

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Steve Morris at 10:45 a.m. on March 27, 2001 in Room 123-S of the Capitol.

All members were present except: All Present

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department  
Debra Hollon, Kansas Legislative Research Department  
Amory Lovin, Kansas Legislative Research Department  
Leah Robinson, Kansas Legislative Research Department  
Norman Furse, Revisor of Statutes  
Michael Corrigan, Assistant Revisor, Revisor of Statutes Office  
Julie Weber, Administrative Assistant to the Chairman  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Senator Lynn Jenkins  
Senator Lana Oleen  
Joyce Allegrucci, Assistant Secretary, Children and Family Policy, Department of Social and Rehabilitation Services  
Karen Sheckman, Executive Director, Florence Crittenton Services  
Albert Murray, Commissioner, Juvenile Justice Authority  
Sylvia Crawford, Executive Director, The Villages  
Bruce Linhos, Children's Alliance, Association of Child Welfare Agencies  
Frank Ross, Executive Director, Elm Acres Youth and Family Services, Pittsburg  
Gerald Christensen, Chair, Strategic Planning Committee  
Katherine Kent, Topeka Resident  
Dale Brunton, Director of Accounts and Reports, Department of Administration

Others attending: See attached guest list

Chairman Morris opened the public hearing on:

**SCR 1610--A concurrent resolution directing that state rates for residential services be reviewed by a joint interim study**

Staff briefed the committee on the bill.

Chairman Morris welcomed the following conferees:

Senator Lynn Jenkins spoke in support of **SCR 1610** (Attachment 1).

Senator Lana Oleen spoke in support of **SCR 1610** (Attachment 2).

Joyce Allegrucci, Assistant Secretary, Children and Family Policy, Department of Social and Rehabilitation Services, spoke in support of **SCR 1610** (Attachment 3).

Albert Murray, Commissioner, Juvenile Justice Authority, spoke in support of **SCR 1610** (Attachment 4).

Karen Sheckman, Executive Director, Florence Crittenton Services of Topeka, Inc., spoke in support of **SCR 1610** (Attachment 5).

Sylvia Crawford, Executive Director, The Villages, Inc., spoke in support of **SCR 1610** (Attachment 6).

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS on March 27, 2001 in Room 123-S of the Capitol.

Bruce Linhos, Director, Children's Alliance of Kansas, spoke in support of **SCR 1610** (Attachment 7).

Frank Ross, Executive Director, Elm Acres Youth and Family Services, provided written testimony in support of **SCR 1610** (Attachment 8).

Gerald Christensen, Chairman, Strategic Planning Committee, spoke in support of **SCR 1610**. Mr. Christensen noted that this is a very small step in a long process. (No written testimony was provided.)

Katherine Kent, Topeka resident, spoke in support of **SCR 1610** (Attachment 9). Ms. Kent also provided two newspaper articles regarding Kansas children which are on file with the Kansas Legislative Research Department.

There being no further conferees to appear before the committee, the Chairman closed the public hearing on **SCR 1610**.

Committee questions and discussion followed.

Senator Downey moved, with a second by Senator Feleciano, to amend SCR 1610 on page 1, lines 34-35, to add Level IV and emergency care. Motion carried by a voice vote.

Senator Downey moved, with a second by Senator Feleciano, to pass SCR 1610 favorable as amended. Motion carried by a roll call vote.

Chairman Morris opened the public hearings on:

**HB 2550—Director of division of purchases; duties**

**HB 2551—State officers and employees; reimbursement rates for mileage and travel subsistence**

**HB 2552—State institutions; canteen and key deposit funds**

Dale Brunton, Director of Accounts and Reports, Department of Administration, in support of **HB 2550** (Attachment 10), **HB 2551** (Attachment 11) and **HB 2552** (Attachment 12). Mr. Brunton also submitted a proposed amendment to **HB 2552** in regard to a recent development in the implementation of the program requiring agencies to accept credit cards by July 1, 2001 (Attachment 13).

There being no further conferees to come before the committee, the Chairman closed the public hearings on **HB 2550**, **HB 2551** and **HB 2552**.

Senator Feleciano moved, with a second by Senator Barone, to pass HB 2550 as favorable. Motion carried by a roll call vote.

Senator Feleciano moved, with a second by Senator Barone, to pass HB 2551 as favorable. Motion carried by a roll call vote.

Senator Huelskamp moved, with a second by Senator Salmans, to pass HB 2552 as favorable. Motion carried by a roll call vote.

The meeting was adjourned at 12:10 p.m. The next meeting is scheduled for March 28, 2001.

**SENATE WAYS AND MEANS COMMITTEE  
GUEST LIST**

DATE March 27, 2001

NAME	REPRESENTING
Julie Thomas	DOB
Ron L. Duenring	Social Work Intern
Trendy Roede	SRS
Don Jordan	SRS
James Allegretti	SRS
Albert Murray	JJA
Teresa Schwab	KCSL
Richard Kline	JJA
Nadia Wellshear Johnson	KAC
Bill Brady	K's God't Consulting
Cuntes E. Hertenberger	KFFK
Bernard Karstner	LSS
Andy Shaw	KAC
Sylvia Crawford	Villages
Michael Butell	Villages
Deanne Hayes	O'Connell Youth Ranch
Gary Poph	DEPT. OF ADMIN.
Christ Howe	DEPT OF ADMIN.
Del. Bruntan	" " "
Bruce Tomko	Children's Alliance
Genelle Noel	D of A

LYNN JENKINS  
SENATOR, 20TH DISTRICT  
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TOPEKA

SENATE CHAMBER

COMMITTEE ASSIGNMENTS  
VICE-CHAIR: ASSESSMENT AND TAXATION  
MEMBER: COMMERCE  
EDUCATION  
REAPPORTIONMENT  
LEGISLATIVE POST AUDIT  
JOINT COMMITTEE ON  
ECONOMIC DEVELOPMENT

DATE: March 27, 2001

TO: Senate Ways and Means Committee

FROM: Lynn Jenkins

RE: SCR # 1610

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Mr. Chairman, members of the Committee, thank you for the opportunity to testify before you today in support of Senate Concurrent Resolution # 1610. The purpose of the proposed resolution is simply to direct the state of Kansas to review, through an interim committee, the Medicaid rates paid for community residential services, and forward recommendations to the 2002 Legislature.

Rate concerns surfaced here in Shawnee County recently, due to problems encountered at the Florence Crittenton Home, which houses troubled pregnant teens. Such agencies, which provide residential care, have not had an increase in their daily rate since 1994, not even a cost of living adjustment. However, the CPI has increased 18.1% since that time. These homes are being squeezed; we are asking them to provide more services, yet the associated dollars are not finding their way to the provider. Do we need to wonder why there are not an adequate number of these residential facilities to meet our needs?

The state may be facing another difficult budget year, with many issues that must be addressed. I would submit that few issues are as important as providing for the safety and well being of our young people, especially the ones that are about to give birth. Therefore, I respectfully request that the Committee pass out SCR #1610 favorably.

Senate Ways and Means  
3-27-01  
Attachment 1

# State of Kansas

LANA OLEEN  
SENATOR, 22ND DISTRICT  
GEARY AND RILEY COUNTIES  
(785) 296-2497



COMMITTEE ASSIGNMENTS  
CHAIR: CONFIRMATION OVERSIGHT  
VICE CHAIR: ORGANIZATION, CALENDAR & RULES  
MEMBER: STANDING & JOINT COMMITTEES

## Majority Leader Kansas Senate

SENATE CHAMBER, STATE CAPITOL  
TOPEKA, KANSAS 66612-1504

### Testimony Senate Ways & Means Tuesday, March 27, 2001 SCR 1610

Chairman Morris and Members of the Committee:

I appreciate the opportunity to offer testimony today in support of SCR 1610, which addresses current reimbursement rates for residential providers.

In 1994, a state-sponsored study found the reimbursement rates set for Level V providers to be \$25 a day lower than needed for providers to meet licensing and contractual obligations. Since 1994, reimbursement rates have not risen even one dollar for any residential providers; yet, required services and costs have increased every year.

Today, many of the providers contracting with the state are facing severe financial challenges. In fact, Florence Crittenton Home, a former Level IV provider - one of only two located here in Shawnee County - was forced to seek Level V licensing in order to increase their reimbursement rates in an attempt to keep their doors open and provide services in the Topeka area. Furthermore, many of the providers are examining the benefits of no longer contracting with the state as residential providers in order to be able to remain financially solvent. It is clear that residential provider reimbursement rates need to be re-evaluated.

I ask you to pass SCR 1610 to the full Senate for consideration. If we are to continue quality options to meet the residential and programmatic needs of youth, we must be assured that those options are adequately funded. I urge support of an interim study with directives brought forth in this resolution.

Sincerely,

Lana Oleen

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3000 STAGG HILL ROAD  
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Senate Ways and Means  
3-27-01  
Attachment 2

**Kansas Department of Social and Rehabilitation Services**  
**Janet Schalansky, Secretary**



Docking State Office Building  
915 SW Harrison, 6<sup>th</sup> Floor North  
Topeka, Kansas 66612-1570

*for additional information, contact:*

Operations  
Diane Duffy, Deputy Secretary

Office of Budget  
J.G. Scott, Director

Office of Planning and Policy Coordination  
Trudy Racine, Director

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**Senate Ways and Means**  
Statehouse, Room 123-S

**March 27, 2001**  
(Upon First Recess of the Senate)

**Senate Concurrent Resolution No. 1610**

Children and Family Policy  
Joyce Allegrucci, Assistant Secretary  
785-368-6448

Senate Ways and Means  
3-27-01  
Attachment 3

**Kansas Department of Social and Rehabilitation Services  
Janet Schalansky, Secretary**

**Senate Ways and Means**

**Senate Concurrent Resolution No. 1610**

Mister Chairman, I am Joyce Allegrucci, Assistant Secretary of SRS for Children and Family Policy and I am pleased to appear today on behalf of Secretary Janet Schalansky in support of the Senate Concurrent Resolution No. 1610.

Your concurrent resolution calls for an interim study into the rates for residential services for children and youth in the custody of the Secretary of Social and Rehabilitation Services and the Commissioner of the Juvenile Justice Authority and some children not in custody but paid for by the department of SRS. SRS acknowledges the issues raised in the resolution and endorses the thoughtful process you have recommended to address the many complex issues related to appropriate funding for these services.

There have been many issues raised due to the complexity of the parallel systems for which the rate structure for residential facilities is a common factor. The resolution seems to draw some conclusions which we hope will receive additional discussion during the interim study. Attached is background information on those issues.

Mr. Chairman and members of the committee, I thank you for this opportunity to support your work to assist in the evolution and continuous quality improvement of the Kansas child in need of care and juvenile justice systems.

I will stand for questions.

## **Residential Facility Usage and Issues**

**SRS Children & Family Policy  
March 27, 2001**

Residential facilities serve Children in Need of Care in the custody of the Secretary of SRS, children who have been placed by their parents and funded by SRS, and Juvenile Offenders in the custody of the Commissioner of JJA. Attachment B, "Licensed Residential Treatment Facilities," provides an explanation of the function of the various facility types.

### **Medicaid Services**

Level V and Level VI residential facilities are considered treatment facilities and the state may draw down Medicaid funds for children placed in those facilities who meet the criteria for medical necessity determined by the Medicaid guidelines. If a child is screened appropriate for Level V or VI treatment, the stay must be periodically re-authorized to assure the child still needs this level of care. The purpose of the screening and certification is to ensure that only children who need these intensive treatment services are placed there. In the past, children often lingered in Level V and Level VI facilities, at a very high cost, long after they could have and should have been "stepped down" to a less restrictive setting. Level V and Level VI are not "placement settings"; they are treatment settings. Leaving a child when he/she no longer needs the treatment takes up valuable resources that other children need. A Level VI treatment facility is the most intensive treatment setting at a level just below a psychiatric hospital.

### **Funding**

There has been confusion about the fact that foster care and adoption funding has increased significantly over the past two years and some residential providers have not received "rate increases" to coincide with that increased funding. For children in need of care in the private foster care and adoption contracts, the rates do not apply. That is, the private contractors are free to negotiate what services each child needs and the amount that they will pay a subcontracting service provider for those services. The contractor then reports that amount to SRS as encounter data and SRS draws down federal funds. HOWEVER, the state may recover from Medicaid only the amount that is set by the state as its official Medicaid rate. Unlike the private contractors, SRS and JJA pay only the state rate. However, for some level V stays JJA does add an additional "difficulty of care" amount to the state rate.



For example: A Level V residential facility may provide services to a Contractor for children in the foster care contract, to SRS for parental placements and to JJA for youth in the custody of JJA. The Contractor might pay \$85 a day; SRS would pay \$72.32 a day—the state Medicaid rate; and JJA might pay \$72.32 a day plus \$35 per day additional for “difficulty of care”—depending upon the needs of the child/youth. SRS would then draw down from the federal government \$72.32 for the child with the contractor and \$72.32 for the child who is a parental placement---if that child is Medicaid eligible; and JJA would draw down \$72.32 for the juvenile offender. Foster Care Contractors are encouraged to pay only the \$72.32 per day because that is all the federal dollars that can be recovered, but they are free to pay whatever they negotiate in order to get the services each child needs. IF the Level V residential facility did not negotiate a higher rate, OR if the Contractor chose not to purchase all the services from that particular provider that the higher rate might encompass, then the facility would receive the state rate of \$72.32. Most facilities and service providers did negotiate a higher rate with the Contractors and so most did receive additional funds, but not all. I have attached one page from the recent (January 2001) LPA audit report on funding for foster care and adoption that gives more detailed information on this issue.

The services purchased by SRS and JJA from the various residential providers are based on the guidelines established for that level of care. There has been significant confusion regarding the amounts Contractors pay for services, including the fact that in some instances they may be paying themselves a higher rate for some services than they are willing to negotiate with the subcontractors. The contractors must assure that at a minimum the services they purchase meet the guidelines established by SRS for the level of care. What the subcontractors have failed to realize is that the Contractors took on many of the administrative tasks formerly carried out by SRS AND all of the risk for all of the children. For instance, a subcontractor can call a Contractor and “give notice” for a child to be removed if their behaviors are “too tough.” The Contractor cannot call SRS and “give notice” to remove any child. They are obligated to find or develop the services each child needs for safety and permanence. The differences in amounts paid involve the ability to serve the most difficult youth.

There has also been considerable confusion in regard to the standards for Level V and Level VI residential facilities. In 2000 SRS issued new guidelines clarifying what the facilities should have been doing all along, but most were not. These were not new standards and are the minimum standards for drawing down federal Medicaid funds. Because many of the facilities had not been meeting the standards, they believed the new guidelines were stricter or tougher than before. That is not the case; HOWEVER, requiring the facilities to meet the standards

which have always been in place did magnify the inadequacy of the current Medicaid rates for Level V, which makes it difficult for facilities to operate programs which are necessary for Medicaid reimbursement. Simply put, neither SRS nor JJA has the SGF to increase the rates. The Medicaid portion is approximately 60%, and for each dollar in increased rates SRS and JJA would need forty cents. And if the rates are increased, this would put pressure of the Contractors to provide similar increases. These increases would not be included in the per child per month case rate they have negotiated with SRS.

### **System Capacity**

There has been a great deal spoken and written about facilities being driven out of business and not enough facilities to meet the need. This quite simply is an inaccurate perception. In February, 1996, prior to the private contracts and prior to the establishment of JJA, there were 82 residential facilities with 1,794 beds in the state. As of February, 2001 there were 100 residential facilities with 1,982 beds.

The most recent information was that 352 of those beds were in Saline County and that demonstrates the real problem---these facilities are not geographically located to the best advantage of children and families. This means that Contractors must move children outside their home county to get these specialized services. It will never be possible to locate a Level V facility in each county; that would be cost-prohibitive because of economies of scale of these specialized services. BUT study is needed to examine the location of the facilities in relation to the needs of children and families. In addition to the needs of the children and families, this inequity of location has placed an unreasonable burden on the Salina School District for the education of so many children and youth from other areas of the state with special needs.

With the public/private partnership, the Contractors are required to serve 70% of the children in foster care in their home or contiguous county. Research has shown that children are much more likely to be successfully reintegrated with their family if they can have ongoing contact with the family while they are in foster care. This is not likely to happen for children in residential facilities today because of the distance these facilities are often located from the child's home.

Also, under the public/private partnership, Contractors are required to serve 85% of the children in need of care in family foster homes. Research has also shown that most children who have been abused or neglected heal more quickly in this setting. However, this means that only the most troubled children in need of care will be in residential facilities. It also means a much higher percentage of the children in residential facilities will be juvenile offenders.

This raises two additional issues that should be examined: (1) The cost of serving these more difficult youth, and (2) The problems and dangers involved in housing Children in Need of Care with Juvenile Offenders. These are not simple issues. JO s and very troubled CINC s often exhibit similar behaviors and sometimes both had their root causes in abuse and/or neglect. However, the number of times violent juvenile offenders are being found CINC and charges reduced or dismissed, and they are transferred by the court to foster care is troubling. This places these dangerous youth in a system designed for children in need of care who have been abused and neglected, who are then victimized again by the Juvenile Offenders. However, just as troubling are the times a youth commits a minor and non-violent offense and is sent to a detention center, when that youth could readily be served alongside a child in need of care with similar behavior. These situations demonstrate a need for careful and skillful assessment and behavior management services that are not yet well developed in our systems today.

## **Licensed Residential Treatment Facilities**

**SRS Children & Family Policy  
March 27, 2001**

The following paragraphs briefly outline the various levels of care or facility types. A listing of residential facilities for children licensed by the Kansas Department of Health and Environment (KDHE) and for each the type of provider agreement maintained with SRS, excluding substance abuse, is provided in Attachment D.

### **Detention Centers**

The purpose of detention center placement is to house children and youth aged 10 and older who are either juvenile offenders or children in need of care who are court ordered into placement due to pending criminal court proceedings. The current reimbursement rate is \$125.00 per day. Detention centers are locked facilities. SRS policy dictates that children in need of care cannot be placed in detention centers unless ordered to do so by the court. Juvenile offenders may stay in detention for indefinite periods of time.

### **Emergency Shelter Care**

Emergency Shelter Care is temporary 24-hour care not to exceed 30 days for the protection of children under 18 years of age. The placement is usually made without prior planning. Youth served may be abused, neglected, truants, runaways, youth in conflict with their parents and other children who are in clear and present danger of harm or threaten harm to others. Emergency shelters often serve as a transition between levels of care or when the child needs a very short term out of home placement due to a crisis situation in the family. The approved daily rate is \$72.32. Staff provide assessments, care planning, and individual and group counseling services.

### **Level III Treatment Facilities**

Note: There are no Level I or II facility types.

The overall purpose for Level III Care is to address, on an individualized, youth specific basis, the necessary services of youth who require placement in a group boarding home but who usually exhibit no "serious" problems other than those related to current stress which reflect parental or caretaker inadequacy. Children and youth requiring Level III care need a supportive living environment which provides direction and guidance. Family Foster Care is not appropriate for these children and youth because they have difficulty in sustaining relationships with parental figures.

Daily living services are provided 24 hours per day, seven days per week at a rate of \$35.41 per day and include the following:

- room and board including clothing, personal spending money, and school fees.
- transportation including to and from school, medical care, recreation, etc. if appropriate.
- academic activities - assistance with school work, vocational training, and/or G.E.D. training
- situational training, to include but not limited to: personal hygiene, health needs, consumer education, communication skills, and home management.

Each child has a service plan which includes weekly progress notices, an assessment of current functioning, and short term and long term goals for treatment.

#### **Level IV Treatment Facilities**

The overall purpose of Level IV Residential Treatment is to address, on an individualized, youth-specific basis, behavioral and substance abuse treatment needs both to improve the emotional and social adjustment of youth who require placement in a residential facility, and to support the youth in the current setting to avoid a more intensive level of care. The current daily rate is \$55.93.

Long term goals for the services provided include:

- Improved emotional, mental, and functional status of individuals receiving services
- Reduction in unplanned placement changes
- Increased ability to live safely, attend school, and be a productive member in an inclusive community environment
- Increased likelihood of a youth's successful return to family or successful reunification with family
- If developmentally appropriate, increased capacity for independent living.

To be placed in Level IV Care, youth will usually exhibit more "serious" problems than youth living in Level III Care. Children and youth requiring Level IV care require a program which provides structure, controlled activities, and counseling services. Family foster care is not appropriate for these children and youth because they have difficulty in sustaining relationships with parental figures. They display behavioral problems which may include difficulty with authority figures, repeated minor criminal offenses, difficulty in school, and involvement with drugs and/or alcohol. These youth require a structured program with controlled activities and a moderate level of service.

## **Level V Residential Treatment Facilities**

The purpose and goals of Level V Residential Treatment are much the same as those for Level IV Residential Treatment. However, residents' needs and the services provided are more intensive and comprehensive. Youth placed in Level V Care exhibit serious behavioral problems including severe and maladaptive or disruptive behavior; inability to perform activities of daily living due to severe emotional problems associated with medical conditions, severe emotional problems associated with physical or sexual abuse, severe emotional problems associated with substance abuse, or dually diagnosed (mentally retarded and mentally ill) children and youth.

A therapist must be on staff or on contract with the facility. The staff must also include an LPN or RN. These children may attend school in the public setting or may require educational services at the facility itself. The current daily rate is \$72.32. Some children qualify for an enhanced difficulty of care payment of \$35.00 per day.

## **Level VI Treatment Facilities**

Services provided are very intensive and comprehensive. Youth placed in Level VI Care exhibit many of the behavioral problems of children in lesser levels of care; however the feature that defines these children from other facilities is their severe to extreme level of psychiatric disturbance which profoundly influences their ability to function in any sort of group living situation. They may exhibit psychotic behavior and may be a danger to themselves or others.

These youth are unable to participate in other types of Kansas programs due to their individual, multiple problems and therefore are frequently incarcerated in detention or jails. For many of these youth, this may be the only resource available to them to assist them in reaching their potential. A psychiatrist and RN must be on staff. Speech therapists, physical therapists, occupational therapists, teachers for the deaf and blind, tutors, and one-to one special care providers are required to be on call to children in these facilities. The current daily rate is \$196.35.

## **Maternity Home Care**

The purpose and goals of maternity home care are similar to other forms of residential care. To be placed in maternity home care, youth shall be pregnant and in need of services related to pregnancy and planning for the needs of the unborn child. These facilities are reimbursed at a rate of \$55.93 per day. Children and youth receiving Residential Maternity Services need a program which provides structure, controlled activities, and counseling services related to their own behavior and teaching modalities which will enable the youth to become familiar with child growth and development. Family foster care is not appropriate for these children and youth because they have

difficulty in sustaining relationships with parental figures. They display behavioral problems which may include difficulty with authority figures, repeated minor criminal offenses, difficulty in school, involvement with drugs and/or alcohol.

Services for children in maternity home care are similar to those in Level IV Residential Care. Informational classes regarding birth control and prevention of sexually transmitted diseases are highly emphasized.

### **Secure Care Facilities**

Secure care is designed for high risk, impulsive youth who pose a threat of danger to themselves by repeated instances of running away. Secure care facilities are considered "staff secure" which means they are heavily staffed in order to prevent youth from eloping from placement. The daily rate is \$113.00. Children and youth can only access secure care services by authorization of the court. The period of care is for a maximum of 60 days; however extensions can be granted by court authorization. Daily living services and treatment are somewhat similar to Level IV and Level V facilities.

### **No Current Provider Agreement**

These are facilities which are licensed by KDHE but do not have a provider agreement with SRS or the Juvenile Justice Authority (JJA).

**GROUP BOARDING HOMES  
AND  
RESIDENTIAL CENTERS**

**RESOURCES LICENSED BY KDHE**

<u>DATE</u>	<u>GROUP BOARDING 6 to 10 Beds BEDS/FACILITIES</u>	<u>RESIDENTIAL &gt;10 Beds BEDS/FACILITIES</u>
February 1996	332/40	1,462/42
February 1997	327/40	1,427/42
February 1998	334/41	1,501/46
February 1999	326/43	1,731/50
February 2000	423/55	1,364/46
February 2001	371/47	1,611/53

Per KDHE reports



## LICENSED RESIDENTIAL FACILITIES FOR CHILDREN

Facility Name	City	County	Capacity	Facility Type
SE KANSAS DETENTION	GIRARD	CR	16	DETENTION CENTER
DOUGLAS COUNTY JUVENILE DETENTION	LAWRENCE	DG	16	DETENTION CENTER
SW KANSAS DETENTION	GARDEN CITY	FI	28	DETENTION CENTER
FRANKLIN COUNTY DETENTION	OTTAWA	FR	7	DETENTION CENTER
NORTH CENTRAL DETENTION	JUNCTION CITY	GE	28	DETENTION CENTER
JOHNSON CO DETENTION	OLATHE	JO	70	DETENTION CENTER
LEAVENWORTH DETENTION	LEAVENWORTH	LV	18	DETENTION CENTER
RENO DETENTION	HUTCHINSON	RN	19	DETENTION CENTER
SALINA DETENTION	SALINA	SA	10	DETENTION CENTER
SEDGWICK DETENTION	WICHITA	SG	40	DETENTION CENTER
SHAWNEE DETENTION	TOPEKA	SN	76	DETENTION CENTER
GREATER WESTERN KS REG DETENTION	WAKEENEY	TR	12	DETENTION CENTER
WYANDOTTE COUNTY DETENTION CENTER	KANSAS CITY	WY	48	DETENTION CENTER
NEW FRONTIERS	FORT SCOTT	BB	12	EMERGENCY SHELTER
SHELTER INC. , THE	LAWRENCE	DG	14	EMERGENCY SHELTER
BOOT HILL YOUTH SHELTER	DODGE CITY	FO	10	EMERGENCY SHELTER
THERE'S A PURPOSE IN ME	JUNCTION CITY	GE	10	EMERGENCY SHELTER
TLC SHELTER BOYS	OLATHE	JO	14	EMERGENCY SHELTER
KANSAS YOUTH ADV. BOYS HOME	OVERLAND PARK	JO	4	EMERGENCY SHELTER
TLC SHELTER GIRLS	OLATHE	JO	14	EMERGENCY SHELTER
KANSAS YOUTH ADVOCATE PROGRAM	OVERLAND PARK	JO	5	EMERGENCY SHELTER
YOUTH CRISIS SHELTER	PARSONS	LB	16	EMERGENCY SHELTER
BOB JOHNSON'S	HUTCHINSON	RN	24	EMERGENCY SHELTER
EMERGENCY SHELTER HOME	HUTCHINSON	RN	7	EMERGENCY SHELTER
MORNING STAR BOYS' HOME #3	SALINA	SA	10	EMERGENCY SHELTER
SHEPHERD'S GATE BOYS RANCH GROUP HOME	SALINA	SA	9	EMERGENCY SHELTER
MORNING STAR BOYS' HOME #1	SALINA	SA	10	EMERGENCY SHELTER
SHEPHERD'S GATE #2	ASSYRIA	SA	10	EMERGENCY SHELTER
MAKING THE CONNECTION	SALINA	SA	5	EMERGENCY SHELTER
FRESH START YOUTH HOME, INC.	BAVARIA	SA	5	EMERGENCY SHELTER
FRESH START YOUTH HOME, INC.	SALINA	SA	5	EMERGENCY SHELTER
MAKING THE CONNECTION - YOUTH EMER SHELTER	SALINA	SA	5	EMERGENCY SHELTER
JUVENILE RESIDENTIAL FACILITY	WICHITA	SG	24	EMERGENCY SHELTER
WICHITA CHILDREN'S HOME	WICHITA	SG	77	EMERGENCY SHELTER
OPTIONS YOUTH SERVICES	WICHITA	SG	30	EMERGENCY SHELTER
EMERGENCY SHELTER	TOPEKA	SN	11	EMERGENCY SHELTER
WYANDOTTE HOUSE	KANSAS CITY	WY	12	EMERGENCY SHELTER
LOGAN HOUSE	KANSAS CITY	WY	12	EMERGENCY SHELTER
MORNING STAR GIRLS' HOME	SALINA	SA	5	EMERGENCY SHELTER, LEVEL IV
MORNING STAR CHILDREN'S HOME	SALINA	SA	7	EMERGENCY SHELTER, LEVEL IV
SHEPHERD'S GATE BOYS GROUP HOME AT LAPSLEY	ASSYRIA	SA	6	LEVEL III
NEW BEGINNINGS FOR YOUTH	TOPEKA	SN	8	LEVEL III
MAUDE CARPENTER'S CHILDREN'S HOME	WICHITA	SG	31	LEVEL III, IV, AND V
HOISINGTON GROUP HOME	HOISINGTON	BT	9	LEVEL IV
BARTON CO. YOUNG MEN'S ORG.	GREAT BEND	BT	8	LEVEL IV
BARTON CO. YOUTH CARE FOR GIRLS	GREAT BEND	BT	10	LEVEL IV
ACHIEVEMENT PLACE FOR BOYS	LAWRENCE	DG	8	LEVEL IV
VILLAGES, INC. , THE	LAWRENCE	DG	33	LEVEL IV
OCONNELL YOUTH RANCH	LAWRENCE	DG	30	LEVEL IV
ACHIEVE PLACE FOR GIRLS	LAWRENCE	DG	8	LEVEL IV
MI CASA SU CASA	EUREKA	GR	20	LEVEL IV
OVERLAND PARK BOYS' HOME	OVERLAND PARK	JO	10	LEVEL IV
OVERLAND PARK GIRLS' HOME	OVERLAND PARK	JO	7	LEVEL IV
MISSION BOYS' HOME	MISSION	JO	7	LEVEL IV
MAIN PLACE	KINGMAN	KM	15	LEVEL IV
INDEPENDENCE GROUP HOME FOR BOYS	INDEPENDENCE	MG	5	LEVEL IV
PRATT CO. ACHIEVEMENT PLACE	PRATT	PR	5	LEVEL IV
PRATT COUNTY ACHIEVEMENT PLACE	PRATT	PR	11	LEVEL IV
SALINA YOUTH CARE HOME FOUNDATION	SALINA	SA	10	LEVEL IV
CENTER AT SALINA	SALINA	SA	38	LEVEL IV
MORNING STAR MINISTRIES II	SALINA	SA	10	LEVEL IV
MORNING STAR BOYS' HOME #4	SALINA	SA	8	LEVEL IV
MURDOCK HOUSE	WICHITA	SG	10	LEVEL IV

MARTIN HOUSE RESIDENTIAL PROGRAM	WICHITA	SH	10	LEVEL IV
VILLAGES, INC. , THE	TOPEKA	SH	50	LEVEL IV
VIRGINIA SOMERS HOME	TOPEKA	SN	7	LEVEL IV
EAGLE RIDGE	TOPEKA	SN	58	LEVEL IV
ALMA GROUP HOME	ALMA	WB	6	LEVEL IV
CENTER WEST	KANSAS CITY	WY	68	LEVEL IV
EUREKA BOYS FACILITY	EUREKA	GW	15	LEVEL IV
ELM ACRES FAMILY SERVICES	COLUMBUS	CK	32	LEVEL V
EASTRIDGE FAMILY AND COMMUNITY	WINFIELD	CL	40	LEVEL V
PITTSBURG RESIDENTIAL	PITTSBURG	CR	45	LEVEL V
ELM ACRES FAMILY SERVICES	PITTSBURG	CR	34	LEVEL V
SAPPA VALLEY YOUTH RANCH	OBERLIN	DC	28	LEVEL V
UMY BOYS	DODGE CITY	FO	40	LEVEL V
SHAWNEE HOUSE	SHAWNEE	JO	11	LEVEL V
OLATHE NORTH GIRLS' HOME	OLATHE	JO	10	LEVEL V
OLATHE BOYS HOME	OLATHE	JO	11	LEVEL V
LAKEMARY CENTER	PAOLA	MI	62	LEVEL V
DAY TREATMENT CENTER	SALINA	SA	38	LEVEL V
FOCUS ON THE FUTURE	SALINA	SA	22	LEVEL V
HEARTSPRING	WICHITA	SG	60	LEVEL V
JUDGE RIDDELL BOYS RANCH	GODDARD	SG	49	LEVEL V
KOCH CENTER	WICHITA	SG	30	LEVEL V
KINGS CAMP	GODDARD	SG	21	LEVEL V
FORBES ATTENTION FACILITY	TOPEKA	SN	56	LEVEL V
CLARENCE KELLEY TRANSITIONAL	TOPEKA	SN	28	LEVEL V
TREGO CO. SECURE CARE CENTER	WAKEENEY	TR	28	LEVEL V
HOMETIES	KANSAS CITY	WY	10	LEVEL V
KIELY HOUSE	KANSAS CITY	WY	12	LEVEL V
ST FRANCIS	ATCHISON	AT	28	LEVEL V AND VI
UMY SHELTER	DODGE CITY	FO	20	LEVEL V AND VI
UNITED METHODIST YOUTHVILLE	NEWTON	HV	78	LEVEL V, VI, EMERGENCY SHELTER
PRAIRIE VIEW, INC.	NEWTON	HV	15	LEVEL VI
ST FRANCIS	ELLSWORTH	EW	26	LEVEL VI
KANSAS YOUTH ADV. BOYS HOME	OVERLAND PARK	JO	9	LEVEL VI
LIBERTY JUVENILE SERVICES IN TREATMENT	WICHITA	SG	18	LEVEL VI
HANNAH'S HOUSE	LAWRENCE	DG	7	MATERNITY
MARY ELIZABETH MATERNITY HOME	HAYS	EL	10	MATERNITY
GERARD HOUSE, INC.	WICHITA	SG	10	MATERNITY
BETHLEHEM MATERNITY HOME, INC.	WICHITA	SG	9	MATERNITY
FLORENCE CRITTENTON	TOPEKA	SN	21	MATERNITY, LEVEL IV AND V
GRACE CENTER WEST	KANSAS CITY	WY	16	MATERNITY, LEVEL V
BETHLEHEM HOUSE	EL DORADO	BU	9	NO CURRENT PROVIDER AGREEMENT
CREATIVE COMM LIVING/SO CE	WINFIELD	CL	7	NO CURRENT PROVIDER AGREEMENT
NEW DIRECTIONS	JUNCTION CITY	GE	41	NO CURRENT PROVIDER AGREEMENT
NEW LIFE CORPORATION, THE	COFFEYVILLE	MG	21	NO CURRENT PROVIDER AGREEMENT
ST MARY'S ACADEMY	ST. MARY'S	PT	120	NO CURRENT PROVIDER AGREEMENT
NEW TEMPLE MINISTRIES	SALINA	SA	5	NO CURRENT PROVIDER AGREEMENT
A SPECIAL PLACE	TOPEKA	SN	1	NO CURRENT PROVIDER AGREEMENT
ST. FRANCIS ACADEMY STAY PROGRAM	ATCHISON	AT	18	SECURE CARE
<b>TOTAL CAPACITY</b>			<b>2,432</b>	

This list does not include facilities located outside of Kansas which have current provider agreements.

**Performance Audit Report**  
Legislative Division of Post Audit  
January 2001

*(Excerpt from Page 20 of Report)*

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**Conclusion**

Average program-related costs for the 10 agencies in our sample have increased substantially since privatization, as have State payments to help cover those costs. Overall, State funding now covers a greater portion of these agencies' reported foster care and adoption costs. But agencies' experiences have been very different. Half the agencies—mostly at the subcontractor level—now have a smaller portion of their program costs funded by State moneys. At the same time, more than half the agencies still increased the amount of funding from other sources to help cover their costs.

For the 4 agencies SRS contracts with, more of their costs are covered by State funding—an average of 92% for them, compared with 83% for the subcontractors. That difference may be due in part to the fact that the contractors became responsible for many of the services that SRS provided and fully funded in the past. Contractors also received additional funding to cover unanticipated costs.

Because the rate structure changed completely under the contracts for 2000, it's difficult to assess what impact those new rates will have. Contractors now receive monthly payments for each child in their care, so their revenues should be more predictable. Further, contractors should have a greater understanding today they did than before privatization of the costs they are likely to incur in operating the State's foster care or adoption programs. Their current budgets project that State funding will cover 97% of their costs, on average. As the system currently is structured, however, there's no guarantee the agencies providing services as subcontractors will receive the same level of funding as the contractors. Their funding largely will depend on their ability to negotiate rates with the contractors.

# Juvenile Justice Authority



## **Testimony before the Senate Ways and Means Committee Senate Concurrent Resolution 1610**

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***March 27, 2001***

Albert Murray, Commissioner

Senate ways and means  
3-27-01  
Attachment 4

## **Senate Ways and Means Senate Concurrent Resolution 1610**

Thank you Senator Morris and Committee for the opportunity to present testimony on this resolution. The Juvenile Justice Authority supports the initiatives identified in Resolution 1610.

Community based residential facilities are a vital partner in the delivery of services and treatment of juveniles in the custody of this agency. On any given day, of the approximately 2300 juveniles in JJA custody, 430 of those youth are in a Level IV, Level V or Level VI community based facility.

Over the last two years, major strides have been taken to enhance the treatment requirements that the residential facilities are expected to adhere to in the delivery of services for youth in their care. The most recent initiative was the introduction of new Level V and Level VI standards that were adopted in 2000. We continue to work toward improving and enhancing the quality of services and supervision that juveniles receive in all elements of the juvenile justice system.

As noted in the resolution, residential rates have not been adjusted since 1994. Two years ago JJA submitted as a budget amendment a proposal to increase residential rates. We were not successful in accomplishing rate changes at that time. We continue to support the belief that rate adjustments are needed to ensure a high level of quality services are delivered by those facilities with which we do business. It has been my observation that those who are providing these services are qualified, professional and above all highly dedicated people who want to provide the best services possible to the youth who come to their facilities. They want to ensure that these youth leave their facilities in healthier condition (physical, mental, emotional, and educational) than when they came to them. To do so, they must be adequately reimbursed for the services that are required of them.

I believe that the approach set forth in the resolution to have this issue studied in a coordinated method with recommendations to be brought back to the 2002 legislative is a reasonable and meaningful plan. The Juvenile Justice Authority will cooperate and will actively participate in this endeavor. We stand ready to provide whatever support and assistance we can. Thank you for your consideration of this most important initiative.

AM:RK:bt



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## Testimony in Support of Senate Concurrent Resolution 1610

Thank you for the opportunity to speak this morning in support of Senate Concurrent Resolution 1610. I would like to start by thanking Senators Oleen, Jenkins, Godwin, Praeger and Jackson for their help in bringing the issues in this concurrent resolution to the attention of the Legislature and the people of Kansas.

My name is Karen Shectman and I am the Executive Director of Florence Crittenton Services of Topeka, Inc., a Level V provider of residential care to troubled, pregnant and parenting adolescents. Many of you know that Florence Crittenton has struggled financially this fiscal year. As a result of a long and thorough strategic planning process the Board voted to change the level of care we provide. This change will allow us to receive a higher daily rate for our services and, in the case of juvenile offenders, access an enhanced daily rate for certain adolescents.

The text of the concurrent resolution accurately lists the issues that need to be addressed by the two committees. Those of us in residential care, including Level IV facilities, have been asked to do a difficult but essential job, yet hindered at every turn by a lack of resources to do so. While it may seem crass to make this issue one of financial resources, the fact is that without a substantial raise in the daily rate many troubled and offending children in the State's care will not receive the depth and quality of care they require and deserve.

Concurrent Resolution 1610 is an important step in the right direction. I am still concerned, however, that in the next few months additional beds will be lost to JJA and SRS as programs that are well respected, well run and with a long history in the State close their doors. Please do not lose sight that immediate relief is needed as well as the hope for a better future implied by this Concurrent Resolution.

Finally, while rate relief is critical and will be most appreciated, I still urge that House Bills 2555 and 2556 be passed to address issues of accountability in privatization and the core issue of child well being.

Thank you very much for your consideration.

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My name is Sylvia Crawford, Executive Director of The Villages, Inc., an agency that provides a variety of programs including a level IV residential care facility for children and youth between the ages of six and eighteen, a diversion foster care program, a family foster care program and a nature education program. All of the above listed programs serve children in need of care as well as juvenile offenders. We have been providing residential services since 1969 when the first group home opened in Topeka. Currently, we operate 8 group homes, 5 are located in Topeka and 3 in Lawrence. In the year 2000, we provided almost 28,000 days of care in the residential care program. The occupancy rate was 92% for the last year, for the first two months of this year the occupancy rate for the residential program is at 99%. This indicates clearly the need for the level of services The Villages provides.

Thank you for this opportunity to testify as a proponent of Senate Concurrent resolution No. 1610. The action steps proposed in this resolution would result in some much needed steps in the right direction for child and youth residential care facilities in Kansas.

However, I would strongly urge you to include level IV facilities in this Resolution. Level IV facilities are facing the same challenges that level V and VI facilities are. We have not received an increase in our daily rate since 1994. As a legislator, I know you are aware that costs do not stay the same for seven years. Just this year alone we are faced with a 35% increase in our health insurance cost and an increase of 40% in our workers compensation premiums. It is unrealistic to assume that agencies like The Villages, Inc. can continue to absorb these kinds of increases in expenses without an increase in reimbursements. Our current reimbursement rates are \$55.00 per day from Kansas Children's Service League and \$ 55.93 per day from Juvenile Justice Authority, which is well below our actual cost.

As a level IV residential care facility, we are required to provide the following services:

- Daily living services
- Situational counseling
- Counseling
- Tutoring
- School liaison
- Coordinate parental/home visits if applicable
- Transportation

In addition, it happens more and more that the children and youth come to our facility without adequate clothing. In 2000 we spent \$25,090 on clothing alone. The demands on transportation services continue to increase every year as well, requiring us to provide transportation beyond just local trips. In 2000 we spent \$33,582 on vehicle gas and oil and almost \$11,000 on vehicle repairs and maintenance. These figures do not take into account the ongoing expense of buying the vehicles needed for each of the group homes.

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3-27-01  
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Our budget for 2001 assumes that we can supplement the income we receive for the provision of services with \$ 60,000 through private contributions. After we apply this projected amount of private dollar support, we still anticipate a budget shortfall of more than \$65,000.

We have stretched the dollars as far as they can go and we cannot cut anything further without compromising the level of services our youth deserve and we provide. Only 4.93 percent of the total budget is allocated for administrative expenses, demonstrating clearly that almost all of the money directly benefits the children and youth in our program. Our homes are over 20 years old and were built through the generosity of private donors. Our only expenses related to all of the buildings owned by The Villages, including the office building, are expenses for maintenance and repairs, furnishings, insurance and utilities. The average hourly rate of pay for the house parents and childcare staff is \$8.75, barely above the rate fast food restaurants pay. We participate in the free breakfast and lunch program, as well as shop at the local Harvesters program for food products to offset the food costs. We actively pursue local businesses for in kind donations such as furniture, shoes and used carpet. Birthday celebrations for the children and youth at The Villages are underwritten by local companies that participate in our Birthday Club. All of the expenses related to the Holiday season, such as presents for the youth and special Holiday dinners are funded through private in kind donations.

The reason I give you all of this information is to make the point that the only place to make budget cuts is in the area of services provided. We cannot choose to ignore the electric bill or to not pay for gasoline at the pump. The current daily reimbursement rate does not come close to covering the basic daily needs of the youth in our program.

Community based agencies like The Villages have done their part to raise additional private money. In 2000 we raised 36% more than the previous year and we still ended the year with a deficit. Seven years is far too long to wait for a reimbursement rate increase. If things do not change rather quickly, a lot of outstanding organizations like The Villages will go out of business. Then, who will be left in our communities to care for the children? If anyone can show me how to operate in a way that would enable us to make ends meet without providing substandard care, I would welcome their suggestions. In the meantime, time is running out very fast for agencies like The Villages, we can not wait any longer for things to improve.

I hope you will decide to include level IV facilities in Senate Resolution No. 1610 and to act on the proposed legislation in a favorable manner.

I would also urge you to support HB 1255 and 1256, another legislative proposal that would benefit the children of Kansas.

Thank you very much for your consideration of these issues. If I can provide additional information that would be helpful to the members of the committee, please feel free to contact me at The Villages, Inc., 2219 SW 29<sup>th</sup> Street, Topeka, KS 66611.

Phone 785-267-5900

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Tom Edminster  
Catholic Community Services  
President



Bruce Linhos  
Executive Director

Community Agencies Serving Children and Families

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**Senate Ways and Means  
Senate Concurrent Resolution No. 1610  
March 26, 2001**

I appreciate the opportunity to appear before this committee this morning. My name is Bruce Linhos and I am the director of the Children's Alliance of Kansas. The Children's Alliance is the association of non-profit child welfare agencies in Kansas. Our members provide an array of services to the families and children they serve including foster and residential care, emergency services, adoption, family preservation, juvenile intake and assessment, day treatment, drug and alcohol services, educational services, family counseling and many more.

Currently the association has 22 member agencies representing better than 80% of the not-for-profit child welfare services provided in Kansas. Members of our association provide services to youth in the custody of SRS, as well as those youth being served through Juvenile Justice. Our members also represent contractors and subcontract agencies.

On behalf of both our contract agencies and subcontract agencies I appear before you today in support of Senate Concurrent Resolution No. 1610. As is outlined in the resolution, rates were last increased in 1994. At that time, (1993) a study was conducted by the SRS audit division that found costs for residential care to be between \$92 and \$96 per day. Following that study, rates were established at \$72.32 for Level V and Emergency Shelters and \$55.92 for Level IV residential care. During the past seven years buying power of these residential programs has decreased by 18.1%, and many believe, that the level of difficulty of children entering residential care has increased by well more than 18.1%.

This is all information presented to you in the resolution. There is additional information I would like you to have:

- ▶ Level V residential services, based on a new interpretation of medicaid rules, will have to provide therapy for all juvenile justice youth served. The cost for that therapy will have to be borne by the residential providers with no increase in rates. This additional cost, on top of years of inflationary erosion, is going to make it difficult, if not impossible, for Level V residential providers to continue to serve children in the juvenile justice system in community based programs.

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- ▶ Not included in the resolution are agencies that provide emergency shelter care. These agencies are used by Juvenile Justice for children needing emergency care and are used by SRS for children in police protective custody. Like the Level V residential services, emergency shelters daily rate were established at \$72.32 in 1994. Since that time there has been no increase. In 1994, according to SRS desk audits, the average shelter was having to contribute \$7 per day to provide care for SRS children they served. Today, that figure is closer to \$30 for children they serve who are in police protective custody or placed by Juvenile Justice. To mediate their losses, the Boards of Directors of shelters are having to look at reducing the availability of their services to children in police protective custody and in the custody of the Juvenile Justice Authority.
- ▶ Finally, also not included in this resolution are the Level IV residential services. These group homes provide services to children who fall between foster care and residential care. The rate for this service, established in 1994, is \$55.93.

We need to be concerned, that we give the people we ask to care for the states' children, the resources they need to do the job. We can't put off any longer, taking a serious look at the residential rate issue in child welfare and juvenile justice. I encourage the committee to act favorably on this resolution, seeking a joint interim committee to study this issue. I further request that such a study include, as a part of its scope, the study of rates for Level IV and Emergency Care.

Bruce Linhos  
March 27, 2001

Submitted by Frank Ross

Executive Director  
Elm Acres Youth and Family Services

My name is Frank Ross, executive director of Elm Acres Youth and Family Services, Inc., with administrative offices located in Pittsburg, Kansas and programs in Columbus, Chanute and Independence. I have been director of Elm Acres for 21 years. Prior to this time I worked for five years in community mental health and two years as a child protective services supervisor for the Kansas Department of Social and Rehabilitation Services.

Elm Acres operates a variety of programs including residential services, family preservation, family foster care, juvenile offender day reporting, emergency services, alcohol and drug services and several other smaller programs. We have been providing residential services for the entire 46 years of our existence and have been well supported by a community partnership that includes volunteers from throughout southeast Kansas.

I want to apprise you of a situation that poses an immediate threat to the continued operation of our residential programs. The lack of attention the past eight years to Level V residential provider rates is seriously undermining the quality of services to children and, unless emergency measures can be enacted, will seriously compromise the statewide network of residential services.

Things have been deteriorating very rapidly since July 1, 2000. For the first eight months in the current fiscal year, our residential services programs have lost \$129,961. These catastrophic losses are a direct result of Level V rates that are not even remotely adequate to meet minimal Kansas Health and Environment licensing and Level V standards. As you should be aware, residential providers have not had an increase in Level V rates since 1994, at which time a state sponsored study found the rates to be approximately \$25 a day lower than needed for providers to meet licensing and contractual obligations. I am acutely aware of our state's budgetary problems this year but want you to understand that this has been a problem for almost eight years.

Unless there is some indication that help is on the way immediately, I will have little choice but to recommend to our board that we take drastic action as I cannot allow our residential programs to bankrupt our agency.

While I support and appreciate the idea of an interim study of Level V residential provider rates, it is important to understand that our agency cannot sustain daily losses of over \$500 for an extended period of time.

Thank you very much for your consideration of this issue that is of vital importance to residential services for both children in need of care and juvenile offenders. If I can provide additional information that would be helpful to the members of the committee, please do not hesitate to contact me at Elm Acres Youth and Family Services, P.O. Box 1135, Pittsburg, KS 66762 - Phone 316-231-9840 - E-mail - fross@elmaces.org

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Testimony for the Senate Ways and Means Committee  
Concurrent Resolution #1610  
March 27, 2001  
Presented by Katherine Kent

1269 Lakeside Drive  
Topeka, Kansas 66604  
785-272-9349 or 272-7449

Thank you for the opportunity to present information to this committee regarding child welfare issues in Kansas. A special thanks to Senators Jenkins, Goodwin, Jackson, Olsen and Praeger for their effort to improve quality of life for children in the Kansas child welfare system by sponsoring Concurrent Resolution 1610.

My stake in this matter began in 1962 as a child welfare worker just graduated from college. I have spent the past 35 years as a therapist with children and families and as a trainer and consultant to therapists and child serving agencies.

Included in the material I am distributing today is an op-ed piece and an ad paid for by over one hundred mental health professionals and other citizens who are alarmed by what is happening to children in the Kansas child welfare system. Both the article and the ad appeared in the Topeka Capital-Journal last week. The sponsors of the ad raised \$2500 in only eight days, and since the ad appeared, I have continued to receive calls every day from others who want to contribute to the ongoing effort to obtain quality of care for the children. The list includes staff and directors of agencies caring for the children, consumers, therapists who treat some of the children and others who know them in the community, even including a group of teenagers from a local high school.

Resolution 1610 does an excellent job of recognizing the importance of adequate funding for achieving stability and quality of care for our children. In the four years since Kansas began privatizing child welfare, stability has been disrupted for an increasing number of children by a bidding strategy which causes repeated losses - of homes, foster parents, friends, teachers, neighborhoods and therapists - as the children move from one contractor and funding plan to another. Quality of care has suffered enormously too as services have diminished rapidly in the past four years. Dr. Robert Pyenoos of UCLA Medical Center, a noted child trauma expert, estimates that 95% of youth violence can be attributed to untreated trauma. Yet we are severely compromising mental health services for children in our child welfare system, almost all of whom have suffered repeated trauma - family disruption, parental loss, abuse and neglect.

Two other bills, 2555 and 2556, are currently being sponsored in the legislature by Rep. Brenda Landwehr and Rep. Rocky Nichols. Today I am respectfully asking our lawmakers to recognize that Resolution 1610 and Bills 2555 and 2556 are parts of a necessary whole. The additional funding proposed in 1610 is crucial, but if the money is to be spent wisely on the needs of our children, then the accountability issues addressed in 2555 and 2556 are critical also. Last week in the hearing on 2555 and 2556, SRS claimed that they were already meeting accountability requirements. However, three specific points have not been addressed. For one, the rates for care

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in our privatized system are not based on reliable cost data. A second issue is that we have little information in four years from the contractors on administrative costs versus direct child care costs. The third accountability issue is that the outcomes research which is supposed to demonstrate the success of privatization is seriously flawed because it measures minimal outcomes that do not meet an acceptable standard of care for the children.

My request today is that Resolution 1610 become a bill and with Bills 2555 and 2556, become part of a plan for welfare reform in Kansas. Most importantly I would ask that the Joint Committee on Children's Issues do an interim study of the child welfare system in its entirety with regard to issues of both funding and accountability. Please give us reliable costs, adequate funding to support those costs, and stability and quality of care for the children which can be determined with outcome measures which reflect a high standard of care. I believe the best process will include all stakeholders, including juvenile court judges, mental health professionals, consumers and providers as well as lawmakers. Thank you for your time.



N E W  
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## GROUNDBREAKING REFORM OF MANAGED MENTAL HEALTH CARE FOR CHILDREN ENDS FEDERAL LAWSUIT IN ARIZONA

Washington DC, March 20—An estimated 20,000 Arizona children will benefit from the landmark settlement of a 10-year-old federal class action lawsuit announced today, reforming the state's behavioral healthcare system for children. The suit known as *J.K. v. Eden* challenged Arizona's failure to provide mental health services to poor children.

The agreement ending the lawsuit was announced jointly by Arizona Governor Jane Hull and Catherine R. Eden, director of the Arizona Department of Human Services and lawyers representing the children: Ira Burnim, legal director of the Washington DC-based Bazelon Center for Mental Health Law, Anne Ronan, staff attorney of the Arizona Center for Disability Law, and Joseph McGarry, of Lewis and Roca, LLP, a Phoenix law firm.

"The settlement is groundbreaking," Burnim said, "because it is the first to overhaul a state mental health system that operates on a managed care basis." The agreement is also unique in its approach to reform, he explained, because it spells out in a legal document a "vision" defining the purpose of children's behavioral health services and a set of 12 principles for improving the quality of those services, to be incorporated in all aspects of the system's operations.

The "Arizona Vision" is a fundamental shift in the way the state treats children and families and children in foster care who seek mental health treatment. It emphasizes respect for and partnership with families and children in the planning, delivery and evaluation of services, and stresses collaboration among the various agencies that serve children, with the goal of enabling children "to achieve success in school, live with their families, avoid delinquency and become stable and productive adults."

The settlement commits the state to a series of concrete steps, including a massive training program for frontline staff and supervisors, special projects to pilot the new approach to services, and specific improvements in the structure of the managed care arrangement. It anticipates implementation over six years, and obliges the state to move "as quickly as is practicable" to make needed changes. The agreement must still be ratified by the court, following a hearing.

The document incorporates many of the recommendations by Dr. Ivor Groves, a nationally known expert in children's mental health care. Dr. Groves was retained by the state under an earlier agreement in the lawsuit after collapse of the system in Maricopa County, which serves two thirds of the state's children with mental health needs. In July 1997 the Governor declared an emergency in the county and appointed new leadership in the key elements of the state system, beginning the process culminating in today's settlement.

"Arizona families and children can especially thank Catherine Eden for her solid and productive commitment to reform," Burnim said. "I look forward to working with her to implement the Arizona Vision on their behalf."

## History of the J.K. Lawsuit

The J.K. lawsuit was originally filed in federal district court in 1991 by a father who had been unable to obtain services for his son. When the managed care system refused to provide the day treatment recommended by professionals, the boy ran away from home, attempted suicide and was ultimately admitted to a psychiatric hospital.

The suit was potentially precedent-setting because Arizona's program was the first in the country to provide mental health services statewide through managed care. In 1993 the court certified it as a class action on behalf of all Arizona children seeking Medicaid mental health services and held the state responsible for the actions of the private companies with which it contracted for managed behavioral healthcare. Two years later the court upheld the children's right to due process protections notice and a hearing when behavioral health services are reduced or cut off.

A crisis came in 1997 when ComCare, managed care contractor in Maricopa County, declared bankruptcy and the Department of Health Services, the state's mental health authority, had to take over the county's system. The resulting publicity drew attention to the inadequacy of children's services, and the parties to the lawsuit agreed to commission an evaluation of services provided in Maricopa County, which includes the city of Phoenix.

Both the initial evaluation in 1998 and a follow-up review completed in April 2000 were conducted by a team headed by Dr. Groves. The team found "a wide gap between the basic standard of care expected ...and the level of performance observed." The team determined that about half of the children in the program fail to receive required behavioral health services and that the system's performance was poorest for children with the most serious problems. Up to 3,500 of the children have complex needs, the experts reported, because their caretakers have disabilities, they are involved with the child welfare or juvenile justice system, or they have co-occurring disabilities, such as emotional disturbance and mental retardation or addiction. The study called for a "fundamental reassessment" of the children's managed behavioral healthcare program and made recommendations.

The court stayed the litigation in 1998, giving the health department and the lawyers for the children time to develop principles for the system's operation and a work plan to implement the experts' recommendations. During the same period, the Groves team reviewed programs in the rest of the state and, in 1999, contracted with the health department to train frontline staff.

Currently the state's managed care system is supervised by both Arizona Health Care Cost Containment System (AHCCCS), which administers the Medicaid program, and the Department of Health Services. The state contracts with ValueOptions, a national for-profit corporation, to operate the Maricopa County service system.

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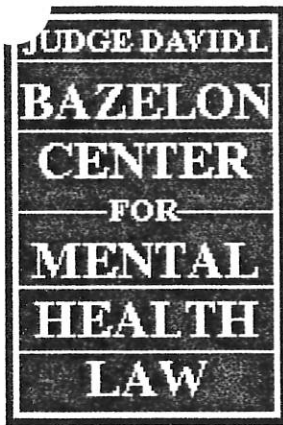
For more information:

- Lee Carty, Bazelon Center.
- Anne Ronan, Arizona Center for Disability Law.
- Go to principles.

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The Bazelon Center for Mental Health Law is the leading national legal-advocacy organization representing people with mental illness or mental retardation. Through precedent-setting litigation and in the public-policy arena, the center works to define and uphold the rights of adults and children who rely on public services and ensure them equal access to health and mental health care, education, housing and employment. The nonprofit organization is supported primarily by private foundations and individuals.

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## Principles for the Delivery of Children's Mental Health Services

A set of 12 principles will govern implementation of *J.K. v. Eden*, a class action on behalf of children in Arizona who rely on Medicaid for mental health services. The principles are part of the groundbreaking settlement announced in March 20, 2001, reforming the state's behavioral health care system for children. When incorporated in all aspects of the system's operations, they will significantly change the culture of Arizona's behavioral healthcare system.

As identified in the settlement, the principles are defined in the context of service goals.

- **Collaboration with the child and family:** Respect for and active collaboration with the child and parents is the cornerstone to achieving positive behavioral health outcomes. Parents and children are treated as partners in the assessment process, and the planning, delivery and evaluation of behavioral health services, and their preferences are taken seriously.
- **Functional outcomes:** Behavioral health services are designed and implemented to aid children to achieve success in school, live with their families, avoid delinquency and become stable and productive adults. Implementation of the behavioral health services plan stabilizes the child's condition and minimizes safety risks.
- **Collaboration with others:** When children have multi-agency, multi-system involvement, a joint assessment is developed and a jointly established behavioral health services plan is collaboratively implemented. Client-centered teams plan and deliver services. Each child's team includes the child and parents and any foster parents, and any individual important in the child's life who is invited to participate by the child or parents. The team also includes all other persons needed to develop an effective plan, including, as appropriate, the child's teacher, the child's Child Protective Service and/or Division of Developmental Disabilities case worker, and the child's probation officer. The team (a) develops a common assessment of the child's and family's strengths and needs, (b) develops an individualized service plan, (c) monitors implementation of the plan and (d) makes adjustments in the plan if it is not succeeding.
- **Accessible services:** Children have access to a comprehensive array of behavioral health services, sufficient to ensure that they receive the treatment they need. Case management is provided as needed. Behavioral health service plans identify transportation the parents and child need to access behavioral health services and how transportation assistance will be provided. Behavioral health services are adapted or created when they are needed but not available.
- **Best practices:** Behavioral health services are provided by competent individuals who are adequately trained and supervised. Behavioral health services are delivered in accordance with guidelines adopted by ADHS that incorporate evidence-based "best practice." Behavioral health service plans identify and appropriately address behavioral symptoms that are reactions to death of a family member, abuse or neglect, learning disorders and other similar traumatic or frightening circumstances, substance abuse problems, the specialized behavioral health needs of children who are developmentally disabled, maladaptive sexual behavior, including abusive conduct and risky behavior, and the need for stability and the need to promote permanency in



class members' lives, especially class members in foster care. Behavioral health services are continuously evaluated and modified if ineffective in achieving desired outcomes.

- **Most appropriate setting:** Children are provided behavioral health services in their home and community to the extent possible. Behavioral health services are provided in the most integrated setting appropriate to the child's needs. When provided in a residential setting, the setting is the most integrated and most home-like setting that is appropriate to the child's needs.
- **Timeliness:** Children identified as needing behavioral health services are assessed and served promptly.
- **Services tailored to the child and family:** The unique strengths and needs of children and their families dictate the type, mix, and intensity of behavioral health services provided. Parents and children are encouraged and assisted to articulate their own strengths and needs, the goals they are seeking and what services they think are required to meet these goals.
- **Stability:** Behavioral health service plans strive to minimize multiple placements. Service plans identify whether a class member is at risk of experiencing a placement disruption and, if so, identify the steps to be taken to minimize or eliminate the risk. Behavioral health service plans anticipate crises that might develop and include specific strategies and services that will be employed if a crisis develops. In responding to crises, the behavioral health system uses all appropriate behavioral health services to help the child remain at home, minimize placement disruptions and avoid the inappropriate use of the police and the criminal justice system. Behavioral health service plans anticipate and appropriately plan for transitions in children's lives, including transitions to new schools and new placements, and transitions to adult services.
- **Respect for the child and family's unique cultural heritage:** Behavioral health services are provided in a manner that respects the cultural tradition and heritage of the child and family. Services are provided in Spanish to children and parents whose primary language is Spanish.
- **Independence:** Behavioral health services include support and training for parents in meeting their child's behavioral health needs and support and training for children in self- management. Behavioral health service plans identify parents' and children's need for training and support to participate as partners in the assessment process, and in the planning, delivery and evaluation of services, and provide that such training and support, including transportation assistance, advance discussions and help with understanding written materials, will be made available.
- **Connection to natural supports:** The behavioral health system identifies and appropriately utilizes natural supports available from the child and parents' own network of associates, including friends and neighbors, and from community organizations, including service and religious organizations.

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*Bazelon Center for Mental Health Law - [webmaster@bazelon.org](mailto:webmaster@bazelon.org)*

Statement of Mark E. Courtney, Assistant Professor,  
School of Social Work, University of Wisconsin-Madison

Testimony Before the Subcommittee on Human Resources  
of the House Committee on Ways and Means

Hearing on Child Protection Review System

February 17, 2000

Too-frequent news stories documenting the horrors associated with failures of our nation's child protection system attest to the need for federal oversight and support for child welfare services. The new federal child protection review system is long overdue. I would like to make three general observations today about the new review mechanism.

First, whatever its limitations, I believe that the review system is a major step in the right direction. For the first time in federal regulation of Title IV-B and IV-E there will be a greater focus on outcomes for children than on paper compliance with administrative processes. The review system appropriately builds on federal efforts to support child welfare management information systems by relying on AFCARS and NCANDS data to measure progress. As the capabilities of these systems are enhanced over time so will the capacity to assess child and family outcomes. The collaborative federal-state review process and mechanisms for allowing timely corrective action, supported by federal technical assistance, are significant improvements over the previous approach.

Second, I believe that the limitations and potential pitfalls of the new review system result not so much from the design of the reviews or the benchmarks per se, but from our poor understanding of how child welfare programs function. Child welfare management information systems are only beginning to shed light on the kinds of child safety and permanency outcomes that the benchmarks capture. Moreover, these measures vary considerably both between and within states. For example, data from the Multistate Foster Care Data Archive indicate that between 1988 and 1997 the median time to discharge for children first entering foster care in Iowa was three months, in Maryland 13 months, and in Illinois 41 months. Similarly, the rate of reentry to foster care varied among the ten Archive states from 18 percent in California to over 26 percent in Wisconsin. Within Wisconsin, the substantiation rate for reported child neglect varies from less than 10 percent to nearly 60 percent between counties. Unfortunately, while we know that these safety and permanency indicators vary between and within states, we know very little about *why* they vary. Without knowing why one state differs from another on any given outcome, we run the risk of creating unintended consequences in imposing financial sanctions on states who do not meet national standards.

For example, one of the national standards pertains to the percentage of children entering foster care who are in fact reentering care within one year of a previous foster care episode. This makes some intuitive sense since we want to minimize reentry to foster care. Nevertheless, the measure is biased in favor of states with increasing foster care entries since children who reenter care after exiting in the previous year will be counted against a growing number of entries. In contrast, the measure is biased against states with declining entry rates, a consequence that no one would argue is sound policy. Median length of stay until discharge for children entering foster care is also a problematic benchmark. States where older children and youth make up the bulk of foster care entries may generally fare better under this measure than states with younger entry cohorts simply because older children's length of stay is cut short when they "age out" of care. The bottom line is that interstate variation in the proposed benchmarks can be due to a variety of explanations, only one of which is that the states with "better" outcomes are actually providing superior services.

In short, the poor knowledge base regarding child welfare populations and programs calls for considerable caution in routinely applying one-size-fits-all outcome benchmarks tied to federal funding. Until our knowledge base is vastly improved, federal reviewers will be wise to carefully explore alternative explanations for interstate variation in outcomes before lowering the fiscal boom. The new review system must be implemented in the context of a much greater commitment to understanding the

on of public child welfare programs.

Third, I believe that the Department of Health and Human Services should move as quickly as possible to identify and pilot test at the state level indicators of child and family well-being. Child safety and permanence are central to child welfare practice and policy, but the well-being of children and families is at the heart of many current child welfare policy debates. For some measures of well-being new data will need to be generated but in other domains data already exist that are not being put to proper use. For example, Medicaid claims data can and should be used to examine whether children being placed in foster care are given required health and mental health assessments. Children who enter the child welfare system cannot afford to wait another ten years for the managers of the system to begin to seriously assess child well-being.

In summary, I believe that the new child protection review system is a vast improvement over the old system and should be applauded. Nevertheless, our lack of knowledge about child welfare services and populations and the absence of systematic measures of child well-being will limit the meaningfulness of review findings for some time to come.

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**TESTIMONY BEFORE THE  
SENATE WAYS AND MEANS COMMITTEE  
March 27, 2001, 10:30 a.m., Room 123-S**

Presented by Dale Brunton  
Director of Accounts and Reports

Chairman, Members of the Committee:

I am providing testimony today on behalf of the Department of Administration in support of House Bill 2550, regarding the State of Kansas Annual Financial Report.

K.S.A. 75-3735 requires the Director of Accounts and Reports to annually prepare a report showing the financial condition of all state funds as of the preceding fiscal year. The annual report is required to be filed with the Governor on or before November 15. The proposed amendments would extend the filing date to December 31.

Information for the statewide Annual Financial Report is collected from key state agencies. Many of these agencies file their annual reports after the statewide report is produced and must provide estimates, rather than actual data. This requires additional work by the agencies to provide information earlier than it is normally available. Further, some agencies will be required to provide additional information when the statewide report is produced in accordance with Generally Accepted Accounting Principles, effective for the fiscal year ending June 30, 2002. Extending the filing date for the report would allow for the collection of more accurate and timely information and ease the duplication of effort at the agency level. The report would continue to be produced prior to the Governor's State of the State address and the start of the legislative session. The bill also includes non-substantive language amendments. There is no measurable fiscal impact associated with the proposed amendments.

Thank you for the opportunity to provide testimony to the Committee and for your consideration of House Bill 2550. I would be happy to address any questions the Committee may have.

**TESTIMONY BEFORE THE  
SENATE WAYS AND MEANS COMMITTEE  
March 27, 2001, 10:30 a.m., Room 123-S**

Presented by Dale Brunton  
Director of Accounts and Reports

Chairman, Members of the Committee:

I am providing testimony today on behalf of the Department of Administration in support of House Bill 2551. The bill proposes to: (1) improve efficiencies in administering reimbursement rates for official travel by state officers and employees; and (2) provide a travel allowance in limited circumstances to avoid employees having to pay certain expenses out-of-pocket.

House Bill 2551 modifies the way in which state reimbursement rates for use of privately owned vehicles and for subsistence (meals and lodging) are established and revised. Pursuant to Executive Order, a review was conducted of the *Kansas Administrative Regulations* related to functions administered by the Division of Accounts and Reports. Currently, the Secretary of Administration is required to establish the rates of travel allowances by adopting rules and regulations. Under the proposed amendments, it would not be necessary for the Secretary to adopt a regulation in order to establish or make routine modifications to travel reimbursement rates. However, travel reimbursement policies would remain in regulation. The proposal to remove travel rates from the regulations was approved by the Governor's Office in October 2000.

Although the State establishes its own rates for reimbursement to officers and employees traveling on official state business, compliance with federal taxation laws is still required and federal travel reimbursement rates are a major factor in the State's rate-setting process. For example, when the federal standard mileage rate decreases, the State's private automobile mileage rate must decrease as well, or the difference must be paid as a taxable benefit to the employee. Often these federal rate changes require quick action by the State to avoid a taxable reimbursement situation, or to establish a more beneficial rate for state travelers, as economic conditions allow. Changes in economic forecasts may also necessitate rate changes. The regulatory process, with its lengthy requirements and schedule, is not conducive to timely rate changes. Even temporary regulations must be approved by the Kansas Administrative Rule and Regulation Board at a scheduled meeting. The proposed amendments would provide much needed flexibility in amending State travel reimbursement rates.

House Bill 2551 also provides for the Secretary of Administration to adopt rules and regulations to allow limited exceptions to restrictions on the payment of subsistence and to alleviate state employees from paying certain costs out-of-pocket. Current law does not allow subsistence to be paid when no overnight travel is incurred. However, employees are occasionally asked to attend a meeting or make a presentation during a meal time, or are required to travel beyond the normal work day, but without an overnight stay. In these circumstances, the traveling employee must pay for a meal out-of-pocket. The proposed amendments recognize the need to provide an exception for these situations, yet limit the scope of eligibility. The regulation is envisioned to be specific and narrow in defining applicable situations and would provide reimbursement for a meal at a predetermined, per-meal rate for breakfast, lunch or dinner. This will permit costs to be controlled and employees to be aware of the amount of the meal allowance prior to incurring the expense. Based on an allowance paid for 1,000 additional meals, the costs could range from \$7,000 - \$14,000 depending on the meal incurred at the time of the official business.

Thank you for the opportunity to provide testimony to the Committee and for your consideration of House Bill 2551. I would be happy to address any questions the Committee may have.

**TESTIMONY BEFORE THE  
SENATE WAYS AND MEANS COMMITTEE  
March 27, 2001, 10:30 a.m., Room 123-S**

Presented by Dale Brunton  
Director of Accounts and Reports

Chairman, Members of the Committee:

I am providing testimony today on behalf of the Department of Administration in support of House Bill 2552, regarding rules and regulations and definitions related to certain funds used by state institutions.

The provisions in House Bill 2552 would allow the regulations for canteens, canteen funds, work therapy funds, benefit funds and key deposit funds to be revoked. Pursuant to Executive Order, a review was conducted of the *Kansas Administrative Regulations* related to functions administered by the Division of Accounts and Reports. Current regulations for these funds are largely procedural in nature and impact a small number of state agencies. The Division's Policy and Procedure Manual provides all information necessary for agencies to comply with both the statutory provisions and the proper accounting procedures. The elimination of the regulations would provide a single source of information for state agencies. The proposal to eliminate the regulatory requirements for all of these funds was approved by the Governor's Office in October 2000.

House Bill 2552 also: (1) amends the definition of "state institution" to update the statutes for the currently eligible agencies for each type of fund, including trust funds; (2) replaces vague phrases, such as "regularly", with specific actions; and (3) includes non-substantive language amendments for clarification and consistency. There is no fiscal impact associated with the bill.

Thank you for the opportunity to provide testimony to the Committee and for your consideration of House Bill 2552. I would be happy to address any questions the Committee may have.

**TESTIMONY BEFORE THE  
SENATE WAYS AND MEANS COMMITTEE  
March 27, 2001, 10:30 a.m., Room 123-S**

**Amendment to HB 2552  
(Amending K.S.A. 2000 Supplemental 75-30,100 )**

Presented by Dale Brunton  
Director of Accounts and Reports

Chairman, Members of the Committee:

A recent development has occurred regarding the implementation of the program requiring agencies to accept credit cards by July 1, 2001; therefore, I would like to propose an amendment to HB 2552. The proposed amendment is attached to this testimony.

K.S.A. 2000 Supp. 75-30,100 requires state agencies to begin accepting credit cards after June 30, 2001. This statute also provides for agencies to recapture the cost of accepting credit cards by adding a processing fee. Agencies whose base fees are at their statutory or regulatory maximum must rely on K.S.A. 2000 Supp.75-30,100 to assess an additional fee for these transaction costs. In the credit card industry most credit card companies will not allow a fee to be added just because it is a credit card transaction. Spreading transaction costs equally among all customers provides state agencies the ability to treat these expenses in the same manner as the private sector by simply including these costs in the price of its products. (The purchase of an item is the same regardless of whether it is purchased by cash, check or credit card.)

Based upon the advice of our attorneys the current language of the statute does not allow agencies to assess a fee for cash payments; therefore, the proposed amendment is needed to allow a fee to be added to all methods of payment.

Thank you for the opportunity to provide testimony to the Committee and for your consideration of HB 2552 and the proposed amendment. I would be happy to address any questions the Committee may have.



An act prescribing procedures for the payment of certain fees, tuition and other charges.

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

Section 1. K.S.A. 2000 Supp. 75-30,100 is hereby amended to read as follows: K.S.A. 75-30,100. (a) Any state agency which imposes or collects fees, tuition or other charges shall accept payment thereof in the form of a personal, certified or cashier's check or money order. A state agency may accept payment by credit card or other method designated by the agency. A In addition to any amount for fees tuition or other charges established by statute or regulations, a state agency may impose an additional fee on all transactions regardless of the method of payment to recover the actual its estimated amount of any costs incurred by reason of the methods of to accept payments used by the payee.

(b) In addition to the methods specified in subsection (a), after June 30, 2001, a state agency shall accept payment of fees, tuition or other charges in the form of a credit card.

(c) Any transactions involving payment by credit card pursuant to this section shall not be subject to the provisions of K.S.A. 16a-2-403, and amendments thereto.

(d) The provisions of this section shall not apply to any fees, fines or charges imposed by the secretary of corrections or the commissioner of juvenile justice on offenders under the jurisdiction of the secretary of corrections or juvenile offenders placed in juvenile correctional facilities under the jurisdiction of the commissioner of juvenile justice.

(e) Any municipal university, community college, technical college, or vocational educational school, having the meanings respectively ascribed thereto by K.S.A. 74-3201b, and amendments thereto, accepting payment of fees, tuition or other charges in the form of a credit card shall not be subject to the provisions of K.S.A. 16a-2-403, and amendments thereto.

Section 2. This act shall be effective upon publication in the Kansas Register.