

## MINUTES OF THE HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES.

The meeting was called to order by Chairperson Garry Boston at 1:30 p.m. on January 28, 2002 in Room 210 Memorial Hall

Committee staff present: Dr. William Wolff, Kansas Legislative Research Department  
Renea Jefferies, Revisor of Statute's Office  
June Evans, Secretary

Conferees appearing before the committee: Janet Schalansky, Secretary, Social Rehabilitation Services

Others attending: See Attached Sheet

The Chairperson asked if there were any bill introductions and Secretary Schalansky requested a legislative proposal regarding estate recovery - funeral balances. This proposal contains statutory changes that would strengthen the language to help simplify the process for recovering public-paid medical expenses from a recipient's state.

There was some discussion and the Chairperson called a question if the committee wished to introduce legislation and Representative Showalter moved and Representative Wells seconded to accept the bill introduction. The motion carried.

Chairperson Boston said a memo from Sharon Patnode, KDHE, was distributed answering Representative Wells' question, how does Kansans rank in healthiness compared to other states in healthiness? Kansas ranks 16<sup>th</sup> from the top in the 2000 ranking. Kansas is in the top one-third when compared to all states (Attachment #1).

Chairperson Boston announced there would be a tour of Marian Clinic, and time permitting, Martin de Porres Dental Center January 30.

Secretary Janet Schalansky, Social Rehabilitation Services, gave an overview of the Agency, stating the mission was to protect children and promote adult self-sufficiency. The vision is partnering to connect Kansans with supports and services to improve lives (Attachment #2).

Representative Long asked about how effective was privatization, caseload, the amount of dollars spent and the total number of employees since going into privatization in comparison to prior to privatization?

Secretary Schalansky stated they wrote outcomes for the expectations when going into the program and the numbers projected of welfare children and those continue to be good. There are still concerns and there is not a national level of how soon children should reach permanency. That is one of the goals that not all of the contractors have met but we have expected. There is not a very good target in that area, our target is 6 months and we are at 7 ½. We will get data on that. Nationally, the average length of stay in foster homes is 13 months so we fall below that. When trying to make comparison from state to state have to be careful because not all of the laws are the same. The numbers are coming down and our goal continues to be that if a child can be served safely at home that is a first priority and need to move to permanency as soon as possible, either back home to services or into a permanent arrangement. We have added additional money for years but the number of children has gone down. When the program was started there were 8,000+ children in the custody of the Secretary, and this morning the sheet was around 3400 in foster care, that does not include the J.A. kids. The trends are going in the right direction.

Representative Flaharty asked if everyone shown on chart giving child support are on public assistance or is it everyone that gives child support?

Secretary Schalansky stated those are children on public assistance and others that have asked

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for that.

Representative Flaharty asked if food stamp guidelines were written by the federal people or does the state have guidelines?

Secretary Schalansky said there are federal guidelines and we have to write regulations around them and the Department of Agriculture is specific about that but have recently given us some flexibility and also we have changed and working with our advocates and at the urging with some legislators we simplified and reduced the length of the application for food stamps. The only thing it costs us is the administrative dollars for our staff to manage those.

Representative Lightner asked to have the adoption subsidy explained.

Secretary Schalansky said there were some state and federal funded programs for children with disabilities that require unusual costs and those costs can be subsidized.

Representative Lightner asked how the state went about placing children for adoption.

Secretary Schalansky replied one of the more typical ways is through foster parents.

Representative Lightner said that takes a long time and what are you doing with the children that have been in the system for months and months or even years to expedite their adoption.

Secretary Schalansky stated it varies. We have a contract this year with the Kansas Childrens Service League so when children are eligible for adoption we move them over to the adoption contract and they are the adoption specialists and work on getting them adopted. Some children remain for a lot of years in foster care, not because we aren't looking for adoption but they are not free for adoption.

Representative Lightner asked what the average cost of a birth was and the number of births that have been adopted.

Secretary Schalansky said they would provide information on the average cost of a birth, but the number of births that have been adopted would be hard to track, and how long children are in foster care before being adopted.

Representative Showalter asked to have prenatal costs provided in the information.

Representative Storm said in the Governor's enhanced budget there are still significant reductions. Which services are you more concerned about?

Secretary Schalansky replied she was very pleased the Governor did not take durable medical equipment. There aren't a lot of choices according to the federal government. It is taking about 18 ½ weeks from the time a person applies until they receive services. Today we can only add a person when one leaves the services. There is no new money. These are people that can be put on waiting lists. We can look and reassess and make sure that plan is as tight as can be and we sometimes negotiate and see if there is a natural support that might provide SRS. If our dollars go further down we will not have enough money to serve everybody that is on the list and were concerned with the rescision bill that was heard in the Senate because if that bill gets passed there is no way we can meet that without cutting people off that are currently on services. We can not put foster care on a waiting list so then the front end suffers; family preservation and preventative services.

Representative Long asked what the caseload was per worker and do they handle a plethora of types of cases?

Secretary Schalansky replied as far as child welfare we are required as a result of the lawsuit to keep our caseload on the average of 12 to 18. In some areas they can work all areas and in

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urban areas there are some workers that are specialized. We are hiring in some areas where the caseload has increased and let people go in areas where the caseload has decreased.

Representative DeCastro asked if people were moving into Kansas to receive services?

Secretary Schalansky said Kansas residents were eligible but people aren't moving in to become residents and receive service. Some people are moving back home. They have to live here now but there is no time limit, they do not have to live here a certain amount of time to receive services.

Chairperson Boston asked, with the economic situation, especially since September 11th, what do you project in job loss?

Secretary Schalansy said they expected their caseload to continue to go up for a little while then settle back down.

Representative Palmer asked why children were being taken out of their homes?

Secretary Schalansky stated the judge stipulates where the child should be.

The meeting adjourned at 3:10 p.m. and the next meeting will be January 29, 2002.





**KANSAS**  
**DEPARTMENT OF HEALTH & ENVIRONMENT**  
BILL GRAVES, GOVERNOR  
Clyde D. Graeber, Secretary

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Date: January 17, 2002

To: Senate Public Health and Welfare Committee  
House Health Human Services Committee

From: Sharon Patnode, Assistant Secretary

Re: Health of Kansas Compared to Other States

In determining how Kansans rank in healthiness compared to other states, we used the current State Health Ranking done by United Health Group for the year 2000. This group develops health rankings on a regular basis presenting them to the American Public Health Association.

This report uses the following groups of health indicators to rank relative healthiness of states' populations: lifestyle (prevalence of smoking, motor vehicles deaths, violent crime, and risk for heart disease), access to health care, disease, and mortality.

In the report, Kansas ranked 16<sup>th</sup> from the top in the 2000 ranking. As I mentioned, Kansas isn't the worst, it's in the top one-third when compared in this report to all states; however, there is room for improvement.

Please let me know if you wish additional information.



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# Kansas Department of Social and Rehabilitation Services



Agency Overview

House Committee on  
Health and Human Services

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Janet Schalansky, Secretary  
January 28, 2002

# SRS Mission, Vision, and Guiding Principles

Mission: To Protect Children and Promote Adult Self-Sufficiency

Vision: Partnering to connect Kansans with supports and services to improve lives

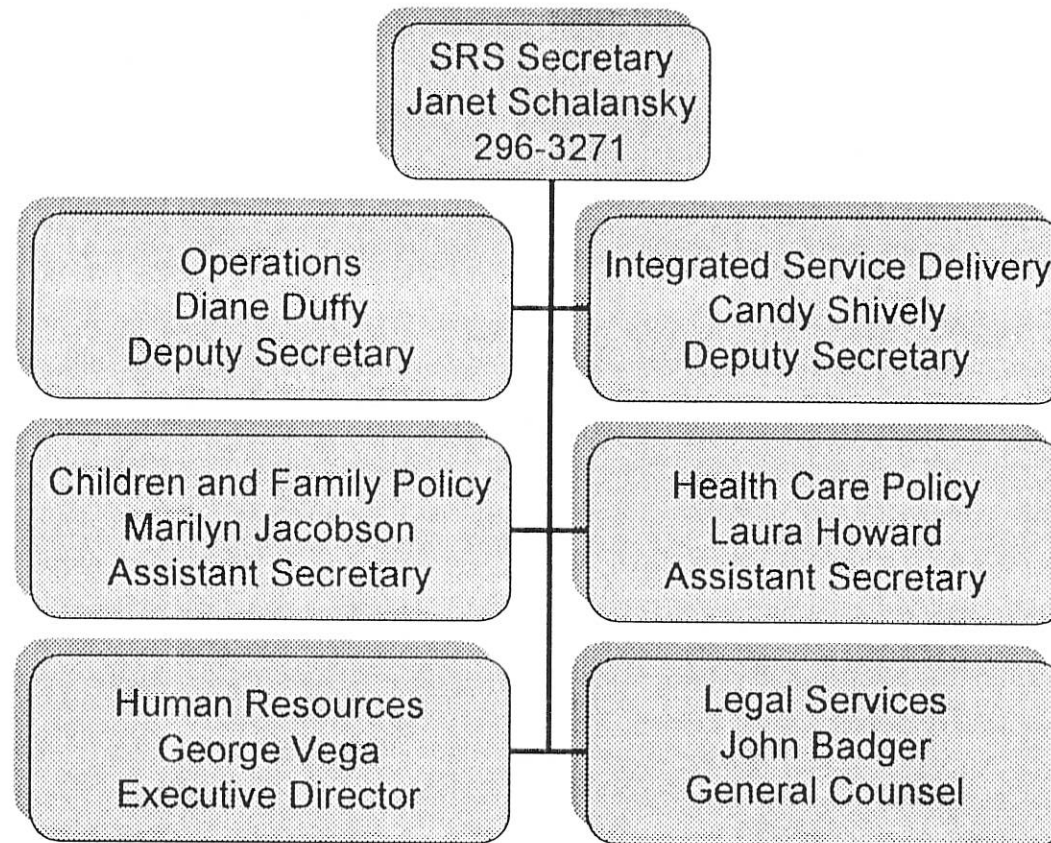
## Guiding Principles:

- Act with integrity and respect in our work with customers, partners, and each other
- Champion customer success
- Demonstrate leadership without regard to position or title; embrace responsibility, take risks, make decisions and act to overcome challenges
- Strive for continuous improvement
- Demonstrate passion for our mission
- Recognize the value of partnerships both within the agency and with community partners to stretch capacity and achieve extraordinary results



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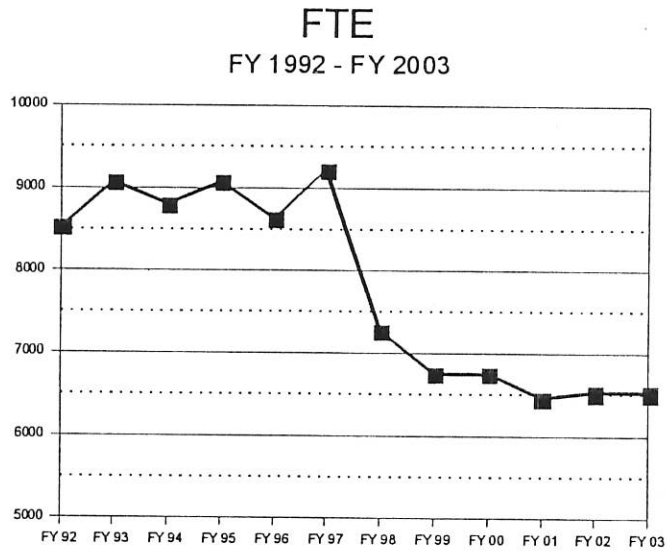
# Kansas Department of Social and Rehabilitation Services





# SRS Full Time Employees

## FTE Trend over Time



## Current Distribution of Staff

<b>Central Office</b>	<b>980.4</b>
<b>Field Operations</b>	<b>3,041.11</b>
<b>Hospitals</b>	<b>2,498.99</b>
Kansas Neurological Institute	655.5
Larned State Hospital	725.8
Osawatomie State Hospital	477.4
Parsons State Hospital & TC	513.49
Rainbow Mental Health Facility	126.8
<b>Total</b>	<b>6,520.5</b>

# Services SRS Provides

- Leadership, guidance, and policy direction for social services
- Service delivery through in-house resources or contracts with allies and partners
- Access to services including health care, mental health services, food assistance, energy assistance, and child welfare services for thousands of Kansans each year

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# Summary of Persons Assisted

## Child, Adult, and Family Safety and Well-Being Services

SFY 2001

Adoption Contracts	1,443
Adoption Subsidy	4,053
Foster Care Contracts	3,661

## Financial and Employment Services

Child Care	15,312
Child Support Collections	154,968
Food Assistance	117,241
General Assistance	2,616
Low Income Energy Assistance	34,850
Rehabilitation Services	7,033
Temporary Assistance for Families (TAF)	31,788
TAF Employment Services	6,762

# Summary of Persons Assisted

## Health and Medical Services SFY 2001

State Mental Retardation Hospitals	378
Developmental Disability Services	8,678
Mental Health Services	21,943*
Physical Disability Services	4,707
State Mental Health Hospitals	450
Substance Abuse Treatment and Recovery	13,500
Health Care Services:	
People Primarily in Managed Care Programs	
Families	43,600
Children	68,500
Pregnant Women	5,300
People Primarily in the Fee-for-Service Program	
Persons who are Elderly and Disabled	61,920
Children in Foster Care, Adoption, or JJA	9,700
Persons Provided Partial Health Care Coverage	6,401
MediKan Fee-for-Service	2,440
Children's Health Insurance Program	19,280

\*Figure represents persons served per year

# SRS Expenditures

- Major purchaser of human services, resulting in economic impact in every Kansas county
- \$1.4 billion for direct services on behalf of clients in FY 2001, including \$717 million for health care services
- Types of expenditures have changed: Cash assistance rolls have declined and health services have increased dramatically
- Vast majority of expenditures made to, or on behalf of, persons with very low incomes



# Summary of Expenditures

## Child, Adult, and Family Safety and Well-Being Services SFY 2001

Adoption Contracts	\$40.6*
Adoption Subsidy	\$16.6
Foster Care Contracts	\$94.6

## Financial and Employment Services

Child Care	\$46.6
Child Support Collections **	\$141.9
Food Assistance	\$89.2
General Assistance	\$4.9
Low Income Energy Assistance	\$17.3
Rehabilitation Services	\$20.1
Temporary Assistance for Families (TAF)	\$44.7
TAF Employment Services	\$7.5

\*Total includes one-time payments to contractors to stabilize the system

(In Millions)

\*\*This line-item is not an expenditure, but total SRS child support collected on behalf of families

# Summary of Expenditures

<u>Health and Medical Services</u>	<u>SFY 2001</u>
State Mental Retardation Hospitals	\$44.4
Developmental Disability Services	\$220.6
Mental Health Services	\$74.9
Physical Disability Services	\$62.8
State Mental Health Hospitals	\$57.4
Substance Abuse Treatment and Recovery	\$14.6
Health Care Services:	
People Primarily in Managed Care Programs	
Families	\$75.8
Children	\$103.2
Pregnant Women	\$33.9
People Primarily in the Fee-for-Service Program	
Persons who are Elderly and Disabled	\$403.1
Children in Foster Care, Adoption, or JJA	\$22.9
Persons Provided Partial Health Care Coverage	\$13.4
MediKan Fee-for-Service	\$12.5
Children's Health Insurance Program	\$28.8

(In Millions)

## FY 2002-2003 Budgets

- At the close of the 2001 Legislative Session, as SRS began preparing a budget submission for FY 2003, we had serious concerns about our FY 2002 budget.
- SRS developed a long list of targeted policy changes to reduce expenditures to meet the allocated resource estimate.
- SRS subsequently proposed additional changes specifically targeted to slow down cost increases in the Medicaid program.

## FY 2002-2003 Budgets -- cont'd

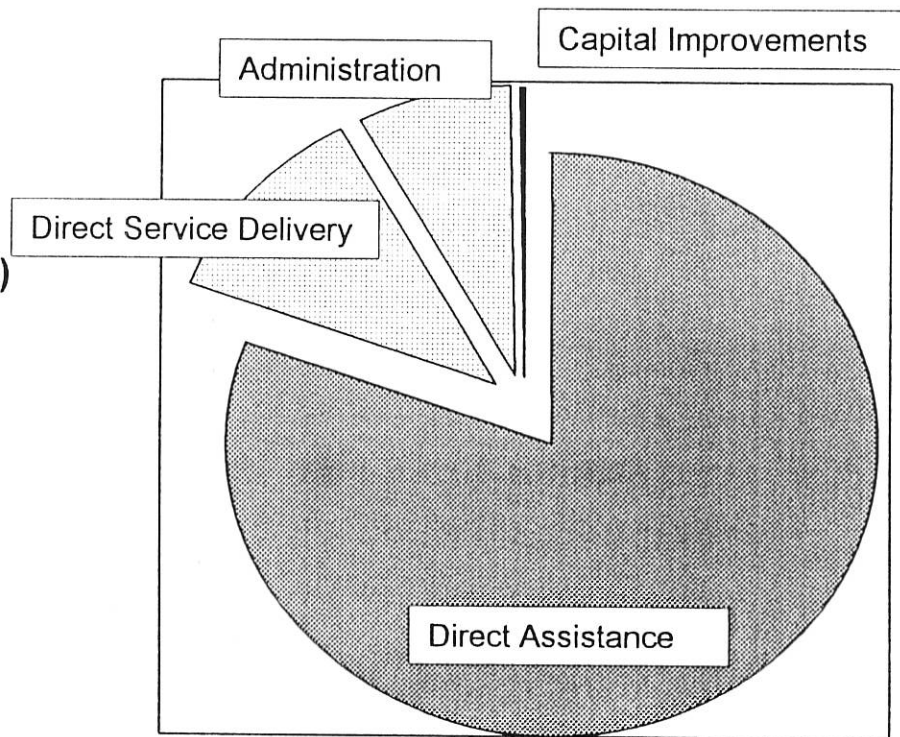
- Governor Graves adopted all but one of the proposals presented by SRS in his “existing resources” budget while adding resources to cover consensus caseload estimates and ensure that vital services are maintained.
- The Governor avoided more drastic cuts, such as eliminating the purchase of wheelchairs, ventilators, or oxygen for disabled adults, and eliminating the General Assistance and MediKan programs.
- In his “enhanced resources budget,” the Governor made targeted restorations and enhancements such as restoring funding for family preservation, developmental disability and mental health grants, and the funeral assistance program, and proposed a revenue package to fund them.

# SRS Expenditures by Category

FY 2003 Budget –GBR Existing Resources (in Millions)

<b>Direct Service Delivery</b>	<b>\$234.3 (11.3%)</b>
<b>Administration</b>	<b>\$163.0 (7.9%)</b>
<b>Capital Improvements</b>	<b>\$4.2 (.20%)</b>
<b>Direct Assistance</b>	<b>\$1,665.3 (80.6%)</b>

Cash Assistance	\$57.9
Child Care & Employment	\$59.4
Medical Assistance	\$909.9
Substance Abuse	\$16.8
Mental Health	\$66.2
Developmental & Physical	
Disability	\$302.0
Children & Family	\$192.9
Rehabilitation Services	\$21.9
Other	\$38.3



**Total \$2,066.8**

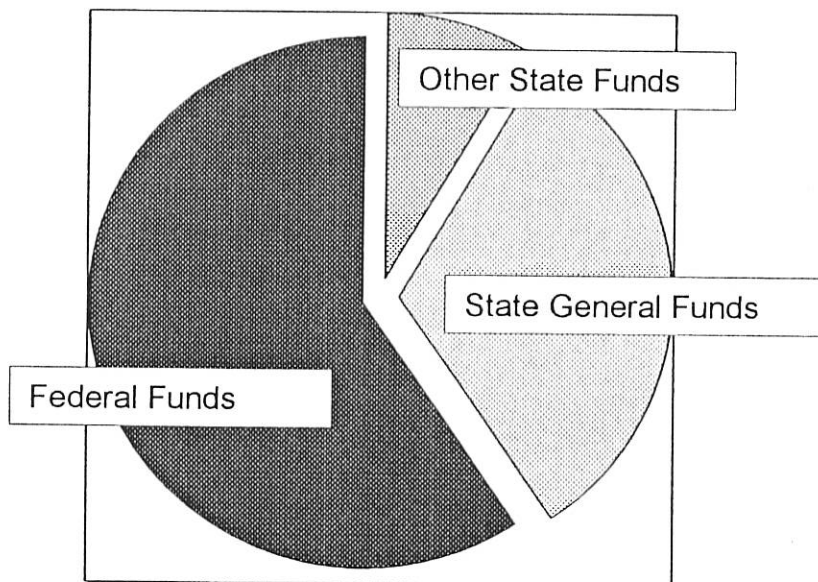
Totals may not add due to rounding



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# SRS Expenditures by Revenue Source

FY 2003 Budget – GBR Existing Resources (In Millions)



**Total \$2,066.8**  
(Totals may not add due to rounding)

State General Funds	\$672.7 (32.5%)
Federal Funds	\$1,222.8 (59.2%)
Other State Funds	\$171.2 (8.3%)
Fee Funds	\$70.4
Children's Initiative Fund (tobacco)	\$22.1
Intergovernmental Transfer	\$74.8
State Building Fund	\$3.9

# 2002 Legislative Proposals

- Medicaid Pharmacy Program Management
- Access to Criminal History Information
- Estate Recovery (Three Proposals)
- Adding to List of Positions in Unclassified Service
- Parental Financial Participation
- Commitment of Sexually Violent Predators

# Emerging Issues

- Declining Economy and Rising Social Service Caseloads
- Human Services Workforce Issues
- Changing Role of Medicaid
- Continuing Social Service System Changes:
  - Mental Health
  - Developmental Disabilities
  - Child Welfare
- Federal Reauthorization of Programs:
  - TANF
  - Food Stamps
  - Child Care



# SRS Information Resources

- Secretary's Office: 785-296-3271
- Customer Affairs: 785-296-4687
- Finger-Tip Facts: A Legislator's Guide
  - Hard copy provided to each legislator
  - Also available on the Internet
- Agency Web Site: [srskansas.org](http://srskansas.org)
  - Statistics, including county data
  - Publications, including Finger-Tip Facts and the Agency Business Plan
  - Current news and recent testimony