

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairperson Representative Kenny Wilk at 9:00 a.m. on March 15, 2002, in Room 514-S of the Capitol.

All members were present

Committee staff present: Amy Kramer, Legislative Research
Alan Conroy, Legislative Research
Audrey Nogle, Legislative Research
Becky Krahl, Legislative Research
Jim Wilson, Revisor of Statutes
Mike Corrigan, Revisor of Statutes
Nikki Feuerborn, Committee Secretary

Conferees appearing before the committee: None

Others attending: See Attached

Representative Neufeld moved for the introduction of legislation which would end three programs in the Department of Agriculture and also addresses its fee fund. Motion was seconded by Representative Bethell. Motion carried.

Representative Nichols moved for the introduction of legislation regarding mandates for mental health centers. Motion was seconded by Representative Feuerborn. Motion carried.

Representative Landwehr, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Social Services and Rehabilitation Services (including the Division of Mental Health and Developmental Disabilities for FY 2002, and moved for the adoption of the Budget Committee recommendations for FY 2002 (Attachment 1). Motion was seconded by Representative Bethell. Motion carried.

Staff distributed copies of the FY 2002 and FY 2003 Children's Initiatives Fund (Tobacco) (Attachment 2).

Representative Landwehr, member of the Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Social Services and Rehabilitation Services (including the Division of Mental Health and Developmental Disabilities for FY 2003, and moved for the adoption of the Budget Committee recommendations for FY 2003 with the noted comments and adjustments (Attachment 1). Motion was seconded by Representative Bethell.

Representative Shriver moved to amend the report by adding an Item 20 to Page 10 regarding direct-care ratios and salaries of direct-care providers and health care workers in programs funded through the Department of Social Services and Rehabilitation Services considered at Omnibus. Motion was seconded by Representative Feuerborn. Motion failed.

It was pointed out that it is not the responsibility of the Social Services Budget Committee to set salary scales or ranges for providers of health care services. It is up to the provider to determine their salaries and wages. Currently such workers are making more than the reimbursement payments made by the state. If the Budget Committee was to do this and recognized a need to increase such salaries, they would have to recommend an increase in reimbursement fees but the provider would not be compelled to use the money for that use.

Representative Nichols moved to amend Item 7 of the Budget Committee report on the Department of Social Services and Rehabilitation Services for FY 2003 by inserting "and funding" following "services" in line three so that the phrase would read "and funding will be provided for those moving from institutions into communities." Motion was seconded by Representative Neufeld. Motion carried.

The Committee discussed Item 5 regarding the development of means testing for all non-medicaid programs that receive state aid. At this point only enrolling forms and self-reported income are used with no means of checking whether the enrollee could afford the program or would be considered "needy." The Senior Care Act was instituted to help the most needy of senior citizens as it only charges 30 percent of the actual cost of service. Many are taking advantage of this program who could well afford to pay the full cost of the service.

Sliding scales for services may be an option. The Committee was concerned that means testing could be perceived as a witch hunt. Medicaid was started for the impoverished and if the current trend of entitlement continues, the baby boomers funding requirements will crush the system. Mental Health Centers have a flexible payment procedure as they receive all state-funded dollars and are mandated to serve whoever requests such service. They have sliding fee scales, ability to pay plans, access to insurance, and means testing.

Chairman Wilk recessed the meeting at 9:57 a.m. as session began at 10:00 a.m. Chairman Wilk called the meeting back to order at 12:40 p.m.

Item 11 regarding child care subsidies was discussed by the Committee. The child care assistance funding has become an entitlement for those individuals who are in the TANF program or who reach 180% of poverty. The state is required to follow the federal guidelines in getting people back to work after they have exhausted their federal assistance. In order to do this they must be "job ready" which means that financial assistance for child care would have to be available as most start in minimum wage jobs which makes child care unaffordable. It was suggested that SRS investigate the possibility of "natural support" which means relatives take care of the children at little or no cost.

Kansas Children's Service League (KCSL), the adoption contractor for the Department of Social and Rehabilitation Services, contacted the Social Services Budget Committee and reported problems and issues regarding barriers to adoption for certain children. Some of these barriers are multiple disabilities and children not wanting to be adopted. KCSL explained that their outcomes are being affected by such barriers. SRS is the custodian of such children and in charge of the funding of the adoption program.

Representative Ballard moved to amend the Budget Committee report in Item 16 by adding "and SRS" to the first line after the word "League." Motion was seconded by Representative Landwehr. Motion carried.

Representative Neufeld moved to amend the Budget Committee report in Item 2 c. by adding the following language after the word "children" "to maximize Medicaid dollars and develop programs for underserved areas." Motion was seconded by Representative Bethell. Motion carried.

Representative Landwehr made a motion to adopt the Budget Committee recommendations for the Department of Social and Rehabilitation Services for FY 2003 with the noted comments and adjustments and as amended (Attachment 1). Motion was seconded by Representative Bethell. Motion carried.

The meeting was adjourned at 12:40 p.m. The next meeting is scheduled for Monday, March 18, 2002.

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 3/15

NAME	REPRESENTING
Mike Huttles	Ks. Gov't Consulting
Jamie Clover Adams	KS Dept. of Agriculture
Janet Kerr	SRS
Connor Law	Visitor
JAY ARNOCD	Coalition For Independence
Shannon Jones	SILCR
Dale Huffman	Families Together Inc.
Doug Bowman	CCECDs
Diane Duffy	SRS
Laura Howard	SRS
Candyn Shurdy	SRS
Marilyn Jacobson	SRS
Stuart Little	Community Mental Health Partnership
D. Keitt Meyers	Administration
Leo Schward	Spauld
Leon Keala	KGP.
Nancy Bryant	SOS
J. Ch. 66	SOS
Bob Harder	UMC - KS

2002 SOCIAL SERVICES BUDGET COMMITTEE

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




Representative Melvin Neufeld, Chairperson



Representative Barbara Ballard



Representative Bob Bethell



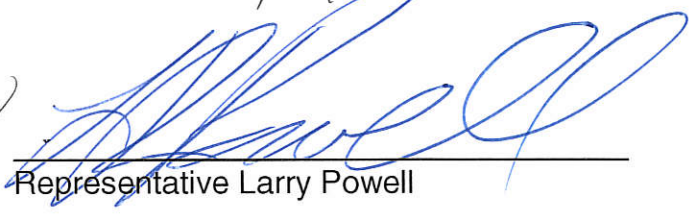
Representative Jerry Henry



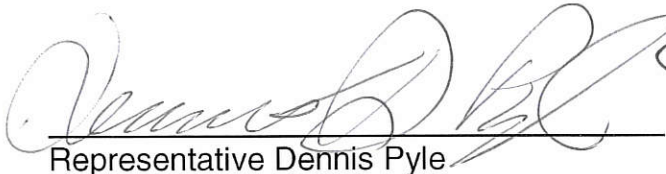
Representative Brenda Landwehr



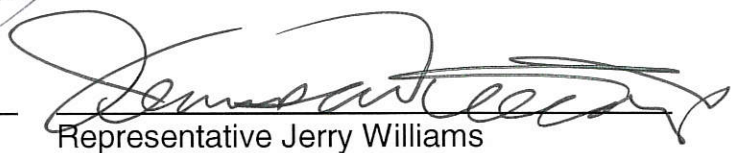
Representative Patricia Lightner



Representative Larry Powell



Representative Dennis Pyle



Representative Jerry Williams

HOUSE APPROPRIATIONS

DATE 3/15/02

ATTACHMENT 1

Senate Subcommittee on SRS Report

Agency: Department of Social
and Rehabilitation Services

Bill No.

Bill Sec.

Analyst: Nogle

Analysis Pg. No. 731

Budget Page No. 399

Expenditure Summary	Agency Est FY 02	Governor's Recommendation FY 02	Senate Subcommittee on SRS Adjustments
State Operations	\$ 285,441,059	\$ 280,340,854	\$ 0
Aid to Local Units	84,138,033	83,738,033	0
Other Assistance	<u>1,490,465,268</u>	<u>1,498,810,370</u>	<u>0</u>
TOTAL	<u>\$ 1,860,044,360</u>	<u>\$ 1,862,889,257</u>	<u>\$ 0</u>
State General Fund	\$ 614,361,566	\$ 618,778,900	\$ 0
Other Funds	<u>1,245,682,794</u>	<u>1,244,110,357</u>	<u>0</u>
TOTAL	<u>\$ 1,860,044,360</u>	<u>\$ 1,862,889,257</u>	<u>\$ 0</u>
FTE Positions	4,050.6	4,050.6	0.0
Non FTE Uncl. Perm. Pos.	<u>37.7</u>	<u>37.7</u>	<u>0.0</u>
TOTAL	<u>4,088.3</u>	<u>4,088.3</u>	<u>0.0</u>

Agency Est/Governor's Recommendation

For FY 2002 the agency requests \$1.86 billion all funds, \$614.4 million State General Fund. The revised estimate is an increase of \$91.9 million (5.2 percent) all funds and \$31.1 million (5.3 percent) State General Fund. The estimate includes supplemental requests of \$2.8 million all funds (\$.8 million SGF) for cash assistance, \$39.3 million all funds (\$10.5 million SGF) for Medicaid caseload increases, \$1.5 million all funds (\$1,042,629 SGF) for Nursing Facilities for Mental Health caseload increases, \$9.2 million all funds (\$2.6 million SGF) for HealthWave, \$7.5 million all funds (\$5.2 million SGF) for Foster Care caseload increases, and \$5.8 million all funds (\$3.95 million SGF) for Adoption caseload increases.

The Governor recommends \$1.86 billion all funds, \$618.8 million State General fund for FY 2002. The Governor's recommendation is an increase of \$94.7 million (5.4 percent) all funds and \$35.5 million (6.1 percent) State General Fund. The increase reflects increases for consensus caseload estimates.

Senate Subcommittee Recommendation

The Subcommittee concurs with the Governor's recommendation.

Senate Committee Recommendation

The Senate Committee concurs with the Subcommittee recommendation.

House Social Services Budget Committee Report

Agency: Department of Social
and Rehabilitation Services

Bill No. 3008

Bill Sec. 31

Analyst: Nogle

Analysis Pg. No. 731

Budget Page No. 399

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The Governor recommends \$1.86 billion all funds, \$618.8 million State General fund for FY 2002. The Governor's recommendation is an increase of \$94.7 million (5.4 percent) all funds and \$35.5 million (6.1 percent) State General Fund. The increase reflects increases for consensus caseload estimates.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation.

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Senate Subcommittee on SRS Report

Agency: Department of Social
and Rehabilitation Services

Bill No.

Bill Sec.

Analyst: Nogle

Analysis Pg. No. Vol. I - 731

Budget Page No. 399

Expenditure Summary	Agency Est FY 03	Governor's Recommendation FY 03	Senate Subcommittee on SRS Adjustments
State Operations	\$ 303,984,424	\$ 293,113,064	\$ 0
Aid to Local Units	83,987,425	79,017,425	0
Other Assistance	1,642,367,249	1,591,947,706	0
TOTAL	<u>\$ 2,030,339,098</u>	<u>\$ 1,964,078,195</u>	<u>\$ 0</u>
State General Fund	\$ 741,934,599	\$ 639,692,952	\$ 0
Other Funds	1,288,404,499	1,324,385,243	0
TOTAL	<u>\$ 2,030,339,098</u>	<u>\$ 1,964,078,195</u>	<u>\$ 0</u>
FTE Positions	4,077.6	4,050.6	0.0
Non FTE Uncl. Perm. Pos.	44.7	44.7	0.0
TOTAL	<u>4,122.3</u>	<u>4,095.3</u>	<u>0.0</u>

Agency Est/Governor's Recommendation

For FY 2003 the agency requests \$2.03 billion all funds, \$741.9 million State General Fund. The request is an increase of \$170.3 million (9.2 percent) all funds and \$127.6 million (20.8 percent) State General fund from the FY 2002 estimate. The request includes enhancements totaling \$150.2 million all funds.

The Governor recommends \$1.96 billion all funds, \$639.7 million State General fund for FY 2003. The request is an increase of \$101.2 million all funds (5.4 percent) and \$20.9 million (3.4 percent) from the FY 2002 recommendation, and a decrease of \$66.3 million (3.3 percent) all funds and \$102.2 million (13.8 percent) State General fund from the agency request.

Senate Subcommittee Recommendation

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

1. The Subcommittee notes that the Medical Consensus Caseload is projected to be \$885 million (\$301.5 million SGF) in FY 2003. Recognizing the state budget constraints, SRS submitted numerous proposals to minimize the caseload increase for FY 2003. These proposals targeted the caseload drivers in the Medicaid program and reduced the FY 2003 estimate by \$29.8 million for a net decrease of \$22.4 million. Without the policy changes, the regular medical expenditures would have grown by 12% compared to the 9.2%. This limits the

growth to the lowest level in the past four years. The following are the policy changes included in the Governor's budget:

- \$3.2 million (\$1.3 million SGF) by changing prescription ingredient cost calculations
- \$1.0 million (\$0.4 million SGF) by beginning a voluntary, preferred formulary
- \$3.3 million (\$1.3 million SGF) by increasing the co-pay for pharmaceuticals
- \$11.9 million (\$4.7 million SGF) by improving the administration and management of Home Health Services
- \$1.2 million (\$0.5 million SGF) by eliminating the enhanced transportation for those on PD and FE waivers and non-emergency medical transportation
- \$0.4 million (\$0.2 million SGF) by limiting terminally ill patients to services provided through the PD waiver
- \$0.3 million (\$0.1 million SGF) by improving billing practices for therapy services
- \$3.1 million (all SGF) by limiting the length of time a person is eligible for MediKan to 24 months
- \$3.1 million (all SGF) by reducing state-only payments for mental health services
- \$0.5 million SGF savings by requiring parental financial participation for children using the SED waiver (Parental financial participation is required with other waivers and they are included in SB421, this is the only waiver reflected in the regular medical budget)
- \$1.8 million (\$0.7 million SGF) by decreasing pharmacy dispensing fees

2. The Subcommittee recommends review of the following items at Omnibus:

a. Pharmacy Dispensing Fee Reduction

The Subcommittee does not feel that the reduction of the pharmacy dispensing fee from \$4.50 to \$4.00 recommended by the Governor is warranted, given the reduction in fees in FY 2001 from an average of \$4.95 to \$4.50. The Subcommittee recommends review of this item for additional funding to maintain pharmacy fees at the current level if resources are available.

b. Family Preservation

Family Preservation Services are intensive in-home services offered to families to prevent having a child come into the custody of SRS and removed from their home. For the last few years, the use of Family Preservation Services has been consistently expanding. To stay within the current appropriation of \$10.2 million, the maximum allocation of referrals would be 2,686 referrals.

The subcommittee notes that the Governor targets Family Preservation in his restoration package for \$2.0 million SGF/\$2.1 million AF. This is a high priority item with the subcommittee and believes it should receive consideration if additional resources are available.

c. Development Disability Community Grants

Developmental Disability Grants are discretionary grants to fund services to persons who are developmentally disabled, but do not qualify for institutional placement.

The Subcommittee notes that the Governor reduced Developmental Disability Community Grants by 25.0 percent, a reduction of \$1.5 million State General Fund. This reduction will mean that approximately 80 persons with developmental disabilities will lose community services, according to the agency. The Subcommittee recognizes the importance of these services and recommends review of this item at omnibus for additional funding if resources are available.

d. Community Mental Health Grants

Community Mental Health grants support community mental health services for persons who are uninsured, with no coverage from state benefits like Medicaid. The grants are discretionary, and the Governor has recommended a reduction of 30.0 percent, or \$3,070,000 State General fund.

The Subcommittee notes that this cut reduces mental health services to those with no other resources. Community Mental Health Centers (CMHC's) are statutorily required to serve persons regardless of their ability to pay for services. The reduction in funding makes it difficult for the CMHC's to provide those services. Recognizing this difficulty, the Subcommittee recommends review of this item at Omnibus for additional funding if resources are available.

e. Funeral Assistance

The Funeral Assistance program provides limited assistance to families receiving TAF, GA, Food Stamps or Medicaid for a modest funeral and cemetery expenses when there is a death in the family. For FY 2001 the total cost of the program was \$466,454 State General fund for 881 burials with an average cost of \$545 per burial. As of April, 2002, this program is eliminated from the agency's budget.

The Subcommittee notes the importance of this assistance to families and recommends review of this item at Omnibus for additional funding if resources are available.

f. Home and Community Based Services (HCBS) Waiver Waiting Lists

HCBS Waivers allow persons who are capable, with assistance, to live in their own home and community, rather than in an institutional setting. Access to waiver services is limited by funding for those services.

The Subcommittee notes the agency estimate that the HCBS/DD Waiver waiting list will increase to 680 persons by the end of FY 2003 and the HCBS/PD Waiver waiting list will increase to 682 during the same time period.

The Governor's enhanced budget includes an additional \$5.0 million State General Fund and \$12.5 million all funds which would decrease the HCBS/DD waiting list by 250 persons and the HCBS/PD waiting list by 300 persons. The Subcommittee recommends review of this item at Omnibus for additional funding if resources are available.

3. The Subcommittee notes the rapid increase in prescription drug costs in the Regular Medical program. The cost of prescriptions was 27.5 percent of the Regular Medical budget for FY 2001, an expenditure of \$66.2 million SGF and \$192.0 million all funds. In recognition of these high costs, the Subcommittee recommends the following:
 - a. Increase the co-pay for prescription drugs for Medicaid recipients from \$2.00 to \$3.00. Medicaid recipients are currently asked to pay the pharmacist a co-pay of \$2.00 per prescription. However, the pharmacist cannot deny the client the prescription if they cannot pay. Instead, the pharmacist bears the cost of the unpaid amount. Approximately half of the Medicaid recipients currently pay the co-pay amount. This increase would save the state approximately \$1.3 million State General fund.
 - b. The Subcommittee supports the mandatory use of generic drugs, unless the generic form is more expensive or the physician overrides the mandate, as recommended in SB 422.
 - c. The Subcommittee recommends the creation of an interdisciplinary council to review the issues of maximizing drug rebates, disease management, and alternatives to the use of step therapy as cost saving measures for the state.

Senate Committee Recommendation

The Committee concurs with the Subcommittee recommendation.

MINORITY REPORT DEPARTMENT OF SOCIAL AND REHABILITATION SERVICES

I wish to register my disagreement with the majority on a number of key issues in the budget of the Department of Social and Rehabilitation Services. My overriding objection is that the majority attempts to balance the budget on the backs of the elderly, the disable, and the children of Kansas. As Governor Graves said in the State of the State Address, this is "budget that does more than simply cut dollars, it cuts critical resources to our highest priorities, including our children, our seniors, and our citizens with mental and physical challenges." I have outlined several concerns with this budget.

- Secretary Schalansky has addressed the Senate Ways and Means Committee and reminded us that state budget cuts also lead to the **loss of federal matching funds**, creating much deeper cuts in the SRS budget, and that any cut is likely to eliminate individuals from services they are accustomed to receiving.
- **Support for Family Preservation Services** is essential to keeping Kansas children in their homes, while reducing agency costs. The average Family Preservation case costs the Department \$3,800 per family, while the average foster care case costs the state \$26,000 per child served. As of September, there were 5,792 open foster care cases. During this same period of time there were 946 Family Preservation cases, 90% of which were maintained in their homes after one year. For every 225 children diverted from custody by Family Preservation the state will save \$5 million. With the current level of cuts, there will be over 1,600 families without services.
- As Governor Graves stated, "We have an obligation to Kansans to ensure their dignity even at their deaths." I agree with this sentiment and feel that the **funeral assistance program** is essential, for without state support, the obligation to pay for burial of those on assistance will fall on local county governments pursuant to KSA 22a-215.
- Serious concern about increased **co-pays for pharmaceuticals**. While a \$1 increase doesn't sound like much, many customers have between 10 to 20 medications a month. Living on a fixed income of \$500 a month, these kinds of revenue enhancements have enormous impact on the poorest of the poor. In addition, if pharmacists are expected to cover this cost, it is highly likely that these providers will no longer accept Medicaid customers.
- the number of uninsured in Kansas is growing. Number from the Hunter Health Clinic point to a 31% increase over last year. In addition, Hunter is currently opening 25 to 50 new charts a day, indicating 25 to 50 patients who have never before visited Hunter.

These concerns lead me to urge the Committee to consider other alternatives for the SRS budget, including Governor Graves recommendations.

- Restoration of \$3 million to mental health grants, \$1.5 million for grants for developmentally disabled, an additional \$2 million to meet the growing demand for Family Preservation Services, and restoration of the funeral assistance program.
 - \$5 million to reduce waiting lists. Currently there are 325 people who are unserved by HCBS Physical Disabilities and 382 under HCBS-DD. These numbers will increase to over 600, respectively without this enhancement. Additionally, \$5 million to increase Medicaid rates. Our rates are among the lowest in the country, and for the professionals who provide those services, we should pay a more adequate rate.
 - Encourage SRS to work with the Inpatient Hospital Task Force, created by the Mental Health Coalition and NAMI, in developing strategic plan for mental health services.
 - Such plan should recognize that inpatient services at both state and community hospitals are a legitimate component in the continuum of care for individuals with mental illness. As a result, the plan should assure that these services be available and funded.
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House Social Services Budget Committee Report

Agency: Department of Social and Rehabilitation Services

Bill No. 3008

Bill Sec. 31

Analyst: Nogle

Analysis Pg. No. Vol. I - 731

Budget Page No. 399

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State General Fund	\$ 741,934,599	\$ 639,692,952	\$ (70,000)
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The Governor recommends \$1.96 billion all funds, \$639.7 million State General fund for FY 2003. The request is an increase of \$101.2 million all funds (5.4 percent) and \$20.9 million (3.4 percent) from the FY 2002 recommendation, and a decrease of \$66.3 million (3.3 percent) all funds and \$102.2 million (13.8 percent) State General fund from the agency request.

House Budget Committee Recommendation

The Budget Committee concurs with the Governor's recommendation with the following comments and adjustments:

1. The Budget Committee reluctantly concurs with the Governor's FY 2003 budget recommendation for the Department of Social and Rehabilitation Services. While the Budget Committee does not like any of the proposed reductions in state funding, the Committee has no choice but to accept the proposed budget until such time as the Legislature come to a consensus on whether or not there will be revenue enhancements and, if so, how much additional revenue will be

available. The Budget Committee plans to continue educated deliberations on the budget throughout the session. The Budget Committee notes that the expertise of the Committee members who are not also members of the Appropriations Committee is an invaluable aid in these deliberations. Traditionally, these members have not been available to assist with the development of the Omnibus appropriations bill at the end of the session. The Budget Committee recommends that the non-appropriations member be brought in to assist with the budget prior to the start of the veto session, especially with the challenges we face this year.

2. The Budget Committee recommends the following expenditures from the Children's Initiatives Fund:
 - a. \$750,00 for immunization outreach.
 - b. \$375,000 for Family Preservation programs.
 - c. \$2.0 million for grants to Community Mental Health Center's for the development of programs to serve children.

3. Shift \$470,000 SGF from SRS to the KDHE Coroner's fee fund to cover funeral assistance eliminated by the Governor in FY 2003 from the SRS budget.

4. Shift \$400,000 SGF from the KDHE Ryan White program to the SRS AIDS drug program.

5. The Budget Committee recommends the review of the use of means testing for all non-medicaid programs that receive state aid and State General Fund money, to assure that the most needy will be served first.

6. The Budget Committee recommends the reduction of the Pharmacy budget for nursing facilities by 25 percent, to be reviewed at Omnibus. The Budget Committee recommends the agency explore the implementation of a patient centered plan of care, which allows nursing facility residents to decide when they sleep, when they eat, and what types of recreation they engage in. Missouri has implemented a similar pilot project and achieved a 50 percent reduction in the facility pharmacy budget.

7. The Budget Committee asks the Secretary of SRS to report at Omnibus any plans to close beds in the Nursing Facilities for Mental Health and State Hospitals, and provide plans on how services will be provided to those moving from institutions into communities.

8. The Budget Committee asks the Drug Utilization Review committee to work with pharmaceutical companies and doctors to review the cost effectiveness of a starter dose program and explore options for using samples instead of prescriptions for selected medications for Medicaid patients.

9. The Budget Committee requests SRS study the equalization of hourly rates paid to attendants under the HCBS/DD and PD waiver and report back at Omnibus.

10. The Budget Committee recommends the review of regulations pertaining to parents who are paid service providers for their adult child and hold public hearings on the subject with the objective of exempting parents or family members from the background checks required for other providers.

11. The Budget Committee recognizes that the lack of quality, affordable child care is one of the largest barriers for families moving from public assistance into the Workforce. Child care subsidies are crucial for low-income families to afford child care; without them child care can comprise more than 50 percent of a total family budget, providing a significant barrier for entering or sustaining involvement in the workforce. There is a strong disincentive built into programs for families in need of assistance to become independent of state programs intended to encourage independence.
12. The Budget Committee encourages continued efforts by SRS, in collaboration with Legislators, to find solutions for foster care issues through family preservation services.
13. The Budget Committee notes with interest the concept of State Employee Mentoring/Tutoring programs for at-risk youth, and recommends the Committee review the findings of the Faith-based Initiatives Steering Committee survey on services provided by not-for-profit organizations, specifically mentoring programs.
14. The Budget Committee asks that SRS meet with interest groups to discuss the following:
 - a. Develop a community checklist format that would be adapted for each community. It would require the Case Manager or Independent Living Specialist who is developing the Plan of Care to demonstrate that they attempted to use community services before writing a plan of care. They would have to demonstrate why that individual could not use the services available in the community. The checklists would be reviewed to ensure that they were properly reporting successes and failures. Accumulation of unmet needs could be a catalyst for identifying community deficits that should be addressed by the Centers for Independent Living.
 - b. Review funding sources for people with developmental disabilities. There is a strong disincentive for people with mental retardation and other developmental disabilities to become independent. The majority of all SGF funding is tied up in matching the waiver using Title XIX funds. The regulations written around that funding source give very few options for community providers to be reimbursed for teaching people to become independent. These rules and regulations encourage and support dependency models.

The Budget Committee recommends the review of programs implemented by community providers prior to the development of the current funding system for programs that foster independence and find ways to fund these programs with current sources.

- c. Review the creation of a transitional living service in the PD waiver, with incentives for clients to become independent and evaluations to determine what equipment would allow them to do tasks themselves.

15. The Budget Committee encourages the Committee to hold hearings on SB 421 which would allow SRS to charge fees on a sliding scale for families with the ability to pay for services.
16. The Budget Committee requests that the Kansas Children's Service League report to the Committee at Omnibus regarding children on the adoption contract who have significant barriers to adoption.
17. The Budget Committee asks that SRS report at Omnibus on further maximization of Medicaid funds for community services.
18. The Budget Committee recommends that SRS work with the Kansas Department of Health and Environment to emphasize the importance of immunizations within its HealthWave outreach program.
19. The Budget Committee is concerned that many children aging out of the foster care system are not receiving any assistance to further their education, due to the lack of traditional family supports. The Budget Committee recommends that the Higher Education Committee work with SRS, the State Board of Education and the Regents to develop a plan similar to HB 2956 to deliver a plan to assist these children in pursuing education beyond high school. Every avenue for available funding through grants, scholarships and federal funds (like the Chaffee Bill), should be explored.

FY 2003 Children's Initiatives Fund (Tobacco)

<u>Agency/Program</u>	<u>Agency Request FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Children's Cabinet Rec. FY 2003</u>	<u>SWM Ed. Committee Adjust FY 2003</u>
State Library				
Community Access Network	0	0	0	0
Subtotal - Misc.	\$0	\$0	\$0	\$0
Department of Health and Environment				
Healthy Start/Home Visitor	250,000	250,000	250,000	0
Infants and Toddlers Program	500,000	1,000,000	500,000	0
Smoking Cessation/Prevention Program Grants	1,225,000	1,500,000	1,225,000	0
Subtotal - KDHE	\$1,975,000	\$2,750,000	\$1,975,000	\$0
Juvenile Justice Authority				
Juvenile Prevention Program Grants	6,000,000	6,500,000	6,500,000	0
Juvenile Graduated Sanctions Grants	2,000,000	2,000,000	0	0
Subtotal - JJA	\$8,000,000	\$8,500,000	\$6,500,000	\$0
Department of Social and Rehabilitation Services				
Children's Mental Health Initiative	1,800,000	2,500,000	2,500,000	0
Family Centered System of Care	5,000,000	5,000,000	500,000	0
Therapeutic Preschool	1,000,000	1,000,000	1,000,000	0
Community Services - Child Welfare	2,600,000	2,600,000	2,600,000	0
Child Care Services	1,400,000	1,400,000	0	0
Children's Cabinet Accountability Fund	2,504,000	600,000	1,900,000	0
HealthWave	1,000,000	2,000,000	0	0
Smart Start Kansas - Children's Cabinet	14,475,000	4,000,000	6,475,000	0
Children's Medicaid Increases	3,000,000	3,000,000	0	0
Subtotal - SRS	\$32,779,000	\$22,100,000	\$14,975,000	\$0
Department of Education				
Parent Education	2,500,000	3,000,000	2,500,000	(125,000)
Four-Year -Old At-Risk Programs	4,500,000	6,000,000	6,000,000	0
School Violence Prevention	500,000	500,000	500,000	(500,000)
Vision Research	300,000	400,000	400,000	(100,000)
Communities in Schools	0	0	0	0
Mentoring Program Grants	0	0	0	0
Reading Recovery	0	500,000	0	(500,000)
Special Education	0	0	0	1,225,000
Subtotal - Dept. of Ed.	\$7,800,000	10,400,000	9,400,000	\$0
University of Kansas Medical Center				
Tele-Kid Health Care Link	250,000	250,000	250,000	0
Pediatric Biomedical Research	1,000,000	1,000,000	0	0
Subtotal - KU Medical Center	\$1,250,000	\$1,250,000	\$250,000	0
TOTAL	\$51,804,000	\$45,000,000	\$33,100,000	\$0

Resource Estimate				
	<u>Agency Request FY 2003</u>	<u>Gov. Rec. FY 2003</u>	<u>Children's Cabinet Rec. FY 2003</u>	<u>SWM Ed. Subcommittee Rec. FY 2003</u>
Beginning Balance	3,105,000	3,125,242	3,125,242	3,125,242
KEY Fund Transfer	45,000,000	45,000,000	45,000,000	45,000,000
Total Available	48,105,000	48,125,242	48,125,242	48,125,242
Less: Expenditures and Transfers	51,804,000	45,000,000	33,100,000	45,000,000
ENDING BALANCE	(\$3,699,000)	\$3,125,242	\$15,025,242	\$3,125,242

HOUSE APPROPRIATIONS
DATE 5/15/02
ATTACHMENT 3

FY 2002 Children's Initiatives Fund (Tobacco)

<u>Agency/Program</u>	<u>Actual FY 2001</u>	<u>Approved FY 2002</u>	<u>Adjusted Gov. Rec. FY 2002</u>	<u>Children's Cabinet Rec. FY 2002</u>
State Library				
Community Access Network	70,000	0	0	0
Subtotal - Misc.	\$70,000	\$0	\$0	\$0
Department of Health and Environment				
Healthy Start/Home Visitor	249,495	250,000	250,000	250,000
Infants and Toddlers Program	500,000	500,000	500,000	500,000
Smoking Cessation/Prevention Program Grants	500,000	500,000	500,000	0
Subtotal - KDHE	\$1,249,495	\$1,250,000	\$1,250,000	\$750,000
Juvenile Justice Authority				
Juvenile Prevention Program Grants	5,000,000	6,000,000	6,000,000	5,000,000
Juvenile Graduated Sanctions Grants	2,000,000	2,000,000	2,000,000	2,000,000
Subtotal - JJA	\$7,000,000	\$8,000,000	\$8,000,000	\$7,000,000
Department of Social and Rehabilitation Services				
Children's Mental Health Initiative	1,800,000	1,800,000	1,800,000	1,800,000
Family Centered System of Care	5,000,000	5,000,000	5,000,000	5,000,000
Therapeutic Preschool	1,000,000	1,000,000	1,000,000	1,000,000
Community Services - Child Welfare	2,599,999	2,600,000	2,600,000	2,600,000
Child Care Services	1,400,000	1,400,000	1,400,000	1,400,000
Children's Cabinet Accountability Fund	250,000	550,000	550,000	750,000
HealthWave	1,000,000	1,000,000	1,000,000	1,000,000
Smart Start Kansas - Children's Cabinet	2,738,395	3,000,000	3,000,000	14,825,000
Children's Medicaid Increases	0	3,000,000	3,000,000	0
Subtotal - SRS	\$15,788,394	\$19,350,000	\$19,350,000	\$28,375,000
Department of Education				
Parent Education	1,500,000	2,500,000	2,500,000	1,500,000
Four-Year -Old At-Risk Programs	1,000,000	4,500,000	4,500,000	1,000,000
School Violence Prevention	491,870	500,000	500,000	500,000
Vision Research	250,000	300,000	300,000	0
Communities in Schools	125,000	0	0	0
Mentoring Program Grants	499,999	0	0	0
Reading Recovery	0	0	0	0
Subtotal - Dept. of Ed.	\$3,866,869	\$7,800,000	\$7,800,000	\$3,000,000
University of Kansas Medical Center				
Tele-Kid Health Care Link	250,000	250,000	250,000	250,000
Pediatric Biomedical Research*	0	1,000,000	2,000,000	0
Subtotal - KU Medical Center	\$250,000	\$1,250,000	\$2,250,000	\$250,000
TOTAL	\$28,224,758	\$37,650,000	\$38,650,000	\$39,375,000

* The FY 2002 recommended amount reflects a reappropriation of funds from FY 2000.

Resource Estimate				
	<u>Actual FY 2001</u>	<u>Approved FY 2002</u>	<u>Gov. Rec. FY 2002</u>	<u>Children's Cabinet Rec. FY 2002</u>
Beginning Balance	0	755,000	1,775,242	1,775,242
KEY Fund Transfer	30,000,000	40,000,000	40,000,000	40,000,000
Total Available	30,000,000	40,755,000	41,775,242	41,775,242
Less: Expenditures and Transfers	28,224,758	37,650,000	38,650,000	39,375,000
ENDING BALANCE	\$1,775,242	\$3,105,000	\$3,125,242	\$2,400,242