds, which will enable the Home to accommodate	
16	more veterans who require nursing care.	
17	Performance Indicators:	
18	Percent occupancy - Nursing care	91%
19	Percent occupancy - Domiciliary care	0%
20	Average daily census - Nursing care	135
21	Average daily census - Domiciliary care	0
22	Average cost per patient day	\$100.29
23	Average cost per patient day (state funds)	\$50.97
24		
25	TOTAL EXPENDITURES	<u><u>\$ 5,126,547</u></u>

26	MEANS OF FINANCE:	
27	State General Fund (Direct)	\$ 1,612,782
28	State General Fund by:	
29	Fees & Self-generated Revenues from Prior	
30	and Current Year Collections	\$ 1,664,274
31	Federal Funds	<u>\$ 1,849,491</u>
32	TOTAL MEANS OF FINANCING	<u><u>\$ 5,126,547</u></u>

01-133 OFFICE OF ELDERLY AFFAIRS

34	EXPENDITURES:	
35	Administrative - Authorized Positions (62)	\$ 10,212,626
36	Program Description: <i>Provides administrative functions including advocacy,</i>	
37	<i>planning, coordination, interagency links, information sharing, and monitoring and</i>	
38	<i>evaluation services.</i>	
39	Objective: Through the Long Term Care Assistance activity, to conduct a quality	
40	assurance audit of 10% of the 4,000 participants that reside in the 282 participating	
41	nursing homes.	
42	Performance Indicators:	
43	Number of participants in the long Term Care program	3,600
44	Number of checks issued	47,000

House Appropriations
2-15-00
Attachment 5

1	Payable out of the State General Fund (Direct)	
2	to the Administrative Program to increase regional	
3	support for Elderly Protective Services activities	\$ 200,000
4	Payable out of the State General Fund (Direct)	
5	to the Councils on Aging in the parishes of Caddo,	
6	East Feliciana, Iberville, Lafourche, Pointe Coupee,	
7	Terrebonne, and West Feliciana, the amount of	
8	\$4,500 each	\$ 31,500
9	Provided, however, that the funds appropriated above for the Lafourche Parish Council on	
10	Aging be distributed evenly among all eleven senior centers operated by the Council on	
11	Aging.	
12	Payable out of the State General Fund (Direct)	
13	to the Administrative Program for the Louisiana	
14	Senior Olympics State Games	\$ 75,000
15	Payable out of the State General Fund (Direct)	
16	to provide services for the elderly	\$ 100,000

SCHEDULE 04

ELECTED OFFICIALS

04-139 SECRETARY OF STATE

EXPENDITURES:

Administrative - Authorized Positions (42) \$ 3,020,942

Program Description: *Provides financial and legal services and maintains control over all activities within the department; maintains records of governmental officials, commissions issued, wills registered, and all penal records; and prepares official publications such as acts of the legislature, constitutional amendments, rosters of officials, and election returns.*

Objective: To achieve zero repeat audit findings.

Performance Indicator:

Number of repeat audit findings 0

Elections - Authorized Positions (8) \$ 3,226,980

Program Description: *Conducts elections for every public office, proposed constitutional amendments, and local propositions. Administers state election laws, including: candidate qualifying; numbering, assembling, printing and distribution of sample ballots; compiling and promulgating election returns; and conducting election seminars for parish officials.*

Objective: To conduct timely, impartial, and efficient elections while holding the cost per registered voter below \$1.00.

Performance Indicators:

Cost per registered voter for total elections during fiscal year \$1.00