

# House Budget Committee Report

**Agency:** Health Care Stabilization Fund  
Board of Governors

**Bill No. --**

**Bill Sec. --**

**Analyst:** Deckard

**Analysis Pg. No.** 204

**Budget Page No.** 62

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2012</u>	<u>Governor Recommendation FY 2012</u>	<u>House Budget Committee Adjustments</u>
<b>Operating Expenditures:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	36,633,593	36,633,593	0
Subtotal	<u>\$ 36,633,593</u>	<u>\$ 36,633,593</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 36,633,593</u></u>	<u><u>\$ 36,633,593</u></u>	<u><u>\$ 0</u></u>
FTE positions	18.0	18.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>0.0</u></u>

## Agency Estimate

The **agency** estimates a revised FY 2012 budget of \$36,633,593, all from special revenue funds, which is an increase of \$600,000, or 1.7 percent above approved by the 2011 Legislature. This increase includes an increase of \$48,114 in salaries and wages, \$74,523 in contractual services, \$125 in capital outlay, and \$477,238 in other assistance. These increases were offset by decreases in the non reportable portion of the budget.

## Governor's Recommendation

The **Governor** concurs with the agency's revised estimate of \$36,633,593, all from special revenue funds for FY 2012.

## House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation.

**House Committee Recommendation**

The **Committee** concurs with the Budget Committee's recommendation.

**House Committee of the Whole Recommendation**

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2012.

**Senate Subcommittee Report**

**Agency:** Health Care Stabilization Fund  
Board of Governors

**Bill No. --**

**Bill Sec. --**

**Analyst:** Deckard

**Analysis Pg. No. 204**

**Budget Page No. 62**

<u>Expenditure Summary</u>	<u>Agency Estimate FY 2012</u>	<u>Governor Recommendation FY 2012</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	36,633,593	36,633,593	0
Subtotal	\$ 36,633,593	\$ 36,633,593	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
<b>TOTAL</b>	<b>\$ 36,633,593</b>	<b>\$ 36,633,593</b>	<b>\$ 0</b>
FTE positions	18.0	18.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<b>18.0</b>	<b>18.0</b>	<b>0.0</b>

**Agency Estimate**

The **agency** estimates a revised FY 2012 budget of \$36,633,593, all from special revenue funds, which is an increase of \$600,000, or 1.7 percent above approved by the 2011 Legislature. This increase includes an increase of \$48,114 in salaries and wages, \$74,523 in contractual services, \$125 in capital outlay, and \$477,238 in other assistance. The estimate includes a shift of \$48,114 from contractual services to salaries and wages to reflect the hiring of

a former contractor. The overall \$600,000 increase was offset by a decrease of the same amount in the non reportable investment portion of the budget.

**Governor's Recommendation**

The **Governor** concurs with the agency's revised estimate of \$36,633,593, all from special revenue funds for FY 2012.

**Senate Subcommittee Recommendation**

The **Subcommittee** concurs with the Governor's recommendation.

**Senate Committee Recommendation**

The **Committee** concurs with the Subcommittee's recommendation.

**Senate Committee of the Whole**

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2012.

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**Conference Committee Recommendation – House Substitute for SB 294**

The **Conference Committee** concurs with the Governor's recommendation for FY 2012.

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	Gov. Rec. FY 2012	Legislative Action	Gov. Veto FY 2012	Omnibus Action FY 2012	Final Legislative Approved FY 2012
State Operations	\$ 7,556,355	\$ 0	\$ 0	\$ 0	\$ 7,556,355
Aid to Local Units	0	0	0	0	0
Other Assistance	29,077,238	0	0	0	29,077,238
Subtotal- Operations	36,633,593	0	0	0	36,633,593
Capital Improvements	0	0	0	0	0
Total	36,633,593	0	0	0	36,633,593

State General Fund

State Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
Subtotal-Operating	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0	0	0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

FTE Positions	18.0	0.0	0.0	0.0	18.0
Non-FTE Unclass. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
Total	18.0	0.0	0.0	0.0	18.0

## House Budget Committee Report

**Agency:** Health Care Stabilization Fund  
Board of Governors

**Bill No.** HB 2760

**Bill Sec.** 11

**Analyst:** Deckard

**Analysis Pg. No.** 204

**Budget Page No.** 62

Expenditure Summary	Agency Request FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
<b>Operating Expenditures:</b>			
State General Fund	\$ 36,675,217	\$ 36,675,217	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 36,675,217</u>	<u>\$ 36,675,217</u>	<u>\$ 0</u>
<b>Capital Improvements:</b>			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 36,675,217</u></u>	<u><u>\$ 36,675,217</u></u>	<u><u>\$ 0</u></u>
FTE positions	18.0	18.0	0.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>0.0</u></u>

### Agency Request

The **agency** requests an FY 2013 budget of \$36,675,217, all from special revenue funds, which is an increase of \$41,624, or 0.1 percent, above the revised FY 2012 estimate. The majority of the increase is attributable to an increase in fringe benefits. The agency indicated that the claims payment estimate is dependent on the outcome of a case pending before the Kansas Supreme Court testing the constitutionality of the cap on noneconomic damages in professional liability cases.

### Governor's Recommendation

The **Governor** concurs with the agency's FY 2013 request for \$36,675,217, all from special revenue funds.

### House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following notations:

1. Beginning in FY 2014, pursuant to 2010 SB 414, the State, from the State General Fund, will reimburse the Health Care Stabilization Fund (HCSF) for the amount of claims which should have been paid to the fund for FY 2010 - FY 2013. The payments were deferred to create State General Fund savings during those fiscal years. The reimbursement will occur in five equal payments to fund the cost of self insurance of residents and faculty at the University of Kansas Medical Center and the Wichita Center for Graduate Medical Education.
2. The Budget Committee supports the following statements made in the Health Care Stabilization Fund Oversight Committee Interim Report for 2011:

"The Oversight Committee recognizes the agency's efforts to streamline its website and electronic forms for health care providers and insurers participating in the Fund. The Oversight Committee expresses its support for the Health Care Stabilization Fund's existing staff positions and continuing the agency's independent information technology improvements." and

"Those payments made to the HCSF by health providers are not a fee. The State shares no responsibility for the liabilities of the HCSF. Furthermore, as set forth in the Health Care Provider Insurance Availability Act, the HCSF is required to be "...held in trust in the state treasury and accounted for separately from other state funds."

#### **House Committee Recommendation**

The **Committee** concurs with the Budget Committee's recommendation with the following adjustment:

1. Delete funding to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments for FY 2013. **For this agency, that amount totals \$850, including \$0 from the State General Fund.**

#### **House Committee of the Whole Recommendation**

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2012.

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### Senate Subcommittee Report

**Agency:** Health Care Stabilization Fund  
Board of Governors

**Bill No.** SB 433

**Bill Sec.** 11

**Analyst:** Deckard

**Analysis Pg. No.** 204

**Budget Page No.** 62

Expenditure Summary	Agency Request FY 2013	Governor Recommendation FY 2013	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	36,675,217	36,675,217	0
Subtotal	<u>\$ 36,675,217</u>	<u>\$ 36,675,217</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<b>TOTAL</b>	<u><u>\$ 36,675,217</u></u>	<u><u>\$ 36,675,217</u></u>	<u><u>\$ 0</u></u>
FTE positions	18.0	18.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
<b>TOTAL</b>	<u><u>18.0</u></u>	<u><u>18.0</u></u>	<u><u>0.0</u></u>

#### Agency Request

The **agency** requests an FY 2013 budget of \$36,675,217, all from special revenue funds, which is an increase of \$41,624, or 0.1 percent, above the revised FY 2012 estimate. The majority of the increase is attributable to an increase in fringe benefits.

The agency indicated that the claims payment estimate is dependent on the outcome of a case pending before the Kansas Supreme Court testing the constitutionality of the cap on noneconomic damages in professional liability cases.

#### Governor's Recommendation

The **Governor** concurs with the agency's FY 2013 request for \$36,675,217, all from special revenue funds.

#### Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

### Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation.

### Senate Committee of the Whole Recommendation

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2012.

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### Conference Committee Recommendation: House Sub. for SB 294

The **Conference Committee** concurs with the Governor's recommendation with the following adjustments:

1. Delete funding to reduce longevity payments from \$50 per year for each year of service to the statutory \$40 per year for each year of service for all those eligible to receive longevity bonus payments for FY 2013. **For this agency, that amount totals \$850, all from special revenue funds.**
2. Delete \$2,101, all from special revenue funds, to suspend all employer contributions to the Kansas Public Employees Retirement System (KPERs) Group Insurance Fund, or Death and Disability Fund, for a three-month period, beginning April 1, 2013 and ending on June 30, 2013.
3. Eliminate 70.0 percent of vacant positions that have been unfilled for greater than 120 days as of June, 30, 2012. **For this agency, 1.0 FTE positions and 1.6 non-FTE positions will be eliminated. No adjustments will be made to the agency's FTE position limitation.**



	Gov. Rec. FY 2013	Legislative Action	Gov. Veto 2013	Finance Council FY 2013	
<b>All Funds</b>					
State Operations	\$ 7,597,977	(850)	\$ 0	\$ (2,101)	\$ 7,595,026
Aid to Local Units	0	0	0	0	0
Other Assistance	29,077,240	0	0	0	29,077,240
Subtotal- Operations	36,675,217	(850)	0	(2,101)	36,672,266
Capital Improvements	0	0	0	0	0
Total	36,675,217	(850)	0	(2,101)	36,672,266
<b>State General Fund</b>					
State Operations	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
Subtotal-Operating	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Improvements	0	0	0	0	0
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
FTE Positions	18.0	0.0	0.0	0.0	18.0
Non-FTE Unclass. Perm. Pos.	0.0	0.0	0.0	0.0	0.0
Total	18.0	0.0	0.0	0.0	18.0