

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Vice Chairperson Melvin Neufeld at 9:10 a.m. on March 1, 2000 in Room 514-S of the Capitol.

All members were present except: Representative Farmer - excused
Representative McKechnie - excused
Representative Peterson - excused
Representative Pottorff - excused
Representative Spangler - excused

Committee staff present: Alan Conroy, Kansas Legislative Research Department
Robert Waller, Kansas Legislative Research Department
Kathie Sparks, 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: Senator Tim Emert

Others attending: See attached list

Vice Chairman Neufeld opened the public hearing on:

SB 389 - Memorials on capitol grounds, guidelines and procedures

Proponents:

Senator Tim Emert. Senator Emert mentioned the sole intent with the bill is to have some structure, direction and process for the continued renovation of the Capitol grounds, as well as the Capitol building. (Attachment 1) Committee questions and discussion followed.

There being no further conferees to come before the Committee, Vice Chairman Neufeld thanked Senator Emert for appearing before the Committee.

Vice Chairman Neufeld closed the public hearing on **SB 389**.

Representative Stone made a motion, seconded by Representative Kline, to pass SB 389 favorable for passage. Motion carried.

Social Services Budget Committee Report on:

Department on Aging

Representative Landwehr presented the Social Services Budget Committee Report on the Governor's recommendations for the Department on Aging FY 2001 budget. (Attachment 2)

Representative Landwehr made a motion, seconded by Representative Ballard, to adopt the Social Services Budget Committee budget report recommendations regarding the Department on Aging. Committee questions and discussion followed.

Representative Ballard made a substitute motion, seconded by Representative Landwehr, to add into the Social Services Budget Committee report on page 2, item 3, following the wording "on the area nutrition sites" regarding reviewing the status on the shortage of volunteers. Motion carried.

CONTINUATION SHEET

Representative Neufeld made a motion, seconded by Representative Ballard, to adopt the Social Services Budget Committee recommended amendments by the Social Services Budget Committee on the attached sheet. (Attachment 3) Committee questions and discussion followed. Motion carried.

Representative Landwehr made a motion, seconded by Representative Ballard, to adopt the Social Services Budget Committee budget report recommendations as amended regarding the Department on Aging. Motion carried.

Chairman Adkins thanked Vice-Chairman Neufeld for chairing the meeting for him as he was welcoming a leadership group from Johnson County.

Representative Neufeld made a motion, seconded by Representative Ballard, to approve the minutes for the meetings of January 6, 7, 12, 18, 19, 20, 25, 26 and 27 as distributed. Motion carried.

The meeting was adjourned at 10:40 am. The next meeting is scheduled for March 2, 2000.

HOUSE APPROPRIATIONS COMMITTEE GUEST LIST

DATE March 1, 2000

NAME	REPRESENTING
Julie Thomas	DOB
Jay Jones	KDOA
Catherine Walby	KDOA
Cornie Russell	KDOA
Bill Henry	Area Agencies on Aging
Bill Groth	DFM
JOE FRITTON	ADMINISTRATION /DFM
Wayne White	KS Legal Services
CRAIG KABERLINE	KS. COUNCIL ON DD
JESSICA BOURQUIN	KS HEALTH CARE ASSOC.
Buddy Ball	NC-FH Area Agency on Aging Chase County
Richard Janopaul	Task Force on Aging Ottawa County
William Cargill	Agency on Aging
Janice	NC-FH Area Agency on Aging - Manhattan
Michelle L. Peterson	Peterson Public Affairs Group
Janda Edwards	Topica Independent Living Resource Center
Mike Huttles	KS. Gov't Consulting
Shannon Jones	SILV
Pat Lehman	KS Fire Service Alliance

**HOUSE APPROPRIATIONS COMMITTEE
GUEST LIST**

DATE March 1, 2000

NAME	REPRESENTING
Linda Lubensky	KS Home Care Assoc
Debra Zehr	KS Assoc Home & Services for Aging
Tom Burgess	K HCA

TIM EMERT

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 ALLEN, CHAUTAUQUA, SE COFFEY,
 MONTGOMERY, WILSON, WOODSON COUNTIES
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KANSAS SENATE
 OFFICE OF THE MAJORITY LEADER

CHAIRMAN:
 CONFIRMATION OVERSIGHT
 JUDICIARY

VICE-CHAIRMAN:
 ORGANIZATION, CALENDAR & RULES
 JOINT COMMITTEE ON STATE BUILDING
 CONSTRUCTION

MEMBER:
 EDUCATION
 INTERSTATE COOPERATION COMMISSION
 LEGISLATIVE COORDINATING COUNCIL
 STATE FINANCE COUNCIL
 UNIFORM LAW COMMISSION

Testimony
Senator Tim Emert
House Appropriations
March 1, 2000
SB 389

Mr. Chairman, I appreciate the opportunity to appear before your committee today to discuss SB 389.

As each of you know over the past several years efforts have been made toward restoration and renovation of the state Capitol. I have attached to this testimony an outline of the projects which have been completed and those which are in process. Those are in excess of \$2 million and only the beginning. As you will note from the report, one of the items is a Historic Structures Report. This project is in the process as we speak and an executive overview should be available in February. It was decided by the Legislative Coordinating Council that if we are going to approach restoration and renovation to the Capitol, we should do it from a master plan. The last time any planned renovation took place in this historic structure which was built beginning in 1869, was the year 1917. Since 1917, all work has been of a patch work nature.

The Legislative Coordinating Council has extended the Historic Structures Report beyond the actual building itself to include the grounds surrounding the building.

During the past interim the Legislative Coordinating Council, through its subcommittee on Facilities and Planning, discovered that there was no process in place to evaluate, screen and approve memorial structures that are placed on the Capitol grounds. This subcommittee, which I chaired, became concerned with the possibility that numerous memorials, monuments and statutes were being placed on the grounds. One member suggested that he feared the grounds might start looking like a cemetery. At any rate, the subcommittee studied the issue and developed what is now SB 389. Attached to the testimony is a memorandum from Jim Wilson, First Assistant Revisor of Statutes, which outlines the pertinent parts of the bill, and I would like to quickly go through those at this time.

Our sole intent with this bill is to have some structure, direction and process for the continued renovation of the Capitol grounds, as well as the Capitol building.

Thank you for your indulgence and I would stand for any questions.

House Appropriations
3-1-00
Attachment 1

STATEHOUSE PROJECTS

1999

Senate Chamber:

Restoration of columns, misc. decorative metals & marble base	\$480,000
New bill clerk desk (installation by 1-25-00)	<u>14,550</u>
	\$494,550

Miscellaneous Projects:

Historical Structure Report	\$389,084
Copper dome restoration (upper portion)	243,971
Exterior stone repairs	58,172
Marble floor repairs	1,900
Stained glass repair (2 nd floor west entrance)	3,110
Elevator upgrade	320,000
(Cab & basement entrance renovation scheduled after session)	
	<u>\$1,016,237</u>

1998 Restoration Projects:

House Chamber wall, ceiling	\$487,707
Lighting modifications	<u>117,529</u>
	\$605,236

Memorandum

TO: Senator Emert
FROM: Jim Wilson, First Assistant Revisor
DATE: January 18, 2000
SUBJECT: SB 389 – Memorials on Statehouse Grounds – Section-By-Section Description

The bill prescribes standards and procedures for reviewing proposed memorials for the statehouse grounds.

Section 1. (a) The Secretary of Administration is to:
Review the Statehouse Historic Structures report,
develop and maintain a preservation plan for the grounds, and
develop guidelines and standards for memorials on the grounds.

The guidelines and standards are to accomplish specific goals. [See ¶ (1) through (7)]

(b) After consulting with the State Historic Preservation Officer, the Legislative Coordinating Council and the heads of other state agencies located in the statehouse, the Secretary of Administration submits the proposed guidelines and standards to the Capital Area Plaza Authority for adoption.

(c) Amendments or additions may be made to the guidelines and standards in the same manner.

Sec. 2. (a) No memorial shall be placed on the statehouse grounds except pursuant to this act.

Each memorial is to be consistent with the statement of purpose and use adopted for the statehouse grounds and is subject to the guidelines and standards for memorials.

(b) Each proposed memorial for the statehouse grounds is to be submitted to the Secretary of Administration, who submits the proposal to the State Historic Preservation Officer, the Director of Facilities Management and the Director of Legislative Administrative Services for review and recommendation.

(c) The Secretary is to receive and consider such recommendations prior to acting on the proposed memorial and may recommend approval or disapproval of each proposed memorial. If the Secretary of Administration recommends approval, then the Secretary submits the proposed memorial to the Capitol Area Plaza Authority for consideration.

(d) If the Capitol Area Plaza Authority approves the proposed memorial, then the proposal shall be submitted to the Governor and the Legislative Coordinating Council for appropriate action.

Sec. 3. (a) The primary considerations for approval or disapproval of a proposed memorial are the significance and relevance of the memorial and the compliance with and furtherance of the statehouse preservation plan and the guidelines and standards.

(b) No memorial is to be placed on statehouse grounds without specific authorization by act of the legislature.

Sec. 4. Definition of memorial.

Sec. 5. Kansas register effective date.

SOCIAL SERVICES BUDGET COMMITTEE

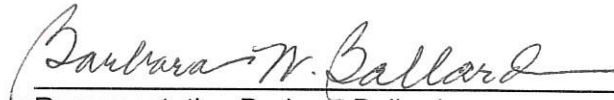
Department on Aging



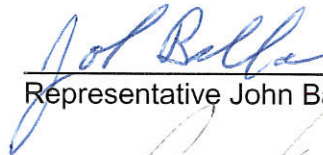
Representative Melvin Neufeld, Chairperson



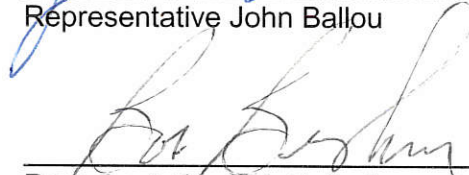
Representative Barbara Allen



Representative Barbara Ballard



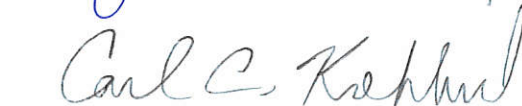
Representative John Ballou



Representative Bob Bethell



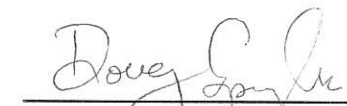
Representative Jerry Henry



Representative Carl Krehbiel



Representative Brenda Landwehr



Representative Doug Spangler

House Appropriations
3-1-00
Attachment 2

HOUSE BUDGET COMMITTEE REPORT

Agency: Department on Aging

Bill No.

Bill Sec.

Analyst: Sparks

Analysis Pg. No. 333

Budget Page No. 40

<u>Expenditure Summary</u>	<u>Agency Request FY 01</u>	<u>Gov. Rec. FY 01</u>	<u>House Budget Committee Report Adjustments</u>
State Operations	\$ 12,407,290	\$ 10,290,743	\$ 17,500
Aid to Local Units	6,833,468	6,777,467	100,000
Other Assistance	367,010,675	340,208,243	0
Total - Oper. Expend.	<u>\$ 386,251,433</u>	<u>\$ 357,276,453</u>	<u>\$ 117,500</u>
State General Fund	\$ 157,145,711	\$ 144,291,811	\$ 117,500
All Other Funds	229,105,722	212,984,642	0
Total - Oper. Expend.	<u>\$ 386,251,433</u>	<u>\$ 357,276,453</u>	<u>\$ 117,500</u>
FTE Positions	158.0	157.0	0.0
Unclassified Temp. Positions	3.0	3.0	0.0
TOTAL	<u>161.0</u>	<u>160.0</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

For FY 2001, the agency requests \$386.3 million from all funding sources, including \$157.1 million from the State General Fund. The request is an increase of \$29.7 million (8.3 percent) all funds, including \$11.0 million (7.5 percent) from the State General Fund above the FY 2000 estimate. The increase provides an additional \$18.8 million all funds (\$7.52 million SGF) for nursing facilities; an additional \$9.1 million all funds (\$3.6 million SGF) for the HCBS/Frail Elderly waiver program; and \$1.9 million all funds (\$740,786 SGF) for the targeted case management program above the FY 2000 estimate. The agency operations are increased by \$60,986 and include two enhancement packages: a new accounting computer system and 1.0 new FTE position for the Information Services Division. The nutrition grants are requested at the same level as FY 2000.

The Governor recommends \$357.3 million from all funding sources, including \$144.3 million from the State General Fund for FY 2001. The recommendation is a decrease of \$29.0 million (7.5 percent) from all funding sources and \$12.9 million (8.2 percent) from the State General Fund below the agency request. The major reductions occur in the Long-Term Care program for nursing facilities of \$34.5 million (\$13.8 million SGF) below the agency request. The HCBS/Frail Elderly program is increased by \$2.3 million (\$919,600 SGF) above the agency request. In addition, for the waiver program the Governor's recommendation lowers the protected income level from \$687 per month to \$475

per month which the agency believes will save an additional \$2.0 million all funds (\$800,000 SGF) in the waiver program. Targeted case management is funded at the requested level of \$6.9 million. The agency operations are reduced by \$2.2 million and no enhancement package is recommended. The nutrition grants are reduced by \$450,000 from the State General Fund.

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. 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 Frail Elderly . 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 Frail Elderly across the state. However, the program must operate within appropriations which may require difficult decisions to be made.
3. Prior to the Omnibus Session, the Secretary of Aging is to update the Budget Committee on the Nutrition Services Grants Program with regard to the impact of the reduction of the \$450,000 from the State General Fund on the area nutrition sites. The Budget Committee will review the updated information during the Omnibus Session.
4. During the Omnibus Session, the Budget Committee will review the Hesston Senior Center Program including performance outcomes and any other program information to be provided to the Committee. The Budget Committee may make funding recommendations for the eliminated program at that time.

5. The Budget Committee was informed that there appears to be a shortfall in funding for the nursing facilities budget; therefore, prior to the Omnibus Session the Budget Committee will review the funding for the nursing facilities budget. However, the review will not take place until the consensus caseload estimating group meets.
6. The Social Services Budget Committee 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 Frail Elderly. 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 has received \$13.7 million from all funding sources in increases for the program since FY 1999; therefore, at this time, no additional funds are recommended. However, the program is to be reviewed during the Omnibus Session.
7. The Committee heard testimony from the Kansas Health Care Association regarding the need for the continuation of the Wage Pass-Through Program which was implemented during the 1999 Legislative Session with passage of S.B. 126. However, since the program was only implemented in September 1999 and the first quarter cost reports have not yet been tabulated, the Budget Committee will review the success of the program and make any funding recommendations during the Omnibus Session.
8. Prior to the Omnibus Session, the Budget Committee will review the Retired Senior Volunteer Program, which attempts to recruit seniors for volunteer jobs matched to their individual skills. The funding for the program was reduced by \$25,000 from the State General Fund.
9. Add \$100,000 from the State General Fund for the Environmental Modification Grant Program. The Committee heard testimony from the Secretary on Aging about her discussion with the Kansas Department of Commerce and Housing about the agency's ability to receive a grant from Commerce and Housing for customary items of home modification such as grab bars, ramps, etc. The Environmental Modification's funding is to be used for specific items as may be required by an individual after a stroke or other serious illness which does not fall under the usual items category. The Committee encourages the Department on Aging to continue its negotiations with the Department of Commerce and Housing in its attempt to secure funding for the usual item required by seniors to remain in their homes.
10. Add \$17,500 from the State General Fund for the Senior Legal Hotline. This program was funded during the 1999 Legislative Session with a

\$30,000 grant. However, the funding was eliminated for FY 2000 and FY 2001. Kansas Legal Services, the service provider, was able to secure an additional Kansas Bar Association grant for the current year to continue operation of the program. The Hotline handles approximately 3,500 calls per year from over 3,000 Kansas senior citizens with 135 volunteer attorneys. The Committee maintains that the Hotline provides an essential service to a growing senior population and provides that service in a very economical manner.

11. The Budget Committee recommends that staff make any technical corrections required in the bill.
12. The Budget Committee reviewed the following performance measures of the agency and submit them as part of this report.

PERFORMANCE MEASURES

	<u>Actual FY 1998</u>	<u>Actual FY 1999</u>	<u>Estimate FY 2000</u>	<u>Estimate FY 2001</u>
Number of senior Kansans with better access to information on aging services	200,000	200,000	300,000	300,000
Number of consumers served through the Helpline	732	800	820	840
Number of Medicaid Nursing Facilities	430	421	418	415
Percent of current HCBS/FE customers surveyed who were satisfied their needs were met	95%	95%	95%	95%
Percent of HCBS/FE customers who were offered choice of service providers	93%	93%	93%	93%
Percentage of HCBS/FE customers interviewed who feel safe in their living environment	94%	95%	95%	95%
Number of unduplicated customers served by the state In-Home Nutrition Program	4,947	5,025	5,025	5,025

Department on Aging Budget Recommendation amendments:

1. The Social Services Budget Committee makes note that it briefly reviewed the Kansas Intergovernmental Transfer (KSIT) Program. The Committee believes the most appropriate use of the funds, once the Program is approved by Health Care Financing Administration, would be for Medicaid like services. Therefore, the Budget Committee believes it would be appropriate to create trust accounts to receive the funding. The trust accounts should be sustainable after the KSIT Program ends and possible trust accounts could be for the Senior Services Trust Fund and/or the Nursing Home Loan Fund as outlined by the Governor.
2. The Budget Committee also supports the concept of the Senior Citizens Pharmacy Program and believes the program should have the following features:
 - Flexibility should be provided in the legislation to allow the agency to adjust for income eligibility from year to year.
 - Provide for targeted maintenance prescriptions for senior citizens.
 - Flexibility should be provided in the legislation to allow the agency to adjust the co-pay schedule.
 - Provide for an annual 30-day enrollment period.
 - The effective date of the Program is recommended to be March 30, 2001 to allow for the adequate time for administrative design and development. In addition, the effective date will allow the 2001 Legislative Session to make adjustments to the state plan if the proposed federal pharmacy plan becomes law.
 - The Pharmacy Program should also use the administrative services already in place within the Health Care Policy Division within the Department of Social and Rehabilitation Services.
 - The Budget Committee directs the Department of Social and Rehabilitation Services to review and analyze the use of prior authorization status for additional drugs.
 - Encourage the Department of Social and Rehabilitation Services to explore the possibility of using the federal Medicaid Drug Pricing and Reimbursement System for the Senior Citizens Pharmacy Program.
 - The Pharmacy Program should include a negotiated cost (average wholesale price minus a percentage) and dispensing fee.
3. The Social Services Budget Committee notes that the creation of the Senior Citizens Pharmacy Program will increase the use of the Medicaid Program just as the Children's Health Insurance Program has already impacted the Medicaid Program.

*HOUSE APPROPRIATIONS
3-1-00
ATTACHMENT 3*