

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment - Division of Health

Bill No. SB 444

Bill Sec. 31

Analyst: Leopold

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Budget Page No. 264

Expenditure Summary	Agency Estimate FY 2022	Governor Recommendation FY 2022	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 817,632,224	\$ 750,598,627	\$ 250,000
Federal Funds	2,191,591,794	2,367,839,975	0
Other Funds	479,341,082	479,360,745	0
<i>Subtotal</i>	<u>\$ 3,488,565,100</u>	<u>\$ 3,597,799,347</u>	<u>\$ 250,000</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u>\$ 3,488,565,100</u>	<u>\$ 3,597,799,347</u>	<u>\$ 250,000</u>
FTE positions	1,219.2	1,219.2	0.0

Agency Estimate

The agency requests a revised estimate of \$3.5 billion, including \$817.6 million SGF, for operating expenditures in FY 2022. This is an all funds increase of \$140.0 million, or 4.1 percent, above the amount approved by the 2021 Legislature. The all funds increase includes a Children's Initiatives Fund reappropriation of \$42,498 from the Newborn Hearing Aid Program.

The request includes \$34.4 million for the Administration function, \$320.6 million for the Division of Public Health, \$3.1 billion for the Division of Health Care Finance. The all funds increase is primarily attributable to federal funds to support COVID-19 prevention and treatment efforts in the division of Public Health that were received for use in FY 2022 after the approval of the agency's FY 2022 budget. The SGF increase is due to the agency's supplemental requests totaling \$3.5 million, including \$1.5 million SGF.

The revised estimate includes 1,219.2 FTE positions, which reflects an increase of 78.4 FTE positions above the number approved by the 2021 Legislature. These include an additional 12.0 FTE positions in the Administration Function, 69.4 FTE positions in the Division of Public Health, and a decrease of 3.0 FTE positions in the Division of Health Care Finance. Of these new positions, 48.0 FTE positions are funded with federal awards received in conjunction with COVID-19 relief legislation and are expected to be reduced when federal funds are no longer available. Positions include case managers, contact tracers, and nurses for vaccine distribution.

Governor's Recommendation

The **Governor** recommends expenditures of \$3.2 billion, including \$750.6 million SGF, in FY 2022. This is an all funds increase of \$58.9 million, or 1.9 percent, above the agency's revised estimate. Significant items in the Governor's recommendation include the following:

- **HUMAN SERVICES CASELOADS.** The Governor's recommendation includes an addition of \$59.1 million from all funds, including a reduction of \$66.7 million SGF, to fully fund the fall 2021 human services consensus caseload estimates.
- **HOSPITAL EMPLOYEE RETENTION PLAN.** The Governor's recommendation includes \$50.0 million for the Front Line Hospital Employee Retention Plan, as approved by the SPARK Executive Committee and the State Finance Council.
- **AGENCY SUPPLEMENTAL REQUESTS.** The Governor recommended funding five of the agency's supplemental requests for a total of \$3.3 million, including \$1.4 million SGF, and 5.0 FTE positions.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's Recommendation in FY 2022 with the following adjustment:

1. Add \$250,000, all SGF, to fund the agency's supplemental request for school-based oral health services in FY 2022.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation in FY 2022.

Senate Committee of the Whole Recommendation (Sub. for SB 444)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2022.

House Budget Committee Report

Agency: Kansas Department of Health and Environment - Division of Health **Bill No.** HB 2592

Bill Sec. 31

Analyst: Leopold

Analysis Pg. No. Vol. 2, p. 1010

Budget Page No. 264

Expenditure Summary	Agency Estimate FY 2022	Governor Recommendation FY 2022	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 817,632,224	\$ 750,598,627	\$ 0
Federal Funds	2,191,591,794	2,367,839,975	0
Other Funds	479,341,082	479,360,745	0
<i>Subtotal</i>	<u>\$ 3,488,565,100</u>	<u>\$ 3,597,799,347</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u>\$ 3,488,565,100</u>	<u>\$ 3,597,799,347</u>	<u>\$ 0</u>

FTE positions	1,219.2	1,219.2	0.0
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Agency Estimate

The **agency** requests a revised estimate of \$3.5 billion, including \$817.6 million SGF, for operating expenditures in FY 2022. This is an all funds increase of \$140.0 million, or 4.1 percent, above the amount approved by the 2021 Legislature. The all funds increase includes a Children’s Initiatives Fund reappropriation of \$42,498 from the Newborn Hearing Aid Program.

The request includes \$34.4 million for the Administration function, \$320.6 million for the Division of Public Health, \$3.1 billion for the Division of Health Care Finance. The all funds increase is primarily attributable to federal funds to support COVID-19 prevention and treatment efforts in the division of Public Health that were received for use in FY 2022 after the approval of the agency’s FY 2022 budget. The SGF increase is due to the agency’s supplemental requests totaling \$3.5 million, including \$1.5 million SGF.

The revised estimate includes 1,219.2 FTE positions, which reflects an increase of 78.4 FTE positions above the number approved by the 2021 Legislature. These include an additional 12.0 FTE positions in the Administration Function, 69.4 FTE positions in the Division of Public Health, and a decrease of 3.0 FTE positions in the Division of Health Care Finance. Of these new

positions, 48.0 FTE positions are funded with federal awards received in conjunction with COVID-19 relief legislation and are expected to be reduced when federal funds are no longer available. Positions include case managers, contact tracers, and nurses for vaccine distribution.

Governor's Recommendation

The **Governor** recommends expenditures of \$3.2 billion, including \$750.6 million SGF, in FY 2022. This is an all funds increase of \$58.9 million, or 1.9 percent, above the agency's revised estimate. Significant items in the Governor's recommendation include the following:

- **HUMAN SERVICES CASELOADS.** The Governor's recommendation includes an addition of \$59.1 million from all funds, including a reduction of \$66.7 million SGF, to fully fund the fall 2021 human services consensus caseload estimates.
- **HOSPITAL EMPLOYEE RETENTION PLAN.** The Governor's recommendation includes \$50.0 million for the Front Line Hospital Employee Retention Plan, as approved by the SPARK Executive Committee and the State Finance Council.
- **AGENCY SUPPLEMENTAL REQUESTS.** The Governor recommended funding five of the agency's supplemental requests for a total of \$3.3 million, including \$1.4 million SGF, and 5.0 FTE positions.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2022.

House Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation in FY 2022 with the following adjustment:

1. Add \$362,213 million, all SGF, to the Breast and Cervical Cancer Early Detection Program, Early Detection Works, to fully fund cancer screening and early detection services for uninsured and underinsured women in FY 2022.

House Committee of the Whole Recommendation (H Sub. for Sub. for SB 267)

The **Committee of the Whole** concurs with the Committee's recommendation in FY 2022.

Conference Committee Recommendation (H Sub. for Sub. for SB 267)

The **Conference Committee** concurs with the Governor's recommendation for FY 2022 with the following adjustments:

1. Add \$250,000 SGF for school-based oral health services in FY 2022.
2. Add \$362,213 SGF to the Breast and Cervical Cancer Early Detection Program, Early Detection Works, to fully fund cancer screening and early detection services for uninsured and underinsured women in FY 2022.
3. HB 2208 transfer for Rural Hospital Innovation Grants passed by 2021 legislature.

Omnibus Action (HB 2510)

1. Adopt GBA No. 2, Item 1, to add \$23.5 million all funds, including the lapse of \$21.9 million SGF, to adopt the Spring Human Services Consensus Caseload estimate in FY 2022.
2. Add language prohibiting KDHE from placing any limitation on funding for Certified Community Behavioral Health Centers in FY 2022.

	Governor's Recommendation FY 2022	Legislative Action	Legislative Approved FY 2022	Governor's Veto FY 2022	Final Legislative Approved FY 2022
All Funds					
State Operations	\$ 403,863,436	\$ 612,213	\$ 404,475,649	\$ 0	\$ 404,475,649
Aid to Local Units	135,137,858	10,000,000	145,137,858	0	145,137,858
Other Assistance	3,082,244,961	0	3,082,244,961	0	3,082,244,961
<i>Subtotal - Operations</i>	<i>\$ 3,621,246,255</i>	<i>\$ 10,612,213</i>	<i>\$ 3,631,858,468</i>	<i>\$ 0</i>	<i>\$ 3,631,858,468</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 3,621,246,255	\$ 10,612,213	\$ 3,631,858,468	\$ 0	\$ 3,631,858,468

State General Fund

State Operations	\$ 36,182,938	\$ 612,213	\$ 36,795,151	\$ 0	\$ 36,795,151
Aid to Local Units	8,413,771	0	8,413,771	0	8,413,771
Other Assistance	684,012,894	0	684,012,894	0	684,012,894
<i>Subtotal - Operating</i>	<i>\$ 728,609,603</i>	<i>\$ 612,213</i>	<i>\$ 729,221,816</i>	<i>\$ 0</i>	<i>\$ 729,221,816</i>
Capital Improvements	0	0	0	0	0
TOTAL	\$ 728,609,603	\$ 612,213	\$ 729,221,816	\$ 0	\$ 729,221,816

FTE Positions	1,219.2	0.0	1,219.2	0.0	1,219.2
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