

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:35 A.M. on March 15, 2007, in Room 123-S of the Capitol.

All members were present except:
Senator Jim Barone- excused

Committee staff present:
Jill Wolters, Senior Assistant, Revisor of Statutes
Hank Avila, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Mary Shaw, Committee Assistant

Conferees appearing before the committee:
Senator Derek Schmidt
Dr. Marcia Nielsen, Executive Director, Kansas Health Policy Authority
Jerry Slaughter, Executive Director, Kansas Medical Society
Chad Austin, Kansas Hospital Association (written)
Tiara Green, Children's Mercy Family Health Partners (written)
Major General Tod Bunting, Adjutant General
Don Button, Emergency Management Coordinator, Grant County

Others attending:
See attached list.

Bill Introductions

Senator Emler moved, with a second by Senator Kelly, to introduce the Governor's Pay Plan state officers and employees, salaries and compensation, increases for FY 2008, certain expense allowances. Motion carried on a voice vote.

Chairman Umbarger opened the confirmation hearing for:

Sally O'Grady, Re-Appointment as Member, Public Employee Relations Board (Attachment 1)

Ms. O'Grady visited with the Committee regarding her work and experience serving on the Public Employee Relations Board.

Following committee questions and discussion, the Chairman closed the confirmation hearing.

Senator V. Schmidt moved, with a second by Senator Kelly, to recommend the confirmation of the re-appointment of Sally O'Grady as Member, Public Employee Relations Board. Motion carried on a roll call vote.

The Chairman opened the public hearing on:

SB 373--Medicaid inspector general

Staff briefed the committee on the bill.

Chairman Umbarger welcomed the following conferees:

Senator Derek Schmidt presented testimony in support of the bill (Attachment 2). Senator D. Schmidt explained that originally, the proposal to establish a Medicaid Inspector General arose from the 2005 Special

CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:35 A.M. on March 15, 2007, in Room 123-S of the Capitol.

Committee on Medicaid Reform, which he chaired. Legislation was introduced in the 2005 Session and he provided a history of that bill and what has led to introduction of **SB 373**.

Dr. Marcia Nielsen, Executive Director, Kansas Health Policy Authority, spoke in support of **SB 373** (Attachment 3). Dr. Nielsen presented information on the history of SB 373, the bill itself, and estimated cost. She noted that the legislation is based on model statutes of the Inspector General at the federal level, as well as in other states.

Jerry Slaughter, Executive Director, Kansas Medical Society, testified in favor of **SB 373** (Attachment 4). Mr. Slaughter explained that the bill represents the work product of numerous meetings over the past several months. He noted that many of the concerns with the legislation from last year have been addressed in **SB 373**.

Written testimony was submitted by:

Chad Austin, Vice President of Governmental Relations, Kansas Hospital Association (Attachment 5)

Taira Green, Director of Government Relations and Public Affairs, Children's Mercy Family Health Partners (Attachment 6)

There being no further conferees to come before the committee, the Chairman closed the public hearing on **SB 373**.

Senator Steineger moved, with a second by Senator Emler, to recommend **SB 373** favorable for passage. Motion carried on a roll call vote.

Chairman Umbarger welcomed Major General Tod Bunting who presented a briefing on Kansas Emergency Management and Federal Disaster Relief (Attachment 7). Major General Bunting provided details at this point about the Winter Storm 2006 - Incident Date was December 28-31, 2006. He detailed the following information:

- Incident Overview
- Emergency Support Functions
 - Transportation
 - Communications
 - Public Works & Engineering
 - Emergency Management
 - Mass Care
 - Resource Management
 - Health and Medical
 - Search and Rescue
 - Natural Resources and Agriculture
 - Energy
 - Public Safety
 - Long-Term Recovery
 - External Communications

Information was provided on the Estimated State Matching Funds Needed for Disasters in Kansas (Attachment 8). Committee questions and discussion followed. Mike Beam, present, Kansas Livestock Association, responded to questions regarding cattle lost during the storm and he noted that there was no count yet on the loss. Mr. Beam did mention that the weight loss of the surviving cattle is on-going at this point.

The meeting adjourned at 12:00 p.m. The next meeting is scheduled for March 15, 2007, at 12:15 p.m., a Joint Meeting with the Senate Public Health and Welfare Committee.

**SENATE WAYS AND MEANS COMMITTEE
GUEST LIST**

Date March 15, 2007

Name	Representing
Carole Jordan	KS Dept of Ag
Dan Morin	KS Medical Society
John Walker	KMS
Fairs Green	CMFHP
Duke Schmidt	3rd Floor - East
Marc Nielsen	KHPA
Marta Fisher Linnenburg	KHPA
Scott Brunner	KHPA
Sally O'Grady	Public Employee/Employee Rel. Board Member
Kwin Siek	TILRC
Nancy Pierce	KHCAN
Randy Melner	Adjutant Gen Department
Brad Smoot	CCH Family Health Partners
Carolyn Smith	KCHS
Dan Gibb	KSAG
Lindsey Douglas	Hein Law Firm
RT Med	LGN
Brian R Thompson	KAPE
Ron Seitz	KDOT
MARK KRANTZ	KDOT
Ken Gudenkart	KDOT
Doug Smith	Pinegar, Smith & Associates
Tom Bruno	EDS

Senate Confirmation Information Summary
Prepared and Submitted by the Office of Governor Kathleen Sebelius

Appointee: Sally O'Grady

Position: Member, Public Employee Relations Board

Appointment Date: March 1, 2007

Expiration Date: March 15, 2010

Term Length: 4 years

Statutory Authority: K.S.A. 75-4323

Party Affiliation: Republican

⇒ Statutory geographic representation
Requirements (*insert any that apply*)

Congressional District:

County:

Size requirement (*if any*):

Other, specify:

⇒ Statutory party affiliation requirement:

Not more than three members of the board shall be members of the same political party.

⇒ Statutory industry or occupation requirements:

One member shall be representative of public employers, one member shall be representative of public employees, and three members shall be representative of the public at large and hold no other public office or public employment.

Salary: N/A

Predecessor: Herself - reappointed

Board Composition Prior to Confirmation of New Appointee:

(SEE ATTACHED LIST)

*Senate Ways and Means
3-15-07
Attachment 1*

Public Employee Relations Board

Gov Appts: 5

Term Length: Four Years

Contact: Douglas Hager

Total Appts: 5

Notes: Meets 3-4x/yr. 1 rep. of public employees; 1 rep. of public employers; 3 from public at large who shall hold no other public office or public employment. Chair selected by Board from public members.

Department of Labor
401 SW Topeka Blvd
Topeka, KS 66603
785/368-6224

Statute: KSA 75-4323

Confirmation:

Gov Appt Counts Male/Female

1st--2nd--3rd--4th

R / D / U

Board Active

Party Ratio: 3:2

4 : 1

0 : 3 : 1 : 1

1 : 3 : 1

** Member fully assumed duties but awaits confirmation by the Full Senate

	<u>County</u>	<u>Affiliation</u>	<u>CD</u>	<u>H</u>	<u>S</u>	<u>Appointment Date</u>	<u>Expiration Date</u>	<u>Reapt</u>
Gorman, Mr. Kenneth W. 1142 SW Kent Place Topeka, KS 66604-2047 Work 785-233-1361 Home 785-272-1400 Fax 785-273-2376 Cell 785-806-1243 kgm@earthlink.net	Shawnee	U	2	56h	18s	12/16/2003	3/15/2007	<input checked="" type="checkbox"/>
		Position: a member						
		Succeeds: Janice Benjamin						
		Appointed By: Governor						
		Nominations:						
		Statutory Remarks: Public Member						
		Seat #: 002						
Lawing, Mr. Keith A. 1504 Woodland Wichita, KS 67203 Fax (316) 260-5556 Cell (316) 516-6124 Work (316) 260-5555 Home (316) 269-1132 keith@workforce.ks.com	Sedgwick	D	4	92h	25s	9/12/2006	3/15/2009	<input checked="" type="checkbox"/>
		Position: a member						
		Succeeds: Sabrina Standifer						
		Appointed By: Governor						
		Nominations:						
		Statutory Remarks: Public Member						
		Seat #: 001						

	<u>County</u>	<u>Affiliation</u>	<u>CD</u>	<u>H</u>	<u>S</u>	<u>Appointment Date</u>	<u>Expiration Date</u>	<u>Reapt</u>
Loomis, Professor Burdett A. 701 Louisiana Street Lawrence, KS 66044 Work 785 864 9033 Fax (785) 864-5700 Home (785) 841-1483 bloomis@ku.edu	Douglas	D	3	44h	2s	9/12/2006	3/15/2010	<input checked="" type="checkbox"/>

Position: a member
Succeeds: Keith Lawing
Appointed By: Governor
Nominations:
Statutory Remarks: Public Employee
Seat #: 004

Maichel, Mr. Wayne 108 Gemini Silver Lake, KS 66539 Work 785-296-2586 Home 785-582-4719 Fax 785-296-4269 Cell 785-806-4660	Shawnee	D	2	51h	18s	8/5/2005	3/15/2009	<input checked="" type="checkbox"/>
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Position: a member
Succeeds: himself--reappointed
Appointed By: Governor
Nominations:
Statutory Remarks: Public Employer Representative
Seat #: 003

O'Grady, Ms. Sally S. 5956 SW 23rd Terrace Topeka, KS 66614 Home (785) 272-8130 Cell (785) 633-2061 longts@sbcglobal.net	Shawnee	R	2	52h	20s	5/3/2002	3/15/2006	<input checked="" type="checkbox"/>
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Position: a member
Succeeds: Floyd Taylor
Appointed By: Governor
Nominations:
Statutory Remarks: Public Member
Seat #: 005

3115

R E S U M E

Sally S. O'Grady
5956 SW 23rd Ter
Topeka, KS 66614-1944

WORK EXPERIENCE:

August, 1988 to July 1996
Director, Office of Personnel Services
Kansas Department of Health and Environment
Responsible for the agency's personnel program which included Recruitment and Employment, Classification of Positions, Employee Benefits, Labor Relations, Employee Evaluations, And Employee Discipline.
Reported directly to the Secretary of Department of Health and Environment

January, 1961 to August, 1988
State Department of Administration, Division of Personnel Services.
Started as Secretary to the Director of Division of Personnel Services,
Progressed to higher level positions and for approximately
The last 10-12 years was a Personnel Management Specialist.
Served as head of the Agency Services and Planned Assistance.
Supervised 4 units of employees.
Responsibilities included working with all state agencies who needed assistance in all areas of personnel, and management of the Planned Assistance Program that included on-site visits to all state agencies throughout the state at least every two years to review their personnel programs, make recommendations for change when needed, meet with agency employees and provide on the spot assistance as needed.

January, 1957 to January 1961.
State Department of Agriculture
Worked as a Clerk-Stenographer II for one of the Division Directors

EDUCATION:

Graduated from Emporia High School, May, 1955
Attended Emporia State University for 3 semesters from September, 1955
Through December, 1956.

In the 1970's took several hours at an evening class offered by Washburn University, Topeka, Kansas

(for Appointments Office use only)

KBI Check: NA In Process Complete

KANSAS GOVERNOR SEBELIUS APPOINTMENT QUESTIONNAIRE

Position for which you are applying: Member, Public Employee Relations Board

Full Name (please include title and middle name): Mrs. Sally S. O'Grady

Home Address: 5956 SW 23 Ter, Topeka, KS 66614 Shawnee
(City, State, Zip) (County)

Business Address: Retired
(City, State, Zip) (County)

Business Name: NA

Position Title: NA

Home Phone: (785) 272-8130 Business Phone: Retired Cell Phone: (785) 633-2061

Facsimile No: None E-Mail Address: LongTS@stcglobal.net

Driver's License No:  Social Security No: 

Date of Birth: 09.04.1931 Place of Birth: Council Grove, KS Kansas resident? Yes

Registered Voter? Yes Party Affiliation: Republican

Congressional District: 2nd Kansas Senate District: 20 Kansas Representative District: 52

Do you have the legal right to live and work in the United States? Yes

Education: High School and 1 1/2 years at Emporia State University

Employment Experience: 39 1/2 years State of Kansas - Dept of Health + Env.

Aug, 1985 to July, 1996 Director of Pers Services; Dept of Admin, Div of Personnel
Serv. 1-1964 to Aug, 1988; Dept of Agriculture 1-1957 to 1-64 Clerk Stenographer

Do you hold any professional licenses? If so, please provide numbers: No

What special skills could you bring to this position? Extensive experience in personnel

Matters and extensive knowledge of job classes in State Government
& knowledge of local units. Extensive knowledge of Labor Relations Act

Previous government appointments: Board Member, Perb ~~1998~~ April 2002 - April 2006
(Please provide dates)

CONFLICTS OF INTEREST: (Yes answers require a detailed response. If necessary, use a separate sheet.)

12. **Relationship to governmental employees.** Are you or your spouse or other close family members related to any state governmental official or employee? If yes, please provide details.
No Yes _____
13. **Compensation.** During the past five years have you or your spouse or other close family members received any compensation or been involved in any financial transaction with the State of Kansas? If yes, please explain. No Yes _____
14. **Business relationships.** Describe on a separate sheet any business relationship, dealing, or financial transaction which you have had during the last five years, whether for yourself, on behalf of a client, or acting as an agent, which you believe may constitute an appearance of impropriety or result in a potential conflict of interest in the position to which you want to be appointed. If none, please so state. None
15. **Transactions with officials.** During the past five years, have you or your spouse or other close family members received any compensation or been involved in any financial transaction with any state government official? If, yes, please explain on a separate sheet. No Yes _____
16. **Spouse or other family members.** If the nature of employment for your spouse or other close family member is related in any way to the position to which you want to be appointed, please indicate the employer, the position, and the length of time it has been held. If it is not, please so state. No
17. **Lobbying activities.** Describe briefly on a separate sheet any lobbying activity during the past ten years in which you have engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action. Describe briefly any lobbying activity during the last ten years in which your spouse has engaged for the purpose of influencing the passage, defeat, or modification of any legislative or administrative action that is related in any way to the position to which you are seeking appointment. (Lobbying activity includes any activity performed as an individual or agent of another individual, or of any organization that involves direct communication with an official in the executive branch of state government, or any official of the legislative branch.) If none, please so state. None
18. **Regulated activities.** Describe on a separate sheet any interest that you, your spouse, or other close family member may have (whether as an officer, owner, director, trustee, or partner) in any corporation, firm, partnership, or other business enterprise and any non-profit organization or other institution that is regulated by or receives direct financial benefits from any department or agency of the State of Kansas. If none, please so state. None
19. **Other.** Please describe on a separate sheet any other matter in which you are involved that is or may be incompatible or in conflict with the discharge of the duties of the position to which you seek to be appointed or which may impair or tend to impair your independence of judgment or action in the performance of the duties of that position. If none, please so state. None

30. **Firings.** During the past ten years, have you been fired from a job for any reason? Did you quit after being told that you would be fired, or did you leave by mutual agreement because of specific problems? If yes, please provide details. No Yes _____
31. **Alimony and child support.** Are you now, or have you ever been delinquent in the payment of alimony or child support? If yes, please provide details. No Yes _____
32. **Consumption of alcohol.** Are you currently abusing alcohol? No Yes _____
33. **Controlled substances.** Are you currently engaged in the illegal use of a controlled substance or abusing the use of a prescribed controlled substance? If yes, please describe. No Yes _____
34. **Physical examination.** If you receive a conditional offer of appointment or employment, would you be willing to take a physical examination, which may include a drug test? No _____ Yes
35. **Other.** Please provide any additional information, favorable or unfavorable, which you feel should be considered in connection with your appointment.

FINANCIAL MATTERS: (Yes answers require a detailed response. If necessary, use a separate sheet.)

36. **Delinquencies.** Are you delinquent on any federal, state, or local debt? (Include delinquencies for income, property, or other taxes; governmental loans; overpayment of benefits; required payments into or under governmental programs; and other debts or required payments to the government; plus any defaults on or under loans which are or were guaranteed, insured, or subsidized by any unit of government.) If yes, please provide details on a separate sheet of paper. No Yes _____

REFERENCES/SIGNIFICANT SUPPORTERS (elected officials, community leaders, friends, etc.)

Name: Larry Reynolds Relationship to you: Neighbor, Friend
 Home - 273-5254 Dept of Revenue, Bureau Chief, Property Valuation
 Telephone: Bus - 296-4651

Name: Linda Kinney Relationship to you: Former Coworker - Friend
 Home - 266-4319 KS Dept of Health & Env
 Telephone: BS - 296-1289

Name: Ronald Butts Relationship to you: Friend
 Telephone: (785) 273-5958 Former Head of Topeka Metropolitan
 Transit Authority

Name: Robert Karr Relationship to you: Friend
 Telephone: (620) 343-7673 Retired Teacher

ORGANIZATION AFFILIATIONS:

Have been active for many years in a philanthropic organization that provides assistance and promotes continuing education for women.



KANSAS GOVERNMENTAL ETHICS COMMISSION

STATEMENT OF SUBSTANTIAL INTERESTS FORM

INSTRUCTIONS. This statement (pages 1 through 4) must be completed by individuals who are required to do so by law. Any individual who intentionally fails to file as required by law, or intentionally files a false statement, is subject to prosecution for a class B misdemeanor.

Please read the "Guide" and "Definition" section provided with this form for additional assistance in completing sections "C" through "G". If you have questions or wish assistance, please contact the Commission office at 109 West 9th, Topeka, KS or call 785-296-4219.

A. IDENTIFICATION:

PLEASE TYPE OR PRINT

O'Grady

Last Name

Sally

First Name

S.

MI

Richard A. O'Grady

Spouse's Name

5956 SW 23 Ter

Number & Street Name, Apartment Number, Rural Route, or P.O. Box Number

Topeka, KS 66614-1944

City, State, Zip Code

(785) 272-8130

Home Phone Number (include area code)

Retired

Business Phone Number (include area code)

B. THIS FORM IS REQUIRED TO BE FILED BECAUSE YOU ARE:

(check one or more of the following)

1. State Elected Official (Governor, Lt. Governor, Attorney General, Commissioner of Insurance, State Treasurer, Secretary of State, State Senator, State Representative, Member of State Board of Education or District Attorney);
2. Appointed Member of a State Board, Council, Commission or Authority;
3. Appointed State Position is Subject to Senate Confirmation;
4. Employee of a State Agency or University;
5. General Counsel for a State Agency;
6. Candidate for State Office.

List Name of Agency, Board, University or Elected Position (You may use abbreviations but not acronyms)

Public Employee Relations Board

Division if applicable (May use acronyms)

Member

Position

* The last four digits of your social security number will aid in identifying you from others with the same name on the computer list. This information is optional.

C. OWNERSHIP INTERESTS: List any corporation, partnership, proprietorship, trust, joint venture and every other business interest, including land used for income, and specific stocks, mutual funds or retirement accounts in which either you or your spouse has owned within the preceding 12 months a legal or equitable interest exceeding \$5,000 or 5%, whichever is less. If you or your spouse own more than 5% of a business, you must disclose the percentage held. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "C", check here _____.

	BUSINESS NAME AND ADDRESS	TYPE OF BUSINESS	DESCRIPTION OF INTERESTS HELD	PERCENT OF OWNERSHIP INTERESTS	HELD BY WHOM
1.	State Emp Retirement Sys Topeka, KS	Employee Retirement Benefit			
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

D. GIFTS OR HONORARIA: List any person or business from whom you or your spouse either individually or collectively, have received gifts or honoraria having an aggregate value of \$500 or more in the preceding 12 months.

If you have nothing to report in Section "D", check here .

	NAME OF PERSON OR BUSINESS FROM WHOM GIFT RECEIVED	ADDRESS	RECEIVED BY:
1.			
2.			
3.			

E. RECEIPT OF COMPENSATION: List all places of employment in the last calendar year, and any other businesses from which you or your spouse received \$2,000 or more in compensation (salary, thing of value, or economic benefit conferred on in return for services rendered, or to be rendered), which was reportable as taxable income on your federal income tax returns.

- YOUR PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR. IF SAME AS SECTION "B", CHECK HERE ____
If you have nothing to report in Section "E"1, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
1.	Public Emp Retirement	Topeka, KS	Emp. Retirement Benefit
2.	Social Security Benefit		

- SPOUSE'S PLACE(S) OF EMPLOYMENT OR OTHER BUSINESS IN THE PRECEDING CALENDAR YEAR.
If you have nothing to report in Section "E"2, check here ____.

	NAME OF BUSINESS	ADDRESS	TYPE OF BUSINESS
U.S. Off of Pers		Washington, D.C.	Employee Retirement Benefit
U.S. Dept of Air Force		Washington, D.C.	Military Ret Benefit
Social Security Benefit			

F. OFFICER OR DIRECTOR OF AN ORGANIZATION OR BUSINESS: List any organization or business in which you or your spouse hold a position of officer, director, associate, partner or proprietor at the time of filing, irrespective of the amount of compensation received for holding such position. Please insert additional page if necessary to complete this section.
If you have nothing to report in Section "F", check here X.

	BUSINESS NAME AND ADDRESS	POSITION HELD	HELD BY WHOM
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

G. RECEIPT OF FEES AND COMMISSIONS: List each client or customer who pays fees or commissions to a business or combination of businesses from which fees or commissions you or your spouse received an aggregate of \$2,000 or more in the preceding calendar year. The phrase "client or customer" relates only to businesses or combination of businesses. In the case of a partnership, it is the partner's proportionate share of the business, and hence of the fee, which is significant, without regard to expenses of the partnership. An individual who receives a salary as opposed to portions of fees or commissions is generally not required to report under this provision. Please insert additional page if necessary to complete this section.

If you have nothing to report in Section "G", check here

	NAME OF CLIENT / CUSTOMER	ADDRESS	RECEIVED BY
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.			
10.			
11.			
12.			
13.			

H. DECLARATION:

I, Sally S. O'Grady, declare that this statement of substantial interests (including any accompanying pages and statements) has been examined by me and to the best of my knowledge and belief is a true, correct and complete statement of all of my substantial interests and other matters required by law. I understand that the intentional failure to file this statement as required by law or intentionally filing a false statement is a class B misdemeanor.

Aug 4, 2006
Date

Sally S. O'Grady
Signature of Person Making Statement

NUMBER OF ADDITIONAL PAGES _____

Return your completed statement to the Secretary of State, Memorial Hall, First Floor, 120 SW 10th Ave., Topeka, Kansas 66612-1594.

Capitol Office
State Capitol, Room 392-E
Topeka, Kansas 66612-1504
(785) 296-2497

15th District Office
P.O. Box 747
Independence, Kansas 67301-0747
(620) 331-1800



Senator Derek Schmidt
Majority Leader

Committee Assignments

Chair: Confirmation Oversight
Vice Chair: Assessment & Taxation
Organization Calendar & Rules
Member: Judiciary
Agriculture
Legislative Post Audit

Message Only (800) 432-3924
Fax: (785) 296-6718
Email: schmidt@senate.state.ks.us

Senate Ways & Means Committee
Testimony on SB 373
Medicaid Inspector General
3/15/07

Chairman Umbarger, members of the Ways & Means Committee, thank you for the opportunity to come before you in support of SB 373.

Originally, the proposal to establish a Medicaid Inspector General arose from the 2005 Special Committee on Medicaid Reform, which I chaired. Legislation was introduced in the Senate last year, and that measure passed 40 to 0. The House of Representatives considered the measure but several issues were raised and were not resolved. The result last session was that funding was provided for a single new position in the Office of the Attorney General to establish an Inspector General, and the substantive legislation was referred to this Legislative Budget Committee for interim study.

The rationale to establish an Office of Inspector General is rooted in the numbers. Medicaid erroneous payments range from 25 percent of all payments to as little as 5 percent of all payments. Even considering a conservative 5 percent error rate, in a \$2.2 billion program such as Medicaid, that is \$110 million each year paid inappropriately. The state's share of that is \$44 million, \$44 million that is unavailable to provide legitimate Medicaid services to legitimate recipients. That's a problem worth trying to solve.

For the past several months, I have conducted an informal discussion group involving key stakeholders in the inspector general legislation. Starting with the Senate-passed legislation from 2006, we have worked to identify issues of concern and to resolve them in a consensus fashion. The bill you see before you, SB 373, is the product of this work.

It is my hope that the package we have put together, embodied in SB 373, will provide adequate direction and authority to the Medicaid Inspector General to accomplish the task of reducing fraud within the Medicaid system and thereby save the state millions in erroneous payments.

I thank the committee for your consideration of this legislation.

Senate Ways and Means
3-15-07
Attachment 2



Kansas Health Policy Authority
Coordinating health & health care for a thriving Kansas

MARCIA J. NIELSEN, PhD, FACHE
Executive Director

ANDREW ALLISON, PhD
Deputy Director

SCOTT BRUNNER
Chief Financial Officer

Testimony on:
Senate Bill 373 – Inspector General

presented to:
Senate Committee on Ways and Means

by:
Dr. Marcia Nielsen
Executive Director

March 15, 2007

For additional information contact:

Luke Thompson
Kansas Health Policy Authority

Landon State Office Building
900 SW Jackson Street, Suite 900
Topeka, KS 66612
Phone: 785-296-3981
Fax: 785-296-4813

Agency Website: www.khpa.ks.gov

Address: Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

Medicaid and HealthWave:

Phone: 785-296-3981
Fax: 785-296-4813

State Employee Health

Benefits and Plan Purchasing:
Phone: 785-296-6280
Fax: 785-368-7180

State Self Insurance Fund:

Phone: 785-296-2364
Fax: 785-296-6995

*Senate Ways and Means
3-15-07
Attachment 3*

**Senate Committee on Ways and Means
March 15, 2007**

Senate Bill 373 – Inspector General

Chairman Umbarger and members of the Committee, my name is Marci Nielsen and I am the Executive Director of the Kansas Health Policy Authority (KHPA). I am pleased to be here this morning to provide testimony in support of SB 373, which would create the position of Inspector General for programs administered by KHPA, and as a result, strengthen the Medicaid program in Kansas. I would like to thank Senator Derek Schmidt for his leadership on this issue, as well as the various stakeholders with whom we closely worked to review and revise this legislation.

History and Development of the Inspector General Role in Kansas

During the Summer of 2005, the Special Committee on Medicaid Reform spent several months reviewing the Medicaid program. Specifically, the Committee focused on state efforts to identify and prevent waste, fraud and abuse by Medicaid providers. The predecessor to the KHPA, the Division of Health Policy and Finance (DHPF), presented testimony about the existing mechanisms to detect fraud and abuse, means to prevent provider overpayments, and ways to enhance the criminal prosecution of providers or beneficiaries. Representatives of DHPF, the Attorney General's Medicaid Fraud Control Unit (MFCU), the Medicaid Fiscal Agent, EDS, and representatives of providers presented testimony on best practices from other states and process improvements in Kansas. The Committee report recommended the creation of an Inspector General for the Medicaid program to provide an independent mechanism to detect fraud, and to identify ways to improve efficiency and review the management of the program.

During the 2006 Legislative Session, the Special Committee on Medicaid Reform introduced legislation (SB 327) to create an Inspector General for the Medicaid, State Children's Health Insurance Program (SCHIP), and MediKan programs. The Inspector General in that bill was to be appointed by the Governor, and confirmed by the Senate. The bill stated that the Inspector General would be the Authority's primary liaison with law enforcement, investigatory, and prosecutorial agencies. The Governor included \$75,000 in her FY 2007 Budget Report for an Inspector General within the KHPA. Over the course of the 2006 Session and last summer, several productive conversations were held among KHPA, MFCU, Senator Schmidt, and others to respond to concerns about how the Inspector General would interact with the KHPA Board, current fraud detection and reporting activities, and ultimately, how to create sufficient independence for the Inspector General while ensuring a connection to the agency responsible for the Medicaid programs.

SB 373

This legislation is based on model statutes of the Inspector General at the federal level, as well as in other states. For example, at the U.S. Department of Health and Human Services (DHHS), the Inspector General reports directly to the Secretary of Health and Human Services but retains independence in investigating programs within the jurisdiction of DHHS. In some states, Cabinet-level Secretaries hire and oversee the Inspector General, while in others, the Inspector General has purview over multiple agencies and is appointed by and reports to the governor.

The bill being considered today responds to the concerns raised about the working relationship between the Inspector General and KHPA, and is written to protect the independence of the Inspector General by having appropriate safeguards in the employment and reporting functions. As described in SB 373, the Inspector General would oversee, audit, investigate and review the performance of Medicaid, SCHIP, and MediKan. The Inspector General would be a classified state employee, hired by the KHPA Board and confirmed by the Senate. While the

Senate Bill 373 – Inspector General

Kansas Health Policy Authority ♦ Presented on: 3/15/07

Inspector General is supervised by the KHPA Executive Director, his or her formal reports and findings are presented to the KHPA Board and recommendations for policy, regulatory, or statute are made to the Board and the Legislature. The Inspector General also refers matters to the Attorney General for criminal prosecution. This system of checks and balances helps insure the autonomy of the Inspector General. As the bill is written, the Executive Director does not control the Inspector General's employment or recommendations. However, the Inspector General reports to the Executive Director for operational and administrative matters, allowing for collaboration within the agency that promotes an environment of open communication and problem solving with the goal of strengthening the Kansas Medicaid program.

Specifically, the Inspector General is charged with:

1. Conducting independent and ongoing evaluations of the KHPA and its programs
2. Investigating fraud, waste, abuse, and illegal acts by the KHPA, its vendors contractors, consumers, clients and providers
3. Auditing to ensure appropriate payments are made for services provided and that overpayments are recovered
4. Reviewing contract compliance

Should the Inspector General find evidence of fraud, illegal acts or intentional program violations, the Inspector General is authorized to report these findings to the KHPA Board and the Kansas Attorney General. The Inspector General also may recommend changes in law, rules, regulations and processes to the KHPA Board and the Legislature.

The bill contains provisions protecting the confidentiality of individuals reporting program violations and contains whistleblower protections. The Board may recess into executive session to receive reports from the Inspector General and the Inspector General's records are confidential

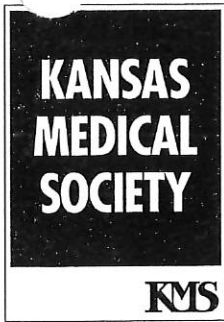
Estimated Cost

KHPA estimated that SB 373 would require approximately \$350,000 to provide adequate staff, training, and operating funds in FY 2008. This funding would provide for the salary of the Inspector General, two additional auditors, and an administrative support person. The salary range for the Inspector General, in the classified service, was based on a similar position at the Department of Transportation and Chief Internal Auditors in the Department of Social and Rehabilitation Services and the Department of Commerce.

Budget requests and funding for the Inspector General would be included in the KHPA budget. The bill requires any State General Fund dollars appropriated for the Inspector General to be placed in a separate account for this purpose.

Conclusion

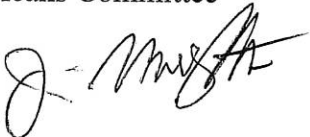
KHPA supports SB 373 and believes the responsibilities described for the Inspector General will create opportunities for improvement in the Medicaid program. KHPA is committed to improve the management of programs within our agency as a path to greater efficiency, effectiveness, and quality of health care for Kansans. The addition of an Inspector General provides an independent review of programs and practices to ensure compliance with state and federal requirements, diligence in identifying and preventing fraud, and prudence in our stewardship of public funds. This concludes my testimony and I look forward to answering any questions.



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www.KMSonline.org

To: Senate Ways and Means Committee

From: Jerry Slaughter
Executive Director 

Date: March 15, 2007

Subject: SB 373; concerning the Office of the Inspector General

The Kansas Medical Society appreciates the opportunity to submit the following comments in support of SB 373, which establishes an Office of the Inspector General.

First, we would like to express our appreciation to Senator Schmidt for the process he utilized to get us to this point. This bill represents the work product of numerous meetings over the past several months at which Senator Schmidt and Senator Umbarger heard and addressed the concerns of the provider community, the Kansas Health Policy Authority, the Attorney General's office, and other stakeholders. This bill, which grew out of SB 327 from last year, is a substantially changed, and improved, approach that establishes an Office of the Inspector General. To us, the process Senator Schmidt employed to reach consensus on this legislation was important because it recognized that all parties – providers, contractors, the KHPA, the legislature – share a common desire to have our public programs operate responsibly, efficiently and fairly.

Many of our concerns with SB 327 from last year have been addressed in SB 373. Principal among our concerns last year was that the bill lacked adequate definitions, was vague and overly broad in its reach and focus, and seemed to single out the provider community, instead of also addressing agency operations and programmatic issues. We were also concerned that the OIG in last year's bill was for all practical purposes completely outside the jurisdiction and review of either the executive or legislative branches. Last year's bill created a position with immense power and reach, with no practical way to exercise any check and balance over the Inspector General's activities. This bill strikes a better balance, without diminishing its core responsibility of deterring fraud and assuring accountability and integrity within the Medicaid-related programs operated by the KHPA.

That is not to say that this bill is perfect, or that it won't need to be revisited in coming years to address other issues that arise. Undoubtedly, as we gain experience with the

Senate Ways and Means
3-15-07
Attachment 4

KMS Statement on SB 373

March 15, 2007

Page 2

actual operation of the new OIG, there will be areas of the law that need to be addressed again to make sure that we continue to strike a balance of fairness, public responsibility, and accountability.

We, like all Kansans, believe that waste, fraud, abuse, and mismanagement in Medicaid and other public programs should be identified and addressed. The size, complexity and cost of Medicaid dictates that the state of Kansas undertake efforts to assure that taxpayer funds are used appropriately and efficiently. We believe SB 373 is a responsible, balanced approach that will allow the state to meet its obligation to make sure that these public programs are operated as they were intended.

Thank you for the opportunity to offer these comments.



Thomas L. Bell
President

March 15, 2007

TO: Senate Committee on Ways and Means

FROM: Chad Austin, Vice President of Government Relations
Kansas Hospital Association

SUBJECT: Senate Bill 373

The Kansas Hospital Association is grateful for the opportunity to provide testimony on Senate Bill 373. The proposed legislation would establish the office of inspector general in Kansas. The office of inspector general would be responsible for establishing a program of audit, investigation, and performance review that would provide accountability, integrity and oversight of the Kansas Medicaid program, MediKan program and the state children's health insurance program.

Kansas hospitals have no tolerance whatsoever for fraud, abuse or other illegal acts, and feel strongly that any intentional acts should be vigorously prosecuted to the fullest extent of the law. The office of inspector general would enable a coordinated effort to eliminate wrongdoing in Kansas. Currently, Kansas has the Medicaid Fraud Control Act found at K.S.A. 21-3844, *et seq.*, which provides for criminal penalties, recovery of monies and the imposition of civil monetary penalties.

Over the past several months, KHA has worked collaboratively with Sen. Derek Schmidt and other stakeholders on Senate Bill 373. The work product developed through this joint effort has resulted in a reasonable and effective solution. KHA believes that the final product has met the needs of all stakeholders involved and will ensure that public funds are used appropriately.

The Kansas Hospital Association and its members support Senate Bill 373. Thank you for your consideration of our comments.



Children's Mercy
FAMILY HEALTH PARTNERS
www.fhp.org

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Kansas City, MO 64108
(816) 855-1888 • (800) 347-9363
(816) 855-1890 Fax
www.fhp.org

Hearing Thursday, March 15th

Regarding: SB 373, Medicaid Inspector General

Dear Senate Ways and Means Chairperson and Committee Members:

As the state's largest provider of Medicaid Managed Care services, Children's Mercy Family Health Partners supports this effort as a positive step in implementing formal controls and audits of Medicaid funds and believes this effort shows good stewardship of public funds. In implementing the duties of the Office of Inspector General we encourage there be reciprocity of audits conducted in the state in which a contracted Managed Care Organization is domiciled. Duplication of audits and information gathering would be costly to both parties. Furthermore, we believe it important that the Office of Inspector General coordinate with other entities charged with contract and industry oversight such as the Kansas Insurance Department to ensure there is no unnecessary duplication of duties and audits.

We support this effort and look forward to working with the KHPA on this endeavor.
Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Taira Green".

Taira Green
Director of Government Relations and Public Affairs
816.810.5684

Cc: Marcia Nielsen, KHPA
Brad Smoot



Incident Overview

- State Emergency Operations Center (SEOC) Activated to Level II (Watch) December 20th
- SEOC activated to Level III (24 hour staffing) December 30th
- Governor's declaration and activation of the Kansas Response Plan - December 30, 2006
- 47 mission assignments

Governor's declaration of counties

Cheyenne	Rawlins	Decatur	Norton	Phillips	Smith	Jewell
Stanton	Thomas	Sheridan	Graham	Rooks	Osborne	Mitchell
Wallace	Logan	Gove	Trigo	Ellis	Russell	Lincoln
Grasley	Wichita	Scott	Lane	Ness	Rush	Barton
Hamilton	Kearney	Finney	Hodgeman	Pawnee	Stafford	Reno
Stanton	Grant	Harshell	Gray	Ford	Edwards	Pratt
Morton	Stavens	Seward	Meade	Clark	Cowache	Barber
						Harper

Incident Overview

- 3 storm related fatalities
- Snow depths ranged from 4 inches in Saline County to 30 inches in Wallace County
- Number of shelters open at peak – 20

Incident Overview

- Number of meters off at peak – 46,300
- Number of power poles down at peak – over 10,500
- Major highways and roads closed for days

Emergency Support Functions

- ESF #1 – Transportation
 - Kansas Department of Transportation
 - Kansas National Guard
- ESF #2 – Communications
 - Kansas Department of Transportation
 - Communications on Wheels (COWs) deployed to Haskell & Ellis Counties

Emergency Support Functions

- ESF #3 – Public Works & Engineering
 - Kansas Department of Transportation
 - Emergency snow removal

- ESF #5 – Emergency Management
 - Kansas Division of Emergency Management
 - SEOC management
 - Assessments (needs & damage)
 - Mission assignments
 - Coordinate response and recovery activities

Emergency Support Functions

- ESF #6 – Mass Care
 - American Red Cross
 - Shelter, mass feeding, and comfort stations

- ESF #7 – Resource management
 - Kansas Division of Emergency Management
 - Kansas National Guard
 - Generators, fuel, cots, armory – Thomas County Fire Dept.

Emergency Support Functions

- **ESF #8 – Health & Medical**
 - Kansas Department of Health & Environment
 - Hospital and critical care nursing facilities
- **ESF #9 – Search & Rescue**
 - Civil Air Patrol
 - Kansas Highway Patrol
 - Conducted aerial search and rescue operations
 - Kansas National Guard
 - Aerial reconnaissance

Emergency Support Functions

- **ESF #11 – Natural Resources and Agriculture**
 - Kansas Animal Health/USDA
 - Kansas Department of Agriculture
 - Livestock issues
 - Kansas National Guard
 - Emergency hay
- **ESF #12 – Energy**
 - Kansas Division of Emergency Management
 - Secured state resources to support utility restoration activities

Emergency Support Functions

- ESF #13 – Public Safety
 - Kansas National Guard
 - Door-to-door welfare checks
 - Kansas Highway Patrol
 - Augmented local jurisdictions
 - Frost Patrol
- ESF #14 – Long-Term Recovery
 - Kansas Division of Emergency Management
 - Initiated federal declaration process
 - Administration of the Public Assistance Program

Emergency Support Functions

- ESF #15 – External Communications
 - Governor's Office
 - The Adjutant General's Department
 - Issued press releases and provided public education and awareness
 - Joint Information Center (JIC)

DR-1675-KS

- Incident Date: December 28-31, 2006
- Date of Declaration: January 7, 2007
 - Expedited
 - 44 counties requested; 42 declared
 - 12 emergency snow assistance emergency

Federal declared counties with emergency snow assistance

Cheyenne	Rawlins	Decatur	Norton	Phillips	Smith	Jewell
Sherman	Thomas	Sheridan	Graham	Rooks	Osborne	Mitchell
Wallace	Logan	Gove	Trego	Ellis	Russell	Lincoln
Greeley	Wichita	Scott	Lane	Ness	Rush	Barton
						Rice
Hamilton	Kearney	Finney	Hodgeman	Pawnee	Stafford	Reno
Stanton	Grant	Haskell	Gray	Ford	Edwards	Pratt
						Kingman
Morton	Stevens	Seward	Maize	Clark	Comanche	Barber
						Harper

Federal thresholds

Public Assistance Program

County \$3.05 per capita

State \$1.22 per capita

Kansas Population 2,688,418

\$3,279,870

75% federal funds/25% non-federal share

Historically 15% local/10% state

Individual Assistance Program

Small Business Administration

- 25 homes and/or businesses with more than a 40% uninsured loss

FEMA Programs

- 100 major/destroyed homes
- \$3 million uninsured housing loss
- Economic impact, fatalities, demographics

Food, fuel and generators not eligible

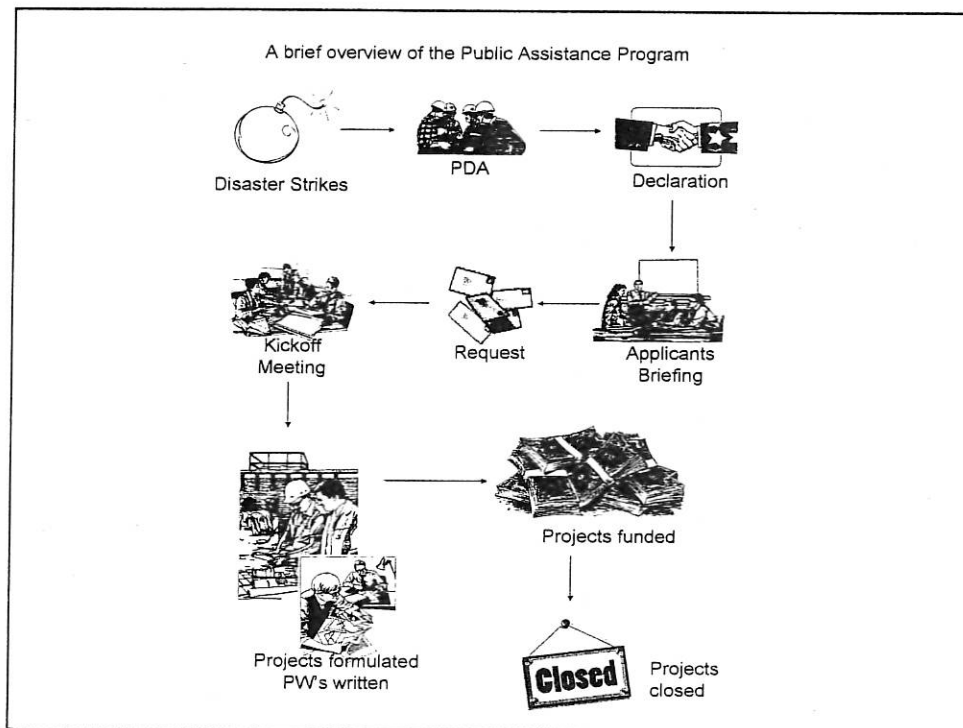
75% federal funds/25% non-federal

Field Offices

- Alternate Field Office
 - Hays
 - January 8-February 9
- Joint Field Office
 - Topeka
 - January 8-March 16

State Staffing

- State Public Assistance Teams
 - Field Teams
 - 22 individuals assigned
 - 4 teams - Preliminary Damage Assessments (PDAs)
 - 2 members – Applicant Briefings
 - 17 field officers - Kickoff meetings and write project worksheets
 - Joint Field Office
 - State Coordinating Officer (SCO)
 - Public Assistance Officer & Deputy
 - GIS Specialist
 - Admin Office
 - 2 Public Assistance Specialists
 - 1 Fiscal
 - Governor's Authorized Representative (GAR)
 - PIO



Small Project vs Large Project

Small Project

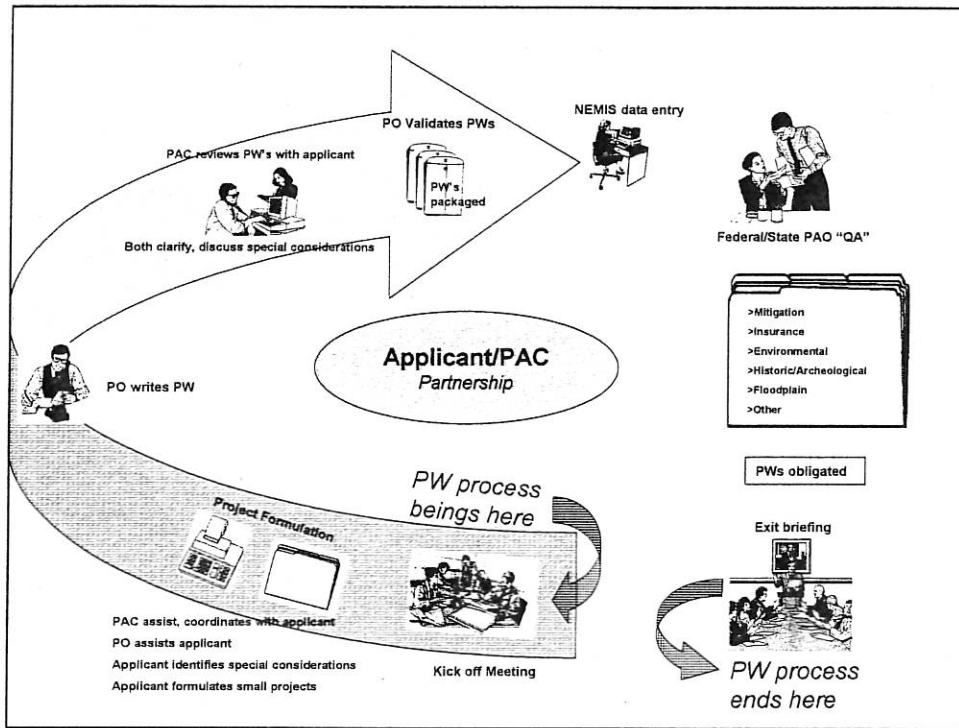
Less than
\$59,700

Large Project

Greater than
\$59,700

Public Assistance Program Summary

- Estimated cost \$380 million
- Eligible applicants - 241
- 430 project worksheets complete to date



Category A Debris Removal

\$1,038,287



Clearance of trees, building wreckage, sand, mud, gravel, other disaster related material

Category B Emergency Protective measures

\$1,027,161



- ✓ Search and rescue
- ✓ Emergency medical care
- ✓ Emergency mass care and shelter
- ✓ Security
- ✓ Food, water, ice
- ✓ Temporary facilities
- ✓ Emergency Operations Centers
- ✓ Emergency measures

Category C Roads

\$7,878,187



Category E Buildings and Equipment



\$998,881

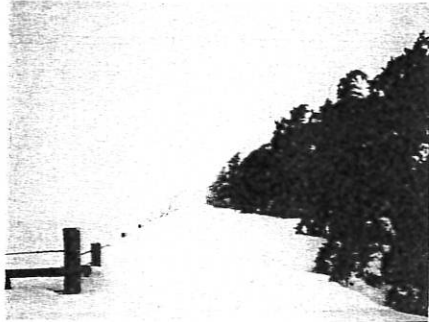
Category F Utilities

\$351,871,338



- RECs (PNP) & government owned
 - Pioneer
 - Sunflower
 - Midwest Energy
 - Victory
 - Prairie Land
 - CMS Electric
 - Lane/Scott
 - Wheatland
 - Mid-Kansas
 - Rolling Hills
 - Aquila
 - additional \$10 million

Category G
Parks & Recreation



\$79,829

Obligated to date
total share

\$39,545,512

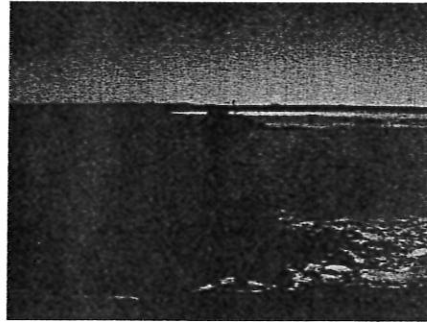
Paid to date
\$1,509,529.96



Future Field Staffing

- Four joint teams
 - Two persons per team
 - Federal/State
- 1 supervisory team

Re-assess Wallace, Logan, Gove, Greeley, Wichita, Scott, Lane, Ness, Hamilton, Kearny, Finney, Hodgeman, Grant, Haskell, Gray, Ford Counties to determine if additional damage caused by snow melt is eligible



90/10 funding

Threshold \$117.00 per capita

\$321,128,379

90% federal share/10% non-federal share

Mitigation

- \$50 million federal funds
 - 25% non-federal match
 - \$12,500,000
- Potential projects
 - Upgrade of rural utilities
 - Safe rooms
 - Buyouts of floodplain property
 - NOAA weather alerts
 - Planning

State mission assignments

Personnel & Equipment \$166,836

State share \$41,709

Transportation and resources \$152,539

State share \$38,135

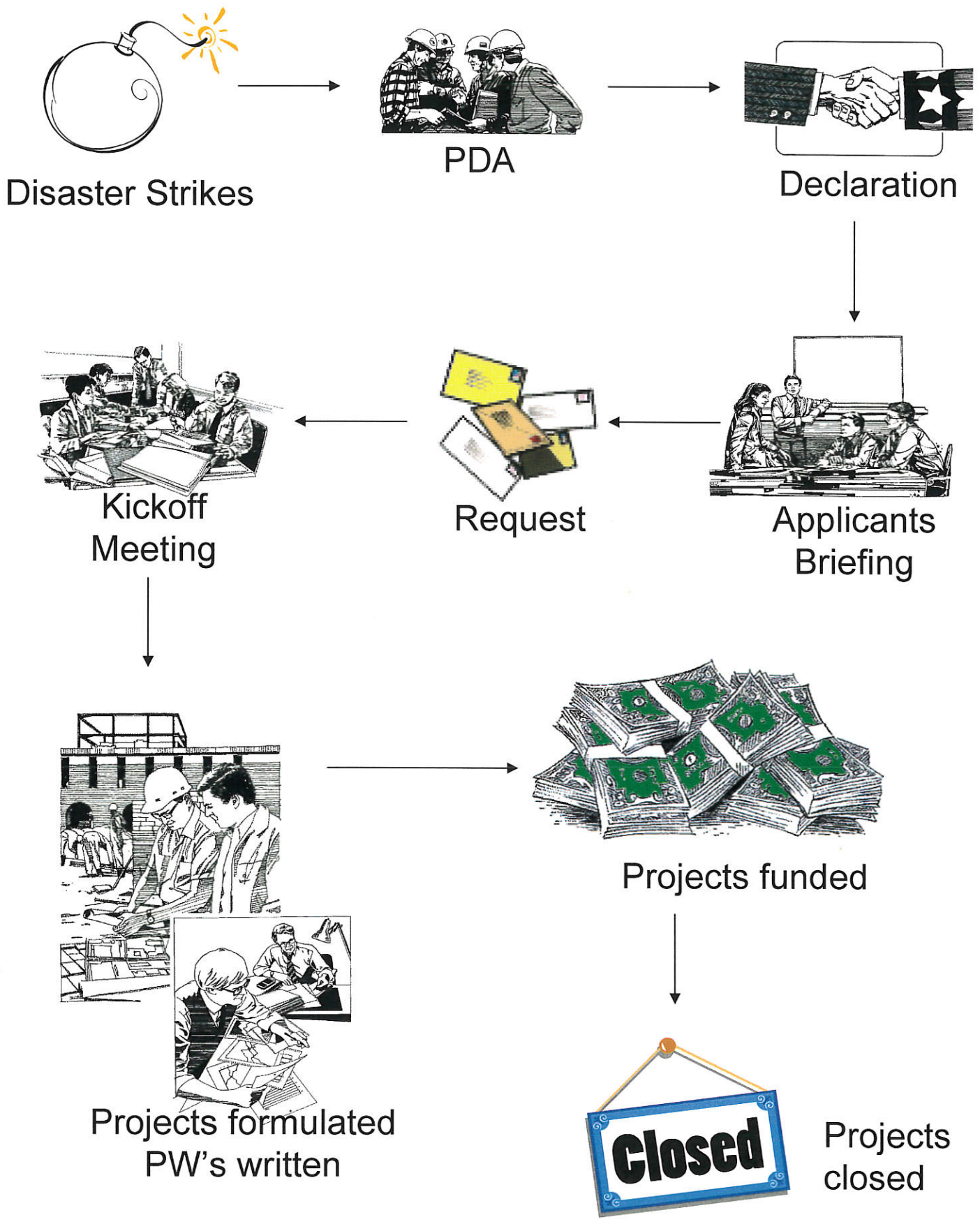
“Kansans at our Best”

- Incident Management Teams (IMT)
 - IMT Commander
 - Public Information Officer (PIO)
 - Intelligence Officer
 - Plans Chief
 - Liaison
 - Safety Officer
 - Operations Chief
 - Logistics Chief

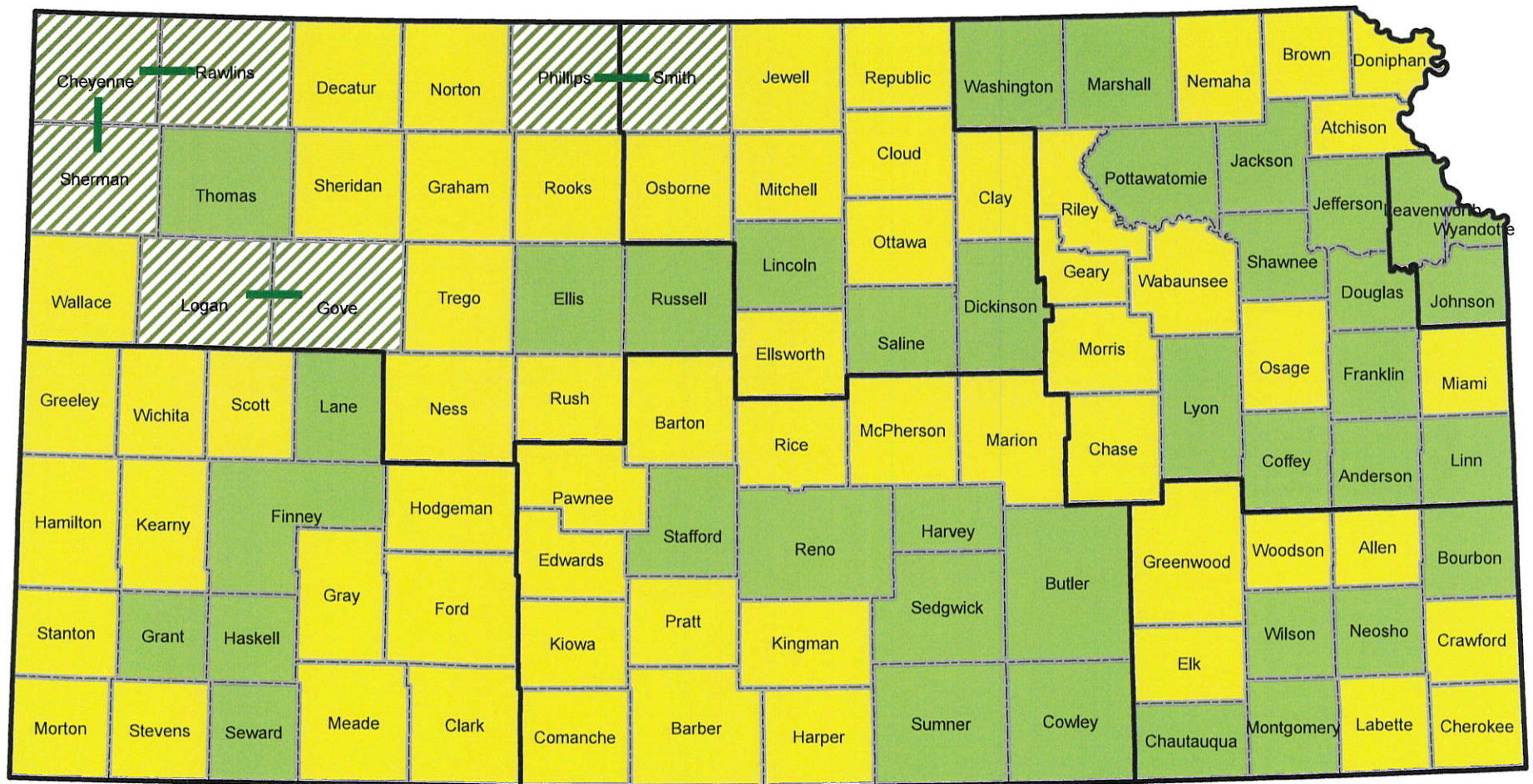
Incident Management Teams

- \$150/per day per person
 - Lodging, per diem, and mileage
 - Voluntary staff
 - Properly credentialed for their position
- Able to deploy whole team or individual members based on emergency
- Governor’s declaration and validation by Kansas Emergency Management

A brief overview of the Public Assistance Program



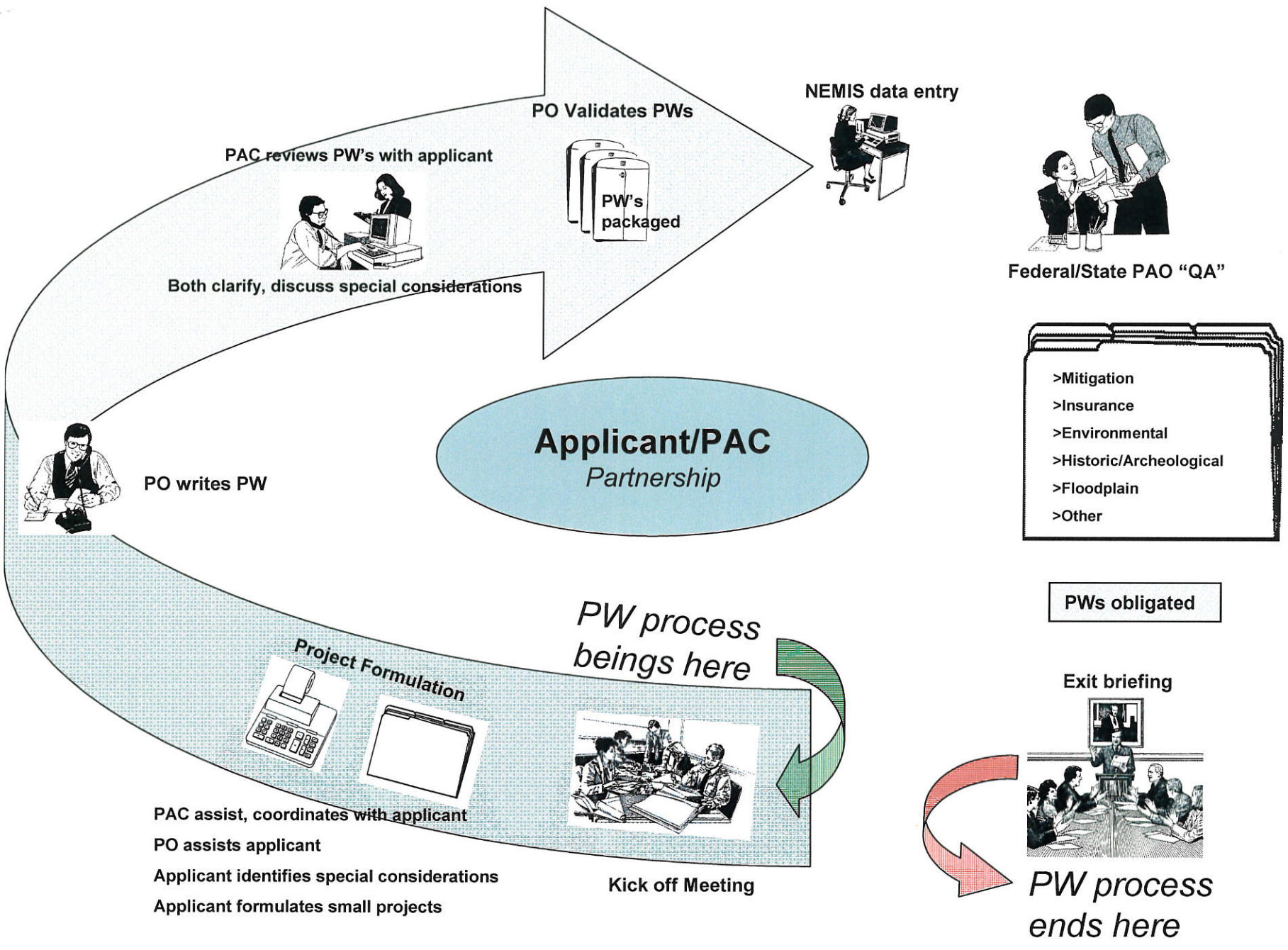
Kansas County Emergency Management Status as of March 2007



Employment Status

-  Full Time (37%)
-  Shared Full Time (6%)
-  Part Time (56%)

Kansas Adjutant General's Department
Geospatial Information Systems
13 March 2007



Estimated State Matching Funds Needed for Disasters in Kansas

	<u>FY 2007 SGF</u>	<u>FY 2007 Federal Funds</u>	<u>FY 2007 All Funds</u>
<u>FEMA Public Assistance</u>			
(State Portion Calculated at 10%)			
FEMA #1675 - Western Kansas Winter Storm:	\$ 8,277,396	\$ 62,080,470	\$ 70,357,866
Previous FEMA Disasters in Kansas	\$ -	\$ -	\$ -
Subtotal	\$ 8,277,396	\$ 62,080,470	\$ 70,357,866

	<u>FY 2007 SGF</u>	<u>FY 2007 Federal Funds</u>	<u>FY 2007 All Funds</u>
<u>National Guard Response</u>			
(State Portion Calculated at 25%)			
Payroll	\$ 20,556	\$ 61,666	\$ 82,222
Subsistence Allowance	\$ 5,123	\$ 15,371	\$ 20,494
Meals	\$ 2,687	\$ 8,062	\$ 10,749
Lodging	\$ 4,160	\$ 12,482	\$ 16,642
Supplies	\$ 85	\$ 255	\$ 340
Mileage/Fuel/Oil	\$ 8,562	\$ 25,685	\$ 34,247
Equipment Repair	\$ 535	\$ 1,606	\$ 2,141
Subtotal	\$ 41,709	\$ 125,127	\$ 166,836

National Guard Response Other Costs

(State Portion Calculated at 25%)
(Final Funding Profile Not Yet Determined)

	<u>FY 2007 SGF</u>	<u>FY 2007 Federal Funds</u>	<u>FY 2007 All Funds</u>
<u>Hourly Costs</u>			
7 Generator (134th ACS)	\$ 36	\$ 106	\$ 142
7 Generator (KSARNG)	\$ 13	\$ 40	\$ 53
<u>Mileage Costs</u>			
Vehicle Mileage (134th ACS) 5T cargo	\$ 1,785	\$ 5,356	\$ 7,141
2 Bolster Trailers	\$ 157	\$ 469	\$ 626
2 M1917A3 Dump Trucks	\$ 65	\$ 193	\$ 258
5 M920 Tractors	\$ 549	\$ 1,647	\$ 2,196
3 Landoll Trailer	\$ 193	\$ 580	\$ 773
1 M936 Wrecker	\$ 150	\$ 448	\$ 598
1 M35A3 Cargo truck	\$ 39	\$ 116	\$ 155
10 CUCV M1009/M1008	\$ 797	\$ 2,392	\$ 3,189
4 HEMTT Fueller M977/M978	\$ 1,163	\$ 3,488	\$ 4,651
3 HEMTT Wrecker M984A1	\$ 889	\$ 2,668	\$ 3,557
8 HMMWV M998	\$ 721	\$ 2,164	\$ 2,885
4 HET M1070	\$ 2,690	\$ 8,069	\$ 10,759
12 PLS truck	\$ 3,799	\$ 11,399	\$ 15,198
2 M1031 Cargo	\$ 114	\$ 342	\$ 456
2 M915 tractor	\$ 75	\$ 224	\$ 299
1 M872 Trailer	\$ 15	\$ 43	\$ 58
1 GSA S&P trailer	\$ 15	\$ 43	\$ 58
<u>Flight Costs</u>			
Flight Hours	\$ 22,306	\$ 66,919	\$ 89,225
Fuel Costs	\$ 2,565	\$ 7,695	\$ 10,260
Subtotal	\$ 38,135	\$ 114,399	\$ 152,539
GRAND TOTAL	\$ 8,357,240	\$ 62,319,996	\$ 70,677,240

Senate Ways and Means
3-15-07
Attachment 8

Estimated State Matching Funds Needed for Disasters in Kansas
If the Disaster #1675 is Funded at 90% Federal /10% Non-Federal

	<u>FY 2007</u>	<u>FY 2007</u>	<u>FY 2007</u>
	<u>SGF</u>	<u>Federal Funds</u>	<u>All Funds</u>
<u>FEMA Public Assistance</u>			
(State Portion Calculated at 40% of 10%)			
FEMA #1675 - Western Kansas Winter Storm:	\$ 3,310,958	\$ 74,496,564	\$ 77,807,522
Previous FEMA Disasters in Kansas	\$ -	\$ -	\$ -
Subtotal	\$ 3,310,958	\$ 74,496,564	\$ 77,807,522

<u>National Guard Response</u>			
(State Portion Calculated at 10%)			
Payroll	\$ 8,222	\$ 74,000	\$ 82,222
Subsistence Allowance	\$ 2,049	\$ 18,443	\$ 20,494
Meals	\$ 1,075	\$ 9,674	\$ 10,749
Lodging	\$ 1,664	\$ 14,978	\$ 16,642
Supplies	\$ 34	\$ 306	\$ 340
Mileage/Fuel/Oil	\$ 3,425	\$ 30,822	\$ 34,247
Equipment Repair	\$ 214	\$ 1,927	\$ 2,141
Subtotal	\$ 16,684	\$ 150,150	\$ 166,836

National Guard Response Other Costs

(State Portion Calculated at 10%)
(Final Funding Profile Not Yet Determined)

<u>Hourly Costs</u>			
7 Generator (134th ACS)	\$ 14	\$ 128	\$ 142
7 Generator (KSARNG)	\$ 5	\$ 48	\$ 53
<u>Mileage Costs</u>			
Vehicle Mileage (134th ACS) 5T cargo	\$ 714	\$ 6,427	\$ 7,141
2 Bolster Trailers	\$ 63	\$ 563	\$ 626
2 M1917A3 Dump Trucks	\$ 26	\$ 232	\$ 258
5 M920 Tractors	\$ 220	\$ 1,976	\$ 2,196
3 Landoll Trailer	\$ 77	\$ 696	\$ 773
1 M936 Wrecker	\$ 60	\$ 538	\$ 598
1 M35A3 Cargo truck	\$ 16	\$ 139	\$ 155
10 CUCV M1009/M1008	\$ 319	\$ 2,870	\$ 3,189
4 HEMTT Fueller M977/M978	\$ 465	\$ 4,186	\$ 4,651
3 HEMTT Wrecker M984A1	\$ 356	\$ 3,201	\$ 3,557
8 HMMWV M998	\$ 288	\$ 2,597	\$ 2,885
4 HET M1070	\$ 1,076	\$ 9,683	\$ 10,759
12 PLS truck	\$ 1,520	\$ 13,678	\$ 15,198
2 M1031 Cargo	\$ 46	\$ 410	\$ 456
2 M915 tractor	\$ 30	\$ 269	\$ 299
1 M872 Trailer	\$ 6	\$ 52	\$ 58
1 GSA S&P trailer	\$ 6	\$ 52	\$ 58
<u>Flight Costs</u>			
Flight Hours	\$ 8,922	\$ 80,303	\$ 89,225
Fuel Costs	\$ 1,026	\$ 9,234	\$ 10,260
Subtotal	\$ 15,254	\$ 137,284	\$ 152,539
GRAND TOTAL	\$ 3,342,896	\$ 74,783,998	\$ 78,126,897

Estimated State Matching Funds Needed for Disasters in Kansas

	<u>FY 2008</u> <u>SGF</u>	<u>FY 2008</u> <u>Federal Funds</u>	<u>FY 2008</u> <u>All Funds</u>
<u>FEMA Public Assistance</u> (State Portion Calculated at 10%)			
FEMA #1675 - Western Kansas Winter Storm:	\$ 8,559,857	\$ 64,198,928	\$ 72,758,785
Previous FEMA Disasters in Kansas	\$ 3,067,489	\$ 23,006,168	\$ 26,073,657
Subtotal	\$ 11,627,346	\$ 87,205,095	\$ 98,832,441
GRAND TOTAL	\$ 11,627,346	\$ 87,205,095	\$ 98,832,441

Estimated State Matching Funds Needed for Disasters in Kansas
If the Disaster #1675 is Funded at 90% Federal /10% Non-Federal

	<u>FY 2008</u>	<u>FY 2008</u>	<u>FY 2008</u>
	<u>SGF</u>	<u>Federal Funds</u>	<u>All Funds</u>
<u>FEMA Public Assistance</u>			
<small>(State Portion Calculated at 40% of 10%)</small>			
FEMA #1675 - Western Kansas Winter Storm:	\$ 3,423,943	\$ 77,038,713	\$ 80,462,656
<small>(State Portion Calculated at 10%)</small>			
Previous FEMA Disasters in Kansas	\$ 3,067,489	\$ 23,006,168	\$ 26,073,657
Subtotal	\$ 6,491,432	\$ 100,044,881	\$ 106,536,312
GRAND TOTAL	\$ 6,491,432	\$ 100,044,881	\$ 106,536,312