

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson David Adkins at 9:10 a.m. on February 16, 2000 in Room 514-S of the Capitol.

All members were present except: All members present.

Committee staff present: Kathie Sparks, Kansas Legislative Research Department
Alan Conroy, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Jim Wilson, Revisor of Statutes Office
Mike Corrigan, Revisor of Statutes Office
Dave Stallings, Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

Social Services Budget Committee Reports on:

**Department of Social and Rehabilitation Services
(Including the Division of Mental Health and Developmental Disabilities)**

Chairman Neufeld presented the Social Services Budget Committee report on the Governor's recommendations on the Department of Social and Rehabilitation Services (including the Division of Mental Health and Developmental Disabilities) FY 2001 budget. (Attachment 1).

Chairman Neufeld made a motion, seconded by Representative Ballard, to adopt the Social Services Budget Committee budget report recommendations regarding the Department of Social and Rehabilitation Services (Including the Division of Mental Health and Developmental Disabilities). Questions and discussion followed.

Representative Nichols made a substitute motion, seconded by Representative Neufeld, to rewrite paragraph number 8, page 5, so that it requires SRS to report back to the budget committee by omnibus with data and information on how Medicaid drug reimbursement rates would be equalized so that the budget committee can act on that data and come up with a proviso at that time. Motion carried.

Representative Spangler asked a question regarding the task force being formed by SRS to look at the Rainbow Mental Health Facility and the task force's purpose. Representative Neufeld mentioned that Secretary Schalansky of SRS has formed the task force and more information will be out soon about it and the budget committee would be glad to look at this issue at omnibus.

Representative Reardon requested that Secretary Schalansky elaborate on the task force. Secretary Schalansky mentioned that a press release had been issued toward the end of the past week regarding the names of the individuals and the scope of the task force. She noted that the first meeting of the Task Force is scheduled for March 3. It was requested that this information be delivered to the Appropriations Committee.

Representative Nichols made a motion, seconded by Representative Neufeld, that would expand the language in the Budget Committee budget report under Capital Improvements, Subsection 1, Page 7, that Rainbow Health Mental Health Facility will not be closed without legislative approval. Motion carried.

Representative Landwehr made a motion, seconded by Representative Neufeld, regarding two provisos that were added by the House last legislative session, and removed during the conference committee process. Representative Landwehr offered to divide the motion if it was the will of the Committee. The

CONTINUATION SHEET

first was a proviso to add to the federal medical assistance fund that directs the Department of SRS to review all current practices regarding the use of trusts to misrepresent an individuals net worth when applying for medical assistance and report back to the 2001 Legislature. Representative Landwehr mentioned that the proviso requires SRS to is take a harder look to see if Kansas has provided any more loopholes than federal government law allows concerning people who hide their assets and use Medicaid dollars to go into nursing homes. The second is a proviso which requires the Department of SRS to review and clarify the definition of a child in need of care especially with regard to protective custody and to report by omnibus. The Chairman ruled that the motion would be divided. The second proviso will be an amendment to the report which says that the SRS is directed to report back to the Committee prior to omnibus any changes in the child in need of care code and its effect. The Chairman ruled that the motion would be divided. A vote was taken on the first proviso and motion carried. A vote was taken on the second proviso and motion carried.

Chairman Adkins ruled and called the Committee's attention to the question on the renewed motion by Representative Neufeld, second by Representative Ballard, to approve the Social Services Budget Committee report as amended. Motion carried.

Social and Rehabilitation Services - Community Developmental Disabilities Services (including KCDD)

Representative Ballard presented the Social Services Budget Committee report on the Governor's recommendations on the Department of Social and Rehabilitation Services Community Developmental Disabilities Services (including KCDD) FY 2001 budget. (Attachment 2)

Representative Ballard made a motion, seconded by Representative Landwehr, to adopt the Social Services Budget Committee budget report regarding the Department of Social and Rehabilitation Services Community Developmental Disabilities Services (including KCDD). Questions and discussion followed.

Chairman Adkins called the Committees' attention to the motion by Representative Ballard, second by Representative Landwehr, to approve the Social Services Budget Committee report. Motion carried.

Department of Social and Rehabilitation Services Substance Abuse, Community Mental Health Services, and MHDD Administration

Representative Landwehr presented the Social Services Budget Committee report on the Governor's recommendations on the Department of Social and Rehabilitation Services Substance Abuse, Community Mental Health Services, and MHDD Administration FY 2001 budget. (Attachment 3)

Representative Landwehr made a motion, seconded by Representative Neufeld, to adopt the Social Services Budget Committee report recommendations regarding the Department of Social and Rehabilitation Services Substance Abuse, Community Mental Health Services, and MHDD Administration. Questions and discussion followed.

Representative Dean made a substitute motion, seconded by Representative Pottorff, to add a proviso that the Community Mental Health Center for Sedgwick County provide on or before the first day of the 2001 regular legislative session a report that specifies each revenue source and the amount of each revenue source of the center, expenditures by category, beginning and ending balances in all financial accounts of the mental health center, and the number of individuals served by class so that the legislature can make informed future decisions on providing mentally ill funding. Motion carried. Detailed Committee questions and discussion followed.

Representative Nichols mentioned that he would like to add language in the report encouraging SRS to examine their ability to continue operating the mentally ill homeless project throughout FY 2000 and FY 2001 and to look at doing it within the agency's existing resources and have SRS report back to the

CONTINUATION SHEET

Appropriations Committee just as soon as possible, which is something SRS already plans to do. It is his understanding one of the three communities participating in the homeless mentally ill program has already received a federal grant to keep the program operating so the total cost of keeping the homeless mentally ill program operating are less than they were last year.

Motion by Representative Nichols, seconded by Representative Shriver, to include language encouraging SRS to look at the homeless mentally ill program and report back to the Appropriations Committee.
Motion carried.

Chairman Adkins ruled and called the Committees' attention to the renewed motion by Representative Landwehr, second by Representative Neufeld, to approve the Social Services Budget Committee report as amended. Motion carried.

The meeting was adjourned at 10:40 a.m. The next meeting is scheduled for February 17, 2000.

**HOUSE APPROPRIATIONS COMMITTEE
GUEST LIST**

DATE February 16, 2000

NAME	REPRESENTING
Jan Rhye	KCAD
Janet Schalansky	SNJ
Diane Duffy	"
Laura Howard	"
Kevin Barone	Hein/West Chrt'd.
TK Shively	Ks LEGAL SERVICES
Wayne White	Ks Legal Services
Jessie Mirard	Families Together
Sosie Torrez	DD Council
Edie Puckelthun	Assoc. of CMHCS
Bill Sneed	UKHA
Mike Hittles	Ks. Gov't Consulting
Lina McDonald	KACIL
Shannon Jones	SILCK
Doug Bowman	CCECDs
Bob Harder	Independent
Seantub	KGP
Lo Hafner	Legislative Post Audit
Kim M. Miller	Inter-Hal

SOCIAL SERVICES BUDGET COMMITTEE

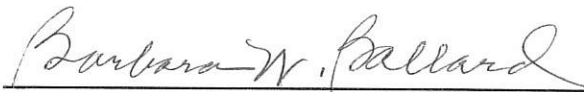
Department of Social and Rehabilitation Services
(including the Division of Mental Health and Developmental Disabilities)



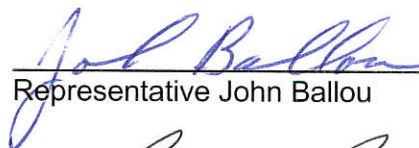
Representative Melvin Neufeld, Chairperson



Representative Barbara Allen



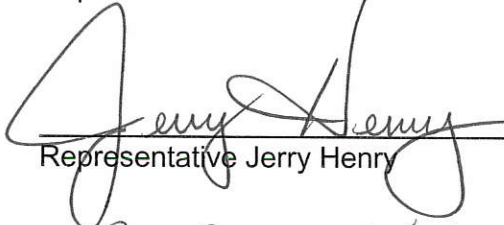
Representative Barbara Ballard



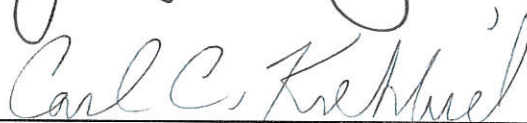
Representative John Ballou



Representative Bob Bethell



Representative Jerry Henry



Representative Carl Krehbiel



Representative Brenda Landwehr



Representative Doug Spangler

HOUSE APPROPRIATIONS
2-16-00
Attachment 1

HOUSE BUDGET COMMITTEE REPORT

Agency: Department of Social and Rehabilitation Services (Excluding SA, MH & DD Services)

Bill No.

Bill Sec.

Analyst: Sparks

Analysis Pg. No. 562

Budget Page No. 400

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	House Budget Committee Adjustments
State Operations	\$ 283,306,067	\$ 269,151,287	\$ (180,000)
Local Aid	0	0	0
Other Assistance	1,024,593,642	1,017,124,193	(6,893,431)
Subtotal - Operating	\$ 1,307,899,709	\$ 1,286,275,480	\$ (7,073,431)
Capital Improvements	6,162,977	4,153,897	0
TOTAL	<u>\$ 1,314,062,686</u>	<u>\$ 1,290,429,377</u>	<u>\$ (7,073,431)</u>
State General Fund	\$ 438,303,920	\$ 427,051,260	\$ (780,800)
All Other Funds	869,595,789	859,224,220	(6,292,631)
Subtotal - Operating	\$ 1,307,899,709	\$ 1,286,275,480	\$ (7,073,431)
State Institutions Building Fund	6,162,977	4,153,897	0
TOTAL	<u>\$ 1,314,062,686</u>	<u>\$ 1,290,429,377</u>	<u>\$ (7,073,431)</u>
FTE Positions	4,109.7	3,839.0	0.0
Unclassified Temp. Positions	95.5	95.5	0.0
TOTAL	<u>4,205.2</u>	<u>3,934.5</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

The agency request of \$1.314 billion (excluding Substance Abuse, Mental Health & Developmental Disabilities Services) for FY 2001 is an increase of \$72.7 million (5.9 percent) above the revised FY 2000 estimate. The request includes \$438.3 million in State General Fund, an increase of \$32.3 million (8.0 percent). The request includes 4,109.7 FTE and 95.5 UT positions, the same number as requested in FY 2000. An enhancement package of \$52.0 million (\$22.9 million State General Fund) for a variety of program enhancements is also requested for FY 2001. The agency requests \$6.2 million in capital improvements for rehabilitation and repair projects and maintenance of the Chanute Area Office building.

The Governor recommends operating expenditures of \$1.286 billion, a decrease of \$23.6 million (1.8 percent) below the agency request for FY 2001. The State General Fund recommendation of \$427.1 million is a decrease of 11.3 million (2.6 percent) below the request. The Governor recommends funding for reinstatement of Community Mental Health Center services for the medically needy aged and disabled populations; reinstatement of

state aid for Community Developmental Disabilities Organizations; and expansion of the Home and Community Based Services for the Physical Disabled. Included in the recommendation are 3,839.0 FTE positions and 95.5 UT positions, a decrease of 270.7 FTE positions from the Field Operations Program. An overall shrinkage rate of 6.2 percent is recommended which is a decrease of 1.8 percent below the agency request. The Governor does not recommend increased funding for rehabilitation and repair projects and recommends \$4.2 million for capital improvements.

House Budget Committee Recommendation

The House Social Services Budget Committee concurs with the Governor's recommendation for FY 2001 with the following exceptions and comments:

Agencywide

1. The House Social Services Budget Committee recommends that it review licensure activities of the Department of Social and Rehabilitation Services when it takes up the budget of the Department of Health and Environment. The four licensure areas that are to be examined are as follows:
 - Mental Health Residential Care Facilities – there are approximately 45 of these facilities which have a minimum of five beds. These are licensed on a yearly basis.
 - Mental Health Adult Family Homes – currently there are approximately 12 of these 1 or 2 bed homes which are licensed yearly.
 - Freestanding Psychiatric Hospitals – currently there are four of these facilities which are licensed every two years; however, one is scheduled to close during this calendar year.
 - Community Mental Health Centers – there are 29, licensed every two years.
2. Delete \$300,000 from the State General Fund for capital outlay. The Committee believes the deletion should not hamper the agencies need for software licensing and a minimum of other necessary items to function during FY 2001.
3. The Budget Committee recommends that staff make any technical corrections required in the bill.
4. The Budget Committee review the attached performance measures of the agency and submit them as part of this report.

Child Support Enforcement

1. Delete \$6,053,431 from the federal Child Support Enforcement Fund. The Governor reduces the state funding of Child Support Enforcement by \$3.1 million from the State General Fund; however, did not make the corresponding reduction in the federal fund which requires a state match in order to receive the federal monies.
2. The Committee recommends, that during the Omnibus Session, the Child Support Enforcement Program for FY 2000 will require the same type of reduction as outlined in Item 3.
3. The Budget Committee notes that the Governor's reduction coupled with the loss of federal funding will cut the funds available for enforcement contracts approximately in half during FY 2001. The Department is requested to present to the Committee, prior to the Omnibus Session, a revised plan for managing the program within the existing resources.

Employment Preparation Services

1. The Budget Committee wishes to express concern regarding the State's ability to maintain the two-parent work requirement to receive Temporary Assistance to Needy Families funding during the budget year. Therefore, the Committee recommends that the Department begin discussion with Community Mental Health Centers, substance abuse treatment centers, Kansas Legal Services (which operates two successful employment programs the Committee visited in Topeka), and Department of Human Resources to make recommendations on ways in which the state can meet the federal requirement for FY 2001. Furthermore, the Department's plan should be presented to the Committee prior to the Omnibus Session. However, the plan needs to be budget neutral.

Adult and Medical Services

1. The Budget Committee heard testimony from the Department regarding the estimated costs of providing prenatal coverage under the HealthWave program. However, the Committee felt that enough information was not yet available to make an informed recommendation; therefore, the Department is requested to report updated information to the Committee prior to the Omnibus Session.
2. The Budget Committee recommends that the Department of Social and Rehabilitation Services begin placing additional drugs on prior authoriza-

tion. The Committee heard testimony that the average prescription cost for the aged and disabled on Medicaid has risen from \$133 per month in FY 1997 to \$198 per month in FY 2000. The result is an increase of 48.9 percent in two years. In addition, the Committee was informed that the aged and disabled population accounts for 26 percent of the total Medicaid population but consumes 70 percent of the pharmacy budget. Prior authorization is an attempt to control increasing pharmacy expenditures and at the same time, increase revenues into the drug rebate program.

The agency is also directed to employ K.S.A. 77-422 which provides that a temporary rule and regulation can be adopted when "the preservation of the public peace, health, safety or welfare necessitates or makes desirable putting such rule and regulation into effect." Under current law, before a drug can be placed on prior authorization it must be submitted to the Drug Utilization Review Board for written comment and then go through the rules and regulations process. The temporary process should shorten the time required for a drug to be placed in prior authorization status.

3. The Budget Committee proposes the introduction of a bill which would remove the prohibition on "step therapy" in K.S.A. 39-7, 121. Step therapy would require that the most cost efficient drug be prescribed before the higher cost drug. If the prescribed drug does not prove effective for the patient, then the higher cost drug may be prescribed, thus, the treatment is prescribed in steps.
4. Delete \$3.0 million all funds, including \$1.2 million for the State General Fund from the Medicaid pharmacy budget by changing the current payment method from Average Wholesale Price (AWP) minus 10 percent to AWP minus 13 percent. The Committee heard testimony that the current state employee health plan is paying the AWP minus 13 percent. The Committee does not, however, change the dispensing fee which is an average of \$4.95 per prescription. The dispensing fee for the state employee health plan is \$2.50 for urban areas and \$3.00 for rural areas of the state.
5. The Committee was informed that the proposed federal budget would extend the payment of rebates on generic drugs to the Medicaid program. Under current law the practice applies only to brand name drug manufactures. Also, the federal budget proposes to permit the Secretary of Health and Human Services to make the average manufacture price (AMP) for Medicaid covered drugs available to the states so that the states can use this data to accurately set Medicaid drug reimbursement rates.

6. Delete \$2,935,000 from all funding sources, including \$1,624,000 from the State General Fund from the Medicaid budget to reflect current practices of the agency. The savings comes from the following adjustments:
 - \$750,000 from the State General Fund shifted to federal funds for Adult Protective Services
 - \$1,660,000 from all funds, including \$664,000 from the State General Fund due to implementation of maximum allowable cost pricing for generic drugs
 - \$525,000 from all funds, including \$210,000 from the State General Fund to reflect new federal regulations regarding the reimbursement to Federal Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs)

7. Add \$4,095,000 from all funding sources, including \$1,823,200 from the State General Fund to restore FQHCs/RHCs services and supplies to the medically needy disabled and aged populations. The Committee heard compelling testimony regarding the 14,324 Kansas citizens who would lose FQHCs/RHCs services; and the 12,734 citizens who would lose all reimbursement for durable medical goods, such as oxygen, catheters, ostomy bags, etc.

8. The Committee recommends that a proviso be added which prohibits any freestanding psychiatric hospital from receiving a higher rate of reimbursement than is provided to PrairieView Hospital. The Budget Committee also recommends that this proviso be revisited during the Omnibus Session.

9. Add \$1.0 million all funds, including \$400,000 from the State General Fund to reinstate the protected income level back to \$687 from the recommendation of \$475 per month for consumers receiving Home and Community Based Services for the Physically Disabled. The protected level income refers to the amount of money an individual is allowed to retain to provide for housing, food, clothing, transportation, etc. before the individual is required to pay for their services received under the waiver program. The Department testified that its intention was to allow each consumer an allowance of \$95 per month for durable medical goods given the fact that all durable medical goods for the medically needy was removed from the Governor's budget, thereby, bringing the protected income level up to \$570 per month. The protected income level of \$687 per month is based upon the federal poverty guidelines for the 48 contiguous states, therefore, the Department's recommendation

would have placed the consumers \$117 per month below the federal poverty guidelines.

10. The Budget Committee directs the Department to convene an informal task force of stakeholders to make recommendations to the Committee prior to the Omnibus Session on the definitions of Needs vs Wants of consumers served by the Home and Community Based Services for the Physically Disabled. In order for the state to continue the program a range of services which fulfill the needs of consumers must be established in place of attempting to address all the wants of an individual and/or the family members. Secondly, the task force is asked to make recommendations regarding training for case managers and consumers with respect to the modified range of services to be provided in the future. Finally, given the amount of resources presently dedicated to this program, all recommendations, in the aggregate, are required to be budget neutral.
11. The Budget Committee directs the Department to continue the meetings with the stakeholders across the state to solicit ideas for a wider range of management tools which could be put in place to contain costs and achieve equity of services for the Home and Community Based Services for the Physically Disabled across the state. However, the program must operate within appropriations which may require difficult decisions be made.
12. The Social Services Budget Committee recommends during the Omnibus Session that serious consideration be given to the issue of waiting lists for services in the Home and Community Based Services for the Physically Disabled program.

Children and Family Services

1. Add \$120,000 from the State General Fund to continue the contract for the Adoptions in Child Time and Permanency in Child Time initiatives which have made significant strides in resolving legal barriers for children who have case plans for adoption and for facilitating permanency for children in state custody. It is further recommended that a children's hotline be implemented specifically designed to provide foster children and families, and other interested parties, with responsive and widespread access to legal services and information that can address and resolve legal barriers to adoption and to permanency. In addition, the children's hotline is to be staffed by a person during normal business hours and an answering machine the remainder of the time.

Capital Improvements

1. The Budget Committee recommends that a proviso be added which prohibits the spending of any capital improvement funding on Rainbow Mental Health Facility, unless it would endanger the health or safety of any resident, until the findings of the Mental Health Task Force are published.

HOUSE BUDGET COMMITTEE REPORT

Agency: SRS - Community

Bill No.

Bill Sec.

Developmental Disabilities Services (including KCDD)

Analyst: Sparks

Analysis Pg. No. 629

Budget Page No. 419

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	House Budget Committee Adjustments
State Operations	\$ 7,050,341	\$ 6,289,952	\$ 0
Aid to Local Units	22,078,538	22,078,538	0
Other Assistance	200,020,538	193,595,658	1,000,000
Total - Oper. Expend.	\$ 229,149,417	\$ 221,964,148	\$ 1,000,000
State General Fund	\$ 95,042,553	\$ 91,938,314	\$ 400,000
All Other Funds	134,106,864	130,025,834	600,000
Total - Oper. Expend.	\$ 229,149,417	\$ 221,964,148	\$ 1,000,000
FTE Positions	15.0	15.0	0.0
Unclassified Temp. Positions	6.0	4.0	0.0
TOTAL	21.0	19.0	0.0

Agency Req./Governor's Recommendation

Developmental Disabilities Services Division

For FY 2001, the agency requests expenditures of \$228.1 million, including \$95.0 million from the State General Fund, for the Disabilities Services Division. The request is an increase of \$5.5 million (2.5 percent) all funds and \$2.3 million (2.5 percent) State General Fund above the FY 2000 estimate. The increase is almost entirely in the ICF-MR and HCBS/MR programs. The agency requests an enhancement package of \$4.25 million all funds, including \$1.7 million from the State General Fund to provide expanded community services to persons with developmental disabilities. The same number of FTE and UT positions are requested as in FY 2000.

The Governor recommends \$221.0 million, including \$91.9 million from the State General Fund, for FY 2001. The recommendation is an all funds decrease of \$7.1 million and a State General Fund decrease of \$3.1 million below the agency request. The HCBS/MR program is recommended at \$166.9 million all funds (\$63.7 million State General Fund) a decrease of \$5.25 million below the agency request. In addition, the protected income level for individuals served by the HCBS/MR program is reduced from \$687 per month to \$475 per month which is estimated to save \$1.0 million all funds (\$400,000 State

*House Appropriations
2-16-00
Attachment 2*

General Fund) in waiver expenditures. The Governor does not recommend the enhancement package; however, does concur with the requested positions.

The Kansas Council on Developmental Disabilities requests expenditure authority of \$1,040,310, an increase of \$8,665 (0.8 percent) above the FY 2000 estimate. The request includes the same number of positions as in FY 2000. Current services are maintained and no enhancement package is requested.

The Governor recommends \$984,828 from all funding sources. The reduction of \$54,228 is attributable to the elimination of 2.0 UT positions from the request.

House Budget Committee Recommendation

The House Social Services Budget Committee concurs with the Governor's recommendation for FY 2001 with the following exceptions and comments:

1. The Budget Committee directs the Department to convene an informal task force of stakeholders to make recommendations to the Committee prior to the Omnibus Session on the definitions of Needs vs Wants of consumers served by the Home and Community Based Services for the Mentally Retarded. In order for the state to continue the program a range of services which fulfill the needs of consumers must be established in place of attempting to address all the wants of an individual and/or the family members. Secondly, the task force is asked to make recommendations regarding training for case managers and consumers with respect to the modified range of services to be provided in the future. Finally, given the amount of resources presently dedicated to this program, all recommendations, in the aggregate, are required to be budget neutral.
2. The Budget Committee directs the Department to continue meetings with the stakeholders across the state to solicit ideas about a wider range of management tools which could be put in place to contain costs and achieve equity of services for the Home and Community Based Services for the Mentally Retarded across the state. However, the program must operate within appropriations which may require difficult decisions to be made.
3. The Social Services Budget Committee recommends during the Omnibus Session that serious consideration be given to the issue of waiting lists for services in the Home and Community Based Services for the Mentally Retarded program.
4. Add \$1.0 million all funds, including \$400,000 from the State General Fund to reinstate the protected income level back to \$687 from the recommended amount of \$475 per month for consumers receiving Home and Community Based Services for the Mentally Retarded. The protected level

income refers to the amount of money an individual is allowed to retain to provide for housing, food, clothing, transportation, etc. before the individual is required to pay for their services received under the waiver program. The Department testified that its intention was to allow each consumer an allowance of \$95 per month for durable medical goods given the fact that all durable medical goods for the medically needy was removed from the Governor's budget, thereby, bringing the protected income level up to \$570 per month. The protected income level of \$687 per month is based upon the federal poverty guidelines for the 48 contiguous states, therefore, the Department's recommendation would have placed consumers \$117 per month below the federal poverty guidelines.

HOUSE BUDGET COMMITTEE REPORT

Agency: SRS - Substance Abuse, Community Mental Health Services, and MHDD Administration

Bill No.

Bill Sec.

Analyst: Sparks

Analysis Pg. No. 617

Budget Page No. 420

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	House Budget Committee Adjustments
State Operations	\$ 7,419,938	\$ 5,277,734	\$ 0
Aid to Local Units	54,318,756	52,568,756	0
Other Assistance	39,397,719	36,234,279	(440,000)
Total - Oper. Expend.	<u>\$ 101,136,413</u>	<u>\$ 94,080,769</u>	<u>\$ (440,000)</u>
State General Fund	\$ 71,270,045	\$ 57,172,574	\$ 0
All Other Funds	29,866,368	36,908,195	(440,000)
Total - Oper. Expend.	<u>\$ 101,136,413</u>	<u>\$ 94,080,769</u>	<u>\$ (440,000)</u>
FTE Positions	45.8	44.8	0.0
Unclassified Temp. Positions	79.0	45.0	0.0
TOTAL	<u>124.8</u>	<u>89.8</u>	<u>0.0</u>

Agency Req./Governor's Recommendation

MH & DD Administration

For FY 2001, the agency requests expenditures of \$1.4 million, including \$1.0 million from the State General Fund for the MH & DD Administration. The request is an all funds increase of \$51,767 (3.7 percent) and a State General Fund increase of \$78,484 (8.8 percent) above the FY 2000 estimate. The request includes 16.0 FTE positions, the same number as requested in FY 2001.

The Governor recommends \$1.2 million, including \$724,704 from the State General Fund, for FY 2001. The recommendation is a decrease from all funds of \$243,119 (16.9 percent) and a State General Fund decrease of \$250,106 (25.7 percent). The recommendation makes no changes in the FTE positions.

Mental Health and Substance Abuse Treatment Services

For FY 2001, the agency requests expenditures of \$97.8 million, including \$62.7 million from the State General Fund. The request is an increase of \$5.0 million all funds (5.3 percent) and a State General Fund increase of \$2.8 million (4.7 percent) above the FY 2000 estimate. The Substance Abuse Treatment Program is requested at \$17.8 million from all

*HOUSE APPROPRIATIONS
2-16-00
Attachment 3*

funding sources, including \$4.6 million from the State General Fund. The request includes 29.8 FTE positions and 77.0 unclassified temporary positions. The unclassified temporary positions are increased by 23.0 positions above the FY 2000 request for the Sexual Predator Treatment Program. The agency also requests two enhancement packages: increase funding for the antipsychotic drug program and increased funding for the alcohol and drug treatment services for youth.

The Governor recommends expenditures of \$91.5 million, including \$56.4 million from the State General Fund. The recommendation is a decrease from all funding sources of \$6.3 million (6.4 percent) and a State General Fund decrease of \$6.2 million (10.0 percent) below the agency request. No enhancement packages are recommended. The recommendation reduces 1.0 FTE position in Mental Health Services and 34.0 UT positions in the Sexual Predator Treatment Program, which concurs with the number of positions recommended in FY 2000. Mental Health Services are reduced by \$3.3 million: the Home and Community Based Services for the Severely Emotional Disturbed is reduced by \$1.6 million (\$684,640 State General Fund); the homeless mentally ill grant is reduced by \$750,000 from the State General Fund; and consolidated and other special purpose grants are reduced by \$600,000 from the State General Fund. The Substance Abuse Treatment Program is reduced by \$1.2 million, the amount for the enhancement package.

Other Programs

The Special Education Program is requested at \$345,418, an increase of \$60 above the FY 2000 request. The estimate would fund current services according to the agency.

The Governor concurs with the request.

The Hospital Special Projects Program, is requested at \$19,013, equal to the FY 2000 request. The estimate would fund current services according to the agency.

The Governor concurs with the request.

House Budget Committee Recommendation

The House Social Services Budget Committee concurs with the Governor's recommendations for FY 2001 with the following exceptions and comments.

1. Delete \$440,000 from the federal medical assistance fund. The Governor eliminated the State General Fund monies for the homeless mentally ill project but failed to eliminate the corresponding federal funds which require a match to be received.
2. The Budget Committee notes that during the Omnibus Session the Committee will need to make a similar adjustment to the FY 2000 budget.

Performance Measures

	<u>Actual FY 1999</u>	<u>Estimate FY 2000</u>	<u>Estimate FY 2001</u>
Administrative Services			
<i>Objective: Will track inquiries for speed of responsiveness</i>			
Percent of inquiries responded to or referred within 24 hours	95.0	95.0	95.0
Percent of inquiries handled appropriately the first time	97.0	98.0	98.0
<i>Objective: To process accurate and timely financial transactions</i>			
Percent of client vendor payments paid within 3 working days of receipt	95.0	95.0	95.0
Percent increase in CSE Recoveries collected	126.0	14.0	20.0
Percent child support collections distributed within 48 hours	95.0	95.0	95.0
Child Support Enforcement			
Percent of children for whom paternity has been established	71.3	74.3	77.3
Percentage increase in total collections	9.7	10.0	10.0
Percentage of current support collected	58.0	60.0	62.0
Percent of children covered by health insurance	22.6	23.8	25.0
Percent of TAF recovered by the collection of child support	56.3	58.0	54.3
Percent increase in non-TAF collections	10.0	10.0	10.0
Economic and Employment Support			
<i>Employment Related Performance Measures</i>			
All Families work participation rate			
Federally required work participation rate	35.0	40.0	45.0
Kansas work participation rate	58.0	72.4	77.2
Two-Parent Families work participation rate			
Federally required work participation rate	90.0	90.0	90.0
Kansas work participation rate	65.5	90.0	90.0
Percent of TAF clients employed with health benefits			
<i>Other Performance Measures</i>			
Percent of closed TAF cases returning to TAF within 12 months	31.9	30.6	29.4
Percent of TAF teen parents with more than one child	19.0	18.4	17.9
Average years on TAF since last case opening	1.9	1.9	1.8
Substance Abuse, Mental Health, & Developmental Disabilities Services			
Percent of youth diverted from State Mental Health Hospital treatment	85.0	85.0	86.0
Percent of adults diverted from State Mental Health Hospital treatment	84.0	84.0	84.0
Number of children and adolescents with SED receiving CMHC services	12,000	12,250	12,500
Daily average number of individuals receiving services from consumer-run programs	300	300	400
Number of consumer-run programs	14	11	14
Number of individuals with mental illness in supported employment who were placed on jobs	165	175	200
Number of jointly funded (MHDD & VR or other) supported employment programs	26	28	30
Number of court-ordered evaluations performed	172	172	172
<i>Developmental Disabilities Services</i>			
The end of year percent of adults living where they want	84.0	90.0	95.0
The end of year percent of adults living with whom they want	82.0	87.0	92.0
The end of year percent of adults with immediate service needs	154	38	138
The end of year number of adults served	5,869	6,020	6,020

	<u>Actual FY 1999</u>	<u>Estimate FY 2000</u>	<u>Estimate FY 2001</u>
The end of year percent of children served living with natural family	94.8	95.0	93.0
The end of year percent of children served living with surrogate family	4.8	4.8	6.9
The end of year percent of children served living in State MR Hospital	0.4	0.2	0.1
The end of year number of families with immediate service needs	206	40	160
The end of year number of families served	2,177	2,340	2,340
<i>Substance Abuse Treatment and Recovery Program</i>			
Percent of clients at the six-month follow-up that reported they had no alcohol problem	67.0	69.5	70.0
Percent of clients at the six-month follow-up that reported they had no drug problem	81.0	82.0	83.0
Increase in the number of days a client worked 30 days prior to the six-month follow-up in comparison to 30 days prior to intake	35.6	36.0	37.0
Percent increase in client income 30 days prior to the six-month follow-up in comparison to 30 days prior to intake	69.6	70.0	70.5
Number of clients served by the SRS-SATR funded assessment and treatment programs in Kansas	13,008	13,500	14,000
Children and Family Services			
<i>Objective: Provide for the increased safety of children</i>			
Percent of families who do not have a substantiated report of child abuse or neglect while in Family Preservation	99.3	90.0	90.0
Percent of families successfully completing Family Preservation who do not have a substantiated report of abuse or neglect within six months of case closure	95.8	80.0	80.0
Percent of families referred for Family Preservation who are engaged in the treatment process	97.9	97.0	97.0
Percent of children who do not have a substantiated report of child abuse or neglect while in adoption program	99.8	95.0	95.0
Percent of children who do not have a substantiated report of child abuse or neglect while in foster care program	99.2	98.0	98.0
Percent of children who do not experience substantiated report of abuse or neglect within 12 months after reintegration	97.2	80.0	80.0
<i>Objective: To provide permanent families for children</i>			
Percent of children placed for adoption within 180 days of referral to the contractor	44.8	55.0	55.0
Percent of children placed for adoption within 365 days of referral to the contractor	68.3	70.0	70.0
Adoption placement finalized within 12 months of placement date	89.0	90.0	90.0
Number of children placed in out-of-home care return to the family within six months	1,021	1,500	1,500
Average number of children in out-of-home placement	4,368	4,000	4,000
Number of children achieved permanency within 12 months	1,383	1,700	1,700
Number of children placed for adoption not finalized	496	400	400
Number of children awaiting adoptive placement	877	600	600
<i>Objective: Administration of programs will be efficient and effective</i>			
Percent of families satisfied with family preservation services	94.0	80.0	80.0
Percent of families satisfied with adoption services	82.7	90.0	90.0
Percent of adults satisfied with foster care services	47.0	80.0	80.0
Percent of youth satisfied with foster care services	74.0	80.0	80.0
Number of adult respondents to foster care survey	139	500	500
Number of youth respondents to foster care survey	46	200	200

	<u>Actual FY 1999</u>	<u>Estimate FY 2000</u>	<u>Estimate FY 2001</u>
Number of respondents to adoption survey	81	275	275
Number of respondents to family preservation survey	588	610	610
Rehabilitation Services			
<i>Vocational Rehabilitation</i>			
Number of persons rehabilitated	1,754	1,780	1,700
Percent of rehabilitated persons employed	97.0	97.0	94.0
Average weekly increase in earnings of persons employed	184.0	193.0	184.0
Percent of rehabilitated persons employed in positions with medical benefits available	55.0	57.0	55.0
<i>Blind Services</i>			
Number of persons rehabilitated	218	210	221
Percent of rehabilitated persons employed	78.0	80.0	80.0
Average weekly increase in earnings of persons employed	140	130	150
<i>Disability Determination and Referral Services</i>			
Percent of accurate rate	94.0	94.0	95.0
Cost per case	\$354	\$355	\$360
Processing days for initial Title XVI claims	58	67	90

*Performance Measures are based on current services budget submission.