

LARNED STATE HOSPITAL

FY 2024 – FY 2026 BUDGET SUMMARY

FIG. 1 BUDGET SUMMARY, FY 2024 – FY 2026

	Actual FY 2024	Agency FY 2025	Legislative Budget Committee FY 2025	Agency FY 2026	Legislative Budget Committee FY 2026
EXPENDITURES:					
State Operations*	\$ 113,332,438	\$ 128,446,291	\$ 91,623,363	\$ 126,940,869	\$ 89,468,840
Salaries and Wages	52,767,243	63,410,979	61,688,409	59,218,569	58,820,473
Contractual Services	54,819,807	60,091,591	24,991,233	62,963,861	25,889,928
Commodities	4,312,504	4,473,813	4,473,813	4,571,760	4,571,760
Capital Outlay	1,432,884	469,908	469,908	186,679	186,679
State Aid and Assistance	\$ 5,256	\$ 2,150	\$ 2,150	\$ 2,150	\$ 2,150
Aid to Local Units	-	-	-	-	-
Other Assistance	5,256	2,150	2,150	2,150	2,150
Capital Budget and Debt	\$ -	\$ 110,000	\$ 110,000	\$ -	\$ -
Capital Improvements	-	110,000	110,000	-	-
Debt Service Principal	-	-	-	-	-
Debt Service Interest	-	-	-	-	-
TOTAL	\$ 113,337,694	\$ 128,558,441	\$ 91,735,513	\$ 126,943,019	\$ 89,470,990
FINANCING:					
State General Fund	\$ 89,518,134	\$ 114,130,126	\$ 77,307,198	\$ 115,393,991	\$ 77,921,962
LSH Fee Fund	3,609,600	5,933,759	5,933,759	4,334,054	4,334,054
Title XIX Fund	19,900,236	7,904,696	7,904,696	7,085,354	7,085,354
State Inst. Building Fund	219,734	479,860	479,860	129,620	129,620
ARPA Federal Fund	89,990	110,000	110,000	-	-
TOTAL	\$ 113,337,694	\$ 128,558,441	\$ 91,735,513	\$ 126,943,019	\$ 89,470,990
PERCENTAGE CHANGE:					
State General Fund	(3.2) %	27.5 %	(32.3) %	1.1 %	(32.5) %
All Funds	3.2 %	13.4 %	(28.6) %	(1.3) %	(29.5) %
FTE Positions	889.5	897.5	896.5	897.5	896.5

* Note: Expenditures for debt service interest are reflected under "Capital Budget and Debt."

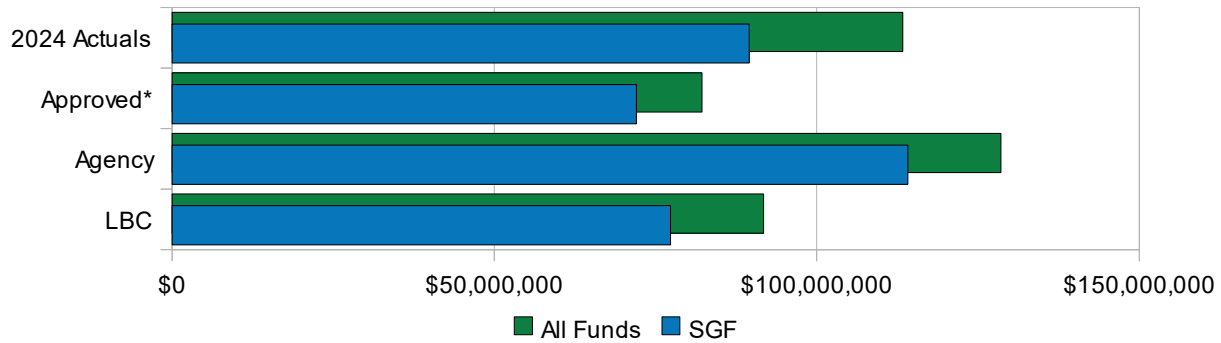
AGENCY OVERVIEW

Larned State Hospital (LSH) is the state mental health institution serving the western half of the state. It is composed of three main divisions:

- The **Psychiatric Services Program (PSP)**, which provides mental health services to civilly committed individuals who generally have a shorter length of stay, as they are admitted to the hospital, receive services, and are discharged;
- The **State Security Program (SSP)**, which provides mental health services to individuals referred to the hospital by the District Courts who often have a longer stay due to circumstances surrounding their admission; and
- The **Sexual Predator Treatment Program (SPTP)**, which provides services to individuals determined by a Court to be Sexually Violent Predators. To graduate from the program, individuals are required to successfully progress through the program with gradually decreasing levels of supervision.

FY 2025 ANALYSIS

FIG. 2 BUDGET HIGHLIGHTS, FY 2025



* Note: Includes SGF reappropriations.

FIG. 3 BUDGET COMPARISON, FY 2025

Fund	2024 Actuals	2025 Approved*	2025 Agency	Agency Change from Previous-Year Actuals		Agency Change from Approved*	
SGF	\$ 89,518,134	\$ 72,002,983	\$ 114,130,126	\$ 24,611,992	27.5 %	\$ 42,127,143	58.5 %
All Other Funds	23,819,560	10,183,624	14,428,315	(9,391,245)	(39.4)	4,244,691	41.7
TOTAL	\$ 113,337,694	\$ 82,186,607	\$ 128,558,441	\$ 15,220,747	13.4 %	\$ 46,371,834	56.4 %

* Note: Includes SGF reappropriations.

BUDGET ANALYSIS

FIG. 4 SUMMARY OF BUDGET REQUEST, FY 2025

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ 72,002,983	\$ 82,186,607	887.5	\$ 70,470,289	\$ 80,653,913	887.5
2024 SB 28 & HB 2551	70,470,289	80,303,673	887.5	70,470,289	80,303,673	887.5
1. SGF Reappropriation	1,532,694	1,532,694	-	-	-	-
2. State Institutions Building Fund Reappropriation	-	350,240	-	-	350,240	-
Supplemental Requests	\$ 35,299,775	\$ 35,299,775	1.0	\$ -	\$ -	-
3. Fire Services	275,825	275,825	-	-	-	-
4. SSP Competency Unit	2,373,817	2,373,817	1.0	-	-	-
5. Agency Nursing Staff	32,650,133	32,650,133	-	-	-	-
Other Changes	\$ 6,827,368	\$ 11,072,059	9.0	\$ 6,836,909	\$ 11,081,600	9.0
6. 24/7 Pay Plan	6,827,368	6,827,368	-	6,827,368	6,827,368	-
7. Salaries and Wages	1,793,613	2,034,275	-	1,793,613	2,034,275	-
8. Contractual Services	(1,815,279)	2,459,782	-	(1,815,279)	2,459,782	-
9. All Other Adjustments	21,666	(249,366)	9.0	31,207	(239,825)	9.0
TOTAL	\$ 114,130,126	\$ 128,558,441	897.5	\$ 77,307,198	\$ 91,735,513	896.5

1. SGF REAPPROPRIATION

The agency carried over \$1.5 million in unspent SGF moneys into FY 2025.

- **LBC:** Delete \$695,526 SGF in reappropriations for "State Operations" in FY 2025. All reappropriation lapses will be reconsidered during the 2025 Legislative Session.
- **LBC:** Delete \$827,628 SGF in reappropriations for "Sexual Predator Treatment Program" in FY 2025. All reappropriation lapses will be reconsidered during the 2024 Legislative Session.

2. STATE INSTITUTIONS BUILDING FUND REAPPROPRIATION

The agency carried over \$350,240 in unspent State Institutions Building Fund (SIBF) moneys into FY 2025.

3. FIRE SERVICES

The agency's revised estimate includes a request to add \$275,825 SGF to fund a contract for fire services with the City of Larned (City) in FY 2025. In FY 2024, LSH collaborated with the City to restructure fire services for the LSH and Department of Corrections (KDOC) campuses. Previously, LSH was primarily responsible for providing fire response to both the LSH and KDOC campuses. The agency reports it struggled to maintain necessary training due to vacancy challenges and the cost of properly training each LSH officer, as well as purchasing and maintaining gear. LSH, the City, and KDOC entered into a memorandum of agreement beginning July 1, 2024, in which the City would provide fire services to LSH and the KDOC campus.

- **Agency:** Add \$275,825 SGF to fund a contract for fire services with the City of Larned in FY 2025.
- **LBC:** Delete \$275,825 SGF to not fund a contract for fire services with the City of Larned in FY 2025.

4. STATE SECURITY PROGRAM COMPETENCY UNIT

The agency's revised estimate includes a request for \$2.4 million SGF and 1.0 FTE position to open an additional competency unit for the State Security Program (SSP) in FY 2025. Historically, the SSP had three competency units for males; however, one of these units closed due to staffing challenges and the COVID-19 pandemic. The funding would cover the hiring of one psychiatric medical provider for the unit and costs for agency staff for the unit. The request of \$2.4 million represents one-half of a full year's cost.

- **Agency:** Add \$2.4 million SGF and 1.0 FTE position to reopen an additional competency unit and to employ a psychiatric medical provider for the unit in FY 2025.
- **LBC:** Delete \$2.4 million SGF and 1.0 FTE position to not reopen an additional competency unit and to employ a psychiatric medical provider for the unit in FY 2025.

5. AGENCY NURSING STAFF

The agency's revised estimate includes a request for \$32.7 million SGF to cover the budget shortfall for agency nursing staff in FY 2025. The agency has an approved budget of \$11.6 million for contract staff, which includes \$8.7 million in the base budget and \$3.0 million in carry-over funds from FY 2024. The total cost in FY 2025 is expected to total \$43.8 million. In FY 2024, the total cost was \$41.3 million. As of June 2024, the agency's vacancy rate for the nursing department was 69.6 percent. The agency has requested this funding to be an ongoing expenditure in its base budget.

- **Agency:** Add \$32.7 million SGF to fund the shortfall for agency nursing staff in FY 2025.
- **LBC:** Delete \$32.7 million SGF to not fund the shortfall for agency nursing staff in FY 2025.

6. 24/7 PAY PLAN

The agency's revised estimate includes the addition of \$6.8 million SGF to provide shift differentials pursuant to the 24/7 Pay Plan in FY 2025. This funding was transferred from the Kansas Department for Aging and Disability Services at the beginning of the fiscal year. Beginning with FY 2025, this funding will become part of the agency's base budget, pursuant to 2024 HB 2551, which made the shift differentials permanent. This is not an increase to the overall State budget.

- **Agency:** Add \$6.8 million SGF to fund the shift differentials for 24/7 facilities pursuant to the 24/7 Pay Plan in FY 2025.

LBC: No changes.

7. SALARIES AND WAGES

The agency's revised estimate includes an increase of \$2.0 million, including \$1.8 million SGF, for salaries and wages expenditures in FY 2025. This increase is primarily attributable to funding to implement an increase from \$3,500 to \$10,000 for recruiting and retention bonuses approved by the 2024 Legislature.

- **Agency:** Add \$2.0 million, including \$1.8 million SGF, to revise salaries and wages expenditures, including funding for increased recruiting and retention bonuses approved by the 2024 Legislature, in FY 2025.
- **LBC:** No changes.

8. CONTRACTUAL SERVICES

The agency's revised estimate includes an increase of \$2.5 million, including an SGF decrease of \$1.8 million, to adjust estimated expenditures for contractual services in FY 2025. The increase is primarily due to increased expenditures on contract staff.

- **Agency:** Add \$2.5 million, including a decrease of \$1.8 million SGF, to revise contractual services expenditures, including increased expenditures on contract staff, in FY 2025.
- **LBC:** No changes.

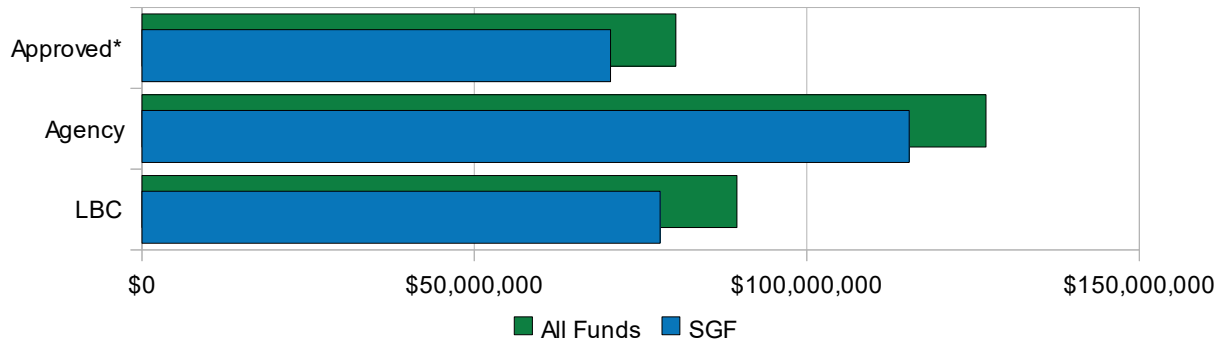
9. ALL OTHER ADJUSTMENTS

The agency's revised estimate includes a decrease of \$249,366, and an SGF increase of \$21,666, and an additional 9.0 FTE positions, including 6.0 Environmental Services Staff and 1.0 Forensic Evaluator. These positions were funded by the 2024 Legislature but the positions were not added to the agency's count at that time. Adjustments include decreases in commodities for data processing supplies, which includes paper and toner, as well as increases in capital outlay, including equipment and software.

- **Agency:** Delete \$249,366 all funds, and add \$21,666 SGF and 9.0 FTE positions for miscellaneous adjustments in commodities and capital outlay and to increase the count for positions funded by the 2024 Legislature in FY 2025.
- **LBC:** No changes.

FY 2026 ANALYSIS

FIG. 5 BUDGET HIGHLIGHTS, FY 2026



* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

FIG. 6 BUDGET HIGHLIGHT CHANGES, FY 2026

Fund	2025 Agency	2025 Approved*	2026 Agency	Agency Change from Previous-Year Agency		Agency Change from Approved*	
SGF	\$ 114,130,126	\$ 70,470,289	\$ 115,393,991	\$ 1,263,865	1.1 %	\$ 44,923,702	63.7 %
All Other Funds	14,428,315	9,833,384	11,549,028	(2,879,287)	(20.0)	1,715,644	17.4
TOTAL	\$ 128,558,441	\$ 80,303,673	\$ 126,943,019	\$ (1,615,422)	(1.3) %	\$ 46,639,346	58.1 %

* Note: Reflects legislative-approved expenditures for FY 2025, excluding reappropriations.

BUDGET ANALYSIS

FIG. 7 SUMMARY OF BUDGET REQUEST, FY 2026

	Agency			Legislative Budget Committee		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Approved, FY 2025	\$ 70,470,289	\$ 80,303,673	887.5	\$ 70,470,289	\$ 80,303,673	887.5
2024 SB 28 & HB 2551	70,470,289	80,303,673	887.5	70,470,289	80,303,673	887.5
Enhancement Requests	\$ 37,472,029	\$ 37,472,029	1.0	\$ -	\$ -	-
1. Fire Services	75,000	75,000	-	-	-	-
2. SSP Competency Unit	4,746,896	4,746,896	1.0	-	-	-
3. Agency Nursing Staff	32,650,133	32,650,133	-	-	-	-
Other Changes	\$ 7,451,673	\$ 9,167,317	9.0	\$ 7,451,673	\$ 9,167,317	9.0
4. 24/7 Pay Plan	6,827,368	6,827,368	-	6,827,368	6,827,368	-
5. Salaries and Wages	(758,614)	(473,880)	-	(758,614)	(473,880)	-
6. Contractual Services	1,501,770	3,358,477	-	1,501,770	3,358,477	-
7. All Other Adjustments	(118,851)	(544,648)	9.0	(118,851)	(544,648)	9.0
TOTAL	\$ 115,393,991	\$ 126,943,019	897.5	\$ 77,921,962	\$ 89,470,990	896.5

1. FIRE SERVICES

The agency's request includes a request to add \$75,000 SGF to fund its ongoing obligation for the contract for fire services with the City of Larned for FY 2026.

- **Agency:** Add \$75,000 SGF to fund its ongoing obligation for the contract for fire services with the City of Larned for FY 2026.
- **LBC:** Delete \$75,000 SGF to not fund its ongoing obligation for the contract for fire services with the City of Larned for FY 2026.

2. STATE SECURITY PROGRAM COMPETENCY UNIT

The agency's request includes a request for \$4.8 million SGF and 1.0 FTE position to fund one full year's cost to reopen a competency unit and to fund the 1 psychiatric medical provider position for FY 2026.

- **Agency:** Add \$4.8 million SGF and 1.0 FTE position to fund one full year's cost to reopen a competency unit and to fund the 1 psychiatric medical provider position for FY 2026.
- **LBC:** Delete \$4.8 million SGF and 1.0 FTE position to not fund one full year's cost to reopen a competency unit and to fund the 1 psychiatric medical provider position for FY 2026.

3. AGENCY NURSING STAFF

The agency's request includes a request for \$32.6 million SGF to increase its budget for agency nursing staff for FY 2026. The agency has requested this funding to be an ongoing expenditure in its base budget.

- **Agency:** Add \$32.6 million SGF to increase the base budget for contract agency nursing staff for FY 2026.
- **LBC:** Delete \$32.6 million SGF to not increase the base budget for contract agency nursing staff for FY 2026.

4. 24/7 PAY PLAN

The agency's request includes the addition of \$6.8 million SGF to provide shift differentials pursuant to the 24/7 Pay Plan for FY 2026. Pursuant to 2024 HB 2551, which made the shift differentials permanent, this amount will be included in the agency's base budget in future years. This is not an increase to the overall State budget.

- **Agency:** Add \$6.8 million SGF to fund the shift differentials for 24/7 facilities pursuant to the 24/7 Pay Plan for FY 2026.
- **LBC:** No changes.

5. SALARIES AND WAGES

The agency's revised estimate includes a decrease of \$473,880, including a decrease of \$758,614 SGF, for salaries and wages expenditures for FY 2026. The decrease anticipates slightly higher vacancy rates than the amount approved by the 2024 Legislature. The increase from \$3,500 to \$10,000 for recruiting and retention bonuses was only in FY 2025, so those expenditures are not budgeted for FY 2026.

- **Agency:** Delete \$473,880, including \$758,614 SGF, to revise salaries and wages expenditures, including slightly higher vacancy rates for FY 2026 than in the amount approved by the 2024 Legislature.
- **LBC:** No changes.

6. CONTRACTUAL SERVICES

The agency's revised estimate includes an increase of \$3.4 million, including an SGF increase of \$1.5 million, to adjust estimated expenditures for contractual services for FY 2026. The increase is primarily due to increased expenditures on contract staff.

- **Agency:** Add \$3.4 million, including an SGF increase of \$1.5 million, to revise contractual services expenditures, including funding for contract staff for FY 2026.

- **LBC:** No changes.

7. ALL OTHER ADJUSTMENTS

The agency's revised estimate includes a decrease of \$544,648, including an SGF decrease of \$118,851, and an additional 9.0 FTE positions, including 6.0 Environmental Services Staff and 1.0 Forensic Evaluator. These positions were funded by the 2024 Legislature but the positions were not added to the agency's count at that time. The decrease is primarily due to decreases in data processing supplies, which include paper and toner.

Agency: Delete \$544,648, including an SGF decrease of \$118,851, and add 9.0 FTE positions for miscellaneous adjustments in commodities and capital outlay and to increase the count for positions funded by the 2024 Legislature for FY 2026.

- **LBC:** No changes.

CAPITAL BUDGET AND DEBT

FIG. 8 CAPITAL BUDGET AND DEBT, FY 2024 – FY 2026

	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
EXPENDITURES:					
Capital Projects	\$ 309,724	\$ 589,860	\$ 589,860	\$ 129,620	\$ 129,620
Key Control	89,990	-	-	-	-
Video Surveillance System	90,114	217,858	217,858	-	-
Larned Wastewater Treatment	129,620	129,620	129,620	129,620	129,620
ATC Generator	-	110,000	110,000	-	-
Security Cameras	-	132,382	132,382	-	-
Debt Service Principal*	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Interest*	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 309,724	\$ 589,860	\$ 589,860	\$ 129,620	\$ 129,620
FINANCING:					
SGF	\$ -	\$ -	\$ -	\$ -	\$ -
American Rescue Plan Act Fund	89,990	110,000	110,000	-	-
State Institutions Building Fund	219,734	479,860	479,860	129,620	129,620
TOTAL	\$ 309,724	\$ 589,860	\$ 589,860	\$ 129,620	\$ 129,620

* Note: Includes debt service expenditures on capital improvement projects only.

FY 2025 CAPITAL IMPROVEMENTS

The **agency** submits a revised estimate of \$589,860 in capital improvement expenditures in FY 2025. The revised estimate includes the following capital projects:

1. VIDEO SURVEILLANCE SYSTEM

The agency's revised estimate includes \$217,858, all from the State Institutions Building Fund (SIBF), for the video surveillance system in FY 2025. This is the same as the amount approved by the 2024 Legislature.

2. REHABILITATION AND REPAIR – LARNED WASTEWATER TREATMENT

The agency's revised estimate includes \$129,620 SIBF for rehabilitation and repair of the City of Larned wastewater treatment in FY 2025. The agency pays a portion of the City of Larned's wastewater treatment facility bond payments. This is the same amount approved by the 2024 Legislature.

3. ATC GENERATOR

The agency's revised estimate includes \$110,000, all from federal American Rescue Plan Act funds, for a patient building (ATC) generator and motor replacement. These funds were distributed to LSH through the Strengthening People and Revitalizing Kansas process in FY 2024 and reappropriated into FY 2025.

4. SECURITY CAMERAS

The agency's revised estimate includes \$132,382 SIBF for security cameras in FY 2025. This is the same as the amount approved by the 2024 Legislature.

FY 2026 CAPITAL IMPROVEMENTS

The **agency** requests \$129,620 SIBF in capital improvement expenditures for FY 2026. The request includes the following project:

5. REHABILITATION AND REPAIR - LARNED WASTEWATER TREATMENT

The agency's request includes \$129,620 SIBF for rehabilitation and repair on the Larned wastewater treatment for FY 2026. This is the same as the amount approved by the 2024 Legislature and the same as the revised estimate in FY 2025.

REFERENCE TABLES

FIG. 9 **10-YEAR EXPENDITURE HISTORY, FY 2017 – FY 2026**

Fiscal Year	SGF	Change	All Funds	Change	FTE	CPI-U Change**
FY 2017	\$ 55,364,010	17.3 %	\$ 63,651,862	12.6 %	943.5	0.0 %
FY 2018	54,663,066	(1.3)	66,584,618	4.6	943.5	0.2
FY 2019	62,688,837	14.7	70,264,261	5.5	995.5	0.0
FY 2020	54,197,773	(13.5)	72,461,088	3.1	936.5	0.8
FY 2021	54,428,837	0.4	76,913,053	6.1	935.5	2.4
FY 2022	75,018,301	37.8	93,951,577	22.2	909.5	9.2
FY 2023	92,446,379	23.2	109,863,643	16.9	920.5	5.8
FY 2024	89,518,134	(3.2)	113,337,694	3.2	889.5	3.0
FY 2025 Agency	114,130,126	27.5	128,558,441	13.4	897.5	2.5
FY 2026 Agency	115,393,991	1.1	126,943,019	(1.3)	897.5	2.4
10-Yr. Chg. (FY 2017– 2026)	\$ 60,029,981	108.4 %	\$ 63,291,157	99.4 %	(46.0)	33.4 %
3-Yr. Avg. (FY 2022– 2024)*	85,660,938		105,717,638		906.5	

* Note: Reflects three most recent years of actuals data.

** Note: Consumer Price Index – All Urban Consumers estimate for FY 2025 and FY 2026 is from the Consensus Revenue Estimating Group.

FIG. 10 **EXPENDITURES BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Administration	\$ 6,459,570	\$ 5,662,203	\$ 4,690,852	\$ 5,139,972	\$ 5,064,972
Ancillary Services	11,521,579	43,592,144	10,942,011	43,005,220	10,355,087
Physical Plant/Central Services	11,162,655	11,255,829	11,255,829	10,234,976	10,234,976
Psychiatric Services Program	22,454,695	13,679,159	13,679,159	12,798,726	12,798,726
Sexual Predator Treatment Program	41,254,426	33,600,714	32,773,087	32,133,122	32,133,122
Staff Education and Research	1,068,930	482,392	482,392	475,332	475,332
State Security Program	19,415,839	20,286,000	17,912,183	23,155,671	18,408,775
TOTAL	\$ 113,337,694	\$ 128,558,441	\$ 91,735,513	\$ 126,943,019	\$ 89,470,990

FIG. 11 **FTE POSITIONS BY PROGRAM, FY 2024 – FY 2026**

Program	Actual FY 2024	Agency FY 2025	LBC FY 2025	Agency FY 2026	LBC FY 2026
Administration	55.0	60.0	60.0	60.0	60.0
Ancillary Services	73.5	69.5	69.5	69.5	69.5
Physical Plant/Central Services	146.0	155.0	155.0	155.0	155.0
Psychiatric Services Program	137.0	132.0	132.0	132.0	132.0
Sexual Predator Treatment Program	289.0	293.0	293.0	293.0	293.0
Staff Education and Research	2.0	2.0	2.0	2.0	2.0
State Security Program	187.0	186.0	185.0	186.0	185.0
TOTAL	889.5	897.5	896.5	897.5	896.5