

Senate Subcommittee Report

Agency: State Institutions for Mental Health **Bill No.** SB 422

Bill Sec. 34

Analyst: Moore

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Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 123,455,077	\$ 103,266,310	\$ (993,018)
Federal Funds	0	0	0
Other Funds	22,471,547	21,497,591	0
<i>Subtotal</i>	\$ 145,926,624	\$ 124,763,901	\$ (993,018)
Capital Improvements:			
State General Fund	\$ 8,884	\$ 8,884	\$ 0
Federal Funds	0	0	0
Other Funds	55,934	55,934	0
<i>Subtotal</i>	\$ 64,818	\$ 64,818	\$ 0
TOTAL	\$ 145,991,442	\$ 124,828,719	\$ (993,018)
FTE positions	1,572.0	1,459.0	(5.0)

Agency Request

The **agencies** requests \$144.9 million, including \$123.5 million SGF, for expenditures for FY 2023. For LSH, the revised estimate is \$93.2 million including, \$83.8 million SGF, while OSH's request is \$51.8 million, including \$39.7 million SGF. Overall, the expenditures increased by \$10.6 million, or 7.9 percent, above the FY 2022 revised estimate. Significant items in the agency request include the following:

- **ADDITIONAL SPTP FUNDING.** LSH's request includes several enhancement requests related to increased services through the Sexual Predator Treatment Program (SPTP). These requests include funding for an additional SPTP unit as well as funding for addition staff to assist in the growing population of the SPTP. The hospital has indicated that the SPTP population is continuing to grow, and that the new participants appear to be increasingly aggressive. As such, the agency would like to increase its SPTP staff and services to account for this increasing population. This would result in a total increase of \$6.3 million SGF for the SPTP program for FY 2023.
- **ADDITIONAL STAFF FOR PSP AT LSH.** The request that LSH submitted includes \$1.4 million and 17.0 FTE positions for FY 2023 to add additional staff to the Psychiatric Services Program (PSP). The hospital reports that it had a waitlist for 96 days during FY 2021. The agency indicates that these positions are necessary to appropriately assess, treat and supervise, and discharge patients. The hospital's

goal in increasing staff is to provide quicker services to individuals civilly committed, in an attempt to reduce the wait time for services at LSH. This would result in a total increase of \$1.4 million SGF for the PSP program for FY 2023.

- **MORATORIUM-RELATED INCREASES.** OSH's request includes two enhancement requests to assist in lifting the moratorium on voluntary admissions. The requests primarily relate to adding FTE positions and funding to staff the Biddle Building once the remodel has concluded and the addition of funding dedicated to a social detox program to assist individuals with substance use disorders who are admitted to the hospital. This would result in a total increase of \$2.4 million SGF for moratorium-related expenditures for FY 2023.

The **agency** request also includes 1,572.0 FTE positions, which is an increase of 147.0 FTE positions above the FY 2022 revised estimate amount. This increase is due to the agencies' enhancement requests for additional staffing at the hospitals.

Governor's Recommendation

The **Governor** recommends \$124.8 million, including \$103.3 million SGF, for FY 2023 expenditures. This is a decrease of \$20.2 million SGF below the agencies' FY 2023 request. Decreases in the Governor's recommendation are primarily related to the Governor not including several of the agencies' enhancement requests including the following:

- **LSH ENHANCEMENT REQUESTS.** As with FY 2022, the Governor's recommendation does not include the addition of \$13.0 million SGF for LSH to fund additional contractual nursing staff, nor the agency's enhancement request for additional FTE positions for the Psychiatric Services Program. This results in a total decrease of \$15.0 million SGF, and 17.0 FTE positions, below LSH's request for FY 2023.
- **ADDITIONAL SPTP FUNDING.** The Governor's recommendation does not include additional funding to expand the SPTP program. LSH's request includes several enhancements to expand the SPTP program by adding an additional SPTP unit as well as adding additional FTE positions for the current units. This would result in a total decrease of \$6.3 million SGF, and 96.0 FTE positions, below LSH's request for FY 2023.

Significant items in the Governor's recommendation that partially offset the decreases discussed above include the following:

- **MORATORIUM-RELATED INCREASES.** The Governor's recommendation adopts OSH's two enhancement requests to assist in lifting the moratorium on voluntary admissions. These requests were to add FTE positions and funding to staff the Biddle Building and the addition of a social detox program to assist individuals with substance use disorders who are admitted to the hospital. This would result in a total increase of \$3,018 SGF, due to a technical correction to OSH's request for FY 2023.
- **OPERATIONAL AND UPGRADE COSTS AT LSH.** The recommendation adopts several enhancements for operational costs and upgrades at the state hospital. This includes \$893,000 for anticipated increases to its food services contract. LSH's request was originally \$1.4 million, but subsequent to its budget submission, LSH revised its food contract estimate to \$893,000 SGF. The recommendation also

includes LSH's requests to upgrade the phone systems at the hospital as well as upgrades and FTE positions for the State Security Program. This does not result in an increase in expenditures above LSH's request for FY 2023, but causes a shift in the source of funding.

- **SALARY INCREASES.** The recommendation also includes funding associated with the Governor's Executive Directives (EDs) Nos. 21-537 and 21-538 to increase salaries for direct care staff in order to assist in staff retention issues. The recommendation includes a total of \$1.5 million SGF. Originally, only LSH included an enhancement request to fund the increases. This would result in a total increase of \$1.2 million SGF above OSH's request for FY 2023.

The recommendation also includes 1,459.0 FTE positions, which is a decrease of 113.0 FTE positions below the agencies' FY 2023 request. The decrease is due to the Governor not recommending a majority LSH's enhancement requests for additional positions for the SPTP and PSP Programs for FY 2023.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation for FY 2023 with the following adjustments and notations:

Larned State Hospital

1. The Committee notes the agency's supplemental and enhancement requests for increased funding for contractual nursing staff expenditures, and requests the agency provide more information on the estimate for those expenditures. Once the agency provides more information, the Committee recommends the Senate Committee on Ways and Means consider the agency's supplemental and enhancement requests for contractual nursing staff expenditures during its deliberations on the entire state budget.

Osawatomie State Hospital

1. Delete \$993,018 SGF, and 5.0 FTE positions, to not recommend the agency's enhancement request for a social detox program at Osawatomie State Hospital, for FY 2023. The Committee notes the agency's enhancement request to establish a social detox program, and requests the agency provide more information on statewide social detox programs overseen by the Kansas Department for Aging and Disability Services. Once the agency provides more information, the Committee recommends the Senate Committee on Ways and Means consider the agency's enhancement request to establish a social detox program during its deliberations on the entire state budget.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation for FY 2023 with the following adjustments:

Larned State Hospital

1. Review at Omnibus the addition of \$13.0 million SGF for increased funding for contractual nursing staff expenditures, for FY 2023.

Osawatomie State Hospital

1. Review at Omnibus the addition of \$993,018 SGF, and 5.0 FTE positions, for a social detox program at Osawatomie State Hospital, for FY 2023.

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

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2023..

House Budget Committee Report

Agency: State Institutions for Mental Health **Bill No.** HB 2588

Bill Sec. 34

Analyst: Moore

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Budget Page No. 258 & 260

Expenditure Summary	Agency Request FY 2023	Governor Recommendation FY 2023	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 123,455,077	\$ 103,266,310	\$ 0
Federal Funds	0	0	0
Other Funds	22,471,547	21,497,591	0
<i>Subtotal</i>	<u>\$ 145,926,624</u>	<u>\$ 124,763,901</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 8,884	\$ 8,884	\$ 0
Federal Funds	0	0	0
Other Funds	55,934	55,934	0
<i>Subtotal</i>	<u>\$ 64,818</u>	<u>\$ 64,818</u>	<u>\$ 0</u>
TOTAL	<u>\$ 145,991,442</u>	<u>\$ 124,828,719</u>	<u>\$ 0</u>
FTE positions	1,572.0	1,459.0	0.0

Agency Request

The **agencies** request \$144.9 million, including \$123.5 million SGF, for expenditures for FY 2023. For LSH, the revised estimate is \$93.2 million including, \$83.8 million SGF, while OSH's request is \$51.8 million, including \$39.7 million SGF. Overall, the expenditures increased by \$10.6 million, or 7.9 percent, above the FY 2022 revised estimate. Significant items in the agency request include the following:

- **ADDITIONAL SPTP FUNDING.** LSH's request includes several enhancement requests related to increased services through the Sexual Predator Treatment Program (SPTP). These requests include funding for an additional SPTP unit as well as funding for additional staff to assist in the growing population of the SPTP. The hospital has indicated that the SPTP population is continuing to grow, and that the new participants appear to be increasingly aggressive. As such, the agency would like to increase its SPTP staff and services to account for this increasing population. This would result in a total increase of \$6.3 million SGF for the SPTP program for FY 2023.
- **ADDITIONAL STAFF FOR PSP AT LSH.** The request that LSH submitted includes \$1.4 million and 17.0 FTE positions for FY 2023 to add additional staff to the Psychiatric Services Program (PSP). The hospital reports that it had a waitlist for 96 days during FY 2021. The agency indicates that these positions are necessary to appropriately assess, treat and supervise, and discharge patients. The hospital's goal in increasing staff is to provide quicker services to individuals civilly committed, in an attempt to reduce the wait time for services at LSH. This would result in a total increase of \$1.4 million SGF for the PSP program for FY 2023.
- **MORATORIUM-RELATED INCREASES.** OSH's request includes two enhancement requests to assist in lifting the moratorium on voluntary admissions. The requests primarily relate to adding FTE positions and funding to staff the Biddle Building once the remodel has concluded and the addition of funding dedicated to a social detox program to assist individuals with substance use disorders who are admitted to the hospital. This would result in a total increase of \$2.4 million SGF for moratorium-related expenditures for FY 2023.

The **agency** request also includes 1,572.0 FTE positions, which is an increase of 147.0 FTE positions above the FY 2022 revised estimate amount. This increase is due to the agencies' enhancement requests for additional staffing at the hospitals.

Governor's Recommendation

The **Governor** recommends \$124.8 million, including \$103.3 million SGF, for FY 2023 expenditures. This is a decrease of \$20.2 million SGF below the agencies' FY 2023 request. Decreases in the Governor's recommendation are primarily related to the Governor not including several of the agencies' enhancement requests including the following:

- **LSH ENHANCEMENT REQUESTS.** As with FY 2022, the Governor's recommendation does not include the addition of \$13.0 million SGF for LSH to fund additional contractual nursing staff, nor the agency's enhancement request for additional FTE positions for the Psychiatric Services Program. This results in a total decrease of \$15.0 million SGF, and 17.0 FTE positions, below LSH's request for FY 2023.
- **ADDITIONAL SPTP FUNDING.** The Governor's recommendation does not include additional funding to expand the SPTP program. LSH's request includes several enhancements to expand the SPTP program by adding an additional SPTP unit as well as adding additional FTE positions for the current units. This would result in a total decrease of \$6.3 million SGF, and 96.0 FTE positions, below LSH's request for FY 2023.

Significant items in the Governor's recommendation that partially offset the decreases discussed above include the following:

- **MORATORIUM-RELATED INCREASES.** The Governor's recommendation adopts OSH's two enhancement requests to assist in lifting the moratorium on voluntary admissions. These requests were to add FTE positions and funding to staff the Biddle Building and the addition of a social detox program to assist individuals with substance use disorders who are admitted to the hospital. This would result in a total increase of \$3,018 SGF, due to a technical correction to OSH's request for FY 2023.
- **OPERATIONAL AND UPGRADE COSTS AT LSH.** The recommendation adopts several enhancements for operational costs and upgrades at the state hospital. This includes \$893,000 for anticipated increases to its food services contract. LSH's request was originally \$1.4 million, but subsequent to its budget submission, LSH revised its food contract estimate to \$893,000 SGF. The recommendation also includes LSH's requests to upgrade the phone systems at the hospital as well as upgrades and FTE positions for the State Security Program. This does not result in an increase in expenditures above LSH's request for FY 2023, but causes a shift in the source of funding.
- **SALARY INCREASES.** The recommendation also includes funding associated with the Governor's Executive Directives (EDs) Nos. 21-537 and 21-538 to increase salaries for direct care staff in order to assist in staff retention issues. The recommendation includes a total of \$1.5 million SGF. Originally, only LSH included an enhancement request to fund the increases. This would result in a total increase of \$1.2 million SGF above OSH's request for FY 2023.

The recommendation also includes 1,459.0 FTE positions, which is a decrease of 113.0 FTE positions below the agencies' FY 2023 request. The decrease is due to the Governor not recommending a majority LSH's enhancement requests for additional positions for the SPTP and PSP Programs for FY 2023.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation for FY 2023.

House Committee Recommendation

The **Committee** concurs with the Budget Committee's recommendation for FY 2023.

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

The **Committee of the Whole** concurs with the Committee's recommendation for FY 2023.

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

The **Committee** with the Governor's recommendation for FY 2023 with the following adjustment:

Osawatomie State Hospital

1. Delete \$993,018 SGF, and 5.0 FTE positions, to not recommend the agency's enhancement request for a social detox program at Osawatomie State Hospital, for FY 2023.

Omnibus Activity (HB 2510)

No action taken for FY 2023.

State Finance Council

Larned State Hospital

1. Add \$44,449 SGF for a 5.0 percent salary adjustment for most state employees for FY 2023. This adjustment excludes statewide elected officials, current beneficiaries of the 24/7 pay plan, with other specific limitations for employees who receive salary adjustments in other portions of the appropriations bill.

Osawatomie State Hospital

1. Add \$75,895 SGF for a 5.0 percent salary adjustment for most state employees for FY 2023. This adjustment excludes statewide elected officials, current beneficiaries of the 24/7 pay plan, with other specific limitations for employees who receive salary adjustments in other portions of the appropriations bill.

	Governor's Recommendation FY 2023	Legislative Action	Legislative Approved FY 2023	Governor's Veto FY 2023	Final Legislative Approved FY 2023
All Funds					
State Operations	\$ 124,746,720	\$ (872,674)	\$ 123,874,046	\$ 0	\$ 123,874,046
Aid to Local Units	0	0	0	0	0
Other Assistance	17,181	0	17,181	0	17,181
<i>Subtotal - Operations</i>	<i>\$ 124,763,901</i>	<i>\$ (872,674)</i>	<i>\$ 123,891,227</i>	<i>\$ 0</i>	<i>\$ 123,891,227</i>
Capital Improvements	64,818	0	64,818	0	64,818
TOTAL	\$ 124,828,719	\$ (872,674)	\$ 123,956,045	\$ 0	\$ 123,956,045

State General Fund

State Operations	\$ 103,249,878	\$ (872,674)	\$ 102,377,204	\$ 0	\$ 102,377,204
Aid to Local Units	0	0	0	0	0
Other Assistance	16,432	0	16,432	0	16,432
<i>Subtotal - Operating</i>	<i>\$ 103,266,310</i>	<i>\$ (872,674)</i>	<i>\$ 102,393,636</i>	<i>\$ 0</i>	<i>\$ 102,393,636</i>
Capital Improvements	8,884	0	8,884	0	8,884
TOTAL	\$ 103,275,194	\$ (872,674)	\$ 102,402,520	\$ 0	\$ 102,402,520

FTE Positions	1,459.0	(5.0)	1,454.0	0.0	1,454.0
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