

SESSION OF 2011

**SUPPLEMENTAL NOTE ON
SUBSTITUTE FOR HOUSE BILL NO. 2296**

As Recommended by House Committee on
Social Service Budget

Brief*

Sub. for HB 2296 would establish the Joint Committee on Oversight of the Closure of the Kansas Neurological Institute and the Kansas Neurological Institute Community Conversion Conservation Fund to review the process of transition of individuals from the Kansas Neurological Institute (KNI) to Home and Community Based Services Developmental Disabilities (HCBS/DD) waiver.

Duties of Joint Committee

The Joint Committee would be charged to:

- Review the number of individuals who are transferred from KNI to HCBS, the associated cost savings and other outcomes of the Money-Follows-The-Person Program; and
- Review the data and information submitted by the Kansas Facilities Closure and Realignment Commission regarding community placement costs, proposed costs incurred by the KNI transition of their residents to the community, and projected savings in the closure of KNI.

The Joint Committee also would be allowed to consider other data or information it deems necessary to review to fulfill its oversight duties.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

With the exception of individuals determined to be in a crisis, individuals who have been in the custody of the state in foster care program, or individuals transferring from KNI, no additional individuals would be allowed to be added to the HCBS/DD waiver until the Secretary of Social and Rehabilitation Services (SRS) provides the Joint Committee with the following information:

- The developmental disability profile assessment score and reimbursement tier for individuals currently receiving services on the HCBS/DD waiver;
- The developmental disability profile assessment score and reimbursement tier for individuals currently waiting to receive services on the HCBS/DD waiver;
- A report of the estimated ten-year period funding for providing HCBS/DD waiver services to individuals on the HCBS/DD waiver and those waiting to receive HCBS/DD waiver services; and
- A report of the estimated ten-year period funding for providing HCBS/DD waiver services to individuals currently residing in KNI and former KNI residents who have transferred to receiving services in the community under the HCBS/DD waiver.

Joint Committee Membership and Compensation

- The bill would make the following provisions for membership and compensation:
- Seven members would be appointed to the Joint Committee with nine legislative members, and two members appointed by the Governor. The members appointed by the Governor would be a former or current

KNI employee, and the other would be a parent of a current KNI resident;

- Legislative membership terms would coincide with the terms to which the members are elected or appointed;
- Members appointed by the Governor would serve terms of two years; and
- Members would receive compensation, travel expenses and subsistence expenses or allowance for attending Joint Committee meetings or authorized subcommittee meetings.

Joint Committee Meetings

The bill would provide that:

- The first meeting of the Joint Committee would be held prior to August 1, 2011 on the call of the member appointed by the Speaker of the House of Representatives, who would be the first chairperson;
- The Joint Committee would be required to meet at least four times per year; and
- Five members would constitute a quorum.

Annual Written Report

The Joint Committee would be required to submit a written report at the beginning of each regular session of the Legislature to the President of the Senate and the Speaker of the House of Representatives. The written report would include the following:

- The numbers of individuals transferred from KNI to HCBS, including the average daily census in the state institutions and long-term care facilities;

- The savings resulting from the transfer certified by the Secretary of Social and Rehabilitation Services (SRS); and
- The current balance in the KNI Community Conversion Conservation Fund of SRS.

KNI Community Conversion Conservation Fund

The bill would establish the KNI Community Conversion Conservation Fund administered by the Secretary of SRS. The fund would operate in the following manner:

- Savings resulting from the transfer of individuals from KNI to HCBS/DD would be credited to the Fund;
- Proceeds from the sale, lease, mortgage or any other transaction involving KNI real or personal property would be deposited in the State Treasury and credited to the Fund; and
- Expenditures from the Fund would be in accordance with the provisions of appropriations acts upon vouchers approved by the Secretary of SRS or the Secretary's designee.

Certification of Savings Transferred

The Secretary of SRS would determine the savings attributable to the transfer of each individual from KNI to HCBS and certify the amount of savings to the Director of Accounts and Reports who, upon receipt of certification, would transfer the specified amounts in the certification from the funds and accounts specified to the KNI Community Conversion Conservation Fund. A copy of each certification would be transmitted to the Director of the Budget and the Director of Legislative Research.

Further, at the beginning of each calendar quarter, the Secretary of SRS would be required to certify to the Joint Committee the amount of savings transferred to the KNI

Community Conversion Conservation Fund as a result of the transfer of individuals from KNI to HCBS/DD who had been transferred during the previous calendar quarter.

If provisions creating the KNI Community Conversion Conservation Fund would be repealed or would become null and void, all monies in the Fund would be returned to serve individuals waiting to be served on the HCBS/DD waiver.

Background

HB 2296 was introduced by the House Committee on Aging and Long Term Care at the request of the Committee Chairman, Representative Bob Bethell. Proponents of the bill before the Committee included representatives of the Disability Rights Center of Kansas (DRC); InterHab, Inc.; the Kansas Council on Developmental Disabilities; and the End the Wait Campaign. A representative of DRC testified the bill would ensure that if KNI closes all of the savings resulting from closure would be tracked in a separate fund and would establish the precedent to ensure that those savings were dedicated toward the HCBS DD Waiver. The DRC representative presented information regarding the number of individuals currently on the HCBS DD waiting list. A representative of InterHab, Inc. stated the importance of providing an organized legislative effort to oversee the reallocation of institutional resources.

There were no opponents to the bill at the House Committee hearing.

The House Committee on Aging and Long Term Care amended the bill to increase the number of members on the Joint Committee on Oversight of the Closure of KNI by two in order to allow for representation from a former KNI employee and a parent of a current resident of KNI. The bill was further amended to provide that all proceeds resulting from a sale, lease, mortgage or any other transaction involving KNI real or personal property be deposited in the State Treasury and

credited to the KNI Community Conversion Conservation Fund. Bill language was changed to clarify where the savings resulting from the transfer of individuals from KNI to HCBS are to be credited.

The House Social Service Budget Committee amended the bill to decrease the number of members on the Joint Committee on Oversight of the Closure of KNI by two and to allowed for representation from current KNI employees. The bill was further amended to provide that no additional individuals (with a few exceptions) would be allowed to be added to the HCBS/DD waiver until the Secretary of Social and Rehabilitation Services (SRS) provides the Joint Committee with the additional HCBS/DD waiver information. Bill language was changed to clarify compensation and term limits of members appointed by the Governor. These modifications were incorporated into a substitute bill.

The fiscal note on the original bill prepared by the Division of the Budget states the Department of Social and Rehabilitation Services indicated that the implementation of the bill could be handled within the agency's existing resources. The Legislature estimates that if the Committee only meets the four times required by the bill, the cost would be approximately \$26,184 from the State General Fund. However, the bill does not place a cap on the number of meetings the Committee may hold. Each meeting is expected to cost \$6,546 and includes expenses related to mileage, subsistence, per diem, and salary and wages for a secretary to staff the meeting. Any fiscal effect associated with the bill is not reflected in *The FY 2012 Governor's Budget Report*.