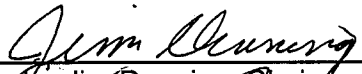


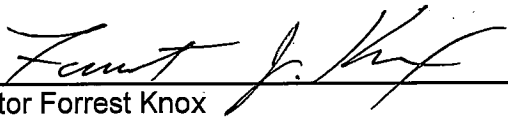
FY 2013, FY 2014, and FY 2015

Senate Ways and Means Subcommittee

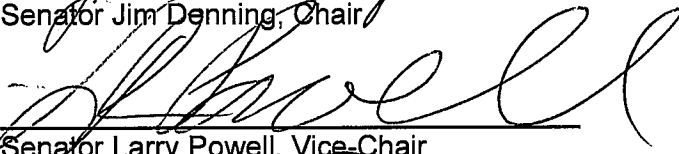
Department for Children and Families
Kansas Department for Aging and Disability Services
Kansas Department of Health and Environment – Division of Health
Kansas Department of Health and Environment – Division of Health Care Finance



Senator Jim Denning, Chair



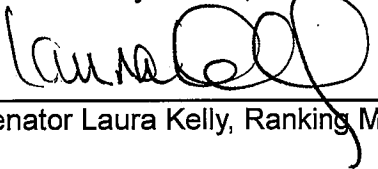
Senator Forrest Knox



Senator Larry Powell, Vice-Chair



Senator Robert Olson



Senator Laura Kelly, Ranking Minority

Senate Ways and Means Committee
Date: 02-20-2013
Attachment #: 1

Senate Subcommittee Report

Agency: Department for Children and Families **Bill No.** SB 76

Bill Sec. 30

Analyst: Deckard

Analysis Pg. No. 960

Budget Page No. 164

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 236,088,023	\$ 234,301,104	\$ 0
Other Funds	415,469,080	417,131,900	0
Subtotal	\$ 651,557,103	\$ 651,433,004	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	200,000	200,000	0
Subtotal	\$ 200,000	\$ 200,000	\$ 0
TOTAL	\$ 651,757,103	\$ 651,633,004	\$ 0
FTE positions	2,745.8	2,739.8	0.0
Non FTE Uncl. Perm. Pos.	56.5	56.5	0.0
TOTAL	2,802.3	2,796.3	0.0

Agency Estimate

The **agency** requests revised FY 2013 operating expenditures of \$651.6 million, including \$236.1 million from the State General Fund. The revised estimate is an increase of \$35.6 million, or 5.8 percent, from all funding sources above the amount approved by the 2012 Legislature. This includes a State General Fund decrease of \$225,553, or less than 0.1 percent, below the approved amount. The estimate also includes 2,745.8 FTE positions and 56.5 non-FTE positions. The majority of the increase is attributable to increases in LIEAP assistance funding of \$24.9 million, all from federal funds, and increased information technology expenditures of \$17.7 million above the approved amount. These increases are partially offset by decreases in salaries and wages. The State General Fund reduction is attributable to a transfer to the Kansas Department for Aging and Disability Services to account for costs not originally included in the ERO 41 transfer of funds.

Governor's Recommendation

The **Governor** recommends FY 2013 operating expenditures of \$651.4 million, including \$234.3 million from the State General Fund. The State General Fund recommendation is a decrease of \$2.0 million, or 0.9 percent, below the approved amount. The recommendation includes fully funding the fall 2012 Human Services Consensus Caseload estimate, which includes the addition of \$40,557 from all funding sources, and a reduction of \$1,704,591 from the State General Fund. The recommendation concurs with the agency's transfer of \$225,553

from the State General Fund to the Kansas Department for Aging and Disability Services for cost associated with ERO 41.

The Governor also recommends a reduction of \$164,656, including \$82,328 from the State General Fund, and 6.0 FTE positions from the Working Healthy program to transfer the program to the Kansas Department of Health and Environment.

Senate Subcommittee Recommendation

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

Senate Subcommittee Report

Agency: Department for Children and Families

Bill No. SB 110

Bill Sec. 85

Analyst: Deckard

Analysis Pg. No. 960

Budget Page No. 164

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 256,628,059	\$ 223,495,402	\$ 0
Other Funds	359,373,932	384,343,910	0
Subtotal	<u>\$ 616,001,991</u>	<u>\$ 607,839,312</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	200,000	200,000	0
Subtotal	<u>\$ 200,000</u>	<u>\$ 200,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 616,201,991</u></u>	<u><u>\$ 608,039,312</u></u>	<u><u>\$ 0</u></u>
FTE positions	2,745.8	2,739.8	0.0
Non FTE Uncl. Perm. Pos.	56.5	56.5	0.0
TOTAL	<u><u>2,802.3</u></u>	<u><u>2,796.3</u></u>	<u><u>0.0</u></u>

* Includes GBA No. 1, Items 4 and 5, regarding funding for Early Childhood Block Grant and foster care.

Agency Request

The **agency** requests a FY 2014 operating budget of \$616.0 million, a decrease of \$35.6 million, or 5.5 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$256.6 million, an increase of \$20.5 million, or 8.7 percent, above the revised current year estimate. The request includes 2,745.8 FTE positions and 56.5 non-FTE positions, the same number as requested for FY 2013. The majority of the decrease is attributable to grants and assistance for the Low Income Energy Assistance program of \$17.6 million, due to federal funds available in FY 2013 that will not be available in FY 2014. Further decreases include reductions in expenditures for the Kansas Enrollment and Eligibility System (KEES) of \$10.7 million and a decrease of \$4.0 million for children's programs funded through the Children's Cabinet. These decreases are partially offset by increases in fringe benefits.

Governor's Recommendation

The **Governor** recommends FY 2014 operating expenditures of \$607.8 million, including \$223.5 million from the State General Fund, and 2,739.8 FTE positions. The recommendation is a decrease of \$43.6 million, or 6.7 percent, below the Governor's revised FY 2013 estimate. The recommendation is a decrease of \$8.2 million, or 1.3 percent, and 6.0 FTE positions below the agency's request. The Governor's recommendation fully funds the fall 2012 Human Services Consensus Caseload estimate, an increase of \$322,701 from all funding sources, and a decrease of \$2,603,333 from the State General Fund. The recommendation includes an

increase of \$2,926, including \$29 from the State General Fund, for the undermarket pay adjustment.

The Governor's recommendation includes savings of \$5.8 million, including \$3.3 million from the State General Fund, from administrative reductions, and savings of \$7.9 million, including \$4.8 million from the State General Fund, from implementation of a policy requiring a 30-hour work week to qualify for child care assistance. The recommendation also includes adjustments to the early childhood funding requested by the agency to account for additional expenditures from tobacco settlement revenue. The adjustments include a reduction of \$1.5 million, all from the State General Fund, for the Early Childhood Block Grant. The recommendation is an increase of \$7,149,438, and a reduction of \$20,688,036 from the State General Fund. The early childhood funding recommendation includes the addition of \$7.0 million, all from the Children's Initiatives Fund, for a reading program.

The Governor also recommends a reduction of \$164,656, including \$82,328 from the State General Fund, and 6.0 FTE positions from the Working Healthy program to the Kansas Department of Health and Environment. The Governor's recommendation includes a decrease of \$149,185, including \$70,484 from the State General Fund, to reflect the Governor's recommendation to reduce the Kansas Public Employees Retirement System (KPERs) death and disability employer contribution rate from the statutory 1.0 percent to 0.85 percent for FY 2014.

Senate Subcommittee Recommendation

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

Senate Subcommittee Report

Agency: Department for Children and Families **Bill No.** SB 110 **Bill Sec.** 86
Analyst: Deckard **Analysis Pg. No.** 960 **Budget Page No.** 164

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015*	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 227,684,592	\$ 0
Other Funds	--	383,507,880	0
Subtotal	\$ --	\$ 611,192,472	\$ 0
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	200,000	0
Subtotal	\$ --	\$ 200,000	\$ 0
TOTAL	\$ --	\$ 611,392,472	\$ 0
FTE positions	--	2,739.8	0.0
Non FTE Uncl. Perm. Pos.	--	56.5	0.0
TOTAL	--	2,796.3	0.0

* Includes GBA No. 1, Items 4 and 5 regarding funding for Early Childhood Block Grant and foster care.

Agency Request

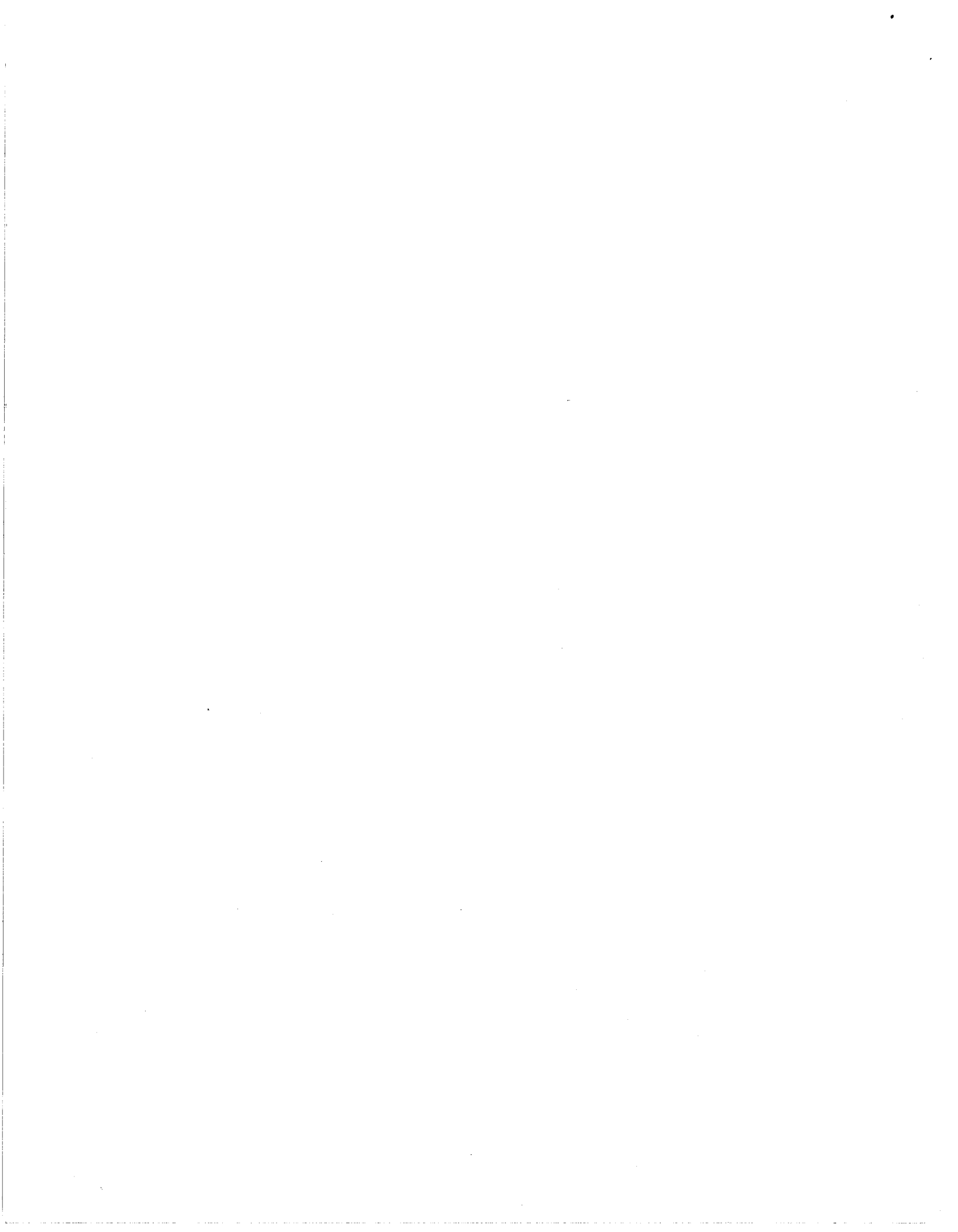
There were no **agency** requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends FY 2015 operating expenditures of \$611.2 million, including \$227.7 million from the State General Fund. The recommendation is an increase of \$3.4 million, or 0.6 percent, above the FY 2014 recommendation. The recommendation includes increases of \$2,205,808 in increased caseload expenditures and salaries and wage expenditure increases of \$1,147,657, above the FY 2014 recommendation.

Senate Subcommittee Recommendation

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



House Budget Committee Report

Agency: Kansas Department for Aging and Disability Services **Bill No.** HB 2088

Bill Sec. 29

Analyst: Mariani

Analysis Pg. No. 999

Budget Page No. 189

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 641,246,736	\$ 642,588,306	\$ 0
Other Funds	897,737,540	887,533,951	0
Subtotal	\$ 1,538,984,276	\$ 1,530,122,257	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	11,063,138	11,063,138	0
Subtotal	\$ 11,063,138	\$ 11,063,138	\$ 0
TOTAL	\$ 1,550,047,414	\$ 1,541,185,395	\$ 0
FTE positions	247.5	247.5	0.0
Non FTE Uncl. Perm. Pos.	31.0	31.0	0.0
TOTAL	278.5	278.5	0.0

Agency Estimate

The **agency** requests a revised FY 2013 operating estimate of \$1.5 billion, including \$641.2 million from the State General Fund. The FY 2013 revised estimate is an increase of \$16.7 million in all funds, or 1.1 percent, above the amount approved by the 2012 Legislature. The estimate includes funding from the State General Fund, as approved by the 2012 Legislature adjusted for reappropriations. The increase is attributable to \$3.1 million not spent in FY 2012 and reappropriated from FY 2012, \$225,553 in additional negotiated transfers from the Department for Children and Families for the programs and services now administered by KDADS and the addition of \$1.0 million to annualize the Money Follows the Person transfers made in FY 2012. The estimate includes 247.5 FTE positions and 31.0 non-FTE positions which is a reduction of 29.9 FTE positions from the FY 2013 approved amount largely due to the 2012 Legislative provision to eliminate 70.0 percent of vacant positions that had been unfilled for greater than 120 days as of June 30, 2012.

Governor's Recommendation

The **Governor** recommends operating expenditures of \$1.5 billion, including \$642.6 million from the State General Fund. The recommendation is an increase of \$7.8 million from all sources, or 0.5 percent, and an increase of \$2.5 million from the State General Fund, or 0.4 percent, above the FY 2013 approved budget. The recommendation is a decrease of \$8.9

million, or 0.6 percent, from all funds, below the FY 2013 agency request and an increase of \$1.3 million, or 0.2 percent, from the State General Fund, above the FY 2013 agency revised estimate. The recommendation reflects the policy decision to transfer many programs, including administration of the state hospitals to the Department for Aging and Disability Services, from the Department of Social and Rehabilitation Services and the Kansas Department of Health and Environment. The recommendation also reflects the caseload adjustments agreed upon during the November 2012 Human Services consensus caseload estimating meeting.

House Budget Committee Recommendation

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

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Department for Aging and Disability Services **Bill No.** SB 76

Bill Sec. 29

Analyst: Mariani

Analysis Pg. No. 999

Budget Page No. 189

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 641,246,736	\$ 642,588,306	\$ 0
Other Funds	897,737,540	887,533,951	0
Subtotal	<u>\$ 1,538,984,276</u>	<u>\$ 1,530,122,257</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	11,063,138	11,063,138	0
Subtotal	<u>\$ 11,063,138</u>	<u>\$ 11,063,138</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,550,047,414</u></u>	<u><u>\$ 1,541,185,395</u></u>	<u><u>\$ 0</u></u>
FTE positions	247.5	247.5	0.0
Non FTE Uncl. Perm. Pos.	31.0	31.0	0.0
TOTAL	<u><u>278.5</u></u>	<u><u>278.5</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency** requests a revised FY 2013 operating estimate of \$1.5 billion, including \$641.2 million from the State General Fund. The FY 2013 revised estimate is an increase of \$16.7 million in all funds, or 1.1 percent, above the amount approved by the 2012 Legislature. The estimate includes funding from the State General Fund, as approved by the 2012 Legislature adjusted for reappropriations. The increase is attributable to \$3.1 million not spent in FY 2012 and reappropriated from FY 2012, \$225,553 in additional negotiated transfers from the Department for Children and Families for the programs and services now administered by KDADS and the addition of \$1.0 million to annualize the Money Follows the Person transfers made in FY 2012. The estimate includes 247.5 FTE positions and 31.0 non-FTE positions which is a reduction of 29.9 FTE positions from the FY 2013 approved amount largely due to the 2012 Legislative provision to eliminate 70.0 percent of vacant positions that had been unfilled for greater than 120 days as of June 30, 2012.

Governor's Recommendation

The **Governor** recommends operating expenditures of \$1.5 billion, including \$642.6 million from the State General Fund. The recommendation is an increase of \$7.8 million from all sources, or 0.5 percent, and an increase of \$2.5 million from the State General Fund, or 0.4 percent, above the FY 2013 approved budget. The recommendation is a decrease of \$8.9 million, or 0.6 percent, from all funds, below the FY 2013 agency request and an increase of \$1.3 million, or 0.2 percent, from the State General Fund, above the FY 2013 agency revised estimate. The recommendation reflects the policy decision to transfer many programs, including administration of the state hospitals to the Department for Aging and Disability Services, from the Department of Social and Rehabilitation Services and the Kansas Department of Health and Environment. The recommendation also reflects the caseload adjustments agreed upon during the November 2012 Human Services consensus caseload estimating meeting.

Senate Subcommittee Recommendations

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

House Budget Committee Report

Agency: Kansas Department for Aging and Disability Services **Bill No.** HB 2231

Bill Sec. 83

Analyst: Mariani

Analysis Pg. No. 999

Budget Page No. 189

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014 *	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 641,710,107	\$ 628,447,476	\$ 301,000
Other Funds	894,049,140	864,173,608	1,349,372
Subtotal	\$ 1,535,759,247	\$ 1,492,621,084	\$ 1,650,372
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	6,020,629	7,105,000	0
Subtotal	\$ 6,020,629	\$ 7,105,000	\$ 0
TOTAL	\$ 1,541,779,876	\$ 1,499,726,084	\$ 1,650,372
FTE positions	247.5	233.0	0.0
Non FTE Uncl. Perm. Pos.	31.0	31.0	0.0
TOTAL	278.5	264.0	0.0

* Includes GBA No. 1, Item 7, regarding Mental Health At-Risk Grants funding shift from State Highway Fund to CHIP performance bonus.

Agency Request

The **agency** requests FY 2014 operating expenditures of \$1.5 billion, a decrease of \$3.2 million, or 0.2 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$641.7 million, a decrease of \$463,371, or 0.1 percent, below the revised current year estimate. The request includes 247.5 FTE positions and 31.0 non-FTE positions, the same as the revised current year estimate. The request includes four enhancement requests totaling \$16.5 million, including \$7.5 million from the State General Fund. Absent the enhancements, the request would be a decrease of \$19.7 million, or 1.3 percent, from all funding sources and a decrease of \$7.0 million, or 1.1 percent, from the State General Fund, below the FY 2013 revised estimate.

Governor's Recommendation

The **Governor** recommends operating expenditures totaling \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation is a decrease in all funds of \$43.1 million, or 2.8 percent, and a State General Fund decrease of \$13.3 million, or 2.1 percent, below the agency request. The recommendation reflects a \$37.5 million, or 2.5 percent, decrease in all funds below the FY 2013 Governor recommendation. The recommendation reflects 233.0 FTE positions and 31.0 non-FTE positions, a decrease of 14.5 FTE positions. The

1-10

recommendation also reflects the caseload adjustments agreed upon during the November 2012 Human Services consensus caseload estimating meeting. The Governor's recommendation includes a decrease of \$17,622, including \$6,102 from the State General Fund, to reflect the Governor's recommendation to reduce the Kansas Public Employees Retirement System (KPERs) death and disability employer contributions from the statutory 1.0 percent to 0.85 percent for FY 2014.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following adjustments and observations:

1. Add \$639,036 including \$276,000 from the State General Fund, to the Home and Community Based Services Waiver for individuals with Developmental Disabilities (HCBS/DD) to serve approximately 15 individuals from the waiting list currently waiting for waiver services. This recommendation utilizes State General Fund moneys recommended for reduction from the Kansas Neurological Institute budget associated with consolidation of homes on the campus for FY 2014.
2. Add \$25,000, all from the State General Fund, for an annual contract with the Kansas Law Enforcement Training Center to provide two 40-hour Crisis Intervention Team state-wide events per year for law enforcement officers. This utilizes State General Fund moneys recommended for reduction from the Kansas Neurological Institute budget associated with consolidation of homes on the campus for FY 2014.
3. Delete \$986,336, from the Problem Gambling and Addictions Grant Fund, and add \$986,336, from the Other State Fee Fund, for the Medicaid substance abuse managed care services for FY 2014.

KSA 41-2622 directs 1/10 of the funds collected from taxes imposed on alcohol and spirits, which is approximately \$3.2 million annually, to be credited to the Alcoholism and Intoxication Programs (Alcoholism Treatment Account) in accordance with KSA 41-501 and deposited into the Other State Fee Fund. KSA 41-1126 states the Alcoholism Treatment Account may be used to "provide financial assistance to community based alcoholism and intoxication treatment programs". The Alcoholism Treatment Account has a balance of \$2.0 million.

The Governor's recommendation included \$6,450,000 from the Problem Gambling and Addictions Grant Fund for Medicaid substance abuse managed care. This action will fund Medicaid substance abuse managed care at \$5,463,664 from the Problem Gambling and Addictions Grant Fund and \$986,336 from the Other State Fee Fund (Alcoholism Treatment Account) for the Governor's recommended total of \$6,450,000 for FY 2014.

4. Add \$986,336, all from the Problem Gambling and Addictions Grant Fund, to Substance Use Disorder Grants for FY 2014 for a total of \$21,317,808. This action restores the reduction of \$986,336 in the Substance Use Disorder Grants as a result of the estimated reduced revenues to the Problem Gambling and Addictions Grant Fund from the Expanded Lottery Act revenues.

The Committee offset the reduction with a funding shift (see Item No. 3 above) using funds from the Other State Fee Fund (Alcoholism Treatment Account). Available funding

in the amount of \$986,336 from the Alcoholism Treatment Account of the Other State Fee Fund is substituted for Problem Gambling and Addictions Grant Fund in the Medicaid substance abuse managed care. This allows \$986,336 in Problem Gambling and Addictions Grant Fund to be used for Substance Use Disorder Grants and maintain level funding for FY 2014. The Committee notes that under this recommendation, problem gambling and addiction services is funded at a level consistent with previous fiscal years and concerns on how the Problem Gambling Account Fund money is spent are addressed. The committee encourages this funding mechanism to be continued.

5. Review at Omnibus the status of HB 2160, regarding extension of the Nursing Facility provider assessment and determine if the potential shortfall in the Nursing Facilities program has been addressed.
6. The Budget Committee notes its concern with the number of people waiting to receive Home and Community Based Waiver Services. The Committee acknowledges the amount of funding added in the report to serve individuals waiting for services from the Home and Community Based Services waiver for individuals with Developmental Disabilities does not fix the larger problem. The Committee encourages the House Appropriations Committee to continue to review the waiting lists and look for potential funding sources to serve additional individuals on the waivers and consider adopting a plan to reduce the waiting lists.

The Budget Committee further requests the agency report back to the Committee before Omnibus on potential options for using State General Fund money in the state aid grants to Community Development Disability Organizations (CDDO) to serve individuals waiting for services from the Home and Community Based Services waivers. The Budget Committee requests review of this item at Omnibus to examine whether all or a portion of the \$5.0 million in state aid could be matched with federal funds and used to reduce the number of individuals waiting to receive Home and community Based Services for FY 2014.

House Committee Recommendations

The **Committee** concurs with the Budget Committee recommendation with the following notation:

1. The Committee will review the current expenditures and programs provided through by the Problem Gambling Services program with the Problem Gambling and Addictions Grant Fund appropriation. The review will include identifying the needs, determining how much funding is being distributed at the local level to each and through what organizations, and evaluating whether current program expenditures are meeting the identified needs. This review would help determine if additional funds from the Problem Gambling and Addiction Grant Fund should be expended in the Problem Gambling Services program.

Senate Subcommittee Report

Agency: Kansas Department for Aging and Disability Services **Bill No.** SB 110

Bill Sec. 83

Analyst: Mariani

Analysis Pg. No. 999

Budget Page No. 189

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014 *	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 641,710,107	\$ 628,447,476	\$ 625,000
Other Funds	894,049,140	864,173,608	986,336
Subtotal	<u>\$ 1,535,759,247</u>	<u>\$ 1,492,621,084</u>	<u>\$ 1,611,336</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	6,020,629	7,105,000	0
Subtotal	<u>\$ 6,020,629</u>	<u>\$ 7,105,000</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 1,541,779,876</u></u>	<u><u>\$ 1,499,726,084</u></u>	<u><u>\$ 1,611,336</u></u>
FTE positions	247.5	233.0	0.0
Non FTE Uncl. Perm. Pos.	31.0	31.0	0.0
TOTAL	<u><u>278.5</u></u>	<u><u>264.0</u></u>	<u><u>0.0</u></u>

* Includes GBA No. 1, Item 7, regarding Mental Health At-Risk Grants funding shift from State Highway Fund to CHIP performance bonus.

Agency Request

The **agency** requests FY 2014 operating expenditures of \$1.5 billion, a decrease of \$3.2 million, or 0.2 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$641.7 million, a decrease of \$463,371, or 0.1 percent, below the revised current year estimate. The request includes 247.5 FTE positions and 31.0 non-FTE positions, the same as the revised current year estimate. The request includes four enhancement requests totaling \$16.5 million, including \$7.5 million from the State General Fund. Absent the enhancements, the request would be a decrease of \$19.7 million, or 1.3 percent, from all funding sources and a decrease of \$7.0 million, or 1.1 percent, from the State General Fund, below the FY 2013 revised estimate.

Governor's Recommendation

The **Governor** recommends operating expenditures totaling \$1.5 billion of which \$628.4 million is from the State General Fund. The recommendation is a decrease in all funds of \$43.1 million, or 2.8 percent, and a State General Fund decrease of \$13.3 million, or 2.1 percent, below the agency request. The recommendation reflects a \$37.5 million, or 2.5 percent, decrease in all funds below the FY 2013 Governor recommendation. The recommendation reflects 233.0 FTE positions and 31.0 non-FTE positions, a decrease of 14.5 FTE positions. The recommendation also reflects the caseload adjustments agreed upon during the November 2012 Human Services consensus caseload estimating meeting. The Governor's recommendation includes a decrease of \$17,622, including \$6,102 from the State General Fund, to reflect the Governor's recommendation to reduce the Kansas Public Employees Retirement System (KPERs) death and disability employer contributions from the statutory 1.0 percent to 0.85 percent for FY 2014.

Senate Subcommittee Recommendations

The **Subcommittee** concurs with the Governor's recommendations with the following adjustments and observations:

1. Add \$600,000, all from the State General Fund, for the Community Mental Health Center (CMHC) Grants for the Crisis Screening Program for FY 2014. This program provides the initial screenings to determine the need for psychiatric inpatient services. The CMHCs are required by statute, by regulation and by contract to perform inpatient screening for individuals experiencing a psychiatric crisis. The Committee notes the amount budgeted for the current fiscal year for these screenings is \$1.8 million and based on the volume of screenings being performed to date, the CMHC's are likely to run out of funding for these screenings before the end of the fiscal year. This recommendation utilizes State General Fund moneys recommended for reduction from the expenditures for an aged and infirm unit for the Sexual Predator Treatment Program on the grounds of Parsons State Hospital and Training Center which is not planned to open in FY 2014.
2. Add \$25,000, all from the State General Fund, for an annual contract with the Kansas Law Enforcement Training Center to provide two 40-hour Crisis Intervention Team state-wide events per year for law enforcement officers. This utilizes State General Fund moneys recommended for reduction from the Kansas Neurological Institute budget associated with consolidation of homes on the campus for FY 2014.
3. Delete \$986,336, from the Problem Gambling and Addictions Grant Fund, and add \$986,336, from the Other State Fee Fund, for the Medicaid substance abuse managed care services for FY 2014.

KSA 41-2622 directs 1/10 of the funds collected from taxes imposed on alcohol and spirits, which is approximately \$3.2 million annually, to be credited to the Alcoholism and Intoxication Programs (Alcoholism Treatment Account) in accordance with KSA 41-501 and deposited into the Other State Fee Fund. KSA 41-1126 states the Alcoholism Treatment Account may be used to "provide financial assistance to community based alcoholism and intoxication treatment programs." The Alcoholism Treatment Account has a balance of \$2.0 million.

The Governor's recommendation included \$6,450,000 from the Problem Gambling and Addictions Grant Fund for Medicaid substance abuse managed care. This action will fund Medicaid substance abuse managed care at \$5,463,664 from the Problem Gambling and Addictions Grant Fund and \$986,336 from the Other State Fee Fund (Alcoholism Treatment Account) for the Governor's recommended total of \$6,450,000 for FY 2014.

4. Add \$986,336, all from the Problem Gambling and Addictions Grant Fund, to Substance Use Disorder Grants for FY 2014 for a total of \$21,317,808. This action restores the reduction of \$986,336 in the Substance Use Disorder Grants as a result of the estimated reduced revenues to the Problem Gambling and Addictions Grant Fund from the Expanded Lottery Act revenues.

The Committee offset the reduction with a funding shift (see Item No. 3 above) using funds from the Other State Fee Fund (Alcoholism Treatment Account). Available funding in the amount of \$986,336 from the Alcoholism Treatment Account of the Other State Fee Fund is substituted for Problem Gambling and Addictions Grant Fund in the Medicaid substance abuse managed care. This allows \$986,336 in Problem Gambling and Addictions Grant Fund to be used for Substance Use Disorder Grants and maintain level funding for FY 2014. The Committee notes that under this recommendation, problem gambling and addiction services is funded at a level consistent with previous fiscal years and concerns on how the Problem Gambling Account Fund money is spent are addressed. The committee encourages this funding mechanism to be continued.

House Budget Committee Report

Agency: Kansas Department for Aging and Disability Services **Bill No.** HB 2231

Bill Sec. 84

Analyst: Mariani

Analysis Pg. No. 999

Budget Page No. 189

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 646,531,721	\$ 301,000
Other Funds	--	897,200,492	1,349,372
Subtotal	\$ --	\$ 1,543,732,213	\$ 1,650,372
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	7,305,000	0
Subtotal	\$ --	\$ 7,305,000	\$ 0
TOTAL	\$ --	\$ 1,551,037,213	\$ 1,650,372
FTE positions	--	233.0	0.0
Non FTE Uncl. Perm. Pos.	--	31.0	0.0
TOTAL	--	264.0	0.0

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends expenditures totaling \$1.6 billion of which \$646.5 million is from the State General Fund. The recommendation is an all funds increase of \$51.1 million, or 3.4 percent, and a State General Fund increase of \$18.1 million, or 2.9 percent, above the FY 2014 recommendation. The recommendation reflects 233.0 FTE positions and 31.0 non-FTE positions the same as the FY 2014 Recommendation. The increase is largely attributable to adjustments in caseload estimates.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following adjustments and observations:

1. Add \$639,036, including \$276,000 from the State General Fund, to the Home and Community Based Services Waiver for individuals with Developmental Disabilities (HCBS/DD) to serve approximately 15 individuals on the waiting list currently waiting for waiver services for FY 2015. This recommendation utilizes State General Fund moneys recommended for reduction from the Kansas Neurological Institute budget associated with with consolidation of homes on the campus in FY 2014.
2. Add \$25,000, all from the State General Fund, for an annual contract with the Kansas Law Enforcement Training Center to provide two 40-hour Crisis Intervention Team state-wide events per year for law enforcement officers for FY 2015. This utilizes State General Fund moneys recommended for reduction from the Kansas Neurological Institute budget associated with with consolidation of homes on the campus in FY 2014.
3. Delete \$986,336, from the Problem Gambling and Addictions Grant Fund, and add \$986,336, from the Other State Fee Fund, for the Medicaid substance abuse managed care services for FY 2015.

KSA 41-2622 directs 1/10 of the funds collected from taxes imposed on alcohol and spirits, which is approximately \$3.2 million annually, to be credited to the Alcoholism and Intoxication Programs (Alcoholism Treatment Account) in accordance with KSA 41-501 and deposited into the Other State Fee Fund. KSA 41-1126 states the Alcoholism Treatment Account may be used to "provide financial assistance to community based alcoholism and intoxication treatment programs". The Alcoholism Treatment Account has a balance of \$2.0 million.

The Governor's recommendation included \$6,450,000 from the Problem Gambling and Addictions Grant Fund for Medicaid substance abuse managed care. This action will fund Medicaid substance abuse managed care at \$5,463,664 from the Problem Gambling and Addictions Grant Fund and \$986,336 from the Other State Fee Fund (Alcoholism Treatment Account) for the Governor's recommended total of \$6,450,000 for FY 2015.

4. Add \$986,336, all from the Problem Gambling and Addictions Grant Fund, for to Substance Use Disorder Grants for FY 2015 for a total of \$21,317,808. This action restores the reduction of \$986,336 in the Substance Use Disorder Grants as a result of the estimated reduced revenues to the Problem Gambling and Addictions Grant Fund from the Expanded Lottery Act revenues.

The Committee offset the reduction with a funding shift (see Item No. 3 above) using funds from the Other State Fee Fund (Alcoholism Treatment Account). Available funding in the amount of \$986,336 from the Alcoholism Treatment Account of the Other State Fee Fund is substituted for Problem Gambling and Addictions Grant Fund in the Medicaid substance abuse managed care. This allows \$986,336 in Problem Gambling and Addictions Grant Fund to be used for Substance Use Disorder Grants and maintain level funding for FY 2015. The Committee notes that under this recommendation, problem gambling and addiction services is funded at a level consistent with previous fiscal years and concerns on how the Problem Gambling Account Fund money is spent are addressed. The committee encourages this funding mechanism to be continued.

5. The Budget Committee notes its concern with the number of people waiting to receive Home and Community Based Waiver Services. The Committee acknowledges the amount of funding added in the report to serve individuals waiting for services from the Home and Community Based Services waiver for individuals with Developmental

Disabilities does not fix the larger problem. The Committee encourages the House Appropriations Committee to continue to review the waiting lists and look for potential funding sources to serve additional individuals on the waivers and consider adopting a plan to reduce the waiting lists.

- 6. The Budget Committee recommends the House Appropriations Committee review FY 2015 agency budgets during the 2014 session taking into account agency adjustment requests due to the fact there was no agency input for the Governor's Fiscal Year 2015 budget recommendations.

House Committee Recommendations

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

- 1. Delete \$51,311,129 from all funds, including \$18, 084,245 from the State General Fund, to reduce the agency budget to the FY 2014 level as recommended by the House Budget Committee for FY 2015.

Senate Subcommittee Report

Agency: Kansas Department for Aging and Disability Services **Bill No.** 110

Bill Sec. 84

Analyst: Mariani

Analysis Pg. No. 999

Budget Page No. 189

<u>Expenditure Summary</u>	<u>Agency Request FY 2015</u>	<u>Governor Recommendation FY 2015</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ --	\$ 646,531,721	\$ 625,000
Other Funds	--	897,200,492	986,336
Subtotal	\$ --	\$ 1,543,732,213	\$ 1,611,336
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	7,305,000	0
Subtotal	\$ --	\$ 7,305,000	\$ 0
TOTAL	\$ --	\$ 1,551,037,213	\$ 1,611,336
FTE positions	--	233.0	0.0
Non FTE Uncl. Perm. Pos.	--	31.0	0.0
TOTAL	--	264.0	0.0

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends expenditures totaling \$1.6 billion of which \$646.5 million is from the State General Fund. The recommendation is an all funds increase of \$51.1 million, or 3.4 percent, and a State General Fund increase of \$18.1 million, or 2.9 percent, above the FY 2014 recommendation. The recommendation reflects 233.0 FTE positions and 31.0 non-FTE positions the same as the FY 2014 recommendation. The increase is largely attributable to adjustments in caseload estimates.

Senate Subcommittee Recommendations

The **Subcommittee** concurs with the recommendation of the Governor with the following adjustments and observations:

1. Add \$600,000, all from the State General Fund, for the grants to Community Mental Health Center (CMHC) for the Crisis Screening Program for FY 2014. This program provides the initial screenings to determine the need for psychiatric inpatient services. The CMHCs are required by statute, by regulation and by contract to perform inpatient screening for individuals experiencing a psychiatric crisis. The Committee notes the amount budgeted for the current fiscal year for these screenings is \$1.8 million and based on the volume of screenings being performed to date, the CMHC's are likely to run out of funding for these screenings before the end of the fiscal year. This recommendation utilizes State General Fund moneys recommended for reduction from the expenditures for an aged and infirm unit for the Sexual Predator Treatment Program on the grounds of Parsons State Hospital and Training Center which is not planned to open in FY 2014.
2. Add \$25,000, all from the State General Fund, for an annual contract with the Kansas Law Enforcement Training Center to provide two 40-hour Crisis Intervention Team state-wide events per year for law enforcement officers. This utilizes State General Fund moneys recommended for reduction from the Kansas Neurological Institute budget associated with consolidation of homes on the campus for FY 2014.
3. Delete \$986,336, from the Problem Gambling and Addictions Grant Fund, and add \$986,336, from the Other State Fee Fund, for the Medicaid substance abuse managed care services for FY 2014.

KSA 41-2622 directs 1/10 of the funds collected from taxes imposed on alcohol and spirits, which is approximately \$3.2 million annually, to be credited to the Alcoholism and Intoxication Programs (Alcoholism Treatment Account) in accordance with KSA 41-501 and deposited into the Other State Fee Fund. KSA 41-1126 states the Alcoholism Treatment Account may be used to "provide financial assistance to community based

alcoholism and intoxication treatment programs." The Alcoholism Treatment Account has a balance of \$2.0 million.

The Governor's recommendation included \$6,450,000 from the Problem Gambling and Addictions Grant Fund for Medicaid substance abuse managed care. This action will fund Medicaid substance abuse managed care at \$5,463,664 from the Problem Gambling and Addictions Grant Fund and \$986,336 from the Other State Fee Fund (Alcoholism Treatment Account) for the Governor's recommended total of \$6,450,000 for FY 2014.

4. Add \$986,336, all from the Problem Gambling and Addictions Grant Fund, to Substance Use Disorder Grants for FY 2014 for a total of \$21,317,808. This action restores the reduction of \$986,336 in the Substance Use Disorder Grants as a result of the estimated reduced revenues to the Problem Gambling and Addictions Grant Fund from the Expanded Lottery Act revenues.

The Committee offset the reduction with a funding shift (see Item No. 3 above) using funds from the Other State Fee Fund (Alcoholism Treatment Account). Available funding in the amount of \$986,336 from the Alcoholism Treatment Account of the Other State Fee Fund is substituted for Problem Gambling and Addictions Grant Fund in the Medicaid substance abuse managed care. This allows \$986,336 in Problem Gambling and Addictions Grant Fund to be used for Substance Use Disorder Grants and maintain level funding for FY 2014. The Committee notes that under this recommendation, problem gambling and addiction services is funded at a level consistent with previous fiscal years and concerns on how the Problem Gambling Account Fund money is spent are addressed. The committee encourages this funding mechanism to be continued.



House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health **Bill No.** HB 2088

Bill Sec. --

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,745,473	\$ 23,745,473	\$ 0
Other Funds	150,828,861	150,828,861	0
Subtotal	<u>\$ 174,574,334</u>	<u>\$ 174,574,334</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>
TOTAL	<u><u>\$ 174,574,334</u></u>	<u><u>\$ 174,574,334</u></u>	<u><u>\$ 0</u></u>
FTE positions	279.4	279.4	0.0
Non FTE Uncl. Perm. Pos.	200.3	199.3	0.0
TOTAL	<u><u>479.7</u></u>	<u><u>478.7</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency** requests for the Health function a revised 2013 estimate of \$174.6 million from all funding sources, an increase of \$1.7 million, or 1.0 percent, and \$23.7 million from the State General Fund, an increase of \$1.3 million, or 6.0 percent, above the amount approved the 2012 Legislature. The request includes 279.4 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2013 expenditures of \$174.6 million from all funds and \$23.7 million from the State General Fund, the same as the agency request, and an all funds increase of \$1.7 million, or 1.0 percent, and State General Fund increase of \$1.3 million or 6.0 percent above the amount approved by the 2012 Legislature. The recommendation includes 279.4 FTE positions, the same as the agency request.

House Budget Committee Recommendation

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

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment – Division of Health **Bill No.** SB 76

Bill Sec. --

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,745,473	\$ 23,745,473	\$ 0
Other Funds	150,828,861	150,828,861	0
Subtotal	\$ 174,574,334	\$ 174,574,334	\$ 0
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 174,574,334	\$ 174,574,334	\$ 0
FTE positions	279.4	279.4	0.0
Non FTE Uncl. Perm. Pos.	200.3	199.3	0.0
TOTAL	479.7	478.7	0.0

Agency Estimate

The **agency** requests for the Health function a revised 2013 estimate of \$174.6 million from all funding sources, an increase of \$1.7 million, or 1.0 percent, and \$23.7 million from the State General Fund, an increase of \$1.3 million, or 6.0 percent, above the amount approved the 2012 Legislature. The request includes 279.4 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2013 expenditures of \$174.6 million from all funds and \$23.7 million from the State General Fund, the same as the agency request, and an all funds increase of \$1.7 million, or 1.0 percent, and State General Fund increase of \$1.3 million, or 6.0

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percent, above the amount approved by the 2012 Legislature. The recommendation includes 279.4 FTE positions, the same as the agency request.

Senate Subcommittee Recommendation

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

House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health **Bill No.** HB 2231

Bill Sec. 77

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,080,690	\$ 21,079,350	\$ 317,292
Other Funds	149,461,353	149,380,810	0
Subtotal	<u>\$ 172,542,043</u>	<u>\$ 170,460,160</u>	<u>\$ 317,292</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 172,542,043</u></u>	<u><u>\$ 170,460,160</u></u>	<u><u>\$ 317,292</u></u>
FTE positions	279.4	279.4	0.0
Non FTE Uncl. Perm. Pos.	199.3	199.3	0.0
TOTAL	<u><u>478.7</u></u>	<u><u>478.7</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests for the Health function FY 2014 expenditures of \$172.5 million from all funding sources, a decrease of \$2.0 million, or 1.2 percent, and \$23.1 million from the State General Fund, a decrease of \$664,783, or 2.8 percent, below the FY 2013 revised estimate. The request includes 279.4 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2014 expenditures of \$170.5 million from all funding sources, a decrease of \$2.1 million, or 1.2 percent, and \$21.1 million from the State General Fund, a decrease of \$2.0 million, or 8.7 percent, below the agency request. The recommendation is an all funds decrease of \$4.1 million, or 2.4 percent, and a State General Fund decrease of \$2.7 million, or 11.2 percent, below the FY 2013 recommendation. The recommendation includes 279.4 FTE positions, the same as the agency request.

House Budget Committee Recommendation

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

1. Add \$317,292, all from the State General Fund, for Primary Care - Safety Net Clinics for total program expenditures of \$7,567,716 for FY 2014.

House Committee Recommendation

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

Senate Subcommittee Report

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

Bill No. SB 110

Bill Sec. 77

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 23,080,690	\$ 21,079,350	\$ 400,000
Other Funds	149,461,353	149,380,810	0
Subtotal	<u>\$ 172,542,043</u>	<u>\$ 170,460,160</u>	<u>\$ 400,000</u>
Capital Improvements:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 172,542,043</u></u>	<u><u>\$ 170,460,160</u></u>	<u><u>\$ 400,000</u></u>
FTE positions	279.4	279.4	0.0
Non FTE Uncl. Perm. Pos.	199.3	199.3	0.0
TOTAL	<u><u>478.7</u></u>	<u><u>478.7</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests for the Health function FY 2014 expenditures of \$172.5 million from all funding sources, a decrease of \$2.0 million, or 1.2 percent, and \$23.1 million from the State General Fund, a decrease of \$664,783, or 2.8 percent, below the FY 2013 revised estimate. The request includes 279.4 FTE positions.

Governor's Recommendation

The Governor recommends FY 2014 expenditures of \$170.5 million from all funding sources, a decrease of \$2.1 million, or 1.2 percent, and \$21.1 million from the State General Fund, a decrease of \$2.0 million, or 8.7 percent, below the agency request. The recommendation is an all funds decrease of \$4.1 million, or 2.4 percent, and a State General Fund decrease of \$2.7 million, or 11.2 percent, below the FY 2013 recommendation. The recommendation includes 279.4 FTE positions, the same as the agency request.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation with the following adjustment:

2. Add \$400,000, all from the State General Fund, for Primary Care – Safety Net Clinics for total program expenditures of \$7,600,424 for FY 2014. This action is in conjunction with a recommended reduction of \$400,000 in the Division of Health Care Finance, all from the Medical Program Fee Fund, and corresponding transfer of the same amount to the State General Fund for FY 2014. These funds are made available as a result of the CHIPRA performance bonus received in December 2012.



House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health **Bill No.** HB 2231

Bill Sec. 78

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 21,117,021	\$ 317,292
Other Funds	--	149,570,541	0
Subtotal	\$ --	\$ 170,687,562	\$ 317,292
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	0	0
Subtotal	\$ --	\$ 0	\$ 0
TOTAL	\$ --	\$ 170,687,562	\$ 317,292
FTE positions	--	279.4	0.0
Non FTE Uncl. Perm. Pos.	--	199.3	0.0
TOTAL	--	478.7	0.0

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends FY 2015 reportable expenditures of \$170.7 million, including \$21.1 million from the State General Fund, which is an increase of \$227,402, or 0.1 percent, above the FY 2014 Governor's recommendation. The increase is attributable to adjustments in salaries and wages.

House Budget Committee Recommendation

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

1. Add \$317,292, all from the State General Fund, for Primary Care - Safety Net Clinics for total program expenditures of \$7,567,716 for FY 2015.
2. The Budget Committee recommends the House Appropriations Committee review FY 2015 agency budgets during the 2014 session taking into account agency adjustment requests due to the fact there was no agency input for the Governor's Fiscal Year 2015 budget recommendations.

House Committee Recommendation

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

Senate Subcommittee Report

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

Bill No. SB 110

Bill Sec. 78

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 21,117,021	\$ 0
Other Funds	--	149,570,541	0
Subtotal	\$ --	\$ 170,687,562	\$ 0
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	0	0
Subtotal	\$ --	\$ 0	\$ 0
TOTAL	\$ --	\$ 170,687,562	\$ 0
FTE positions	--	279.4	0.0
Non FTE Uncl. Perm. Pos.	--	199.3	0.0
TOTAL	--	478.7	0.0

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget

recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends FY 2015 reportable expenditures of \$170.7 million, including \$21.1 million from the State General Fund, which is an increase of \$227,402, or 0.1 percent, above the FY 2014 Governor's recommendation. The increase is attributable to adjustments in salaries and wages.

Senate Subcommittee Recommendation

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



House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health Care Finance
Bill No. HB 2088

Bill Sec. 28

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013 *	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 665,384,038	\$ 644,016,366	\$ 0
Other Funds	1,167,253,567	1,144,922,895	0
Subtotal	<u>\$ 1,832,637,605</u>	<u>\$ 1,788,939,261</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>
TOTAL	<u><u>\$ 1,832,637,605</u></u>	<u><u>\$ 1,788,939,261</u></u>	<u><u>\$ 0</u></u>
FTE positions	138.0	144.0	0.0
Non FTE Uncl. Perm. Pos.	39.0	39.0	0.0
TOTAL	<u><u>177.0</u></u>	<u><u>183.0</u></u>	<u><u>0.0</u></u>

* Includes GBA No. 1, Item 6, which deletes \$1.0 million from the State General Fund and adds \$1.0 million from the Medicaid Management Information System and Data Analysis Fund to make a technical correction.

Agency Estimate

The **agency** requests for the Health Care Finance function a revised 2013 estimate of \$1.8 billion from all funding sources, an increase of \$28.9 million, or 1.6 percent, above the amount approved by the 2012 Legislature and \$23.7 million from the State General Fund, a decrease of \$515,815, or 0.1 percent, below the amount approved the 2012 Legislature. The request includes 138.0 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2013 reportable expenditures of \$1.8 billion, including \$645.0 million from the State General Fund. This is an all funds reduction of \$14.8 million, or 0.8 percent and a State General Fund decrease of \$20.9 million, or 3.1 percent, below the FY 2013 approved amount. The Governor's recommendation includes 144.0 FTE positions, an increase of 6.0 FTE positions above the agency request. The recommendation also includes \$1.6 billion, including \$612.4 million from the State General Fund, to fully fund the human services consensus caseload estimate for the regular medical Medicaid program for FY 2013.

House Budget Committee Recommendation

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

House Committee Recommendation

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

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment – Division of Health Care Finance

Bill No. SB 76

Bill Sec. 28

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Estimate FY 2013	Governor Recommendation FY 2013 *	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 665,384,038	\$ 644,016,366	\$ 0
Other Funds	1,167,253,567	1,144,922,895	0
Subtotal	<u>\$ 1,832,637,605</u>	<u>\$ 1,788,939,261</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>
TOTAL	<u><u>\$ 1,832,637,605</u></u>	<u><u>\$ 1,788,939,261</u></u>	<u><u>\$ 0</u></u>
FTE positions	138.0	144.0	0.0
Non FTE Uncl. Perm. Pos.	39.0	39.0	0.0
TOTAL	<u><u>177.0</u></u>	<u><u>183.0</u></u>	<u><u>0.0</u></u>

* Includes GBA No. 1, Item 6, which deletes \$1.0 million from the State General Fund and adds \$1.0 million from the Medicaid Management Information System and Data Analysis Fund to make a technical correction.

Agency Estimate

The agency requests requests for the Health Care Finance function a revised 2013 estimate of \$1.8 billion from all funding sources, an increase of \$28.9 million, or 1.6 percent, above the amount approved by the 2012 Legislature and \$23.7 million from the State General Fund, a decrease of \$515,815 million, or 0.1 percent, below the amount approved the 2012 Legislature. The request includes 138.0 FTE positions.

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Governor's Recommendation

The **Governor** recommends FY 2013 reportable expenditures of \$1.8 billion, including \$645.0 million from the State General Fund. This is an all funds reduction of \$14.8 million, or 0.8 percent, and a State General Fund decrease of \$20.9 million, or 3.1 percent, below the FY 2013 approved amount. The Governor's recommendation includes 144.0 FTE positions, an increase of 6.0 FTE positions above the agency request. The recommendation also includes \$1.6 billion, including \$612.4 million from the State General Fund, to fully fund the human services consensus caseload estimate for the regular medical Medicaid program for FY 2013.

Senate Subcommittee Recommendation

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

House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health Care Finance
Bill No. HB 2231

Bill Sec. 79

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2014	Governor Recommendation FY 2014	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 665,230,968	\$ 647,380,297	\$ 0
Other Funds	1,137,974,874	1,139,027,341	0
Subtotal	<u>\$ 1,803,205,842</u>	<u>\$ 1,786,407,638</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>
TOTAL	<u><u>\$ 1,803,205,842</u></u>	<u><u>\$ 1,786,407,638</u></u>	<u><u>\$ 0</u></u>
FTE positions	138.0	144.0	0.0
Non FTE Uncl. Perm. Pos.	39.0	39.0	0.0
TOTAL	<u><u>177.0</u></u>	<u><u>183.0</u></u>	<u><u>0.0</u></u>

Agency Request

For FY 2014, the **agency** requests expenditures of \$1.8 billion for the Health Care Finance function, a decrease of \$29.4 million, or 1.6 percent, below the FY 2013 revised estimate. The request includes State General Fund expenditures of \$665.2 million, a decrease of \$153,070, or less than 0.1 percent, below the FY 2013 revised estimate. The request includes 138.0 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2014 expenditures of \$1.8 billion for the Health Care Finance function, a decrease of \$16.7 million, or 0.9 percent, below the FY 2014 agency request and a decrease of \$2.5 million, or 0.1 percent, below the FY 2013 recommendation and State General Fund expenditures of \$647.4 million, a decrease of \$17.9 million, or 2.7 percent, below the FY 2014 agency request and an increase of \$2.4 million, or 0.4 percent, above the FY 2013 recommendation. The recommendation includes 144.0 FTE positions.

The recommendation includes \$1.6 billion, including \$618.3 million from the State General Fund, to fund the fall human services caseload estimate for the Regular Medical Medicaid program for FY 2014. The fall human services consensus estimate for the Regular

Medical program is an increase in expenditures of \$27.3 million from all funding sources and \$5.9 million from the State General Fund above the FY 2013 recommendation.

The Governor's recommendation added \$307,320, including \$153,660 from the State General Fund, and 6.0 FTE positions for the transfer of Working Healthy positions from the Department for Children and Families as requested after budget submission by the agencies. The manager of this program has been in KDHE and this would bring the program staff into the agency as well. The Governor also added \$1.5 million, including \$750,000 from the State General Fund, for a KanCare Data Platform to provide additional data for monitoring KanCare.

House Budget Committee Recommendation

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

House Committee Recommendation

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

1. Add \$317,292, all from the Children's Health Insurance Program Fund, and delete \$317,292 from the Medical Program Fees Fund for medical program administrative expenses for FY 2014. These funds are made available as a result of the Children's Health Insurance Program performance bonus received in December 2012.
2. Transfer \$317,292, all from the Medical Program Fee Fund, to the State General Fund for FY 2014. This action is in conjunction with the recommended addition in the Division of Health of \$317,292, all from the State General Fund, for Primary Care – Safety Net Clinics for total program expenditures of \$7,567,716 for FY 2014.

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment – Division of Health Care Finance
Bill No. SB 110

Bill Sec. 79

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

<u>Expenditure Summary</u>	<u>Agency Request FY 2014</u>	<u>Governor Recommendation FY 2014</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 665,230,968	\$ 647,380,297	\$ 0
Other Funds	1,137,974,874	1,139,027,341	0
Subtotal	<u>\$ 1,803,205,842</u>	<u>\$ 1,786,407,638</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>
 TOTAL	 <u>\$ 1,803,205,842</u>	 <u>\$ 1,786,407,638</u>	 <u>\$ 0</u>
 FTE positions °	 138.0	 144.0	 0.0
Non FTE Uncl. Perm. Pos.	39.0	39.0	0.0
TOTAL	<u>177.0</u>	<u>183.0</u>	<u>0.0</u>

Agency Request

For FY 2014, the **agency** requests expenditures of \$1.8 billion for the Health Care Finance function, an decrease of \$29.4 million, or 1.6 percent, below the FY 2013 revised estimate. The request includes State General Fund expenditures of \$665.2 million, a decrease of \$153,070, or less than 0.1 percent, below the FY 2013 revised estimate. The request includes 138.0 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2014 expenditures of \$1.8 billion for the Health Care Finance function, a decrease of \$16.7 million, or 0.9 percent, below the FY 2014 agency request and a decrease of \$2.5 million, or 0.1 percent, below the FY 2013 recommendation and State General Fund expenditures of \$647.4 million, a decrease of \$17.9 million, or 2.7 percent, below the FY 2014 agency request and an increase of \$2.4 million, or 0.4 percent, above the FY 2013 recommendation. The recommendation includes 144.0 FTE positions.

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The recommendation includes \$1.6 billion, including \$618.3 million from the State General Fund, to fund the fall human services caseload estimate for the Regular Medical Medicaid program for FY 2014. The fall human services consensus estimate for the Regular Medical program is an increase in expenditures of \$27.3 million from all funding sources and \$5.9 million from the State General Fund above the FY 2013 recommendation.

The Governor's recommendation added \$307,320, including \$153,660 from the State General Fund, and 6.0 FTE positions for the transfer of Working Healthy positions from the Department for Children and Families as requested after budget submission by the agencies. The manager of this program has been in KDHE and this would bring the program staff into the agency as well. The Governor also added \$1.5 million, including \$750,000 from the State General Fund, for a KanCare Data Platform to provide additional data for monitoring KanCare.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the recommendations of the Governor with the following adjustment:

3. Add \$400,000, all from the Children's Health Insurance Program Fund, and delete \$400,000 from the Medical Program Fees Fund for medical program administrative expenses for FY 2014. These funds are made available as a result of the Children's Health Insurance Program performance bonus received in December 2012.
4. Transfer \$400,000, all from the Medical Program Fee Fund, to the State General Fund for FY 2014. This action is in conjunction with the recommended addition in the Division of Health of \$400,000, all from the State General Fund, for Primary Care – Safety Net Clinics for total program expenditures of \$7,600,424 for FY 2014.

House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health Care Finance **Bill No.** HB 2231

Bill Sec. 80

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 688,219,076	\$ 0
Other Funds	--	1,205,023,246	0
Subtotal	\$ --	\$ 1,893,242,322	\$ 0
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	0	0
Subtotal	\$ --	\$ 0	\$ 0
TOTAL	\$ --	\$ 1,893,242,322	\$ 0
FTE positions	--	144.0	0.0
Non FTE Uncl. Perm. Pos.	--	39.0	0.0
TOTAL	--	183.0	0.0

Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends FY 2015 reportable expenditures of \$1.9 billion, including \$688.2 million from the State General Fund, which is an increase of \$106.8 million, or 6.0 percent, above the FY 2014 Governor's recommendation. The increase is attributable to adjustments in salaries and wages and regular medical expenditures in the Medicaid program.

House Budget Committee Recommendation

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

1. The Committee recommends the House Appropriations Committee review FY 2015 agency budgets during the 2014 session taking into account agency adjustment requests due to the fact there was no agency input for the Governor's Fiscal Year 2015 budget recommendations.

House Committee Recommendation

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

1. Add \$317,292, all from the Children's Health Insurance Program Fund, and delete \$317,292 from the Medical Program Fees Fund for medical program administrative expenses for FY 2015. These funds are made available as a result of the Children's Health Insurance Program performance bonus received in December 2012.
2. Transfer \$317,292, all from the Medical Program Fee Fund, to the State General Fund for FY 2015. This action is in conjunction with the recommended addition in the Division of Health of \$317,292, all from the State General Fund, for Primary Care – Safety Net Clinics for total program expenditures of \$7,567,716 for FY 2015.

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment – Division of Health Care Finance

Bill No. SB 110

Bill Sec. 80

Analyst: Mariani

Analysis Pg. No. 907

Budget Page No. 214

Expenditure Summary	Agency Request FY 2015	Governor Recommendation FY 2015	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ --	\$ 688,219,076	\$ 0
Other Funds	--	1,205,023,246	0
Subtotal	\$ --	\$ 1,893,242,322	\$ 0
Capital Improvements:			
State General Fund	\$ --	\$ 0	\$ 0
Other Funds	--	0	0
Subtotal	\$ --	\$ 0	\$ 0
TOTAL	\$ --	\$ 1,893,242,322	\$ 0
FTE positions	--	144.0	0.0
Non FTE Uncl. Perm. Pos.	--	39.0	0.0
TOTAL	--	183.0	0.0

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Agency Request

There were no **agency** budget requests made for FY 2015 by any state agencies other than those agencies designated in statute as biennial budget agencies. The Governor's budget recommendations to the 2013 Legislature do, however, include funding recommendations for each state agency for FY 2015.

Governor's Recommendation

The **Governor** recommends FY 2015 reportable expenditures of \$1.8 billion, including \$688.2 million from the State General Fund, which is an increase of \$106.8 million, or 6.0 percent, above the FY 2014 Governor's recommendation. The increase is attributable to adjustments in salaries and wages and regular medical expenditures in the Medicaid program.

Senate Subcommittee Recommendation

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

