

MINUTES OF THE SENATE WAYS & MEANS COMMITTEE.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on March 21, 2000 in Room 123-S of the Capitol.

All members were present except:

Committee staff present: Alan Conroy, Chief Fiscal Analyst, KLRD
Rae Anne Davis, KS Legislative Research Department
Debra Hollon, KS Legislative Research Department
Norman Furse, Revisor of Statutes
Michael Corrigan, Asst. Revisor of Statutes
Judy Bromich, Administrative Assistant to the Chairman
Ronda Miller, Committee Secretary

Conferees appearing before the committee:

Others attending: See attached list

A motion was offered by Senator Gilstrap and seconded by Senator Salmans to approve the minutes of the March 10th and March 14th meetings. The motion carried on a voice vote.

It was moved by Senator Salmans and seconded by Senator Morris that bill draft 9rs 2487 be introduced as requested by Senator Praeger. The motion carried on a voice vote.

Senator Morris reviewed the FY 2001 subcommittee report on **SRS - Substance Abuse, Community Mental Health Services, and MHDD Administration (Attachment 1)**. Senator Ranson moved, Senator Lawrence seconded that item 3 (Attachment 1-8) be amended to include language that would encourage schools of education to include course work that would provide teachers with a basic understanding of juvenile mental health issues. Concern was expressed that mandating requirements such as this into the education curriculum would dilute the educational aspects of the school. The motion to amend carried on a voice vote.

There was lengthy discussion regarding the subcommittee's recommendation to form a Task Force to develop a plan for the mental health system (item 8). Concern was expressed that the subcommittee endorsed the Governor's recommendation to reduce funding of community grants used for case managers by \$600,000 from the SGF though caseloads are growing (item 7). In answer to questions, a staff member stated that \$600,000 is a state grant which is not matched with any federal dollars. She noted that \$2.3 million all funds was expended out of \$5 million which was appropriated in FY 2000 for severely emotionally disturbed children. She added that \$7 million is recommended for this population of children in FY 2001. In response to Senator Downey's inquiry about why the money is not being spent to provide services to children, Ellen Piekalkiewics, Association of Community Mental Health Centers of Kansas, stated that the Association is working on a reauthorization for the Medicaid waiver, but part of the problem in providing the services is due to insufficient manpower in rural areas of the state. In answer to Senator Ranson's concern that there is no accountability for expenditure of grants at the community level, Secretary Schalansky, SRS, stated that the waiver dollars are kept separately, but there was a consolidation of the grants program which gave the county commissions the flexibility to spend as they wished.

The FY 2001 subcommittee report on the **Mental Health Institutions** was presented by Senator Morris (Attachment 2). It was moved by Senator Petty and seconded by Senator Ranson that item 7 of the subcommittee report be amended to express the importance of community-based crisis services statewide, not only at the KUMC unit.

Senator Salisbury reviewed the FY 2001 subcommittee report on **Developmental Disability Institutions**

CONTINUATION SHEET

SENATE WAYS & MEANS COMMITTEE MINUTES

(Attachment 3). Senator Salisbury moved, Senator Morris seconded, the adoption of the report. The motion carried on a voice vote.

It was moved by Senator Morris and seconded by Senator Jordan that the subcommittee reports on SRS - Substance Abuse, Community Mental Health Services and MHDD Administration as amended and on the Mental Health Institutions as amended be adopted. The motion carried on a voice vote.

SB 592: Armory repair and reconstruction

Copies of a balloon for **SB 592** were distributed to members (Attachment 4). The Chairman explained that **SB 592** if amended with the balloon would provide for the issuance of up to \$22 million of bonds in 5 steps over 5 years for the renovation of armories [(Section 2 (c))]. The Adjutant General has indicated that the first two years of bond and interest payments could be paid for out of the agency's capital improvements budget. Beyond that time period, the state becomes responsible for those payments. He added that the language in Section 1 (b) imposes incentives to explore the possibility of using federal dollars and other monies in order to reduce the state's obligation for paying off the bonds and requires Finance Council approval prior to each issuance of the bonds. The Chairman noted that neither inflation factors nor contingencies are built into the plan.

In response to a question, the Chairman stated that the plan is designed to have no impact on the SGF in FY 2000 or FY 2001, and is subject to appropriation. In answer to an inquiry, the Chairman stated that issuance of the bonds would have to follow the schedule as outlined in Section 2 (c), though the agency could reprioritize the projects. It was noted that the Finance Council has the authority to deny the release of additional bonds, but that is not the plan.

It was moved by Senator Morris and seconded by Senator Feleciano that **SB 592** be amended with the balloon and that **SB 592** as amended be recommended favorably for passage. The motion carried on a roll call vote.

SB 381: Professional service scholarships, osteopaths, optometrists, nurses, teachers, dentists, national guard officers

Copies of a letter drafted by Kevin Robertson, Kansas Dental Association, requesting an interim study regarding the dental service scholarship portion of the bill was distributed to members (Attachment 5). The Chairman told the Committee that he would send this letter to the Legislative Coordinating Council if the dental scholarship section were deleted from the bill. The Chairman noted three areas which he felt needed further review: how to provide more slots for dentists, how the arrangement with KUMC is working, and incentives to attract dental graduates back to Kansas, particularly in underserved areas.

Senator Salisbury moved, Senator Ranson seconded that Section 27 of the bill be amended to provide for payment of 70% of the cost of attendance (as it is for the nursing service scholarship). Senator Salisbury commented that the provisions for the ethnic minority graduate student stipends within this bill are different than that of other programs. She questioned why the Legislature would want to adopt a social policy that identifies a group as having more need, and stated that if it is the school's goal to attract ethnic minority students that should be the school's policy rather than a policy of law. It was Senator Downey's opinion that the ethnic minority program was designed to be a full fellowship program whereas the other programs were designed to direct professionals to underserved areas. The motion to amend carried on a voice vote.

Senator Lawrence moved, Senator Salisbury seconded, that the new dental service scholarship section be deleted from the bill. The motion carried on a voice vote.

It was moved by Senator Lawrence and seconded by Senator Salisbury that **SB 381** as amended be recommended favorably for passage. The motion carried on a roll call vote.

The Chairman adjourned the meeting at 12:20 p.m. The next meeting will be March 22, 2000.

SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: March 21, 2000

NAME	REPRESENTING
Coody Deaton	Budget
Julie Thomas	DOTB
Joe Davis	KS Guard
Chuck Budahl	Adj. General's Dept
Mike Matson	KEOR
Ray Tinscher	KANSAS NATIONAL GUARD
Byllang	Kansas Army National Guard
Michael Dutton	Kansas Army National Guard
Lawrence E. Thomas	American Legion
LTC Doug Jacobs	Kansas National Guard
Jack Elliott, CSM (Ret)	Kansas National Guard
Roger Aeschliman CPT	KS National Guard Association
LTC Robert L. Smith	KS National Guard Assn
CSM Larry R. Heersink	Enlisted Association of the National Guard of Kansas
Raymond Douse	Kansas National Guard Assoc
Dee Jones	The Adjutant General's Dept
LTC Henry M. Martin	The Adjutant General's Dept
Joy D. Moser	The Adj. Gen. Dept.
Francine M. Hines	State President AVSA
LTC(R) Robert Hites	Chair, Kansas Military Board

SENATE WAYS & MEANS COMMITTEE GUEST LIST

DATE: March 21, 2000

NAME	REPRESENTING
Thomas J. Kennedy	Kansas National Guard
Gary Hobbs	Ks Optometric Assn
John	KGP
Albea Prickau	FHSU
Mary Ann Tomata	TSU
Paula K. Job	Assoc. of Cmty. Fns
Ellen P. ...	" " " "
Rebecca Field	KDEA
Chip Wheelen	Osteopathic Association
Bill Brady	Ks Gov't Consulting
Chris Bear	Eli Lilly & Co
Amy Campbell	Ks Mental Health Coalition
Jimmy Kelley	Keep for Naturaling
Jane Schelanski	
Lana Howard	SRS
Craig Grant	KWEA

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 Request 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 Request/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

Senate Ways and Means Committee

Date *March 21, 2000*

Attachment # *1*

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 Emotionally 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.

House Committee Recommendation

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

1. A proviso is added that expenditures shall be made by the above agency to enter into an additional contractual provision which is hereby authorized and directed to be entered into by the secretary of social and rehabilitation services as part of each provider agreement in effect between the secretary of social and rehabilitation services and the community mental health center for Sedgwick County and which shall require the community mental health center for Sedgwick County to prepare and submit a written report to the Legislature on the first day of the regular session in 2001 that specifies for the twelve-month period ending July 1, 2000, (1) each revenue source and the amount of revenue received from that source during that period, (2) the expenditures made during such period by category, (3) the beginning and ending balances in all financial accounts of the mental health center for such period, and (4) the number of individuals served by class of service during such period, for the purposes of providing information to assist the legislature make informed decisions with regard to funding mental health services provided by mental health centers.
2. The House Committee encourages the Department of Social and Rehabilitation Services to examine their responsibilities and assets to continue the Homeless Mentally Ill Project for FY 2000 and FY 2001 and to report back their findings prior to the Omnibus Session.

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

	<u>Actual FY 1999</u>	<u>Estimate FY 2000</u>	<u>Estimate FY 2001</u>
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
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

Objective: Provide for the increased safety of children

	<u>Actual FY 1999</u>	<u>Estimate FY 2000</u>	<u>Estimate FY 2001</u>
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
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

	Actual FY 1999	Estimate FY 2000	Estimate FY 2001
Processing days for initial Title XVI claims	58	67	90

*Performance Measures are based on current services budget submission.

SENATE SUBCOMMITTEE REPORT

Agency: SRS - Substance Abuse, **Bill No.** 639 **Bill Sec.** 33
Community Mental Health Services, and MHDD Administration

Analyst: Sparks **Analysis Pg. No.** 617 **Budget Page No.** 420

Expenditure Summary	Agency Request FY 01	Gov. Rec. FY 01*	Senate Subcommittee 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	35,794,279	0
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State General Fund	\$ 71,270,045	\$ 57,172,574	\$ 0
All Other Funds	29,866,368	36,468,195	0
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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>

* The Governor's recommendation reflects GBA #1, Item. 7.

Agency Request/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 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 Emotionally 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.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendations for FY 2001 with the following exceptions and comments.

1. The Subcommittee adopts the Governor's Budget Amendment No. 1, Item 7 which deletes \$440,000 from the federal medical assistance fund. The State General Fund monies for the homeless mentally ill project were eliminated, therefore, the corresponding federal funds also needed to be eliminated.
2. The Subcommittee notes that during the Omnibus Session a similar adjustment as outlined above to the FY 2000 budget will be required in the amount of \$509,147 from federal funds.
3. The Subcommittee heard testimony that the second leading cause of death for children between the ages of 10 and 14 is suicide in the United States. In addition, the Subcommittee was made aware of service gaps for mental health services between the school system and the Community Mental Health Centers in some areas of the state.

Therefore, the Subcommittee recommends that the Community Mental Health Centers and the public school system begin a dialogue to confront some of the problems in filling these gaps such as providing school administrators, teachers, and staff with a basic understanding of juvenile mental health issues. Equally as important is for the public school personnel to understand what is a reasonable expectation of behavior from a seriously mentally ill child when statistics indicate that 50 percent of the children will be unsuccessful the first time they enter treatment and that referrals to some Community Mental Health Centers will require a two-week wait for an appointment.

4. The Subcommittee notes that the Community Support Medication Program has been very successful for individuals with a severe and persistent mental illness. The program, which was created by the 1997 Legislature, distributes funds which allow individuals that have stabilized their symptoms on medications, to continue their lives outside of institutional care. In fact, the 1999 Surgeon General's Report on Mental Illness that the newer medications are effective at reducing symptoms and carry fewer side effects especially for individuals that have not responded to more conventional medications.

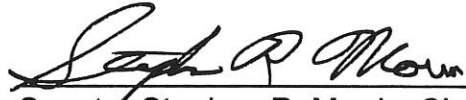
Individuals referred to the program must meet the eligibility criteria, including that they meet the SRS target population definition of individuals with a severe and persistent mental illness or children with a serious

emotional disturbance. Individuals must demonstrate financial need and apply for all other sources of assistance in order to receive funds.

The cost of antipsychotic medications currently runs from \$261.91 for Zyprexa to \$428.77 for generic Clozaril based a 30-day supply. During calender year 1999, the program served 448 individuals with paid claims of \$784,859. Average annual cost per participant was \$1,751. Therefore, the Subcommittee encourages the Department to examine the reimbursement structure of the program to see if cost savings can be generated in order to serve additional individuals within existing resources.

5. The Subcommittee notes that the state hospitals have received cost of living increases in the past few years, while the state aid for the Community Mental Health Centers has remained flat. Therefore, the Department and the Community Mental Health Centers are encouraged to explore creative ways in which to access third party reimbursements through outreach when an individual first comes to the center. The Subcommittee was informed by the Johnson County Mental Health Center that 83 percent of its clients have a family income of less than \$25,000 annually and that 50 percent of its clients are without Medicaid, Medicare, or private insurance.
6. The Subcommittee notes that the Home and Community Based Services for Serious Emotional Disturbances in Children has began to catch on and has allowed 890 children to be served in their homes rather than in hospitals this year. During FY 1999, the first full year of the program, 664 children were served by the waiver.
7. During the Omnibus Session, the Subcommittee recommends that the highest priority should be given to the funding of community grants used for case managers which was reduced by \$600,000 from the State General Fund in the Governor's recommendations.
8. The Subcommittee recommends the formation of a Governor's task force to develop a vision and strategic plan for the Kansas mental health system. This task force should consist of legislators, consumers, service providers, the Department of Social and Rehabilitation Services, and the Department on Aging. The Subcommittee believes that in today's new environment, unexamined expectations and uncoordinated changes in the system could result in the deterioration of the system's ability to serve people with serious mental illness. The task force should examine the most effective ways to deliver services to people with mental illness, including the varied services required for children, adults, and the aged.

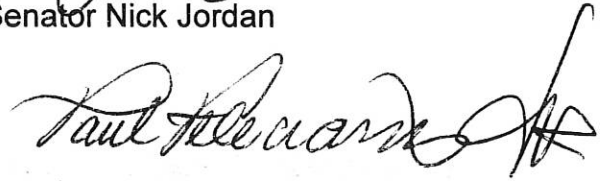
The Subcommittee suggests that findings in a soon-to-be-released Legislative Post Audit report on the mental health system may prove beneficial to the group. The Subcommittee also notes the Hospital Stakeholders Task Force currently working through the Department of Social and Rehabilitation Services. The Governor's task force should not duplicate the efforts of the Stakeholder Task Force, but build upon that group's findings and recommendations.



Senator Stephen R. Morris, Chairman



Senator Nick Jordan



Senator Paul Felecciano, Jr.

House Budget Committee Report

Agency: Mental Health Institutions **Bill No.** 2994

Bill Sec. 33

Analyst: Hollon

Analysis Pg. No. 394,
420, 444

Budget Page No. 329,
347, 356

Expenditure Summary	Agency Request FY 01	Gov. Rec. FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 63,372,855	\$ 57,335,916	\$ 0
Aid to Local Units	0	0	0
Other Assistance	3,570	3,570	0
TOTAL	<u>\$ 63,376,425</u>	<u>\$ 57,339,486</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 20,964,880	\$ 15,604,975	\$ 0
Aid to Local Units	0	0	0
Other Assistance	3,570	3,570	0
TOTAL	<u>\$ 20,968,450</u>	<u>\$ 15,608,545</u>	<u>\$ 0</u>
FTE Positions	1,458.7	1,381.4	0.0
Unclassified Temp. Positions	23.0	23.0	0.0
TOTAL	<u>1,481.7</u>	<u>1,404.4</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The mental health institutions estimate FY 2001 operating expenditures of \$63,376,425 including a State General Fund estimate of \$20,968,450. The estimate includes \$51,127,822 for salaries and wages, \$6,985,790 for contractual services, \$5,205,303 for commodities, \$53,940 for capital outlay, and \$3,570 for other assistance. Staffing levels requested by the institutions total 1,458.7 FTE positions.

The Governor recommends FY 2001 operating expenditures of \$57,339,486 including a State General Fund recommendation of \$15,608,545. The recommendation includes \$46,686,013 for salaries and wages, \$5,817,790 for contractual services, \$4,778,173 for commodities, \$53,940 for capital outlay, and \$3,570 for other assistance. The Governor recommends staffing of 1,381.4 FTE positions.

The following table reflects the agency estimates and Governor's recommendations for each of the individual institutions.

Senate Ways and Means Committee

Date *March 21, 2000*

Attachment # *2*

Institution	Agency Request FY 2001	Governor Rec. FY 2001
Larned State Hospital		
State General Fund	\$ 12,996,897	\$ 11,134,218
All Other Funds	18,789,396	19,489,396
TOTAL	<u>\$ 31,786,293</u>	<u>\$ 30,623,614</u>
Osawatomie State Hospital		
State General Fund	\$ 6,002,252	\$ 3,140,355
All Other Funds	18,338,959	17,023,470
TOTAL	<u>\$ 24,341,211</u>	<u>\$ 20,163,825</u>
Rainbow Mental Health Facility		
State General Fund	\$ 1,969,301	\$ 1,333,972
All Other Funds	5,279,620	5,218,075
TOTAL	<u>\$ 7,248,921</u>	<u>\$ 6,552,047</u>
FTE Positions		
Larned State Hospital	766.6	765.6
Osawatomie State Hospital	554.7	481.4
Rainbow Mental Health Facility	137.4	134.4
Unclassified Temp Positions	23.0	23.0
TOTAL	<u>1,481.7</u>	<u>1,404.4</u>

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following notations:

1. The Budget Committee notes that some of the administrative costs for Rainbow Mental Health Facility are being absorbed by Osawatomie State Hospital due to the consolidation of various administrative functions between the two institutions.
2. The Budget Committee acknowledges the population differences between Rainbow Mental Health Facility and the other mental health institutions. Rainbow provides only acute, short-term care for adults. Those individuals needing long-term care are transferred to Osawatomie State Hospital. The adult average daily census for FY 1999 was 17 with an average length of stay of 22 days. Rainbow provides both short- and long-term treatment for children and adolescents from the 46 eastern counties of the state. The children's average daily census for FY 1999 was 7 with an average length of stay of 69 days. The adolescent average daily census for FY 1999 was 12 with an average length of stay of 49 days.

3. The Budget Committee expresses concern that, given Rainbow Mental Health Facility's low ending fee fund balance for FY 2001, there is a possibility of future cash flow problems should actual receipts not meet estimates.
4. The Budget Committee heard testimony from each of the institutions regarding the difficulties of staff recruitment and retention due to the wages for direct care staff. The Department of Social and Rehabilitation Services provided the following data on direct care wages.

<u>Institution</u>	<u>Position</u>	<u>Range</u>	<u>Starting Rate</u>	<u>Average Hourly Rate</u>
Larned State Hospital	Mental Health Aide	12	\$7.67	\$8.74
	Licensed Mental Health Technician I	16	\$9.33	\$11.63
Osawatomie State Hospital	Mental Health Aide and Trainee	12	\$7.67	\$9.01
	Licensed Mental Health Technician I	16	\$9.33	\$11.64
Rainbow Mental Health Facility	Mental Health Aide	12	\$7.67	\$8.64
	Licensed Mental Health Technician I	16	\$9.33	\$11.22

The Budget Committee also notes the extreme difficulties at Larned State Hospital in retaining direct care staff for the children's and adolescent units. The retention rate for these two units over the past two years was 39 percent. These difficulties are caused, in part, to the higher starting wages paid by the Department of Corrections. Entry-level positions with the Department of Corrections are five pay grades higher than those at the hospital.

5. The Budget Committee notes the institutions' performance measures as follows:

**LARNED STATE HOSPITAL
SELECTED PERFORMANCE MEASURES**

	<u>FY 98 Actual</u>	<u>FY 99 Actual</u>	<u>FY 2000 Estimate</u>	<u>FY 2001 Estimate</u>
General Administration				
Percent of units with required staff to patient ratio	100%	100%	100%	100%
Percent change in number of accidents and injuries for patients and staff combined	7.5%	6%	5.5%	6%
Percent of staff demonstrating effectiveness on competency tests given at safety training sessions	100%	100%	100%	100%
Psychiatric Services				
Median length of stay in days of adult psychiatric and detoxification patients	13	15	15	14
Percent of readmission rate of adult patients discharged				
- First admission	38%	38%	39%	40%
- Readmission	62%	62%	62%	62%
Percent of adolescent and children patients for whom a comprehensive assessment is completed	100%	100%	100%	100%
State Security Program				
Percent of court-ordered evaluations completed in time specified by the Court	81%	75%	80%	80%
Staff Education and Research				
Percent of employees attending training as required by regulatory agencies	100%	100%	100%	100%
Percent of licensed clinical staff participating in educational activities provided	100%	100%	100%	100%
Percent of identified clinical staff participating in age specific training	100%	100%	100%	100%
Percent of outside facilities participating in educational offerings	100%	50%	50%	50%
Percent of affiliating colleges/universities participating in clinical experiences	100%	100%	100%	100%
Ancillary Services				
Percent of actual attendance versus scheduled attendance for Activity Therapy sessions designated as educational	—	81%	80%	80%
Percent of adult patients participating in leisure activities	25%	29%	20%	20%
Percent of adolescent patients participating in leisure activities	57%	56%	50%	50%
Percent of students improving scores in reading	80%	68%	80%	80%
Percent of students improving scores in math	76%	64%	80%	80%
Percent of IEP goals achieved by special education students	43%	37%	50%	50%
Percent of patients who have maintained a successful community placement after 12 months from discharge from LSH	70%	40%	50%	60%
Number of patients with medical conditions who were stabilized through diagnosis and treatment	1,237	1,187	1,200	1,200
Percent of LSH/LJCF staff completing their TB status requirements	100%	100%	100%	100%
Percent of patient compliance for TB baseline data	30%	25%	50%	100%
Percent of clinical appointments kept	75%	85%	75%	75%
Physical Plant & Central Services				
Percent of time utility functions are available	97%	98%	98%	98%
Percent of calls for assistance responded to within five minutes by Safety and Security officers	96%	96%	96%	96%
Percent of emergencies responded to within two hours	99%	99%	99%	99%
Meals served will meet 100% of the Recommended Daily Allowances	100%	100%	100%	100%
Departmental Infection Control program will verify compliance with established standards for food handling and storage	95%	95%	95%	95%
Percent of wards not receiving laundry back within two days	1%	1%	1%	1%

**OSAWATOMIE STATE HOSPITAL
SELECTED PERFORMANCE MEASURES**

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03
	<u>Actual</u>	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>	<u>Estimate</u>
Average length of time from admission to referral date to group (includes weekends and holidays)	9.84 days	9.0 days	9.0 days	9.0 days	7.0 days	6.0 days
Total number of seclusion hours	2,780	8,073	5,583	5,583	5,000	5,000
Total number of seclusion incidents	734	1,633	700	700	600	600
Compliance with JCAHO Standards IM.3 and IM.7	NA	NA	Yes	Yes	Yes	Yes
Decrease in symptoms for patients taking atypical medications	NA	Yes	Yes	Yes	Yes	Yes
Improved function for patients taking atypical medications	NA	Yes	Yes	Yes	Yes	Yes
Number of adult patient aggressions with staff	234	255	242	222	200	200

**RAINBOW MENTAL HEALTH FACILITY
SELECTED PERFORMANCE MEASURES**

	FY 99	FY 00	FY 01
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>
Percentage of incidents in which progressive de-escalation was documented	89%	95%	100%
Decreased percentage of time spent in treatment planning	NA	25%	30%
Percentage of families satisfied with the level of communication regarding their child	84%	90%	90%
Percentage of families satisfied with communication/contact with mental health centers	93%	95%	95%
Attendance at training	100%	95%	100%
Improved post-testing	92%	95%	95%
Reduction in seclusion/restraint incidents	379	340	300
Reduction in seclusion/restraint hours	694	500	400
Reduction in patient/staff injuries (behavioral related incidents)	72	50	30

House Committee Recommendation

The House Committee concurs with the Budget Committee's recommendation.

Senate Subcommittee Report

Agency: Mental Health Institutions **Bill No.** 2994

Bill Sec. 33

Analyst: Hollon

Analysis Pg. No. 394,
420, 444

Budget Page No. 329,
347, 356

Expenditure Summary	Agency Req. FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 63,372,855	\$ 57,335,916	\$ (1,699,521)
Aid to Local Units	0	0	0
Other Assistance	3,570	3,570	0
TOTAL	<u>\$ 63,376,425</u>	<u>\$ 57,339,486</u>	<u>\$ (1,699,521)</u>
State General Fund:			
State Operations	\$ 20,964,880	\$ 15,604,975	\$ (1,543,823)
Aid to Local Units	0	0	0
Other Assistance	3,570	3,570	0
TOTAL	<u>\$ 20,968,450</u>	<u>\$ 15,608,545</u>	<u>\$ (1,543,823)</u>
FTE Positions	1,458.7	1,381.4	0.0
Unclassified Temp. Positions	23.0	23.0	0.0
TOTAL	<u>1,481.7</u>	<u>1,404.4</u>	<u>0.0</u>

* Of the reduction, \$1,130,925 (\$975,227 SGF) is due to the Governor's employee salary adjustment.

Agency Request/Governor's Recommendation

The mental health institutions estimate FY 2001 operating expenditures of \$63,376,425 including a State General Fund estimate of \$20,968,450. The estimate includes \$51,127,822 for salaries and wages, \$6,985,790 for contractual services, \$5,205,303 for commodities, \$53,940 for capital outlay, and \$3,570 for other assistance. Staffing levels requested by the institutions total 1,458.7 FTE positions.

The Governor recommends FY 2001 operating expenditures of \$57,339,486 including a State General Fund recommendation of \$15,608,545. The recommendation includes \$46,686,013 for salaries and wages, \$5,817,790 for contractual services, \$4,778,173 for commodities, \$53,940 for capital outlay, and \$3,570 for other assistance. The Governor recommends staffing of 1,381.4 FTE positions.

The following table reflects the agency estimates and Governor's recommendations for each of the individual institutions.

Institution	Agency Request FY 2001	Governor Rec. FY 2001
Larned State Hospital		
State General Fund	\$ 12,996,897	\$ 11,134,218
All Other Funds	18,789,396	19,489,396
TOTAL	<u>\$ 31,786,293</u>	<u>\$ 30,623,614</u>
Osawatomie State Hospital		
State General Fund	\$ 6,002,252	\$ 3,140,355
All Other Funds	18,338,959	17,023,470
TOTAL	<u>\$ 24,341,211</u>	<u>\$ 20,163,825</u>
Rainbow Mental Health Facility		
State General Fund	\$ 1,969,301	\$ 1,333,972
All Other Funds	5,279,620	5,218,075
TOTAL	<u>\$ 7,248,921</u>	<u>\$ 6,552,047</u>
FTE Positions		
Larned State Hospital	766.6	765.6
Osawatomie State Hospital	554.7	481.4
Rainbow Mental Health Facility	137.4	134.4
Unclassified Temp Positions	23.0	23.0
TOTAL	<u>1,481.7</u>	<u>1,404.4</u>

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the Governor's recommendation with the following adjustments and notations:

1. Delete \$1,130,925 (\$975,227 SGF) for the Governor's employee salary adjustment including \$646,276 SGF at Larned State Hospital, \$370,022 (\$214,324 SGF) at Osawatomie State Hospital, and \$114,627 SGF at Rainbow Mental Health Facility.
2. Delete \$568,596 SGF from the operating expenditures at Larned State Hospital to reflect the transfer of programming and operating costs of the Chemical Dependency Recovery Program to the Department of Corrections. The Subcommittee recognizes the capacity problems of the State Security Hospital and the Sexual Predator Treatment Program. Each program is divided among various locations on the Larned campus. The Subcommittee supports the recommendations of the Capital Improvements Subcommittee addressing the situation.

The recommended proposal would transfer the Chemical Dependency Recovery Program for Department of Corrections inmates from Larned State Hospital to Osawatomie State Hospital. This transfer would allow for the movement of patients within Larned State Hospital to consolidate the Sexual Predator Treatment Program.

3. The Subcommittee notes unexpected costs totaling over \$200,000 incurred by Larned State Hospital in medical expenses for two of its patients. Extraordinary medical costs of patients of the mental health institutions are typically funded through the State General Fund because most of these individuals are not covered by private insurance, Medicaid, or Medicare. Patients at mental health facilities between the ages of 19 and 64 are not eligible for Medicaid. The developmental disabilities institutions have the same billing progression as the mental health facilities, but many more developmental disability patients are eligible for Medicaid than are mental health patients. In comparison to the system in place at the state institutions, the corrections and juvenile justice systems contract with a medical provider to handle the medical needs of the inmates. Extraordinary costs are then the responsibility of the provider.

4. The Subcommittee recommends the formation of a Governor's task force to develop a vision and strategic plan for the Kansas mental health system. This task force should consist of legislators, consumers, service providers, the Department of Social and Rehabilitation Services, and the Department on Aging. The Subcommittee believes that in today's new environment, unexamined expectations and uncoordinated changes in the system could result in the deterioration of the system's ability to serve people with serious mental illness. The task force should examine the most effective ways to deliver services to people with mental illness, including the varied services required for children, adults, and the aged.

The Subcommittee suggests that findings in a soon-to-be-released Legislative Post Audit report on the mental health system may prove beneficial to the group. The Subcommittee also notes the Hospital Stakeholders Task Force currently working through the Department of Social and Rehabilitation Services. The Governor's task force should not duplicate the efforts of the Stakeholder Task Force, but build upon that group's findings and recommendations.

5. The Subcommittee urges the Department of Social and Rehabilitation Services to thoroughly investigate the long-term effects of the closure of Rainbow Mental Health Facility before any such recommendation is made. The Subcommittee believes that it is premature to consider closing the

facility until all problems with access to services at the community level are resolved and all of the ramifications of the closure of Topeka State Hospital are known.

6. The Subcommittee expresses concern over the readmission rates for the hospitals. The following table lists those rates for FY 1999.

<u>Institution</u>	<u>First-time Admissions</u>	<u>Readmissions</u>	<u>Total</u>	<u>Readmission Percentage</u>
Larned State Hospital				
Children and Adolescents	77	12	89	13.5%
Adults	815	437	1,252	34.9%
Total	<u>892</u>	<u>449</u>	<u>1,341</u>	<u>33.5%</u>
Osawatomie State Hospital				
Adults	485	327	800	40.9%
Rainbow Mental Health Facility				
Children and Adolescents	106	18	124	14.5%
Adults	160	105	265	39.6%
Total	<u>266</u>	<u>123</u>	<u>389</u>	<u>31.6%</u>

The Subcommittee urges the Department of Social and Rehabilitation Services to undertake a study of the causes behind the readmission rates. The agency should collect information from returning patients to determine if the readmission could have been prevented by such things as improved services at the community level.

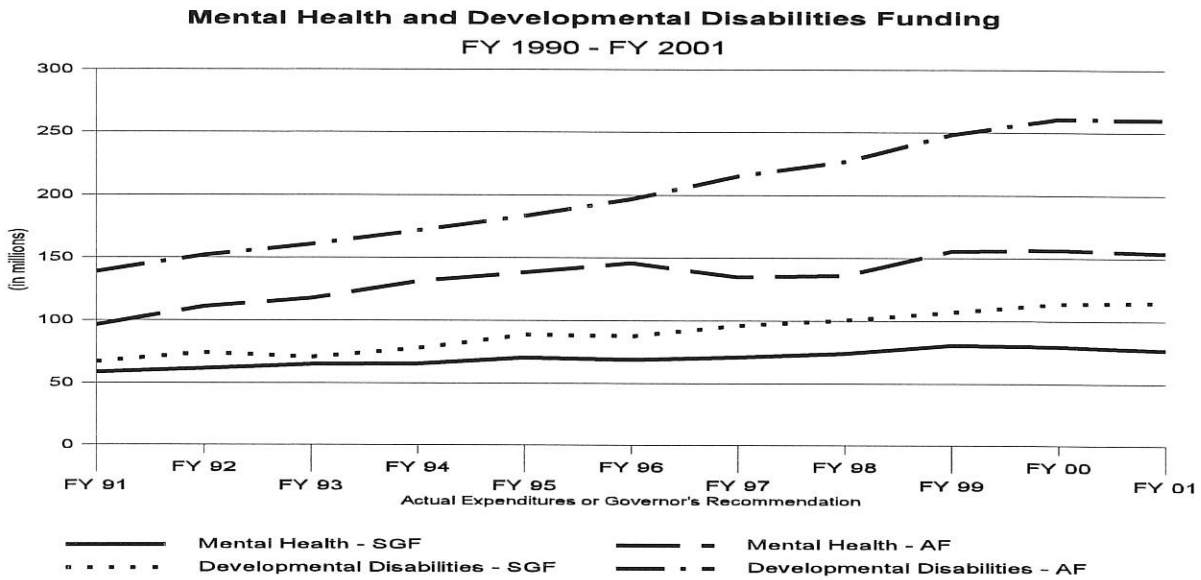
The Subcommittee also notes that often the readmission is due to the individual not following the outlined treatment plan. The Program for Assertive Care and Treatment (PACT) is a very aggressive after-care treatment program involving health care professionals going to the patient's home for things such as psychiatric visits or visual observations of the taking of medications. This program is currently in operation in parts of Johnson County. The Subcommittee urges the Department of Social and Rehabilitation Services to examine the possibility of a pilot project in another urban area such as Sedgwick County. While this type of program is more expensive to operate than other after-care programs, the Subcommittee believes that there would be a cost savings over time by decreasing the number of readmissions to the state institutions.

7. The Subcommittee also expresses concern over the future of the Crisis Stabilization Center being operated at the University of Kansas Medical Center Hospital. With the reduction in state psychiatric hospital beds nationally, an array of crisis and community-based support services are critical in serving the needs of individuals with serious mental illness. One such alternative is the use of local hospital beds for stabilization. These "crisis stabilization" beds are generally used for short term stabilization (48 hours or less), in order to divert a person from being admitted to the hospital. This often gives community mental health staff time to develop alternative crisis plans while the person is in a safe environment.


Like other states, Kansas has moved towards treating individuals closer to home, in community programs rather than state hospitals. There have been several crisis stabilization programs throughout the state in recent years. However, only one remains operational; the unit at KUMC. Due to budget shortfalls, it is also in jeopardy. Many individuals served in these units have no resources, and it has been difficult to make these units work financially without a steady source of reimbursement. As we look towards the future, this type of community-based crisis service will become even more important as we serve the needs of people who previously would have spent many years in state institutions.

The Subcommittee recommends reviewing the budget structure of the Crisis Stabilization Center during Omnibus to determine if a cost sharing arrangement can be developed between the Department of Social and Rehabilitation Services, the Hospital Authority, the community mental health centers, and other involved entities.

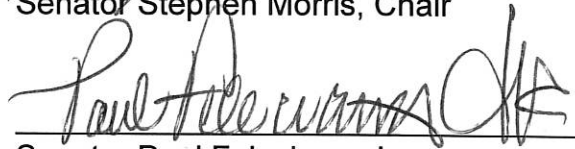
8. The Subcommittee observes the difference in funding increases over the last ten fiscal years for the mental health system as compared to the developmental disabilities system. Since FY 1991, the State General Fund expenditures for the mental health system have increased by 30.9 percent while all funds expenditures have increased by 59.9 percent. Over the same period, State General Fund expenditures for the developmental disabilities system have increased by 71.3 percent and all funds expenditures have increased by 87.1 percent. The Subcommittee urges the legislature to keep in mind that access to mental health services, whether in a hospital or community setting, is a vital ingredient for the well-being of many Kansans. The graph below illustrates the annual expenditures for both systems.



9. The Subcommittee recognizes the ongoing difficulties at the institutions concerning staff recruitment and retention. These difficulties are due, in part, to the wages for direct care staff. The Subcommittee notes especially the extreme difficulties at Larned State Hospital caused by higher starting wages paid by the Department of Corrections. Entry-level positions with the Department of Corrections are five pay grades higher than those at the hospital.



Senator Stephen Morris, Chair



Senator Paul Feleciano, Jr.



Senator Nick Jordan

House Budget Committee Report

Agency: Developmental
Disability Institutions

Bill No. 2994

Bill Sec. 33

Analyst: Hollon

Analysis Pg. No. 468, 493 **Budget Page No.** 305, 351

Expenditure Summary	Agency Request FY 01	Gov. Rec. FY 01	House Budget Committee Adjustments
All Funds:			
State Operations	\$ 45,976,385	\$ 44,506,314	\$ 0
Aid to Local Units	0	0	0
Other Assistance	2,000	2,000	0
TOTAL	<u>\$ 45,978,385</u>	<u>\$ 44,508,314</u>	<u>\$ 0</u>
State General Fund:			
State Operations	\$ 16,753,693	\$ 15,073,622	\$ 0
Aid to Local Units	0	0	0
Other Assistance	2,000	2,000	0
TOTAL	<u>\$ 16,755,693</u>	<u>\$ 15,075,622</u>	<u>\$ 0</u>
FTE Positions	1,185.0	1,178.5	0.0
Unclassified Temp. Positions	16.1	16.1	0.0
TOTAL	<u>1,201.1</u>	<u>1,194.6</u>	<u>0.0</u>

Agency Request/Governor's Recommendation

The developmental disability institutions estimate operating expenditures of \$45,978,385 for FY 2000 including a State General Fund request of \$16,755,693. The estimate includes \$39,923,239 for salaries and wages, \$2,628,814 for contractual services, \$3,392,132 for commodities, \$32,200 for capital outlay, and \$2,000 for other assistance. Staffing levels requested by the institutions total 1,185.0 FTE positions.

The Governor recommends operating expenditures for FY 2001 of \$44,508,314 including a State General Fund recommendation of \$15,075,622. The recommendation includes \$38,700,868 for salaries and wages, \$2,547,314 for contractual services, \$3,225,932 for commodities, \$32,200 for capital outlay, and \$2,000 for other assistance. The Governor recommends staffing of 1,178.5 FTE positions.

The following table reflects the agency estimates and the Governor's recommendations for each of the individual institutions.

Senate Ways and Means Committee

Date *March 21, 2000*

Attachment # *3*

Institution	Agency Request FY 2001	Governor Rec. FY 2001
Kansas Neurological Institute		
State General Fund	\$ 9,431,690	\$ 8,517,075
All Other Funds	15,917,889	16,027,889
TOTAL	<u>\$ 25,349,579</u>	<u>\$ 24,544,964</u>
Parsons State Hospital and Training Center		
State General Fund	\$ 7,324,003	\$ 6,558,547
All Other Funds	13,304,803	13,404,803
TOTAL	<u>\$ 20,628,806</u>	<u>\$ 19,963,350</u>
FTE Positions		
Kansas Neurological Institute	664.0	662.5
Parsons State Hospital and Training Center	521.0	516.0
Unclassified Temp Positions	16.1	16.1
TOTAL	<u>1,201.1</u>	<u>1,194.6</u>

House Budget Committee Recommendation

The House Budget Committee concurs with the Governor's recommendation with the following notations:

1. The Budget Committee commends the continuing relationship between Parsons State Hospital and Training Center and the University of Kansas. The University Affiliated Program and the Parsons Research Center conduct research and develop procedures, assistive technology, and treatments in the area of developmental disabilities. This partnership allows Parsons State Hospital to be on the leading edge of research and developments and to retain quality professional staff.
2. The Budget Committee expresses concern that, given the institutions' low ending fee fund balances for FY 2001, there is a possibility of future cash flow problems should actual receipts not meet estimates.
3. The Budget Committee heard testimony from each of the institutions regarding the difficulties of staff recruitment and retention due to the wages for direct care staff. The Department of Social and Rehabilitation Services discussed a Request for Proposals being issued shortly for an independent study of reimbursement rates (including direct care staff salaries). The results of this study are expected during the summer of 2000. The agency also provided the following data on direct care wages.

Institution	Position	Range	Starting Rate	Average Hourly Rate
Kansas Neurological Institute	Mental Retardation Technician Trainee	10	\$6.97	\$7.67
	Mental Retardation Technician I	16	\$9.33	\$10.93
	Mental Retardation Technician II	17	\$9.80	\$12.91
Parsons State Hospital	Mental Retardation Technician Trainee	10	\$6.97	\$7.13
	Mental Retardation Technician I	16	\$9.33	\$11.06
	Mental Retardation Technician II	17	\$9.80	\$12.45
Community Services Staff (Amount included in HCBS/DD Waiver rates)				\$7.68

4. The Budget Committee heard testimony concerning individuals currently in the state institutions who would like to move into the community, but who are unable to do so. As a result of this testimony, the Budget Committee encourages the Department of Social and Rehabilitation Services to propose rules and regulations to expand the role of the Council of Community Members (CCM) to include the following:

- The Council of Community Members shall review and approve an annual plan submitted by the Community Developmental Disability Organization (CDDO) for managing the waiting list within the funding allocated to the CDDO.
- The Council of Community Members shall be responsible to oversee the implementation of the service reduction provisions of the contract between SRS and the Community Developmental Disability Organizations and shall have a role in the approval of any plan of care in the region which exceeds normal tier rates or average use. The Budget Committee also urges the agency to propose guidelines to ensure that this provision is developed equitably across the state.
- The Council of Community Members shall be designated to approve Community Developmental Disability Organization agreements with newly affiliating community service providers in the region.
- Each Community Developmental Disability Organization shall be required to annually assess its regulatory implementation practices. The tool to accomplish this would require annual written documentation, signed by the person receiving services and/or the individual's guardian, confirming that the person had received information about the types of community services available in the person's service area and about the providers of those services. The Council of Community Members shall have the responsibility to annually review and approve the Community Developmental Disability Organization self assessment report.

- A provision shall be made for the Department of Social and Rehabilitation Services to use a rotating peer review system to assess and recommend best practice improvements for any Community Developmental Disability Organization area in which substantial issues arise about CDDO performance in implementing local management responsibilities.
- The membership of the Council of Community Members shall continue to consist of a majority of consumers (both individuals receiving services and family members or guardians of individuals receiving services). However, consumer members shall be representative of all affiliates. In addition, the membership shall be expanded to include representatives from the greater "community" where the services take place - individuals who do not have a direct involvement in service delivery or receipt (such as local business people who can bring special skills or expertise needed to strengthen the overall Council).

These changes should be enacted by modifying KAR 30-64-31 which establishes the Council. While participation in the Council of Community Members is voluntary, additional expenses may be associated with these added responsibilities (such as travel, meals, or per diem expenditures). The Budget Committee believes that the additional duties would not only strengthen the local system, but would also make individual member participation more meaningful and substantive.

The Budget Committee directs the Department of Social and Rehabilitation Services to report at Omnibus on the progress of these changes and on feedback received from the public. The Budget Committee expects no further action on HB 2669 provided that progress is made on this proposal.

5. The Budget Committee notes the agencies' performance measures as follows:

**KANSAS NEUROLOGICAL INSTITUTE
SELECTED PERFORMANCE MEASURES**

	<u>FY 98 Actual</u>	<u>FY 99 Actual</u>	<u>FY 00 Estimate</u>	<u>FY 01 Estimate</u>
General Administration				
Average hours of sick leave taken per person per bi-weekly pay period	2.8	2	2	2
Number of incidents of disciplinary actions	82	50	50	50
Percent of employees participating in real time strategic change process	27	27	27	27
Habilitation and Treatment				
Percent of people with Personal Lifestyle Designs (PLD) in place which meet expectations for quality	NA	75%	85%	90%
Percent of people whose informed personal lifestyle choice regarding where the person wants to live is provided	NA	62%	70%	75%
Percent of people whose personal lifestyle choice regarding with whom the person wants to live is provided	NA	60%	70%	75%
Percent of people whose informed personal lifestyle choice regarding with whom the person wants to socialize is provided	NA	49%	60%	70%
Percent of people whose informed personal lifestyle choice regarding social, leisure, and religious or other activities is provided	NA	53%	60%	70%
Monthly average of emergency restraint hours	0.5	0.3	0.5	0.5
Percent of residents on psychoactive medication	9%	8.5%	8%	8%
Staff Education and Research				
Number of new employees trained in quality management and team work	56	55	55	55
Number of employees in ongoing training for quality management, team work, and PLD process	330	350	350	350
Number of hours of training for quality management, team work, and PLD process	486	450	450	450
Community Services				
Number of persons moved to community agencies	15	8	8	5
Ancillary Services				
Number of community volunteers recruited to develop close friendships	44	44	45	45
Number of foster grandparents who participate as close friends in the community	20	20	25	25
Percent of people whose informed personal lifestyle choice regarding work or other valued activity is provided	NA	16%	30%	35%
Number of dental appointments	830	815	795	795
Number of generic medications used	NA	391	391	391
Medical and Surgical				
Number of Mental Retardation Technicians completing Certified Nurse's Assistant training	211	212	254	319
Number of MRTs completing Certified Medical Assistant training and able to deliver medication	180	234	276	309
Average number of sick call visits per month seen in the Health Clinic	136	136	136	136
Physical Plant and Central Services				
Number of living environments with fully operational kitchens	26	25	25	25
Number of bathrooms redesigned to meet the needs of the people on the unit	13	19	25	25
Number of bedrooms subdivided to provide more independence	8	18	23	23
Percent of people living in a healthy and safe environment	NA	90%	95%	100%
Percent of people working in a healthy and safe environment	NA	85%	95%	100%
Number of dietary positions	33	32	31	30

**PARSONS STATE HOSPITAL AND TRAINING CENTER
SELECTED PERFORMANCE MEASURES**

	FY 98 Actual	FY 99 Actual	FY 00 Estimate	FY 01 Estimate
General Administration				
Intermediate Care Facility for the Mentally Retarded (ICF/MR) deficiencies cited	0	1	0	0
ICF/MR deficiencies corrected	0	1	0	0
Habilitation and Treatment				
ICF/MR deficiencies cited	2	4	2	2
ICF/MR deficiencies corrected	2	4	2	2
Inpatient admissions	17	12	16	16
Inpatient discharges	9	11	16	16
Average outpatient service hours per week:				
Direct Services	11.30	11.69	11.00	11.00
Indirect Services	10.59	16.22	15.00	15.00
Travel	7.75	9.44	8.50	8.50
Other Services	12.48	5.79	5.50	5.50
Staff Education and Research				
ICF/MR deficiencies cited	0	1	0	0
ICF/MR deficiencies corrected	0	1	0	0
Community Services				
Number of resident families served through contractual services provided by Kansas University Affiliated Program:				
Health Clinics	185	174	185	185
Respite Services	227	222	230	230
Birth-to-three	147	148	155	155
Ancillary Services				
ICF/MR deficiencies cited	1	0	0	0
ICF/MR deficiencies corrected	1	0	0	0
Medical and Surgical Services				
Percent of residents receiving physical exams	100%	100%	100%	100%
Percent of medication alerts	.03%	.011%	.01%	.01%
ICF/MR deficiencies cited	0	0	0	0
Physical Plant and Central Services				
Average percentage of #1 priority work orders completed monthly	95.4%	99.89%	99.9%	99.9%
Average percentage of all work orders completed monthly	91.27%	92.71%	93%	93%
ICF/MR deficiencies cited	1	1	1	1
ICF/MR deficiencies corrected	1	1	1	1

House Committee Recommendation

The House Committee concurs with the Budget Committee's recommendation.

Senate Subcommittee Report

Agency: Developmental Disability Institutions **Bill No.** 639 **Bill Sec.** 33

Analyst: Hollon **Analysis Pg. No.** 468, 493 **Budget Page No.** 305, 351

Expenditure Summary	Agency Request FY 01	Gov. Rec. FY 01	Senate Subcommittee Adjustments*
All Funds:			
State Operations	\$ 45,976,385	\$ 44,506,314	\$ (1,204,944)
Aid to Local Units	0	0	0
Other Assistance	2,000	2,000	0
TOTAL	<u>\$ 45,978,385</u>	<u>\$ 44,508,314</u>	<u>\$ (1,204,944)</u>
State General Fund:			
State Operations	\$ 16,753,693	\$ 15,073,622	\$ (860,516)
Aid to Local Units	0	0	0
Other Assistance	2,000	2,000	0
TOTAL	<u>\$ 16,755,693</u>	<u>\$ 15,075,622</u>	<u>\$ (860,516)</u>
FTE Positions	1,185.0	1,178.5	0.0
Unclassified Temp. Positions	16.1	16.1	0.0
TOTAL	<u>1,201.1</u>	<u>1,194.6</u>	<u>0.0</u>

* Entire reduction due to the Governor's employee salary adjustments.

Agency Request/Governor's Recommendation

The developmental disability institutions estimate operating expenditures of \$45,978,385 for FY 2000 including a State General Fund request of \$16,755,693. The estimate includes \$39,923,239 for salaries and wages, \$2,628,814 for contractual services, \$3,392,132 for commodities, \$32,200 for capital outlay, and \$2,000 for other assistance. Staffing levels requested by the institutions total 1,185.0 FTE positions.

The Governor recommends operating expenditures for FY 2001 of \$44,508,314 including a State General Fund recommendation of \$15,075,622. The recommendation includes \$38,700,868 for salaries and wages, \$2,547,314 for contractual services, \$3,225,932 for commodities, \$32,200 for capital outlay, and \$2,000 for other assistance. The Governor recommends staffing of 1,178.5 FTE positions.

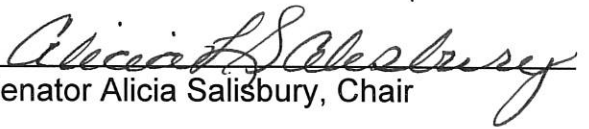
The following table reflects the agency estimates and the Governor's recommendations for each of the individual institutions.

Institution	Agency Request FY 2001	Governor Rec. FY 2001
Kansas Neurological Institute		
State General Fund	\$ 9,431,690	\$ 8,517,075
All Other Funds	15,917,889	16,027,889
TOTAL	<u>\$ 25,349,579</u>	<u>\$ 24,544,964</u>
Parsons State Hospital and Training Center		
State General Fund	\$ 7,324,003	\$ 6,558,547
All Other Funds	13,304,803	13,404,803
TOTAL	<u>\$ 20,628,806</u>	<u>\$ 19,963,350</u>
FTE Positions		
Kansas Neurological Institute	664.0	662.5
Parsons State Hospital and Training Center	521.0	516.0
Unclassified Temp Positions	16.1	16.1
TOTAL	<u>1,201.1</u>	<u>1,194.6</u>


Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation with the following notations and adjustments:

1. Delete \$1,204,944 (\$860,516 SGF) for the Governor's employee salary adjustment including \$742,861 (\$553,273 SGF) at Kansas Neurological Institute and \$462,083 (\$307,243 SGF) at Parsons State Hospital and Training Center.
2. The Subcommittee notes the enhancement package requested by the institutions which would provide for salary classification increases for direct care staff to Pay Grade 18. Testimony provided by Parsons State Hospital and Training Center indicated that the salary structure was not a recruiting problem at that institution. However, recruiting is more difficult in the Topeka area for Kansas Neurological Institute. As a result, the institution has developed an aggressive recruitment campaign and has seen recent success in filling vacancies.
3. The Subcommittee observes a reduction in census at both KNI and Parsons. During the hearing, neither institution indicated difficulties in placing individuals wishing to move into the community. It was noted, however, that some family members and guardians prefer an institutional setting for the patient.


Senator Alicia Salisbury, Chair


Senator Christine Downey


Senator Larry Salmans

Session of 2000

SENATE BILL No. 592

By Committee on Ways and Means

2-8

9 AN ACT concerning the adjutant general; relating to the acquisition,
10 construction, equipping, furnishing, renovation, reconstruction and re-
11 pair of armories.

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

13 Section 1. The adjutant general may make expenditures from money
14 available therefor for the acquisition, construction, equipping, furnishing,
15 renovation, reconstruction and repair of armories. Capital improvement
16 projects for the acquisition, construction, equipping, furnishing, renova-
17 tion, reconstruction and repair of armories are hereby approved for the
18 adjutant general for the purpose of subsection (b) of K.S.A. 74-8905 and
19 amendments thereto and the authorization of the issuance of bonds by
20 the Kansas development finance authority in accordance with the statute.
21 Expenditures authorized by this section for these capital improvement
22 projects shall not exceed \$22,000,000 plus all amounts required for costs
23 of any bond issuance, costs of interest on any bond issued or obtained for
24 such capital improvement project and any required reserves for payment
25 of principal and interest on any bond.

26 Sec. 2. This act shall take effect and be in force from and after its
27 publication in the statute book.
28

(a)

from bond proceeds

an aggregate of

(b) The adjutant general shall pursue local, state, federal and private funds to offset expenditures from the state general fund for payment of principal and interest on bonds issued to finance capital improvements for armories. Prior to the issuance of any bonds authorized pursuant to this section for any such capital improvement project, the adjutant general shall report to the state finance council concerning such project and such issuance. The report shall specifically include information about the proposed utilization of bond proceeds for any capital improvement project and the availability and use of other sources including local, state, federal and private funds. No bonds shall be issued under this section except upon approval by the state finance council. The approval of the issuance of bonds is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c, and amendments thereto. Approval by the state finance council may be given when the legislature is in session.

(c) Bonds authorized to be issued pursuant to this section shall not exceed (1) the amount of \$2,000,000 for the fiscal year ending June 30, 2001, (2) the amount of \$2,000,000 for the fiscal year ending June 30, 2002, (3) the amount of \$6,000,000 for the fiscal year ending June 30, 2003, (4) the amount of \$6,000,000 for the fiscal year ending June 30, 2004, and (5) the amount of \$6,000,000 for the fiscal year ending June 30, 2005.

Senate Ways and Means Committee

Date March 21, 2000

Attachment # 4

March 21, 2000

To Legislative Coordinating Council:

I would request that the Legislative Coordinating Council assign an interim study for the State of Kansas to explore obtaining additional slots at out-of-state dental schools, by either trading or purchasing, to increase the number of Kansas residents being trained as dentists.

Currently in Kansas, the Board of Regents and the Missouri Coordinating Board for Higher Education have entered into an agreement whereby the UMKC School of Dentistry accepts a total of 80 Kansas students in their dental, dental specialty, and dental hygiene programs. This school year, UMKC reports a total of 52 Kansas residents in the four-year doctor of dental surgery (DDS) program, nine students in dental specialty training programs, and the balance are enrolled in the dental hygiene program.

This agreement is not meeting the oral health needs of Kansas residents as the number of dentists in Kansas, particularly in rural Kansas is decreasing. An examination of the ages of Kansas dentists reveals this concern. Consider the following data for numbers of professionally active Kansas dentists in 1997:

under 35	35-44	45-54	55-64	65 and over
130	386	350	199	112

The small number of dentists under the age 35 is particularly troubling as Kansas attempts to replace its retiring dentists. According to figures provided by the Kansas Dental Board, the number of practicing dentists in Kansas is decreasing at a rate of about 6% per year. There is concern that the number of practicing dentists will soon decline even more rapidly as the larger enrollment dental school classes reach retirement age and are not replaced at the same rate by incoming dentists. This is of even greater concern in rural areas, as the average age of rural dentists appears to be greater than that of the larger populated areas. Who will replace the dentists practicing in the smaller communities of our state? Currently in Kansas, 60% of dentists practice in Douglas, Johnson, Sedgwick, Shawnee, and Wyandotte counties, though the 1990 state census shows these counties make up only 47.7% of our population. Conversely then,

Legislative Coordinating Council
March 21, 2000
Page Two

52.3% of our population is being treated by only 40% of the dentists.

UMKC is reportedly considering increasing its dental class size, however, many issues regarding funding must be worked out by the Missouri Coordinating Board for Higher Education before final approval is given to move forward. In the meantime, the KDA has begun to explore the possibility of finding additional openings for Kansas students with Creighton University in Omaha and the University of Nebraska-Lincoln. The success of such discussions depend largely on the Kansas Board of Regents and the State's willingness to provide additional funding to purchase or trade for dental school slots. Regardless of the future number of dental slots available for Kansas residents, the current system offers no incentive for Kansas dental students to return to Kansas after completing their dental education - especially to the more rural areas of Kansas.

I believe that the addition of dental school slots with some incentive designed to encourage dental school graduates to locate in the less populous areas of the state would be a positive step toward increasing (or maintaining) access to oral health care in rural Kansas. I hope you will consider my request favorably.

Thank you for your consideration

Sincerely,

Dave Kerr
State Senator