

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Operating Expenditures:							
State General Fund	\$ 561,860,405	\$ 618,190,288	\$ 632,670,211	\$ 626,660,658	\$ 664,609,154	\$ 626,845,205	\$ 667,965,570
Other Funds	827,961,307	871,513,739	901,276,928	843,122,793	901,211,759	843,373,890	902,469,688
TOTAL	\$ 1,389,821,712	\$ 1,489,704,027	\$ 1,533,947,139	\$ 1,469,783,451	\$ 1,565,820,913	\$ 1,470,219,095	\$ 1,570,435,258
Capital Improvements:							
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	9,246,330	10,678,611	10,678,611	7,530,000	7,530,000	7,720,000	7,720,000
TOTAL	\$ 9,246,330	\$ 10,678,611	\$ 10,678,611	\$ 7,530,000	\$ 7,530,000	\$ 7,720,000	\$ 7,720,000
GRAND TOTAL	\$ 1,399,068,042	\$ 1,500,382,638	\$ 1,544,625,750	\$ 1,477,313,451	\$ 1,573,350,913	\$ 1,477,939,095	\$ 1,578,155,258

Percentage Change:

Operating Expenditures

State General Fund	(6.0) %	10.0 %	12.6 %	1.4 %	5.0 %	0.0 %	0.5 %
All Funds	(1.3)	7.2	10.4	(1.3)	2.1	0.0	0.3

FTE Positions	195.0	195.0	195.0	195.0	195.0	195.0	195.0
Non-FTE							
Perm. Uncl. Pos.	80.0	80.0	80.0	80.0	80.0	80.0	80.0
TOTAL	275.0	275.0	275.0	275.0	275.0	275.0	275.0

AGENCY OVERVIEW

The Kansas Department for Aging and Disability Services (KDADS) was established by statute in 1977 as a cabinet-level agency headed by a secretary appointed by the Governor, subject to confirmation by the Senate. The agency goals are to promote security, dignity, and independence of older adults and persons with disabilities. KDADS is responsible for the distribution for Medicaid long-term care payments, survey and certification for adult care homes, behavioral health programs, home and community based services for older adults and person with disabilities, and the management and oversight of the five state hospitals. The Department is mandated under the federal Older Americans Act to serve as an advocate for seniors

and to administer programs funded by Older Americans Act appropriations.

The Department is organized into the major program areas of Administration, Nursing Facilities Program, Commission on Aging and Aging Grants, Survey, Certification and Credentialing Commission, Community Services and Programs Commission.

Administration includes the the Office of the Secretary and Financial and Information Services. Community Services and Programs include Behavioral Health Services (formerly known as Mental Health) and Home and Community Based Services Waivers.

MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** passed Senate Sub. for Senate Sub. for Sub. for HB 2320 which established a provider assessment up to \$1,950 on each licensed bed within skilled nursing care facilities which includes nursing facilities for mental health and hospital long-term care units. The Kansas Soldiers' Home and the Kansas Veteran's Home were excluded from the assessment. A provider assessment is a mechanism used to maximize the amount of federal funding for the state by generating new state funds. After collection, the additional funds are used to draw down additional federal funds. This results in increased Medicaid payments to providers for Medicaid eligible services in licensed nursing facilities. The 2004 Legislature had previously implemented a provider assessment for hospitals during. The nursing facility assessment sunsets in four years and after the first three years, the assessment amount will be adjusted to be no more than 60.0 percent of the assessment collected in previous years. As of December 2011, there were 342 skilled nursing facilities in Kansas. The assessment, in the

form passed by the 2010 Legislature, received approval from the federal Centers for Medicare and Medicaid Services on February 11, 2011.

In addition, **the 2010 Legislature** added \$1,262,863, including \$311,835 from the State General Fund, to fund telehealth services for 500 individuals to the Home and Community Based Services-Frail Elderly waiver program for FY 2011. However, the agency delayed implementation of the telehealth program because of shortfalls in the appropriations for existing Home and Community Based Services waiver programs. The agency stated that it did not appear prudent to implement a new service when doing so could create a strong possibility of needing to reduce existing services levels or start waiting lists and never used the appropriated funds for implementation during FY 2011. The program was implemented October 1, 2011.

For **FY 2011**, the **Legislature** deleted \$2.0 million, including \$1.7 million from the State General Fund.

- \$300,000 from the State General Fund for the Nutrition program, resulting in a reduction of 53,286 meals or 240 fewer seniors receiving services. However, the agency determined that it could absorb this reduction within the agency operations portion of the budget and this reduction did not occur.
- \$1.3 million from the State General Fund for Senior Care Act direct services, case management, assessments and administration, which would have eliminated services for approximately 1,140 seniors and increased the waiting list. The agency indicated that it would absorb this reduction with the agency operations instead.
- \$345,180, including \$102,304 from the State General Fund, for agency operations. The agency indicated that they would reduce expenditures through layoffs, furloughs, leaving positions vacant and other administrative reductions.

The **2011 Legislature** also deleted \$3.0 million, including \$1.2 million from the State General Fund, and 20.0 FTE (filled and unfilled) positions for agency operations for FY 2012 and funding was used for increased caseloads in the Home Care Based Services for the Frail Elderly waiver. The 2011 Legislature also deleted 30.0 vacant FTE position for FY 2012. The agency's FY 2012 FTE position limitation was 164.0 FTE positions.

The **2012 Legislature** acknowledged the enactment of Executive Reorganization Order No. 41 which became effective on July 1, 2012. Specifically, the Reorganization Order transferred programs from the Department of Social and Rehabilitation Services to the Department on Aging, which was renamed the Kansas Department for Aging and Disability Services (KDADS), including the following items.

- Mental health and substance abuse, serious emotionally disturbed, developmental disability, physical disability, traumatic brain injury, autism, technology assistance, and money-follows-the-person Medicaid waivers and programs.
- Licensure and regulation of community mental health centers.
- Regulation of community developmental disability organizations.
- Licensure of private psychiatric hospitals.
- Licensure and regulation of facilities and providers of residential services.
- Licensure of providers of addiction and prevention services.
- Any other programs and related grants administered by the Disability and Behavioral Health Services Section.

Further, some areas were transferred from the Kansas Department of Health and Environment (KDHE) to KDADS. The following areas of the Health Occupations Credentialing

program of the KDHE were transferred and will be administered by KDADS.

- Licensure of adult care home administrators.
- Licensure of dietitians.
- Certification of residential care facility operators, activity directors, social service designees, nurse aides, medication aides, and home health aides.
- Maintenance of the Kansas Nurse Aide Registry and Criminal History Record Check program, as authorized by credentialing statutes or rules and regulations.

The KDHE Psychiatric Residential Treatment Facility licensure program was also transferred to KDADS.

The **2012 Legislature** added \$1.2 million, including \$532,343 from the State General Fund, to fund an additional 60 individuals on the HCBS/PD waiver for FY 2013 to meet the maintenance of effort requirement for the federal Affordable Care Act.

The **2012 Legislature** added \$1,164,790, all from the Children's Initiative Fund (CIF), and deleted the same amount from the State General Fund, for the Children's Mental Health Initiative for FY 2013 and added \$4.75 million, all from the Children's Initiative Fund, for the Family Centered System of Care for FY 2013.

The **2012 Legislature** added \$1.8 million, all from the State General Fund, for reimbursement of non-Medicaid psychiatric inpatient screening for FY 2013.

The **2012 Legislature** added \$881,920, all from the State General Fund, to fully fund the Senior Care Act program for FY 2013, thereby eliminating the waiting list of 340 Kansas seniors.

The **2012 Legislature** added \$4,148,421, including \$1,800,000, from the State General Fund, to fund approximately 97 persons on the waiver for the developmentally disabled and added \$4,148,421, including \$1,800,000, from the State General Fund, to fund approximately 201 persons on the waiver for the physically disabled.

The **2012 Legislature** added \$5.0 million, all from the State General Fund, for mental health grants for FY 2013.

The **Governor** vetoed the addition of funds in FY 2012 to increase the Financial Management System (FMS) reimbursement rate for service costs to payroll agents from \$115 to \$125 from November 2011 through June 2012.

The **2013 Legislature** deleted \$659,760, including \$338,310 from the State General Fund, in FY 2013 and \$673,297, including \$336,497 for FY 2014 for salaries and wages; \$7,490,205, including \$3,250,000 from the State General Fund, in both FY 2013 and FY 2014 for the Home and Community Based Waiver for the Frail Elderly for savings achieved through efficiencies the agency implemented. The Legislature also added \$19,161,842 including \$8,276,000 from the State General Fund to fund Home and Community Based Services Waivers for individuals with Developmental Disabilities and Physical Disabilities for FY 2014 and \$19,235,036 including \$8,276,000 from the State General Fund for FY 2015. This additional funding will serve approximately 437 people waiting for Physical Disabilities Waiver Services and 233 people waiting for Developmental Disabilities Waiver Services in FY 2014 and continues funding for these same people in FY 2015.

The **Legislature** made a series of modifications to the Problem Gambling and Addictions Grant Fund including:

transferred \$550,000 from the Problem Gambling and Addictions Grant Fund to the Domestic Violence Grants Fund of the Office of the Governor for FY 2014 and FY 2015; transferred \$150,000 from the Problem Gambling and Addictions Grant Fund to the Child Advocacy Centers Grants Fund of the Office of the Governor for FY 2014 and FY 2015; added language requiring continued funding for an FTE position for the Problem Gambling Services Coordinator position for FY 2014 and FY 2015; added language requiring that at least 10.0 percent of the amount allocated to the Problem Gambling Services program for FY 2014 and FY 2015 shall be spent on public awareness campaigns for possible problems related to gambling addictions and for services to address gambling and other addictions.

In addition, the Legislature deleted \$3.75 million from the Children's Initiative Fund and \$6.0 million the State General Fund in FY 2014 and FY 2015 for mental health grants; added \$9.75 million for mental health grants for at-risk individuals from the Children's Health Insurance Program Fund for FY 2014 and from the Mental Health Grant - State Highway Fund for FY 2015; added \$355,000, all from the State General Fund, for Community Mental Health Center (CMHC) grants for the Crisis Screening program for FY 2014 and FY 2015.

The **2014 Legislature** appropriated \$4.0 million, all from the State General Fund, in both FY 2014 and FY 2015, for the Home and Community Based Services Waiver for individuals with developmental disabilities, to replace funding lapsed on January 1, 2014. In addition, the 2014 Legislature added language directing that expenditures be made to continue providing services to individuals removed from the Home and Community Based Services Waiver for individuals with developmental disabilities and the Home and Community Based Services Waiver for individuals with physical disabilities waiting lists and provide services in FY 2014 and FY 2015 and added language directing any unbudgeted amounts by the Secretary from the Home and Community Based Services Waiver for individuals with physical disabilities appropriation of \$4.0 million

made during the 2013 Legislative Session be expended for the Home and Community Based Services Waiver for individuals with developmental disabilities underserved waiting list in FY 2014 and FY 2015.

The **2014 Legislature** also added language allowing funding transferred from State General Fund accounts of the Kansas Neurological Institute to be expended for Home and Community Based Services Waiver for individuals with developmental disabilities in FY 2014 and FY 2015. The Legislature also added \$16.3 million, including \$7.1 million from DADS Social Welfare Fund, to provide additional services to individuals on underserved waiting list for the Home and Community Based Services Waiver for individuals with developmental disabilities for FY 2015 and added \$10.2 million, including \$5.0 million from the State General Fund, to add funding for Home and Community Based Services Waivers for individuals with physical disabilities and developmental disabilities, mental health grants and substance use disorder treatment for FY 2015.

The Legislature transferred \$2.5 million from the Problem Gambling and Addictions Grant Fund to the State General Fund, in FY 2014 and added language specifying no one who seeks treatment for problem gambling shall be refused treatment and add language transferring up to \$1.0 million from the DADS Social Welfare Fund to the Problem Gambling and Addictions Grant Fund if needed for FY 2015.

The **2014 Legislature** added \$3.7 million, all from the State General Fund, associated with the closure of Rainbow Mental Health Facility and contract for services with Rainbow Mental Health Inc. for FY 2015. The Legislature also deleted \$54.1 million, including \$32.9 million from the State General Fund, for Human Services consensus caseload estimates in FY 2014 and deleted \$136.5 million, including \$60.9 million from the State General Fund, for FY 2015.

BUDGET SUMMARY AND KEY POINTS

FY 2015 Agency Estimate

The **agency estimates** revised expenditures of \$1.5 billion, including \$618.2 million from the State General Fund, in FY 2015. The estimate is a decrease of \$5.8 million, or 0.4 percent, from all funding sources below the amount approved by the 2014 Legislature. The estimate is an increase of \$157,832, or less than 0.1 percent, from the State General Fund above the amount approved by the 2014 Legislature. The revised estimate includes capital improvement expenditures totaling \$10.7 million, all from the State Institutions Building Fund.

The agency estimate includes the shift of savings totaling \$800,000 from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's supplemental request also includes \$1.0 million in additional federal Medicaid funds as a result of these additional State General Fund expenditures.

FY 2015 Governor Recommendation

The **Governor** recommends FY 2015 expenditures totaling \$1.5 billion, including \$632.7 million from the State General Fund. The recommendation is an increase of \$44.2 million, or 3.0 percent, including \$14.5 million, or 2.3 percent, from the State General Fund, above the agency's revised estimate. The recommendation includes \$10.7 million, all from special revenue funds, for capital improvement projects, the same as the agency's revised estimate.

The Governor's recommendation includes the addition of \$45.0 million, including \$15.1 million from the State General

The agency estimate includes a reduction of \$18.2 million, including \$9.9 million from the Social Welfare Fund, which had been approved for FY 2015, which are not anticipated to be needed in FY 2015. The agency estimate also includes a shift of funding totaling \$7.9 million, including \$3.4 million from the State General Fund, from the Home and Community Based Services Waiver for Physical Disabilities to the Home and Community Based Services Waiver for Individuals with Developmental Disabilities.

The agency estimate includes a lapse of \$433,420, all from the State General, of the total \$4.2 million reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015. The agency's revised estimate also includes a reduction of 22.0 FTE positions and the addition of 23.0 non-FTE positions above the approved number.

Fund, to fully fund the fall 2014 Human Services consensus caseload estimate.

Also included in the Governor's recommendation is a reduction of \$599,235, as the result of the Governor's December 9th State General Fund allotment. In addition, the Governor's allotment plan included the transfer of \$3.0 million from the DADS Social Welfare Fund and \$1.2 million from the Problem Gambling and Addictions Grant Fund.

The Governor's recommendation includes a reduction of \$52,017, all from the State General Fund as a result of the

Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015. This allotment will

have no impact on the agency operations, but is reflective of a reduction of expenditures. An additional \$113,059 from special revenue funds is reduced in the Governor's budget recommendation resulting in a total reduction of \$165,076.

FY 2016 Agency Request

The **agency** requests expenditures of \$1.5 billion, including \$626.7 million from the State General Fund, for FY 2016. The request is a decrease of \$19.9 million, or 1.3 percent, from all funding sources below the FY 2015 revised estimate. The request is an increase of \$8.5 million, or 1.4 percent, from the State General Fund above the FY 2015 revised estimate. The request includes capital improvement expenditures totaling \$7.5 million, all from the State Institutions Building Fund.

The agency request includes the shift of savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's enhancement request also includes an \$1.9 million in additional federal Medicaid funds as a result of the additional State General Fund expenditures.

FY 2016 Governor Recommendation

The **Governor** recommends FY 2016 expenditures totaling \$1.6 billion, including \$664.6 million from the State General Fund. The recommendation is an increase of \$96.0 million, or 6.5 percent, including \$37.9 million, or 6.1 percent, from the State General Fund, above the agency's request.

reduce employer contributions for state employee health insurance.

The Governor's recommendation includes the addition of \$79.9 million, including \$40.7 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate. Also included in the Governor's recommendation is a reduction of \$1,198,469, for a 4.0 percent operating reduction. The reduction will be managed by a decrease in mental health grants, Senior Care Act, and community developmental disability grant funding.

The Governor's FY 2016 recommendation also includes the addition of \$66.6 million, including \$29.3 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$57.0 million, including \$25.0 million from the State General Fund, associated with the implementation of KanCare policy changes.

The Governor's recommendation includes a reduction of \$190,454, including \$61,159 from the State General Fund, to

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services, to provide behavioral health access for transitional and intermediate levels of care. The recommendation includes the addition of \$6.8 million, including

\$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million

from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

FY 2017 Agency Request

The **agency** expenditures of \$1.5 billion, including \$626.8 million from the State General Fund, for FY 2017. The request is an increase of \$435,644, including \$184,547 from the State General Fund above the FY 2016 request. The request includes the addition of approximately \$568,650, including \$184,547 from the State General Fund, to cover the cost of the 27th payroll period. The request includes capital improvement expenditures totaling \$7.7 million, all from the State Institutions Building Fund.

The agency request includes the shift of savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's enhancement request also includes \$1.9 million in additional federal Medicaid funds as a result of the additional State General Fund expenditures.

FY 2017 Governor Recommendation

The **Governor** FY 2017 expenditures totaling \$1.6 billion, including \$668.0 million from the State General Fund. The recommendation is an increase of \$100.2 million, or 6.8 percent, and a decrease of \$470,000, or 0.9 percent, from the State General Fund, from the agency's request.

reduce employer contributions for state employee health insurance.

The Governor's recommendation includes the addition of \$111.2 million, including \$55.8 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate. Also included in the Governor's recommendation is a reduction of \$1,198,469, for a 4.0 percent operating reduction. The reduction will be managed by a decrease in mental health grants, Senior Care Act, and community developmental disability grant funding.

The Governor's FY 2017 recommendation also includes the addition of \$66.6 million, including \$29.3 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$56.8 million, including \$25.0 million from the State General Fund, associated with the implementation of KanCare policy changes.

The Governor's recommendation includes a reduction of \$194,267, including \$62,383 from the State General Fund, to

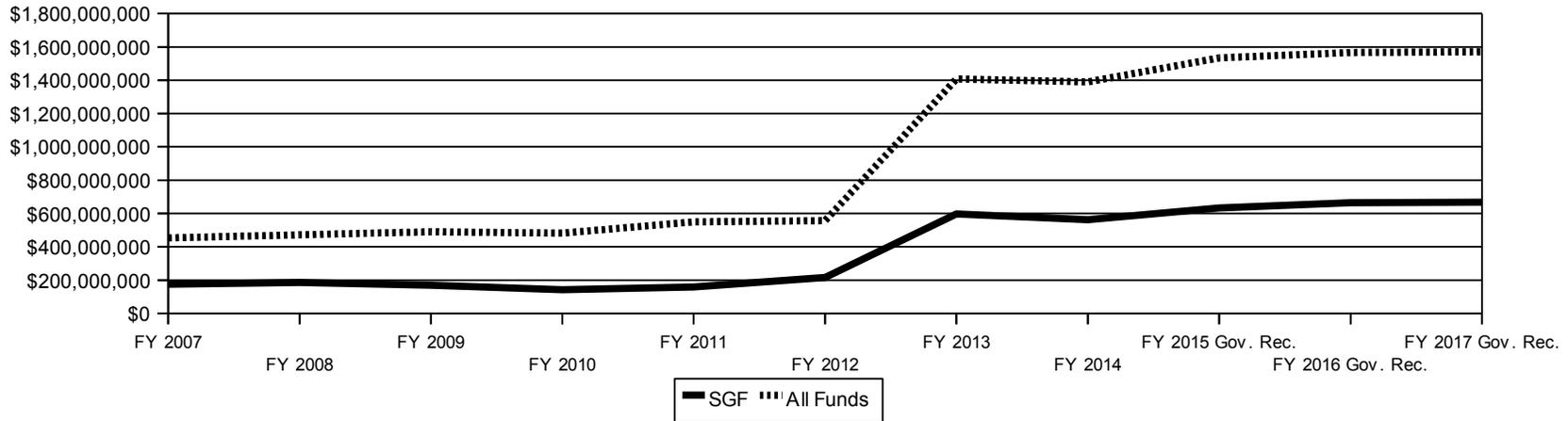
The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services, to provide behavioral health access for transitional and intermediate levels of care.. The recommendation includes the addition of \$6.8 million, including

\$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

Also included in the recommendation are savings totaling \$14.8 million, including \$6.5 million from the State General Fund, associated with a reduction of the state's payment error rate measurement. The reduction is anticipated with the Executive Reorganization Order No. 43 which transfers the responsibility for Medicaid eligibility to the Kansas Department for Health and Environment beginning January 1, 2016.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2007 – FY 2017



Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2007	\$ 175,667,561	9.5 %	\$ 453,680,897	7.9 %	208.3
2008	185,788,960	5.8	471,448,748	3.9	209.0
2009	169,663,202	(8.7)	490,284,401	4.0	214.0
2010	142,148,326	(16.2)	481,929,197	(1.7)	214.0
2011	159,321,200	12.1	549,667,931	14.1	214.0
2012	215,234,227	35.1	556,918,219	1.3	164.0
2013	597,859,761	177.8	1,407,782,256	152.8	247.5
2014	561,860,405	(6.0)	1,389,821,712	(1.3)	195.0
2015 Gov. Rec.	632,670,211	12.6	1,533,947,139	10.4	195.0
2016 Gov. Rec.	664,609,154	5.0	1,565,820,913	2.1	195.0
2017 Gov. Rec.	667,965,570	0.5	1,570,435,258	0.3	195.0
Eleven-Year Change	\$ 492,298,009	280.2 %	\$ 1,116,754,361	246.2 %	(13.3)

Staff Note: The large increase in funds in FY 2013 is due to Executive Reorganization Order No. 41 which became effective on July 1, 2012. Specifically, the Reorganization Order transferred programs from the Department of Social and Rehabilitation Services to the Department on Aging, which was renamed the Kansas Department for Aging and Disability Services (KDADS). Additionally, part of the Health Occupations Credentialing program was transferred from the Kansas Department of Health and Environment (KDHE) to KDADS.

Summary of Operating Budget FY 2014 - FY 2016

	Actual 2014	Agency Estimate				Governor's Recommendation			
		Estimate FY 2015	Request FY 2016	Dollar Change from FY 15	Percent Change from FY 15	Rec. FY 2015	Rec. FY 2016	Dollar Change from FY 15	Percent Change from FY 15
By Program:									
Administration	\$ 10,519,443	\$ 9,859,917	\$ 10,652,233	\$ 792,316	8.0 %	\$ 9,814,023	\$ 10,595,490	\$ 781,467	8.0 %
Survey, Certification, and Credentialing	8,279,017	7,604,208	8,349,066	744,858	9.8	7,547,850	8,280,797	732,947	9.7
Community Services and Programs	1,003,707,098	1,042,613,471	1,031,120,441	(11,493,030)	(1.1)	1,061,631,247	1,079,494,753	17,863,506	1.7
Nursing Facilities	340,195,166	400,153,687	391,682,677	(8,471,010)	(2.1)	425,610,693	439,601,512	13,990,819	3.3
Commission on Aging and Aging Grants	27,120,988	29,472,744	27,979,034	(1,493,710)	(5.1)	29,343,326	27,848,361	(1,494,965)	(5.1)
TOTAL	\$ 1,389,821,712	\$ 1,489,704,027	\$ 1,469,783,451	\$ (19,920,576)	(1.3) %	\$ 1,533,947,139	\$ 1,565,820,913	\$ 31,873,774	2.1 %
By Major Object of Expenditure:									
Salaries and Wages	\$ 16,164,787	\$ 16,675,431	\$ 17,406,322	\$ 730,891	4.4 %	\$ 16,510,355	\$ 17,215,868	\$ 705,513	4.3 %
Contractual Services	53,117,081	48,817,533	45,774,440	(3,043,093)	(6.2)	48,338,298	46,045,971	(2,292,327)	(4.7)
Commodities	505,800	362,715	436,201	73,486	20.3	362,715	436,201	73,486	20.3
Capital Outlay	1,033,952	668,347	1,160,808	492,461	73.7	668,347	1,160,808	492,461	73.7
Debt Service	2,058,304	2,095,225	1,906,931	(188,294)	(9.0)	2,095,225	1,906,931	(188,294)	(9.0)
Subtotal - Operations	\$ 72,879,924	\$ 68,619,251	\$ 66,684,702	\$ (1,934,549)	(2.8) %	\$ 67,974,940	\$ 66,765,779	\$ (1,209,161)	(1.8) %
Aid to Local Units	50,558,873	50,857,313	50,700,313	(157,000)	(0.3)	50,737,313	50,230,313	(507,000)	(1.0)
Other Assistance	1,266,382,915	1,370,227,463	1,352,398,436	(17,829,027)	(1.3)	1,415,234,886	1,448,824,821	33,589,935	2.4
TOTAL	\$ 1,389,821,712	\$ 1,489,704,027	\$ 1,469,783,451	\$ (19,920,576)	(1.3) %	\$ 1,533,947,139	\$ 1,565,820,913	\$ 31,873,774	2.1 %
Financing:									
State General Fund	\$ 561,860,405	\$ 618,190,288	\$ 626,660,658	\$ 8,470,370	1.4 %	\$ 632,670,211	\$ 664,609,154	\$ 31,938,943	5.0 %
Children's Initiative Fund	7,600,000	3,800,000	3,800,000	0	0.0	3,800,000	3,800,000	0	0.0
Title XIX	712,585,090	759,546,357	747,845,538	(11,700,819)	(1.5)	784,296,205	796,076,676	11,780,471	1.5
Problem Gambling and Addiction Grant Fund	5,879,375	6,233,374	6,333,072	99,698	1.6	6,232,660	6,330,156	97,496	1.6
Quality Care Serv Fund	26,215,333	23,140,000	23,181,627	41,627	0.2	23,140,000	23,381,627	241,627	1.0
Prev Treat Serv Block	12,512,976	12,424,639	12,204,223	(220,416)	(1.8)	12,420,161	12,201,617	(218,544)	(1.8)
All Other Funds	63,168,533	66,369,369	49,758,333	(16,611,036)	(25.0)	71,387,902	59,421,683	(11,966,219)	(16.8)
TOTAL	\$ 1,389,821,712	\$ 1,489,704,027	\$ 1,469,783,451	\$ (19,920,576)	(1.3) %	\$ 1,533,947,139	\$ 1,565,820,913	\$ 31,873,774	2.1 %

Summary of Operating Budget FY 2016 - FY 2017

	Agency Estimate				Governor's Recommendation			
	Request FY 2016	Request FY 2017	Dollar Change from FY 16	Percent Change from FY 16	Rec. FY 2016	Rec. FY 2017	Dollar Change from FY 16	Percent Change from FY 16
By Program:								
Administration	\$ 10,652,233	\$ 10,715,574	\$ 63,341	0.6 %	\$ 10,595,490	\$ 10,657,695	\$ 62,205	0.6 %
Survey, Certification, and Credentialing	8,349,066	8,611,488	262,422	3.1	8,280,797	8,541,852	261,055	3.2
Community Services and Programs	1,031,120,441	1,031,413,658	293,217	0.0	1,079,494,753	1,079,711,342	216,589	0.0
Nursing Facilities	391,682,677	391,455,463	(227,214)	(0.1)	439,601,512	443,632,344	4,030,832	0.9
Commission on Aging and Aging Grants	27,979,034	28,022,912	43,878	0.2	27,848,361	27,892,025	43,664	0.2
TOTAL	\$ 1,469,783,451	\$ 1,470,219,095	\$ 435,644	0.0 %	\$ 1,565,820,913	\$ 1,570,435,258	\$ 4,614,345	0.3 %
By Major Object of Expenditure:								
Salaries and Wages	\$ 17,406,322	\$ 18,250,652	\$ 844,330	4.9 %	\$ 17,215,868	\$ 18,056,385	\$ 840,517	4.9 %
Contractual Services	45,774,440	45,779,340	4,900	0.0	46,045,971	46,050,871	4,900	0.0
Commodities	436,201	436,447	246	0.1	436,201	436,447	246	0.1
Capital Outlay	1,160,808	1,160,808	0	0.0	1,160,808	1,160,808	0	0.0
Debt Service	1,906,931	1,720,313	(186,618)	(9.8)	1,906,931	1,720,313	(186,618)	(9.8)
Subtotal - Operations	\$ 66,684,702	\$ 67,347,560	\$ 662,858	1.0 %	\$ 66,765,779	\$ 67,424,824	\$ 659,045	1.0 %
Aid to Local Units	50,700,313	50,700,313	0	0.0	50,230,313	50,230,313	0	0.0
Other Assistance	1,352,398,436	1,352,171,222	(227,214)	(0.0)	1,448,824,821	1,452,780,121	3,955,300	0.3
TOTAL	\$ 1,469,783,451	\$ 1,470,219,095	\$ 435,644	0.0 %	\$ 1,565,820,913	\$ 1,570,435,258	\$ 4,614,345	0.3 %
Financing:								
State General Fund	\$ 626,660,658	\$ 626,845,205	\$ 184,547	0.0 %	\$ 664,609,154	\$ 667,965,570	\$ 3,356,416	0.5 %
Children's Initiative Fund	3,800,000	3,800,000	0	0.0	3,800,000	3,800,000	0	0.0
Title XIX	747,845,538	747,892,458	46,920	0.0	796,076,676	797,132,277	1,055,601	0.1
Problem Gambling and Addiction Grant Fund	6,333,072	6,346,895	13,823	0.2	6,330,156	6,343,920	13,764	0.2
Quality Care Serv Fund	23,181,627	23,181,627	0	0.0	23,381,627	23,381,627	0	0.0
Prev Treat Serv Block	12,204,223	12,217,985	13,762	0.1	12,201,617	12,215,327	13,710	0.1
All Other Funds	49,758,333	49,934,925	176,592	0.4	59,421,683	59,596,537	174,854	0.3
TOTAL	\$ 1,469,783,451	\$ 1,470,219,095	\$ 435,644	0.0 %	\$ 1,565,820,913	\$ 1,570,435,258	\$ 4,614,345	0.3 %

BUDGET OVERVIEW

A. FY 2015 – Current Year

Adjustments to Approved State General Fund Budget

The Legislature approved a State General Fund budget of \$613,199,815 for the Kansas Department for Aging and Disability Services in FY 2015. Several adjustments have subsequently been made to that amount. These adjustments change the current year approved amount without any legislative action required. For this agency, the following adjustments have been made.

- An increase of \$4,158,027, based on the reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015.
- An increase of \$800,000, as a result of a transfer in from the Kansas Neurological Institute for the Home and Community Based Services Waiver for individuals with developmental disabilities.

- An increase of \$465,866, as a result of transfer from the state hospitals associated with food service contracts.
- A reduction of \$651,252, as the result of the Governor's December 9th State General Fund allotment.

These adjustments change the FY 2015 approved State General Fund to \$618,032,456. That amount is reflected in the table below as the currently approved FY 2015 State General Fund amount. The agency's budget was submitted prior to the December allotment, so the agency's revised budget estimates do not incorporate the allotments.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2015	Agency Estimate FY 2015	Agency Change from Approved	Governor Rec. FY 2015	Governor Change from Approved
State General Fund	\$ 618,032,456	\$ 618,190,288	\$ 157,832	\$ 632,670,211	\$ 14,637,755
All Other Funds	888,111,734	882,192,350	(5,919,384)	911,955,539	23,843,805
TOTAL	<u>\$ 1,506,144,190</u>	<u>\$ 1,500,382,638</u>	<u>\$ (5,761,552)</u>	<u>\$ 1,544,625,750</u>	<u>\$ 38,481,560</u>
FTE Positions	217.0	195.0	(22.0)	195.0	(22.0)

The **agency** estimate revised expenditures of \$1.5 billion, including \$618.2 million from the State General Fund, in FY 2015. The estimate is a decrease of \$5.8 million, or 0.4 percent, from all funding sources below the amount approved by the 2014 Legislature. The estimate is an increase of \$157,832, or less than 0.1 percent, from the State General Fund above the amount approved by the 2014 Legislature. The revised estimate includes capital improvement expenditures totaling \$10.7 million, all from the State Institutions Building Fund.

The agency estimate includes the shift of savings totaling \$800,000 from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's supplemental request also includes \$1.0 million in additional federal Medicaid funds as a result of these additional State General Fund expenditures.

The agency estimate includes a reduction of \$18.2 million, including \$9.9 million from the Social Welfare Fund, which had been approved for FY 2015, which are not anticipated to be needed in FY 2015. The agency estimate also includes a shift of funding totaling \$7.9 million, including \$3.4 million from the State General Fund, from the Home and Community Based Services Waiver for Physical Disabilities to the Home and

Community Based Services Waiver for Individuals with Developmental Disabilities.

The agency estimate includes a lapse of \$433,420, all from the State General Fund, of the total \$4.2 million reappropriation of FY 2014 funding which was not spent in FY 2014 and has shifted to FY 2015. The agency's revised estimate also includes a reduction of 22.0 FTE positions and the addition of 23.0 non-FTE positions above the approved number.

The **Governor** recommends FY 2015 expenditures totaling \$1.5 billion, including \$632.7 million from the State General Fund. The recommendation is an increase of \$44.2 million, or 3.0 percent, including \$14.5 million, or 2.3 percent, from the State General Fund, above the agency's revised estimate. The recommendation includes \$10.7 million, all from special revenue funds, for capital improvement projects, the same as the agency's revised estimate.

The Governor's recommendation includes the addition of \$45.0 million, including \$15.1 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate.

Also included in the Governor's recommendation is a reduction of \$599,235, as the result of the Governor's December 9th State General Fund allotment. In addition, the Governor's allotment plan included the transfer of \$3.0 million from the DADS Social Welfare Fund and \$1.2 million from the Problem Gambling and Addictions Grant Fund.

The Governor's recommendation includes a reduction of \$52,017, all from the State General Fund as a result of the

Governor's State General Fund allotment reducing the Kansas Public Employer Regular and School Member employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015. This allotment will have no impact on the agency operations, but is reflective of a reduction of expenditures. An additional \$113,059 from special revenue funds is reduced in the Governor's budget recommendation resulting in a total reduction of \$165,076.

Governor's Allotments

The consensus revenue estimating process was completed on November 10, 2014 subsequent to agencies submitting budgets with revised expenditures for the current fiscal year. The results of the new consensus revenue estimates identified a \$278.7 million State General Fund shortfall for FY 2015. This prompted the Governor to address the shortfall with an allotment plan totaling \$280.0 million which reduced

expenditures by \$60.1 million. The allotment plan also included recommendations to transfer funds and adjust Non-State General Fund expenditures an additional \$219.9 million. The adjustments included in the \$219.9 million will require legislative approval to implement. The allotments shown in the table below reflect only those allotments which have already taken place.

GOVERNOR'S ALLOTMENTS			
Allotment	SGF	All Funds	FTE
December Allotment			
4.0 percent reduction	\$ (599,235)	\$ (599,235)	0.0
KPERS	(52,017)	(52,017)	0.0
TOTAL	<u>\$ (651,252)</u>	<u>\$ (651,252)</u>	<u>0.0</u>

4.0 percent reduction to Cabinet-level and other SGF funded agencies

A reduction of \$599,235, all from the State General Fund, as a result of the Governor's State General Fund allotment of 4.0 percent to Cabinet and other State General Funded agencies in

FY 2015. This allotment will be managed by reduction in mental health grants, Senior Care Act, and community developmental disability grant funding.

**Kansas Public Employees Retirement System (KPERS)
Reduction**

A reduction \$52,017 from the State General Fund as a result of the Governor’s State General Fund allotment reducing the Kansas Public Employer Regular and School Member

employer contribution rate (excluding KPERS Death and Disability) from 11.27 percent to 8.65 percent in FY 2015. This allotment will have no impact on the agency operations, but is reflective of a reduction of expenditures. An additional \$113,059 from special revenue funds is reduced in the Governor’s budget recommendation resulting in a total reduction of \$165,076.

B. FY 2016 – Budget Year

FY 2016 OPERATING BUDGET SUMMARY			
	Agency Request	Governor’s Recommendation	Difference
Total Request/Recommendation	\$ 1,469,783,451	\$ 1,565,820,913	\$ 96,037,462
FTE Positions	195.0	195.0	0.0
<i>Change from FY 2015:</i>			
<i>Dollar Change:</i>			
State General Fund	\$ 8,470,370	\$ 31,938,943	
All Other Funds	(28,390,946)	(65,169)	
TOTAL	<u>\$ (19,920,576)</u>	<u>\$ 31,873,774</u>	
<i>Percent Change:</i>			
State General Fund	1.4 %	5.0 %	
All Other Funds	(3.3)	(0.0)	
TOTAL	<u>(1.3) %</u>	<u>2.1 %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests expenditures of \$1.5 billion, including \$626.7 million from the State General Fund, for FY 2016. The request is a decrease of \$19.9 million, or 1.3 percent, from all funding sources below the FY 2015 revised estimate. The request is an increase of \$8.5 million, or 1.4 percent, from the State General Fund above the FY 2015 revised estimate. The request includes capital improvement expenditures totaling \$7.5 million, all from the State Institutions Building Fund.

The agency request includes the shift of savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's enhancement request also includes an \$1.9 million in additional federal Medicaid funds as a result of the additional State General Fund expenditures.

The agency also included a request to change the DADS Social Welfare Fund from a limited special revenue fund to a no limit special revenue fund for FY 2016.

The agency request did not include funding to implement federal Department of Labor rules regarding overtime payment for direct service workers for the Medicaid Home and Community Based Services waivers. The agency did include a preliminary estimate of \$40.0 million, including \$17.5 million from the State General Fund.

The **Governor** recommends FY 2016 expenditures totaling \$1.6 billion, including \$664.6 million from the State General Fund. The recommendation is an increase of \$96.0 million, or 6.5 percent, including \$37.9 million, or 6.1 percent, from the State General Fund, above the agency's request.

The Governor's recommendation includes the addition of \$79.9 million, including \$40.7 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate. Also included in the Governor's recommendation is a reduction of \$1,198,469, for a 4.0 percent operating reduction. The reduction will be managed by a decrease in mental health grants, Senior Care Act, and community developmental disability grant funding.

The **Governor's** recommendation includes a reduction of \$190,454, including \$61,159 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor's FY 2016 recommendation also includes the addition of \$66.6 million, including \$29.3 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$57.0 million, including \$25.0 million from the State General Fund, associated with the implementation of KanCare policy changes.

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services. The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

C. FY 2017 – Budget Year

FY 2017 OPERATING BUDGET SUMMARY			
	Agency Request	Governor's Recommendation	Difference
Total Request/Recommendation	\$ 1,470,219,095	\$ 1,570,435,258	\$ 100,216,163
FTE Positions	195.0	195.0	0.0
<i>Change from FY 2016:</i>			
<i>Dollar Change:</i>			
State General Fund	\$ 184,547	\$ 3,356,416	
All Other Funds	251,097	1,257,929	
TOTAL	<u>\$ 435,644</u>	<u>\$ 4,614,345</u>	
<i>Percent Change:</i>			
State General Fund	0.0 %	0.5 %	
All Other Funds	0.0	0.1	
TOTAL	<u>0.0 %</u>	<u>0.3 %</u>	
Change in FTE Positions	0.0	0.0	

The **agency** requests expenditures of \$1.5 billion, including \$626.8 million from the State General Fund, for FY 2017. The request is an increase of \$435,644, or less than 0.1 percent, including \$184,547 from the State General Fund, or less than 0.1 percent, above the FY 2016 request. The request includes the addition of approximately \$568,650, including \$184,547 from the State General Fund, to cover the cost of the 27th payroll period. The request includes capital improvement expenditures totaling \$7.7 million, all from the State Institutions Building Fund.

The agency request includes the shift of savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. The agency's enhancement request also includes \$1.9 million in additional federal Medicaid funds as a result of the additional State General Fund expenditures.

The agency also included a request to change the DADS Social Welfare Fund from a limited special revenue fund to a no limit special revenue fund for FY 2016.

The agency request did not include funding to implement federal Department of Labor rules regarding overtime payment for direct service workers for the Medicaid Home and Community Based Services waivers. The agency did include a preliminary estimate of \$40.0 million, including \$17.5 million from the State General Fund.

The **Governor** recommends FY 2017 expenditures totaling \$1.6 billion, including \$668.0 million from the State General Fund. The recommendation is an increase of \$100.2 million, or 6.8 percent, including \$41.1 million, or 6.6 percent, from the State General Fund, above the agency's request.

The Governor's recommendation includes the addition of \$111.2 million, including \$55.8 million from the State General Fund, to fully fund the fall 2014 Human Services consensus caseload estimate. Also included in the Governor's recommendation is a reduction of \$1,198,469, for a 4.0 percent operating reduction. The reduction will be managed by reduction in mental health grants, Senior Care Act, and community developmental disability grant funding.

The Governor's recommendation includes a reduction of \$194,267, including \$62,383 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor's FY 2017 recommendation also includes the addition of \$66.6 million, including \$29.3 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$56.8 million, including \$25.0 million from the State General Fund, associated with the implementation of KanCare policy changes.

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services. The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

Also included in the recommendation are savings totaling \$14.8 million, including \$6.5 million from the State General Fund, associated with a reduction of the state's payment error rate measurement. The reduction is anticipated with the Executive Reorganization Order No. 43 which transfers the responsibility for Medicaid eligibility to the Kansas Department for Health and Environment beginning January 1, 2016.

Governor's Recommended Salary and Wage Adjustments

State Employee Pay Increases. The 2014 Legislature approved funding of \$11.3 million, including \$4.5 million from the State General Fund, in FY 2015 for a \$250 bonus for all full-time employees except elected officials who were employed on December 6, 2013, and which was paid December 6, 2014. **For this agency, the FY 2015 bonus totals \$68,184, including \$22,776 from the State General Fund, and affects 220 employees.**

Longevity Bonus Payments. For FY 2016 and FY 2017, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400), and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008 are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2016 payments is \$7.2 million, including \$2.8 million from the State General Fund. For FY 2017, the estimated cost for the payments is \$7.7 million, including \$3.0 million from the State General Fund. **For this agency, FY 2016 longevity payments total \$89,353, including \$28,977 from the State General Fund, and FY 2017 longevity payments total \$96,638, including \$31,366 from the State General Fund.**

Group Health Insurance. The Governor recommends Group Health and Hospitalization employer contributions of \$282.8 million, including \$108.2 million from the State General Fund, for FY 2016 and \$289.2 million, including \$110.7 million from the State General Fund, for FY 2017. For FY 2016 and FY 2017, the Governor recommends reducing the employer contributions for group health insurance by 8.5 percent. **For this agency this is a reduction of \$190,454, including \$61,159 from the State General Fund for FY 2016. This is a reduction of \$194,267, including \$62,383 from the State General Fund, for FY 2017.**

Kansas Public Employees Retirement System (KPERs) Rate Adjustments. The FY 2015 employer retirement contribution for KPERs regular and school members was scheduled to be 11.27 percent, an increase of 1.0 percent from 10.27 in FY 2014. The Governor reduced the employer contribution rate from 11.27 percent to 8.65 percent for the second half of FY 2015, for an effective contribution rate of 9.96 percent as part of the Governor's allotment plan. For FY 2016, the Governor recommends the retirement rate increase by 2.41 percent from 9.96 percent to 12.37 percent. For FY 2017, the Governor recommends the retirement rate increase by 1.2 percent from 12.37 percent to 13.57 percent. This increase is attributable to the annual statutory increase for financing the unfunded liability of the KPERs fund.

In addition, the employer contribution for the KPERs death and disability insurance rate will be increased to 1.0 percent, from 0.85 percent, for FY 2016 and for FY 2017.

The Governor further proposes offering \$1.5 billion in Pension Obligation Bonds, backed by the State General Fund, to be paid back over 30 years and extending the amortization on the current bonds by ten years to 2043. The proceeds of the bonds would be used to help reduce the future employer contribution rates of the State/School Group. The Kansas Public Employee Retirement System estimates this plan could reduce employer contributions by \$68.43 million in FY 2016 and \$132.85 in FY 2017. The Kansas Development Finance Authority estimates that the bond service would be \$90.3 million in FY 2016 through FY 2017, assuming the Kansas credit ratings are not downgraded.

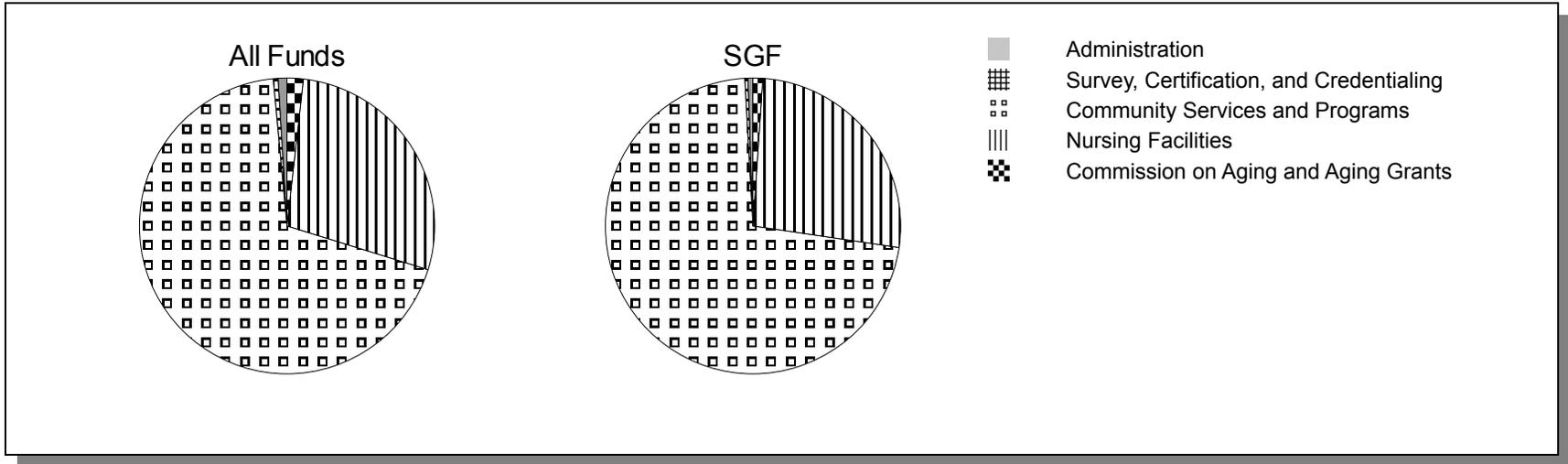
Funding Sources

Funding Source	Agency Req. Percent of Total FY 2016	Gov. Rec. Percent of Total FY 2016	Agency Req. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	42.6 %	42.4 %	42.6 %	42.5 %
Federal Medical Assistance	50.9	50.8	50.9	0.0
All Other Funds	6.5	6.7	6.5	6.7
TOTAL	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>	<u>100.0 %</u>

Note: Percentages may not add due to rounding.

PROGRAM DETAIL

EXPENDITURES BY PROGRAM—GOVERNOR’S FY 2016 RECOMMENDATION



Program	Gov. Rec. All Funds FY 2016	Percent of Total	Gov. Rec. SGF FY 2016	Percent of Total
Administration	\$ 15,125,490	1.0 %	\$ 3,713,722	0.6 %
Survey, Certification, and Credentialing	8,280,797	0.5	2,166,776	0.3
Community Services and Programs	1,079,494,753	68.7	477,106,569	71.8
Nursing Facilities	439,601,512	28.0	174,475,543	26.3
Commission on Aging and Aging Grants	27,848,361	1.8	7,146,544	1.1
TOTAL	\$ 1,570,350,913	100.0 %	\$ 664,609,154	100.0 %

FTE POSITIONS BY PROGRAM FY 2014 – FY 2017

Program	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Administration	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Survey, Certification, and Credentialing	89.0	89.0	89.0	89.0	89.0	89.0	89.0
Community Services and Programs	59.0	59.0	59.0	59.0	59.0	59.0	59.0
Nursing Facilities	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Commission on Aging and Aging Grants	7.0	7.0	7.0	7.0	7.0	7.0	7.0
TOTAL	195.0	195.0	195.0	195.0	195.0	195.0	195.0

A. Administration

The Administration program includes all administrative functions of the department. The Secretary of Aging has organized the program into the Office of the Secretary and three organizational commission units: Financial and Information Services Commission, Survey and Certification Commission and the Community Programs Commission. The Office of the Secretary provides general administrative functions of the department. The Financial and Information Services Commission is responsible for all fiscal information and technology services for the agency.

Office of the Secretary

The Department for Aging and Disability Services is a cabinet-level agency administered by a Secretary who is appointed by, and serves at the pleasure of the Governor. The Secretary serves as the chief executive officer, overseeing all aspects of agency operations. The Secretary has the authority

to sign all documents, letters, contracts, and grants related to state and federal aging programs. The Commissioners, Chief Financial Officer, Chief Legal Counsel, Director of Human Resources and the Director of Public Affairs all report directly to the Secretary.

State Advisory Council. The State Advisory Council on Aging was established (KSA 75-5911) to advise the Governor and the Secretary about the needs of older Kansans and to advocate on their behalf. The Council is composed of 15 members, 11 of whom are appointed by the Governor and the remaining four are appointed, one each, by the majority and minority leaders of the Kansas House of Representatives and the Kansas Senate. Legislative members serve at the pleasure of the appointing authority while gubernatorial appointments are for a three-year period.

Legal Division. The Legal Division consists of three attorneys and is a section of the Office of the Secretary. Specific

duties include legal research, oral and written legal opinions, representation of the agency in administrative hearings and before State and Federal Courts, contracts, adoption of rules and regulations, policy review, and legislation. The division also enforces state and federal laws and regulations pertaining to the licensure and certification of adult care homes.

Human Resources Division. The goal of the Human Resources Division is to provide easily accessible, prompt, accurate, and efficient information and services on human resource issues, and Equal Employment Opportunity/Diversity. The division oversees all aspects of employee recruitment, benefits management, on-going timekeeping and payroll, employment termination and employee relations. The division is responsible for ensuring that the agency is in compliance with all state and federal rules, regulations, and statutes related to Equal Opportunity Employment. Areas of compliance include, but are not limited to, the Fair Labor Standards Act, the Americans with Disabilities Act, the Equal Employment Opportunity Act, and COBRA (the Consolidated Omnibus Budget Reconciliation Act).

Communications Division. The Communications Division is responsible for public perception of the agency, which includes the Legislature, constituents, members of the public, service providers, stakeholders and the media. The division is also responsible for all Freedom of Information and Kansas Open Records Act requests.

KanCare Ombudsman. The KanCare Ombudsman assists KanCare participants with concerns regarding services, coverage, access and rights, as well as assisting with the State Fair Hearing process.

Financial and Information Services Commission

The Financial and Information Services Commission is led by the Chief Financial Officer. The goal of the Commission is to manage and maintain all fiscal information and technology services for the agency. The Commission is broken down into four parts: Budget Division, Accounting and Financial Management Division, Fiscal and Program Analysis Division, and Information Services Division.

Budget Division. The goal of the Budget Division is to provide helpful, timely, and accurate budgetary information to all agency personnel. The division provides program and budget analysis and budgetary recommendations to the Secretary and prepares the agency's annual budget submission. This division is also responsible for preparing the annual federal application for Medicare and Medicaid funds for the Survey and Certification Commission.

Accounting and Financial Management Division. The Accounting and Financial Management Division has the responsibility for payment of the weekly Medicaid claims. Close coordination between the division, Kansas Department of Health and Environment, the state Medicaid agency; the Department of Administration; and HP, the Medicaid fiscal agent who manages the Medicaid Management Information System, is required to ensure claims are paid in a timely manner. The division also initiates and processes Medicaid off-system payments upon receipt of inquiries and requests regarding suspended, rejected or late payments. The division prepares Medicaid expenditure reports for submission to the State Medicaid Agency.

The **Fiscal Unit** allocates federal Older American Act and Senior Care Act funds using intrastate funding formulas. It has responsibility for all federal financial status reports including quarterly and annual financial reports to the Centers for Medicaid and Medicare Services for the survey and certification of adult long term care and quarterly Medicaid estimates

reports. The Unit also performs the financial management function for grants and contracts to Area Agencies on Aging and other service providers, including special project grants and contracts.

This division also develops, implements, and maintains a system for allocating the Department's administrative costs, for interpreting and applying federal and state policies governing purchasing, cost principles and grants management. The division also ensure that its internal processes and systems are in compliance with appropriate state and federal mandates and that appropriate internal controls exist.

Fiscal and Program Analysis Division. The Fiscal and Program Analysis Division supports the agency through collection, analysis, and reporting of data at all levels: statewide, county, city, planning and service area, case management entities, survey and certification regions, federal Centers for Medicare and Medicaid Services regions, and nationwide. The purpose of the analysis activity is to provide information on current status and provide advance notice of trends to program administrators at the state level and to local administrators of aging programs. The division is responsible for the completion and submission of the Older Americans Act annual program report and Center for Medicare and Medicaid Services 372 reports and also compiles and publishes the Home and

Community Based Services-Frail Elderly waiver quality assurance reports; annual Older American Act and Senior Care Act quality review reports, and federal Centers for Medicare and Medicaid Services quarterly reports. Additional responsibilities include monitoring and projecting caseloads for all Medicaid programs and preparing projections for the Home and Community Based Services-Frail Elderly waiver.

The division also manages the Medicaid Nursing Facility program. Staff members are responsible for collecting and reviewing Medicaid cost reports, conducting financial audits, setting nursing facility payment rates, and assisting providers with Medicaid financing matters.

Audit Services performs the following tasks: determine that reported nursing facility costs and resident days used to set reimbursement rates for Medicaid residents are in compliance with state and federal regulations and policies; review and analyze all Area Agencies on Aging single audit reports and identify issues that require management attention; visit audit firms that provide audit services to Area Agencies on Aging and review audit work papers as necessary; perform audits of Resident Personal Needs Fund accounts at nursing facilities as requested by the Survey and Certification Commission or the state ombudsman; desk audit nursing facility request for asset rebases as received during the year.

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Est.	FY 16 Est.
Percentage of nursing facility desk reviews completed	100 %	100 %	100 %	100 %	100 %
Percentage of nursing facilities field audited annually	2 %	3 %	3 %	3 %	3 %
Amount of reimbursable costs reported that were reduced as a result of desk review adjustments due to non compliance	\$ 16,374,645	\$ 6,828,192	\$ 13,442,817	\$ 7,000,000	\$ 7,000,000

Information Services Division. The Information Services Division maintains, enhances, and secures all technological systems such as the Kansas Aging Management Information System (KAMIS); data communication systems; the voice communication systems; and the data storage systems.

Promoting Excellent Alternative in Kansas Nursing Homes (PEAK). The Department began this initiative in 2002 to promote innovation in long term care. In the 10 years, 51 different nursing homes were recognized for their achievements in pursuing cultural change. During FY 2013, the agency will begin to transition PEAK from an education and recognition program to a multi-step quality improvement process. A team of stakeholders including representatives from the Department, the nursing homes trade association and other advocacy groups was assembled in July of 2011, to begin the recreation of PEAK. The program will provide incentives for homes that have made significant achievements with regard to culture change but will also begin to identify homes that have achieved or maintained

competency in person-centered care. The goals of the new PEAK will be to move more nursing homes to pursue culture change and adopt person-centered care.

Information Services Division

The Division's primary function is to maintain, enhance, and secure all technological systems such as the Kansas Aging Management Information System (KAMIS); data communication systems; the voice communication systems; and the data storage systems. These systems enhance the agency's ability to track customers and services provided by Area Agencies on Aging and other service providers; prevent attacks and breaches of the agency's network; support the email system; and maintain a high level of security. Staff manages databases, applications, performs custom data extractions and monitors data integrity.

**ADMINISTRATION PROGRAM
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Expenditures:							
Salaries and Wages	\$ 4,340,837	\$ 4,782,164	\$ 4,736,270	\$ 5,402,936	\$ 5,346,193	\$ 5,649,243	\$ 5,591,364
Contractual Services	2,914,630	2,256,627	2,256,627	2,069,761	2,069,761	2,073,413	2,073,413
Commodities	237,698	172,981	172,981	172,956	172,956	172,956	172,956
Capital Outlay	876,538	552,920	552,920	1,099,649	1,099,649	1,099,649	1,099,649
Debt Service	2,058,304	2,095,225	2,095,225	1,906,931	1,906,931	1,720,313	1,720,313
Subtotal - Operations	\$ 10,428,007	\$ 9,859,917	\$ 9,814,023	\$ 10,652,233	\$ 10,595,490	\$ 10,715,574	\$ 10,657,695
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	91,436	0	0	0	0	0	0
TOTAL	<u>\$ 10,519,443</u>	<u>\$ 9,859,917</u>	<u>\$ 9,814,023</u>	<u>\$ 10,652,233</u>	<u>\$ 10,595,490</u>	<u>\$ 10,715,574</u>	<u>\$ 10,657,695</u>
Financing:							
State General Fund	\$ 4,444,149	\$ 3,638,753	\$ 3,617,618	\$ 3,736,045	\$ 3,713,722	\$ 3,836,942	\$ 3,814,172
All Other Funds	6,075,294	6,221,164	6,196,405	6,916,188	6,881,768	6,878,632	6,843,523
TOTAL	<u>\$ 10,519,443</u>	<u>\$ 9,859,917</u>	<u>\$ 9,814,023</u>	<u>\$ 10,652,233</u>	<u>\$ 10,595,490</u>	<u>\$ 10,715,574</u>	<u>\$ 10,657,695</u>
FTE Positions	40.0	40.0	40.0	40.0	40.0	40.0	40.0
Non-FTE Uncl. Perm. Pos.	41.0	41.0	41.0	41.0	41.0	41.0	41.0
TOTAL	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>

The **agency** requests FY 2016 expenditures of \$10.7 million, including \$3.7 million from the State General Fund. The request is an increase of \$792,316, or 8.0 percent, including \$97,292, or 2.7 percent from the State General Fund, above the FY 2015 revised estimate. The majority of the increase is attributable to salaries and wages and capital outlay, partially offset by decreases in contractual services and debt service expenditures. The decrease in contractual services is mainly due to moving the payments for the food service contracts at the

state hospitals from the Administration program to the Hospital Administration portion of Community Services and Programs.

The **Governor** recommends FY 2016 expenditures totaling \$10.6 million, including \$3.7 million from the State General Fund. The recommendation is a decrease of \$56,743, or 0.5 percent, including \$22,323, or 0.6 percent, from the State General Fund, below the agency's request. The reduction is attributable to the change in the employer portion of health insurance expenditures.

The **agency** requests FY 2017 expenditures of \$10.7 million, including \$3.8 million from the State General Fund. The request is an increase of \$63,341, or 0.6 percent, including \$100,897, or 2.7 percent, from the State General Fund, above the FY 2016 request.

B. Nursing Facilities Program

The Nursing Facility program is responsible for enrollment of nursing homes providing Medicaid services to customers and reimbursement for those services. The Department also collects civil monetary penalties from nursing facilities in instances of substandard quality of care, as determined by the Department's surveyors. As of June 30, 2014, there were 318 nursing homes operating in the state of Kansas as Medicaid providers and, when combined with the 11 nursing homes for mental health, they serve all 105 counties in the state. These nursing homes provide 24,492 beds and, on an average day, care for approximately 17,169 residents, including an FY 2014 monthly average of 10,447 residents whose care is paid by Medicaid. Nursing homes are reimbursed for Medicaid resident care using a cost-based, facility specific, prospective payment system. The average monthly payment for a nursing facility Medicaid resident in FY 2014 was \$4,749. Nursing facilities may provide the following services:

- Licensed nursing supervision 24 hours per day, 7 days per week;
- Specialized rehabilitation services;
- Routine medical equipment supplies;
- Physical, speech, occupational, and psychological therapy;
- Transportation;
- Pharmacy services;
- Dietitian services; and

The **Governor** recommends FY 2017 expenditures totaling \$10.7 million, including \$3.8 million from the State General Fund. The recommendation is a decrease of \$57,879, or 0.5 percent, including \$22,770, or 0.6 percent, below the agency's request. The reduction is attributable to the change in the employer portion of health insurance expenditures.

- Assistance with daily living skills; and in some instances, Home and Community Based Services such as respite and adult day care.

Individuals can qualify for Medicaid payment in a nursing facility if they meet the financial and functional criteria guidelines. The criteria for an individual to be eligible for financial assistance in a Medicaid participating facility are as follows.

- Meet the asset limit determination (\$2,000 for an individual excluding home, one automobile, and personal items; the asset limit for a couple is based on division of assets and is an amount between \$18,552 and \$92,760).
- Meet the functional eligibility score requirement of 26.
- Medicaid/MediKan - (This determination of eligibility is made by DCF, but the program is administered by the Department of Health and Environment, Division of Health Care Finance).
- Require services listed above.
- Require ongoing observation, treatment or care.
- Be 16 years of age or older.

In 2010, the Kansas Legislature passed a provider assessment for nursing facilities. This allows Kansas to tax providers, match the providers' funds with federal funds and

reimburse nursing facilities at a higher rate. In FY 2014, this added \$45.8 million to nursing facility reimbursements and increased the average monthly expenditure per person.

NURSING FACILITIES PROGRAM							
SUMMARY OF EXPENDITURES FY 2014 – 2017							
Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Expenditures:							
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	9,642,986	0	0	0	0	0	0
Commodities	0	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 9,642,986	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	330,552,180	400,153,687	425,610,693	391,682,677	439,601,512	391,455,463	443,632,344
TOTAL	\$ 340,195,166	\$ 400,153,687	\$ 425,610,693	\$ 391,682,677	\$ 439,601,512	\$ 391,455,463	\$ 443,632,344
Financing:							
State General Fund	\$ 120,547,212	\$ 152,455,374	\$ 160,596,257	\$ 151,318,547	\$ 174,475,543	\$ 151,219,050	\$ 176,822,126
All Other Funds	219,647,954	247,698,313	265,014,436	240,364,130	265,125,969	240,236,413	266,810,218
TOTAL	\$ 340,195,166	\$ 400,153,687	\$ 425,610,693	\$ 391,682,677	\$ 439,601,512	\$ 391,455,463	\$ 443,632,344
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0	0.0

The **agency** requests FY 2016 expenditures of \$391.7 million, including \$151.3 million from the State General Fund. The request is a decrease of \$8.5 million, or 2.1 percent, including \$1.1 million, or 0.7 percent, from the State General Fund, below the revised FY 2015 estimate. The request is all for other assistance payments associated with Medicaid nursing

facilities payments. The request was made prior to the fall 2014 Human Services consensus caseload estimate.

The **Governor** recommends FY 2016 expenditures totaling \$439.6 million, including \$174.5 million from the State General Fund. The recommendation is an increase of \$47.9 million, or

12.2 percent, including \$23.2 million, or 15.3 percent, from the State General Fund, above the agency's request.

The recommendation includes the addition of \$44.2 million, including \$21.5 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates.

The Governor's FY 2016 recommendation also includes the addition of \$32.2 million, including \$14.1 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$28.5 million, including \$12.5 million from the State General Fund, associated with the implementation of KanCare policy changes.

The **agency** requests FY 2017 expenditures of \$391.5 million, including \$151.2 million from the State General Fund. The request is a decrease of \$227,214, or 0.1 percent, including \$99,497, or 0.1 percent, from the State General Fund, below the FY 2016 request. The request is all for other assistance payments associated with Medicaid nursing facilities payments.

C. Commission on Aging and Aging Grants

The Commission on Aging and Aging Grants includes four divisions: (1) Community Based Services; (2) Transitional Services and Client Assessment, Referral, and Evaluation (CARE); (3) Information & Community Resources; and (4) Quality Review. The Commission on Aging is responsible for providing services to Kansas seniors through a privatized network of providers.

The goal of this Commission is to improve the quality and performance of community programs for Kansas seniors, and to re-balance nursing home and community care systems to prevent premature placement in nursing homes through an effective and supportive community aging network.

The request was made prior to the fall Human Services consensus caseload estimate.

The **Governor** recommends FY 2017 expenditures totaling \$443.6 million, including \$176.8 million from the State General Fund. The recommendation is an increase of \$52.2 million, or 13.3 percent, including \$25.6 million, or 16.9 percent, from the State General Fund, above the agency's request.

The recommendation includes the addition of \$62.0 million, including \$29.9 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates.

The Governor's FY 2017 recommendation also includes the addition of \$33.3 million, including \$14.7 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$28.4 million, including \$12.5 million from the State General Fund, associated with the implementation of KanCare policy changes.

Community Based Services Division

The Community Based Services Division provides day-to-day management, training and provision of technical assistance to providers funded by the Senior Care Act, Older Americans Act, Medicaid and State General Funds and Nutrition Grants. The Area Agencies on Aging (AAA) function as the point of entry for seniors seeking services. The Area Agencies on Aging, along with Case Management Entities, provide Targeted Case Management services.

Older Americans Act (OAA) Programs. The Older Americans Act (OAA) was established by Congress in 1965 to

provide services to seniors age 60 or older. In the 1972 revisions to the OAA, the Area Agencies on Aging (AAAs) were created to deliver services in communities.

The U.S. Department of Health and Human Services' Administration on Aging annually determines the level of federal funding allotted to Kansas. Program funding is allocated to each State Unit on Aging (KDADS), based on the number of older persons in the State, to plan, develop, and coordinate systems of supportive in-home and community-based services. KDADS then distributes those funds by formula to the Area Agencies on Aging, AAAs, contract with public or private groups to provide services.

Title III-B Supportive Services (Information and Referral). This part of the OAA program provides Kansans with objective, accessible and useful information to promote healthy aging, financial security and long term care choices to assist them in making informed decisions. It also promotes accessibility of information sources to all Kansans.

Title III-D Disease Prevention and Health Promotion. This portion of the Older Americans Act program promotes disease prevention and health promotion services. These services enable seniors to make informed choices about their lifestyle changes and health. This funding can be used to support any of 15 health-related services.

Title III-E Caregiver Support. The National Family Caregiver Support program is designed to be as flexible as possible to support the needs of family caregivers. There are five categories of service available: Information; Assistance; Counseling; Support Groups; Caregivers Training; Respite; and Supplemental Services. The program targets family caregivers providing in-home or community care to an older adult, caregivers who provide care for individuals with Alzheimer's disease, grandparents or relatives aged 55 or older who are relative caregivers for children younger than 19 years of age,

and a grandparent or relative aged 55 or older providing care to a disabled adult aged 19 to 59. It also directs states to give priority to services for older individuals with the greatest social and economic need, with particular attention to low-income older individuals and grandparent or relatives providing care and support to persons with mental retardation and related developmental disabilities.

Senior Care Act (SCA) Programs. The SCA provides a critical early intervention component to the Kansas long term care network. The SCA program provides services in the customer's home, such as homemaker, chore, attendant care, and case management services. The services are designed to prevent premature nursing home placement for persons who have not exhausted their financial resources, unlike the HCBS/FE program. The program is targeted at those who are 60 years of age or older. Participants contribute a significantly higher proportion of the cost of SCA services than participants in the HCBS/FE program. Participant contributions are determined by a sliding fee scale based upon self-reported income and liquid assets for individuals served by the program. The program is funded by a Social Services Block Grant, which is passed through DCF to KDADS, and amounts to \$4.5 million per year.

The Kansas Department for Aging and Disability Services funds SCA services through the AAAs. Funds are allocated to AAAs based upon a variation of the Older Americans Act formula.

The program provided two dollars from the State General Fund for one dollar of local matching money. The local match was, in part, composed of the fees collected from the people served. The 2002 Legislature changed the local match requirements and established the following requirements for allocating funds appropriated under the Act. The Secretary of Aging shall 1) establish a base funding formula to allocate a portion of the funds, 2) determine the portion of the funds to be allocated those area agencies on aging that had continued to

provide local matching funds from local units of government as required by subsection (c); and 3) determine the portion, if any, of the appropriation that may be allocated to area agencies on aging that receive amounts of matching *ad valorem* property tax levy funds from local units of government or its designee that administers the tax levy fund.

Nutrition Grants. The Department for Aging and Disability Services has one nutrition grant program, the Older Americans Act Grant program. A second program used to exist called the

Senior Farmers Market Nutrition program but it ceased operations in FY 2009 due to lack of state funding.

Older Americans Act Nutrition program. Title III-C of the federal Older Americans Act of 1965, as amended, authorizes nutrition services for persons age 60 or over and their spouses and, in certain conditions, persons with disabilities under the age of 60. Meals are provided to eligible participants on a contribution basis in a congregate setting (Title III-C(1)), or within a homebound individual's place of residence (Title III-C(2)).

	FFY 12 Actual	FFY 13 Actual	FFY 14 Actual	FFY 15 Actual	FFY 16 Est.	FFY 17 Est.
Home Delivered (number of unduplicated persons)	11,439	11,280	11,400	11,400	11,400	11,400
Traditional congregate (number of unduplicated persons)	24,752	23,891	24,000	24,000	24,000	24,000
Total Meals Served	3,224,708	3,073,340	3,073,350	3,073,350	3,073,350	3,073,350
Cost per meal	\$ 5.78	\$ 5.96	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00

Transition Services and Client Assessment, Referral, and Evaluation (CARE) Division

This Division works with the Client Assessment, Referral and Evaluation Program, Lifelong Communities Initiative, Lifespan Respite, and Vulnerable Elder Rights Protection, providing state and federal pass through grants to local units of government and other qualified organizations. Grants provide services to Kansans aged 60 or older in their homes or within the community.

Client Assessment, Referral and Evaluation (CARE). The Client Assessment, Referral and Evaluation program is responsible for diverting seniors from the nursing home and into

the community. The Client Assessment, Referral and Evaluation program has the responsibility for managing the statewide screening of applicants for nursing home services and providing information and referral for other optional community based services. The Client Assessment, Referral and Evaluation program meets the federal requirements for the Pre-Admission Screening and Resident Review.

Lifelong Communities Initiative. The Lifelong Communities Initiative is a grassroots project through the Kansas Department for Aging and Disability Services which assists Kansas communities in planning better services for seniors. The initiative is to help Kansas communities become better places to live and to improve the quality of life for seniors

through collaboration of local leaders, businesses, organizations, and government agencies. Participating communities complete a community self-assessment tool and develop an action plan in the six Lifelong categories: Community Service, Business, Government, Transportation, Housing, and Health Care. Community projects are evaluated by an agency Community Evaluation Team. Once projects are certified, the community is named a “Lifelong Community” by the KDADS and is provided a highway sign with the designation. A Lifelong Tool Kit was developed to help Kansas communities become familiar with how to participate in the initiative. There is no funding in the Department’s budget as funding is driven by the community action plan.

Lifespan Respite. The Kansas Department for Aging and Disability Services, along with the Kansas Lifespan Coalition are partnering on the Lifespan Respite Care grant. The grant has four primary objectives which include: expanding coordination, participation and dissemination of respite resources, developing a statewide respite network, increasing family caregiver access to respite services and ease in securing respite providers, and increasing the availability of qualified respite providers and skilled caregivers.

Chronic Disease Self-Management Program. The program helps people with a variety of chronic diseases (arthritis, heart disease, asthma, diabetes, and lung disease) learn the skills necessary to self-manage their disease. The workshops are interactive and are facilitated by two trained leaders. Subjects covered include: 1) techniques to deal with frustration, pain and fatigue, 2) how to exercise safely, 3) medications, 4) communication techniques for family and medical team members, 5) nutrition, and 6) making informed treatment decisions.

Vulnerable Elder Rights Protection Activities. The program promotes Elder Rights Activities which provides persons 60 and older access to the system of justice. Legal

service providers (attorneys) act as advocates and offer advice and representation. Activities also include programs for the prevention and awareness of elder abuse, neglect, and exploitation of older individuals.

Information and Community Resources Division

The Information and Community Resources Division provides information and assistance in accessing services through the administration of grant programs. The Senior Health Insurance Counseling for Kansas (SHICK) grant supports a statewide network of trained counselors who provide information, assistance and counseling to people with questions about Medicare and other health insurance programs. The Senior Medicare Patrol grant funds a statewide network of volunteers and partners who educate Kansans about recognizing and reporting health care fraud and abuse. The Aging and Disability Resource Center grant creates single-point access to program information, application processes and eligibility determination. The Hospital Discharge Model grant is developing a person-centered planning model that focuses on discharging patients home with community based services. Community Transition Opportunities is a federal grant the agency received to help people who have indicated in a nursing home that they would like to go back to the community. This program coordinates those residents with the appropriate community services and supports.

Senior Health Insurance Counseling for Kansas (SHICK). The federal Centers for Medicare and Medicaid Services funds a nationwide network of State Health Insurance Assistance Programs and in Kansas it is known as the Senior Health Insurance Counseling for Kansas. This counseling program helps seniors navigate their way through the health insurance and Medicare systems and helps them access privately administered Prescription Assistance programs. The Senior Health Insurance Counseling for Kansas program is free

and provides a reliable, confidential, and an unbiased source of information.

The Senior Health Insurance Counseling for Kansas uses a statewide network of sponsoring organizations, call centers and trained volunteers to provide information, assistance and counseling to Medicare beneficiaries in their communities. The Senior Health Insurance Counseling for Kansas team has also established partnerships with many community-based organizations and other agencies that provide services to people with Medicare and Medicaid in Kansas. In addition to helping beneficiaries understand their options and select plans of their choice, the Senior Health Insurance Counseling for Kansas staff has taken a lead role in helping beneficiaries resolve problems with their Medicare Part D coverage. They also continue to provide education and counseling about Part D; the new preventive benefits available under Medicare; the Low Income Subsidy that can help beneficiaries with prescription costs; and long-term care insurance options.

Kansas Senior Medicare Patrol Program. The Kansas Senior Medicare Patrol program project educates Kansas Medicare and Medicaid beneficiaries about health care error, fraud and abuse. It is one of the projects funded by the federal Administration on Aging. The Department collaborates with community-based organizations across the state to recruit retired professionals and train them as volunteer educators. Together with partner organizations, these volunteers create a statewide network of fraud experts who educate beneficiaries about identifying and reporting health care errors, fraud and abuse.

Aging and Disability Resource Center (ARDC). Aging and Disability Resource Center grants are jointly funded by the federal Administration on Aging and the Centers for Medicare and Medicaid Services to improve access to federal, state and local services. The focus of the ARDC is to serve as a primary entry to services, a one-stop shop approach to accessing home

and community based long term care services and institutional care. The ARDC is to ensure all individuals have access to information, assistance and referral, assessment and options counseling services.

In preparation for the transition to KanCare, KDADS established a statewide contract for the ADRC and provides standardized training for staff. The ADRC works collaboratively with community agencies and organizations including KanCare and PACE providers to significantly improve access to long-term services and supports through streamlined collaborative process for service delivery including the following items.

- Common intake and assessment tools.
- Referral protocols.
- Integrated information systems.
- Options counseling and decision support.

Community Transition Opportunities Grant. The Community Transition Opportunities grant is funded by the Centers for Medicare and Medicaid Services to develop an online web-based referral process for nursing facilities to use when a resident has expressed an interest in returning to the community upon completion of the Minimum Data Set assessment. This referral process allows the Local Contact Agencies (Area Agencies on Aging and Centers for Independent Living) to make face-to-face contact with the resident to explore community options and talk about transitions. The project went live on October 1, 2010.

Hospital Discharge Model Grant. The Department for Aging and Disability Services was recently awarded a grant from the Centers for Medicare & Medicaid Services to develop a Person-Centered Hospital Discharge Planning Model. The Department will partner with state agencies, Area Agencies on Aging, Centers for Independent Living, local hospital networks and community organizations to create a discharge model that

puts patients at the center of the discharge planning process, focuses on discharging patients to their home with community-based services, and reduces the number of default discharges to nursing facilities.

In response to the growing number of older people and their diverse needs, the Older Americans Act of 1965, as amended, calls for a range of programs that offer services and opportunities for older Americans, especially those at risk of losing their independence. The Act established the Administration on Aging, an agency of the U.S. Department of Health and Human Services. Several titles of the Act provide for supportive in-home and community-based services. For example, Title III supports a range of services including nutrition, transportation, senior center, health promotion, and homemaker services. Title VII places emphasis on elder rights programs, including the nursing home ombudsman program, legal services, outreach, public benefit and insurance counseling, and elder abuse prevention efforts.

Program funding is allocated to each state agency on aging, based on the number of older persons in the State, to plan, develop, and coordinate systems of supportive in-home and community-based services. Nationwide, some 600 (eleven in Kansas) Area Agencies on Aging receive funds from their respective state agency to plan, develop, coordinate, and arrange for services in their respective geographic area. In rural areas, an Area Agency on Aging may serve the needs of elderly

people living in a number of counties, while other Area Agencies on Aging may serve the elderly living in a single city.

Quality Review Division

Quality Assurance – HCBS/FE Waiver. The Quality Review Division is responsible for collecting data relative to policy compliance of the Case Management Entities. Each quarter, the Division's staff reviews a number of customer case files for the HCBS/FE waiver to ensure policies and regulations are being followed and that care is being delivered in line with the customers' Plan of Care. Additionally, the Division's staff interviews the same customers to determine customer satisfaction. The information is then forwarded to the Fiscal and Program Analysis Division for aggregation, analysis and dissemination among KDADS' stakeholders in report format.

Quality Review – Commission on Aging. The Quality Review Division is responsible for collecting data relative to policy compliance of the Area Agencies on Aging. Each quarter, the Division's staff reviews a statistically significant number of customer case files for the Older Americans Act and Senior Care Act programs to ensure policies and regulations are being followed and that care is being delivered in line with the customers' Plan of Care. Additionally, the Division's staff interviews the same customers to determine customer satisfaction. The information is then forwarded to the Fiscal and Program Analysis Division for aggregation, analysis and dissemination among KDADS' stakeholders in report format.

**COMMISSION ON AGING AND AGING GRANTS
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Expenditures:							
Salaries and Wages	\$ 991,850	\$ 932,695	\$ 923,277	\$ 974,985	\$ 964,312	\$ 1,018,593	\$ 1,007,706
Contractual Services	2,251,817	4,086,542	4,086,542	2,532,542	2,532,542	2,532,812	2,532,812
Commodities	17,410	700	700	18,700	18,700	18,700	18,700
Capital Outlay	10,768	0	0	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 3,271,845	\$ 5,019,937	\$ 5,010,519	\$ 3,526,227	\$ 3,515,554	\$ 3,570,105	\$ 3,559,218
Aid to Local Units	8,725,144	9,313,854	9,193,854	9,313,854	9,193,854	9,313,854	9,193,854
Other Assistance	15,123,999	15,138,953	15,138,953	15,138,953	15,138,953	15,138,953	15,138,953
TOTAL	<u>\$ 27,120,988</u>	<u>\$ 29,472,744</u>	<u>\$ 29,343,326</u>	<u>\$ 27,979,034</u>	<u>\$ 27,848,361</u>	<u>\$ 28,022,912</u>	<u>\$ 27,892,025</u>
Financing:							
State General Fund	\$ 8,009,147	\$ 8,830,541	\$ 8,708,542	\$ 7,269,444	\$ 7,146,544	\$ 7,281,588	\$ 7,158,631
All Other Funds	19,111,841	20,642,203	20,634,784	20,709,590	20,701,817	20,741,324	20,733,394
TOTAL	<u>\$ 27,120,988</u>	<u>\$ 29,472,744</u>	<u>\$ 29,343,326</u>	<u>\$ 27,979,034</u>	<u>\$ 27,848,361</u>	<u>\$ 28,022,912</u>	<u>\$ 27,892,025</u>
FTE Positions	7.0	7.0	7.0	7.0	7.0	7.0	7.0
Non-FTE Uncl. Perm. Pos.	11.0	11.0	11.0	11.0	11.0	10.0	10.0
TOTAL	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>18.0</u>	<u>17.0</u>	<u>17.0</u>

The **agency** requests FY 2016 expenditures of \$28.0 million, including \$7.3 million from the State General Fund. The request is a decrease of \$1.5 million, or 5.1 percent, including \$1.6 million, or 17.7 percent, from the State General Fund, below the revised FY 2015 estimate. The majority of the decrease is attributable to reductions in contractual services due to moving payment for the Aging and Disability Resource Centers to the Targeted Case Management portion of Community Services and Programs. These decreases are

partially offset by increases in salaries and wages due to fringe benefit increases.

The **Governor** recommends FY 2016 expenditures totaling \$27.8 million, including \$7.1 million from the State General Fund. The recommendation is a decrease of \$130,673, or 0.5 percent, including \$122,900, or 1.7 percent, from the State General Fund, below the agency's request. The Governor's recommendation includes a reduction of \$10,673, including \$2,900 from the State General Fund, to reduce employer

contributions for state employee health insurance. Also included in the Governor's recommendation is a reduction of \$120,000, all from the State General Fund, associated with a 4.0 percent operating reduction for the agency. The reduction in this program will be implemented by a reduction in Senior Care Act funding.

The **agency** requests FY 2017 expenditures of \$28.0 million, including \$7.3 million from the State General Fund. The request is an increase of \$43,878, or 0.2 percent, including \$12,144, or 0.2 percent, from the State General Fund, above the FY 2016 request.

D. Survey, Certification and Credentialing Commission

The primary purpose of the Survey, Certification, and Credentialing Commission is to protect public health through the inspection and licensing of adult care homes, as defined by KSA 39-923, in Kansas. The Commission develops and enforces regulations related to adult care homes. Field staff document compliance with state regulations and federal certification standards through on-site surveys. Investigations of alleged abuse, neglect, or exploitation are also conducted. In rare cases, the commission may assume temporary management of a nursing home facility pursuant to a court order. The Commission is comprised of three divisions: Long Term Care Consulting, Survey and Certification, and Health Occupations Credentialing.

Long Term Care Consulting Division

The Long Term Care Division assures the quality of care and quality of life of residents in adult care homes through several efforts. These initiatives include the development of policies, regulations, and educational offerings, as well as developing and maintaining effective liaison with officials in the federal

The **Governor** recommends FY 2017 expenditures totaling \$27.9 million, including \$7.2 million from the State General Fund. The recommendation is a decrease of \$130,887, or 0.5 percent, including \$122,957, or 1.7 percent, from the State General Fund, below the agency's request. The Governor's recommendation includes a reduction of \$10,887, including \$2,957 from the State General Fund, to reduce employer contributions for state employee health insurance. Also included in the Governor's recommendation is a reduction of \$120,000, all from the State General Fund, associated with a 4.0 percent operating reduction for the agency. The reduction in this program will be implemented by a decrease in Senior Care Act funding.

Centers for Medicare and Medicaid Services (CMS), other state agencies, professional organizations, and the public. This division provides assistance to long term care providers through consultation on nursing, administration, nutrition, construction, remodeling, and data issues. The division continues to focus much of its efforts on culture change, or resident centered care, in nursing home settings. This approach values smaller, more home-like settings and individualized care planning that includes emphasis on quality of life concerns.

Survey and Certification Division

The Survey and Certification Division evaluates facilities and providers for state licensure and federal certification purposes. These responsibilities are accomplished through the administrative review of initial qualifications and on-going surveys conducted by teams comprised primarily of registered nurses and a life safety code inspector. Generally speaking, the Survey and Certification Division activities are divided between nursing facilities/long-term care units of hospitals, intermediate

care facilities, assisted living facilities, and other “state licensed only” facilities.

The Survey and Certification Division is also responsible for surveyor training and orientation, survey quality improvement efforts, policy and procedure development, and survey management. Beginning in fiscal year 2006, the Commission became a “pilot state” in implementing CMS’ Quality Indicator Survey (QIS) process for Medicare/Medicaid certified nursing facilities. Full implementation of the QIS process across the state occurred in FY 2011.

Other functions the Commission performs are enforcement and implementation of a Complaint Program. The Enforcement Coordinator assures that corrective actions are imposed accurately and in a timely way when facilities fail to meet conditions of participation and licensure and certification standards. The Complaint Program performs complaint intake activities through the complaint hotline, triages complaints and assures that on-site investigations are coordinated for complaint intakes according to state and federal requirements. These programs report directly to the Commissioner.

Health Occupations Credentialing

Kansas law recognizes over 30 health occupational groups for which licensing, registration, or certification is provided. Within the Kansas Department of Health and Environment, Division of Public Health, is the Health Occupations Credentialing program that is responsible for the licensing and certification. There are 11 regulatory bodies that issue credentials to those professions.

In KDADS, Health Occupations Credentialing administers the Health Occupations Credentialing Act (KSA 65-5001 *et seq.*), a review process whereby health professions seeking credentialing apply for a credentialing review. The program also issues licenses to dietitians, speech-language pathologists, audiologists, and adult care home administrators. Certification programs administered by the program include nurse aides, home health aides, and medication aides. Related to the certification program is administration of the Kansas Nurse Aide Registry, which is a federally mandated program to ensure that facilities hire nurse aides and home health aides with no abuse, neglect, or exploitation on their records. Other related professions or para-professions administered through this section include operators of residential care facilities or assisted living facilities, activities directors, social service designees, and paid nutrition assistants for adult care homes in Kansas.

**SURVEY, CERTIFICATION, AND CREDENTIALING PROGRAM
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Expenditures:							
Salaries and Wages	\$ 5,768,901	\$ 5,636,096	\$ 5,579,738	\$ 5,774,892	\$ 5,706,623	\$ 6,037,314	\$ 5,967,678
Contractual Services	2,169,789	1,718,770	1,718,770	2,317,518	2,317,518	2,317,518	2,317,518
Commodities	202,161	134,265	134,265	195,497	195,497	195,497	195,497
Capital Outlay	138,166	115,077	115,077	61,159	61,159	61,159	61,159
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 8,279,017	\$ 7,604,208	\$ 7,547,850	\$ 8,349,066	\$ 8,280,797	\$ 8,611,488	\$ 8,541,852
Aid to Local Units	0	0	0	0	0	0	0
Other Assistance	0	0	0	0	0	0	0
TOTAL	<u>\$ 8,279,017</u>	<u>\$ 7,604,208</u>	<u>\$ 7,547,850</u>	<u>\$ 8,349,066</u>	<u>\$ 8,280,797</u>	<u>\$ 8,611,488</u>	<u>\$ 8,541,852</u>
Financing:							
State General Fund	\$ 1,502,763	\$ 1,274,010	\$ 1,265,368	\$ 2,179,891	\$ 2,166,776	\$ 2,229,667	\$ 2,216,289
All Other Funds	6,776,254	6,330,198	6,282,482	6,169,175	6,114,021	6,381,821	6,325,563
TOTAL	<u>\$ 8,279,017</u>	<u>\$ 7,604,208</u>	<u>\$ 7,547,850</u>	<u>\$ 8,349,066</u>	<u>\$ 8,280,797</u>	<u>\$ 8,611,488</u>	<u>\$ 8,541,852</u>
FTE Positions	89.0	89.0	89.0	89.0	89.0	89.0	89.0
Non-FTE Uncl. Perm. Pos.	6.0	6.0	6.0	6.0	6.0	6.0	6.0
TOTAL	<u>95.0</u>	<u>95.0</u>	<u>95.0</u>	<u>95.0</u>	<u>95.0</u>	<u>95.0</u>	<u>95.0</u>

The **agency** requests FY 2016 expenditures of \$8.3 million, including \$2.2 million from the State General Fund. The request is an increase of \$744,858, or 9.8 percent, including \$905,881, or 71.1 percent, from the State General Fund, above the FY 2015 revised estimate. The majority of the increase is in salaries and wages and contractual services. The salaries and wages increases mainly due to fringe benefit increases and funding for five additional surveyors. The increase in contractual services is due to increased costs of supplies, gasoline, and support for the

licensing/credentialing software used for Health Occupations Credentialing activities.

The **Governor** recommends FY 2016 expenditures totaling \$8.3 million, including \$2.2 million from the State General Fund. The recommendation is a decrease of \$68,269, or 0.8 percent, including \$13,115, or 0.6 percent, from the State General Fund, below the agency's request. The recommendation includes a reduction of \$68,269, including \$13,115 from the State General

Fund, to reduce employer contributions for state employee health insurance.

The **agency** requests FY 2017 expenditures totaling \$8.6 million, including \$2.2 million from the State General Fund. The request is an increase of \$262,422, or 3.1 percent, including \$49,776, or 2.3 percent, from the State General Fund, above the FY 2016 request. The increase is attributable salaries and wages changes, mainly due to the 27th payroll period.

E. Community Services and Programs

Community Services and Programs (CSP) vision for the persons it supports and serves is to ensure they live healthy, successful, and self-determined lives in their homes and communities. CSP's mission is to support Kansans in living self-determined, meaningful lives by ensuring access to quality person centered aging, mental health, addictions and disability services. CSP develops program policy, negotiates agreements, and monitors supports and services it purchases. CSP ensures the supports and services purchased are accessible and appropriately utilized; comply with established performance measures; and conform to reasonable and generally acceptable standards of effectiveness and efficiency.

All of these KDADS programs were included in the 2012 ERO 41, which merged into a single agency all of the public health programs supporting Kansans in need of aging, behavioral health or disability services. Additional information regarding ERO 41 is included in the agency summary.

Administration

CSP Administration provides the administrative support to the program sections and includes the Medicaid and Management Operations. The Division also directs the State's mental health and developmental disability facilities and the

The **Governor** recommends FY 2017 expenditures totaling \$8.5 million, including \$2.2 million from the State General Fund. The recommendation is a decrease of \$69,636, or 0.8 percent, including \$13,378, or 0.6 percent, from the State General Fund, below the agency's request. The recommendation includes a reduction of \$69,636, including \$13,378 from the State General Fund, to reduce employer contributions for state employee health insurance.

Sexual Predator Treatment Program, which are budgeted separately.

Medicaid and Management Operation (MMO). MMO is responsible for providing agency-wide guidance and support for all Medicaid-funded services, including primary responsibility for the contracting, readiness, implementation and monitoring of the KanCare comprehensive managed care program related to KDADS-administered services, as well as monitoring and contracting with the existing PAHP (mental health) and PIHP (substance use disorder) managed care entities until their programs and contracts expire. MMO also supports CSP programs in developing, implementing and monitoring compliance and enforcement actions; monitoring and reporting on required quality assurance and outcome measures for Medicaid-funded programs; developing, obtaining approval for and funding the CSP grants and contracts; budgeting and accounting support for the CSP programs, including the related federal expenditure reporting; and architectural/engineering support for the state mental health and developmental disability facilities.

Behavioral Health Services

On July 1, 2012 through ERO 41, Department of Social and Rehabilitation Services, Disability and Behavioral Health Services (DBHS) became part of Kansas Department for Aging and Disability Services. With this reorganization, also came the merger of mental health services (MH) and addiction and prevention services (AAPS). Behavioral Health Services is now managed by one Director under the Commissioner of Community Services and Programs (CSP). Currently the budget for behavioral health services is still being reported and managed separately as Behavioral MH and Behavioral Health Substance Use Disorder (SUD) and the independent program descriptions are highlighted.

Behavioral Health Mental Health (formerly Mental Health Services). The foundation for all community mental health services is the Mental Health Reform Act KSA 39-1601 *et seq.* The Treatment Act for Mentally Ill Persons, KSA 59-2901, *et seq.*, states how patients shall be provided psychiatric treatment on both a voluntary and involuntary basis. KSA 65-4403 describes the procedures for providing state aid to Community Mental Health Centers. KSA 75-3307b authorizes the agency to enforce the laws relating to the hospitalization of mentally ill persons in mental health hospitals and community treatment facilities.

Mental illness, especially severe mental illness, can be devastating to persons who are affected. Untreated mental illness results in people experiencing unnecessary disability, unemployment, substance abuse, homelessness, needless incarceration, children taken into custody, failure in school, and wasted lives. Mental illness not only affects the person with the mental illness, but it has a profound impact on their families and friends, their community, and the state at large.

KDADS Behavioral Health Mental Health (MH) Services program administers, manages, and oversees publicly funded

community, residential, and inpatient psychiatric services and supports for those who do not have the means to pay, especially adults with a severe and persistent mental illness (SPMI) and children with a serious emotional disturbance (SED). Organizations providing these psychiatric services and supports include the following items.

- Community Mental Health Centers (CMHCs).
- State Mental Health Hospitals.
- Private practitioners.
- Nursing Facilities for Mental Health.
- Psychiatric Residential Treatment Facilities.
- Private Community Hospital Psychiatric Programs funded by Kansas Department of Health and Environment Health Care Finance.
- Residential Care Facilities (RCF).
- Consumer Run Organizations and Other Support Groups.
- Housing Programs.
- Pharmacy Benefit Manager.

Behavioral Health Substance Use Disorders (formerly Addiction and Prevention Services)

Behavioral Health Substance Use Disorders (SUD) provides and monitors a system of care for the treatment of SUD that is customer/community focused, outcome driven and consists of a network of providers who are focused on best practices. Additionally, SUD promotes prevention and recovery in Kansas communities through the mobilization of community coalitions and partnerships. Behavioral Health SUD supports communities in understanding the extent and cause of substance abuse problems and helps citizens take action to reduce and prevent them. Since the passage of SB 66 in 2007, which designated 2.0 percent of the state proceeds from expanded gaming activities to be made available to treat problem gambling and

other addictions, Behavioral Health SUD has worked to heighten awareness of and treatment services to problem gamblers in Kansas.

Treatment services provided by Behavioral Health SUD providers include the following items.

- Acute Detoxification Treatment.
- Alcohol and Drug Assessment and Referral Programs.
- Alcohol and Drug Safety Action Programs.
- Case Management Services.
- Crisis Intervention.
- Early Intervention/Interim Treatment.
- Inpatient Treatment.
- Intensive Outpatient Treatment.
- Intermediate Treatment.
- Medication Assisted Treatment.
- Opioid Maintenance Outpatient Treatment.
- Outpatient Treatment.
- Peer Mentoring.
- Person Centered Case Management.
- Reintegration Treatment.
- Social Detoxification.
- Therapeutic Community Treatment.
- Problem Gambling Treatment.

Home and Community Based Services (HCBS) Waivers

HCBS Waiver Services provides services for more than 19,500 individuals with disabilities throughout the state through

six different waiver programs: Developmental Disability (DD) Waiver, Physical Disability (PD) Waiver, Traumatic Brain Injury (TBI) Waiver, Technical Assisted (TA) Waiver, Autism Waiver, and Frail Elderly Waiver. In addition to these waiver programs Community Services and Programs work through the Money Follows the Persons Grant to assist with the transitions from institutional settings to services based in the community. The goal of Waiver Services is to provide individuals with disabilities services within their own communities to improve quality of life outcomes. Supports and services provided include day and residential, family support services, and personal care services which assist people with daily living tasks. Individuals have the opportunity to self-direct their services including the hiring, training, scheduling, supervising, and releasing of attendants. Services also include assistive services such as home modifications, technology devices, transitional living services such as teaching independent living skills, and rehabilitation services such as physical, occupational, speech, behavioral, and cognitive therapies. Services are coordinated by case managers or independent living counselors.

These services are provided through community providers such as Community Developmental Disability Organizations, Centers for Independent Living and home health agencies. Financing is provided by Medicaid Home and Community Based Services waivers, grants to Community Developmental Disability Organizations and through the regular medical portion of the Medicaid program.

To be served by a Home and Community Based Service waiver, a person must be determined both financially and functionally eligible. Once eligible, the person may receive both waiver services and regular medical services such as doctors visits and pharmaceuticals. The waivers are summarized in the following table:

Overview of Medicaid Home and Community Based Services Waivers						
Waiver	Physically Disabled (PD)	Developmental Disabilities (DD)	Technology Assisted (TA)	Traumatic Brain Injury (TBI)	Autism	Frail Elderly (FE)
Institutional Equivalent	Nursing Facility	Intermediate Care Facility for Persons with Mental Retardation (ICF/MR)	Acute Care Hospital	Rehabilitation Facility	State Mental Health Hospital Services	Nursing Facility
Eligibility	<ul style="list-style-type: none"> Age 16-64 Disabled by Social Security Admin 	<ul style="list-style-type: none"> Age 5 or over Meet the definition of mental retardation or developmental disability 	<ul style="list-style-type: none"> Children under 18 Medically fragile dependent on intensive technology 	<ul style="list-style-type: none"> Age 16-55 Have traumatic non-degenerative brain injury resulting in residual deficits and disabilities 	<ul style="list-style-type: none"> Time of diagnosis through 5 years of age Diagnosis of autism spectrum disorder or PDD-NOS 	<ul style="list-style-type: none"> Age 65 or older Choose HCBS Functionally eligible for nursing care
Point of Entry	Aging and Disability Resource Center	Community Developmental Disability Organizations	Private Agencies	Aging and Disability Resource Center	Application sent to Autism Program Manager	Aging and Disability Resource Center
Financial Eligibility Rules	<ul style="list-style-type: none"> Only the individual's personal income and resources are considered For individuals under age 18 parents' income and resources are not counted Income over \$727 per month must be contributed towards the cost of care 	<ul style="list-style-type: none"> Only the individual's personal income and resources are considered For individuals under age 18 parents' income and resources are not counted Income over \$727 per month must be contributed towards the cost of care 	<ul style="list-style-type: none"> Only the individual's personal income and resources are considered** For individuals under age 18 parents' income and resources are not counted Income over \$727 per month must be contributed towards the cost of care 	<ul style="list-style-type: none"> Only the individual's personal income and resources are considered For individuals under age 18 parents' income and resources are not counted Income over \$727 per month must be contributed towards the cost of care 	<ul style="list-style-type: none"> Only the individual's personal income and resources are considered Parents' income and resources are not counted Income over \$727 per month must be contributed towards the cost of care 	<ul style="list-style-type: none"> Only the individual's personal income and resources are considered Income over \$727 per month must be contributed towards the cost of care
Services/Supports	<ul style="list-style-type: none"> Independent Living Counseling Personal Services Assistive Services Sleep Cycle Support 	<ul style="list-style-type: none"> Residential Services Day Services Medical Alert Wellness Monitoring Family/Indiv. Supports Environ./Adaptive Equip. 	<ul style="list-style-type: none"> Respite Care Medical Equip.& Supplies Case Management Home Modification Services 	<ul style="list-style-type: none"> Personal Services Assistive Services Rehabilitation Services Trans. Living Skills Home Delivered Meal Services Medication Reminder Services 	<ul style="list-style-type: none"> Consultative clinical and therapeutic services Intensive individual supports Parent support/training Family Adjustment counseling Respite services 	<ul style="list-style-type: none"> Adult Day Care Assistive Technology * Attendant Care Comprehensive Support * Financial Management Medication Reminder Nursing Evaluation Visit Oral Health * Personal Emergency Response Sleep Cycle Support * Wellness Monitoring <p>* denotes suspended service; must meet crisis exception</p>
** Note: The parents' personal income and resources are not counted for eligibility but are counted for the purpose of determining a family participation fee.						

Money Follows the Person. KDADS participates in the federal Money Follows the Person (MFP) program which is a demonstration grant that has been extended to 2016. The grant permits the qualified institutional setting funding to “follow the person” to the most appropriate Medicaid Home and Community Based waiver. Kansans making long term care decisions are provided complete information, given the opportunity to discuss their choices, and learn how they can be served in the community. This program helps shift Medicaid’s traditional emphasis on institutional care to a system offering greater choices that include HCBS and helps eliminate barriers that prevent residents from transitioning back into the community. The grant is administered through Kansas Department for Aging and Disability Services and Kansas Department of Health and Environment.

The MFP program not only allows for the resident to receive HCBS in the community, but to also receive enhanced services called Transition Services, which allow for payment of utility deposits and other expenses to re-establish a residence. MFP enhanced services make it possible for the resident to return to the community. Customers can receive up to 365 days of MFP funding before their case is transitioned to the appropriate HCBS waiver. Four target populations will be served by this grant: the Frail Elderly (FE), the Physically Disabled (PD), the Traumatic Brain Injured (TBI), and the Developmentally Disabled (DD). KDADS is responsible for administering MFP program.

To be eligible for this program:

- A current resident of a qualified institutional setting for 90 days;
- Medicaid eligible prior to receiving MFP services;
- Meets the functional eligibility for waived services; and

- Have an interest in moving back to the community.

State funds have been transferred from the grant to the FE, PD, TBI and DD waivers to money follow the persons. As of June 30, 2013, a total of 740 individuals have moved from an institutional setting to the community with the assistance of this program.

Waiting Lists. Some program CSP funds are not entitlements. If more people apply for and need these programs than the available funds can support, a waiting list for the program is established.

- **DD Waiver.** As of August 2014, there were 3,100 persons on the ID/DD waiting list who currently do not receive any HCBS services. As of July 2014, the list of those who were waiting for additional services to be provided had been eliminated.
- **PD Waiver.** As of August 2014, there were 3,200 persons on the waiting list.
- **FE Waiver.** The FE waiver does not have a waiting list as of August 2014.
- **Autism Waiver.** As of August 2014, there were 232 children on the “proposed waiver recipient” waiting list who currently do not receive any HCBS Autism waiver services.
- **TA Waiver.** In order to continue the no waiting list status and control cost of the program, the program modified its community and hospital

referral process for program access. In addition, the program has instituted a system where waiver recipients graduate from a high level of care to lower level of care when individuals become medically stable. The cost of the program is also maintained due to the program's emphasis on parent/legal guardian's participation in the caregiving and as part of the informal support system.

- **TBI Waiver.** The TBI Waiver currently has no waiting list. To help control growth and related costs, the program maintains the eligibility criterion that recipients make progress in rehabilitation and independent living skills training. As such, the average length of time spent receiving TBI Waiver services is three years.

Program of All-Inclusive Care for the Elderly (PACE) Program. The Program of All-Inclusive Care for the Elderly Program is a form of managed care in that the provider accepts a capitated rate in the form of a monthly "premium." Most participants are eligible for both Medicare and Medicaid benefits. The Program of All-Inclusive Care for the Elderly Program Medicaid rate is negotiated at a minimum of a federally required 5.0 percent cost savings of the calculated upper payment limit, based on past fee for service costs for Medicaid beneficiaries age 55 and over for each unique service coverage area. For this capitated payment, the provider assumes the full risk for their participant's long term care needs. The monthly capitated payment is a fixed amount which extends over the life of the participant regardless of changes in the participant's health status or service needs. Participants may be required to pay a portion of the capitated payment depending on their income.

PACE organizations must have a center that is approved by Centers for Medicaid and Medicare Services and the state, to provide adult day care services, clinical services, therapies, meals, social services, assistance with activities of daily living and medication management. In addition, the sites are required to have a primary care physician who is part of the team of professionals that help the participants manage their care. Each participant has access to all specialty services covered under either Medicare or Medicaid, or both. The first Program of All-Inclusive Care for the Elderly Program site, called HOPE, was opened in 2002, by Via Christi Health Services in Wichita. HOPE serves up to 275 participants in Sedgwick County. The Midland Care Connection PACE site, located in Topeka, opened in 2007, and serves up to 105 participants in Shawnee County and the six surrounding counties. To be eligible to enroll an individual must meet the following requirements.

- Be 55 years of age or older.
- Be determined to meet the nursing facility level of care threshold.
- Reside in the service area of the PACE organization.
- Be able to live in a community setting without jeopardizing his or her health or safety.

Financial Management Service System. In FY 2012, the federally mandated Financial Management Services (FMS) system began paying a flat monthly administrative rate to an FMS provider, formerly referred to as a payroll agent, and an average hourly rate for all attendants. The FMS rate was established at \$115.00 per customer, per month.

Hospital Administration. This program provides services to the state hospitals. Services include medical liability insurance for physicians, dietary services for the mental health hospitals and preparation of cost reports.

**COMMUNITY SERVICES AND PROGRAMS
SUMMARY OF EXPENDITURES FY 2014 – 2017**

Item	Actual FY 2014	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Expenditures:							
Salaries and Wages	\$ 5,063,199	\$ 5,324,476	\$ 5,271,070	\$ 5,253,509	\$ 5,198,740	\$ 5,545,502	\$ 5,489,637
Contractual Services	36,137,859	40,755,594	40,276,359	38,854,619	39,126,150	38,855,597	39,127,128
Commodities	48,531	54,769	54,769	49,048	49,048	49,294	49,294
Capital Outlay	8,480	350	350	0	0	0	0
Debt Service	0	0	0	0	0	0	0
Subtotal - Operations	\$ 41,258,069	\$ 46,135,189	\$ 45,602,548	\$ 44,157,176	\$ 44,373,938	\$ 44,450,393	\$ 44,666,059
Aid to Local Units	41,833,729	41,543,459	41,543,459	41,386,459	41,036,459	41,386,459	41,036,459
Other Assistance	920,615,300	954,934,823	974,485,240	945,576,806	994,084,356	945,576,806	994,008,824
TOTAL	<u>\$ 1,003,707,098</u>	<u>\$ 1,042,613,471</u>	<u>\$ 1,061,631,247</u>	<u>\$ 1,031,120,441</u>	<u>\$ 1,079,494,753</u>	<u>\$ 1,031,413,658</u>	<u>\$ 1,079,711,342</u>
Financing:							
State General Fund	\$ 427,357,134	\$ 451,991,610	\$ 458,482,426	\$ 462,156,731	\$ 477,106,569	\$ 462,277,958	\$ 477,954,352
All Other Funds	576,349,964	590,621,861	603,148,821	568,963,710	602,388,184	569,135,700	601,756,990
TOTAL	<u>\$ 1,003,707,098</u>	<u>\$ 1,042,613,471</u>	<u>\$ 1,061,631,247</u>	<u>\$ 1,031,120,441</u>	<u>\$ 1,079,494,753</u>	<u>\$ 1,031,413,658</u>	<u>\$ 1,079,711,342</u>
FTE Positions	59.0	59.0	59.0	59.0	59.0	59.0	59.0
Non-FTE Uncl. Perm. Pos.	22.0	22.0	22.0	22.0	22.0	23.0	23.0
TOTAL	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>81.0</u>	<u>82.0</u>	<u>82.0</u>

The **agency** requests FY 2016 expenditures totaling \$1.0 billion, including \$462.2 million from the State General Fund. The request is a decrease of \$11.5 million, or 1.1 percent, and an increase of \$10.2 million, or 2.2 percent, from the State General Fund, from the revised FY 2015 estimate. The majority of the decrease is attributable to decreases in requested waiver funding. Information regarding specific programs, including behavioral health and home and community based services waivers is provided below.

The **Governor** recommends FY 2016 expenditures totaling \$1.1 billion, including \$477.1 million from the State General Fund. The recommendation is an increase of \$48.4 million, or 4.7 percent, including \$14.9 million, or 3.2 percent, above the agency's request. The recommendation includes a reduction of \$1.1 million, all from the State General Fund, associated with a 4.0 percent agency operating reduction.

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund

into a special revenue fund in FY 2016. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services, to provide behavioral health access for transitional and intermediate levels of care. The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

The recommendation includes the addition of \$35.7 million, including \$19.2 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates. The recommendation includes a reduction of \$54,769, including \$22,821 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor's FY 2016 recommendation also includes the addition of \$32.2 million, including \$14.1 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$28.5 million, including \$12.5 million from the State General Fund, associated with the implementation of KanCare policy changes.

The **agency** requests FY 2017 expenditures totaling \$1.0 billion, including \$462.3 million from the State General Fund. The request is an increase of \$293,217, or less than 0.1 percent, including \$121,227, or less than 0.1 percent, from the State General Fund, above the FY 2016 request. Information regarding specific programs, including behavioral health and home and community based services waivers is provided below.

The **Governor** recommends FY 2017 expenditures totaling \$1.1 billion, including \$478.0 million from the State General

Fund. The recommendation is an increase of \$48.3 million, or 4.7 percent, including \$15.7 million, or 3.4 percent, above the agency's request. The recommendation includes a reduction of \$1.1 million, all from the State General Fund, associated with a 4.0 percent agency operating reduction.

The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities. Also included is the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in FY 2017. Also included is an increase of \$1.0 million, all from the State General Fund, for mental health services, to provide behavioral health access for transitional and intermediate levels of care.

The recommendation includes the addition of \$49.2 million, including \$25.9 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates. The recommendation includes a reduction of \$55,865, including \$23,278 from the State General Fund, to reduce employer contributions for state employee health insurance.

The Governor's FY 2017 recommendation also includes the addition of \$33.3 million, including \$14.7 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$28.4 million, including \$12.5 million from the State General Fund, associated with the implementation of KanCare policy changes.

Also included in the recommendation are savings totaling \$14.8 million, including \$6.5 million from the State General Fund, associated with a reduction of the state's payment error rate measurement. The reduction is anticipated with the

The request includes the following program specific amounts outlined below.

Behavioral Health Services

- **Mental Health Grants.** The agency requests FY 2015 grant funds totaling \$45.0 million, including \$30.7 million from the State General Fund for FY 2015. The agency requests FY 2016 and FY 2017 grant funds totaling \$43.6 million, including \$40.3 million from the State General Fund.

The **Governor** recommends mental health grants totaling \$44.6 million, including \$30.2 million from the State General Fund for FY 2015. The recommendation includes a reduction of \$479,235, all from the State General Fund, associated with the Governor's allotment. In addition the Governor's FY 2015 recommendation shifts \$1.2 million from the State General Fund to special revenue funds.

The **Governor** recommends FY 2016 and FY 2017 funding totaling \$44.1 million, including \$31.0 million from the State General Fund. The recommendation includes shifting \$9.8 million from the State General Fund to a transfer from the State Highway Fund into a special revenue fund in both FY 2016 and FY 2017. The recommendation also includes a reduction of \$558,022, all from the State General Fund, associated with the Governor's allotment. The Governor's recommendation also includes an increase of \$1.0 million, all from the State General Fund for mental health services, to provide behavioral health access for transitional and intermediate levels of care.

Executive Reorganization Order No. 43 which transfers the responsibility for Medicaid eligibility to the Kansas Department for Health and Environment beginning January 1, 2016.

- **Mental Health Services.** The agency requests funding for payments totaling \$185.5 million, including \$76.5 million from the State General Fund, and \$3.8 million from the Children's Initiatives Fund for FY 2015. The estimate does not include any adjustments made by the Human Services consensus caseload estimating process to which this program is subject.

The **Governor** recommends FY 2015 expenditures totaling \$196.8 million, including \$80.4 million from the State General Fund and \$3.8 million from the Children's Initiatives Fund. The recommendation includes the addition of \$11.2 million, including \$3.9 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates.

The **Governor** recommends FY 2016 expenditures of \$209.4 million, including \$89.9 million from the State General Fund for mental health services. The recommendation includes the addition of \$20.3 million, including \$10.8 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates.

The Governor's FY 2016 recommendation also includes the addition of \$32.2 million, including \$14.1 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$28.5 million, including \$12.5 million from the State General Fund, associated with the implementation of KanCare policy changes.

The **Governor** recommends FY 2017 expenditures of \$204.3 million, including \$88.3 million from the State General Fund for mental health services. The recommendation includes the addition of \$28.8 million, including \$15.2 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimates.

The Governor's FY 2017 recommendation also includes the addition of \$33.2 million, including \$14.7 million from the State General Fund, associated with the increase of the Managed Care Organization privilege fee. This increase is partially offset by the decrease of \$28.4 million, including \$12.5 million from the State General Fund, associated with the implementation of KanCare policy changes. Also included in the recommendation are savings totaling \$14.8 million, including \$6.5 million from the State General Fund, associated with a reduction of the state's payment error rate measurement. The reduction is anticipated with the Executive Reorganization Order No. 43 which transfers the responsibility for Medicaid eligibility to the Kansas Department for Health and Environment beginning January 1, 2016.

- **Psychiatric Residential Treatment Facilities.** The agency estimates \$26.9 million, including \$11.3 million from the State General Fund. The agency requests \$27.0 million, including \$11.7 from the State General Fund, for FY 2016 and FY 2017. This does not include any adjustments made during the Human Services consensus caseload estimating process.

The **Governor** recommends FY 2015 expenditures of \$29.6 million, including \$12.8 million from the State General Fund. The recommendation includes an increase of \$2.7 million, including \$1.2 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The Governor recommends FY 2016 expenditures of \$31.1 million, including \$13.9 million from the State General Fund. The recommendation includes an increase of \$4.1 million, including \$1.8 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The Governor recommends FY 2017 expenditures of \$32.3 million, including \$14.6 million from the State General Fund. The recommendation includes an increase of \$5.3 million, including \$2.4 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

- **Nursing Facilities for Mental Health.** The agency estimates \$23.4 million, including \$18.7 million from the State General Fund, for FY 2015. The agency requests \$24.3 million, including \$15.9 million from the State General Fund. This does not include any adjustments made during the Human Services consensus caseload estimating process.

The **Governor** recommends FY 2015 expenditures of \$24.1 million, including \$19.1 million from the State General Fund. The recommendation includes an increase of \$749,997, including \$416,604 from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The Governor recommends FY 2016 expenditures of \$27.1 million, including \$17.9 million from the State General Fund. The recommendation includes an increase of \$2.8 million, including \$2.0 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The Governor recommends FY 2017 expenditures of \$27.6 million, including \$18.1 million from the State General Fund. The recommendation includes an increase of \$3.4 million, including

\$2.2 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

during the Human Services consensus caseload estimating process.

Behavioral Health Substance Use Disorders

- **Substance Use Disorder Services Treatment Grants.** The agency estimates \$23.2 million, including \$2.3 million from the State General Fund, in FY 2015. The agency requests \$22.9 million, including \$2.3 million from the State General Fund, for FY 2016 and FY 2017.

The **Governor** concurs with the agency's estimate for FY 2015.

- **Substance Use Disorder Services Managed Care.** The agency estimates \$22.0 million, including \$3.6 million from the State General Fund, in FY 2015. The agency requests \$22.2 million, including \$5.8 million from the State General Fund for both FY 2016 and FY 2017. This does not include any adjustments made

The **Governor** recommends FY 2015 expenditures of \$23.5 million, including \$3.8 million from the State General Fund. The recommendation includes an increase of \$1.5 million, including \$204,454 from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The Governor recommends FY 2016 expenditures of \$24.9 million, including \$6.6 million from the State General Fund. The recommendation includes an increase of \$2.6 million, including \$1.7 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The Governor recommends FY 2017 expenditures of \$25.9 million, including \$6.9 million from the State General Fund. The recommendation includes an increase of \$3.6 million, including \$2.4 million from the State General Fund, to fund the fall 2014 Human Services Consensus Caseload estimate.

The following table shows expenditures for the Behavioral Health Services (BHS).

**BEHAVIORAL HEALTH SERVICES
SUMMARY OF GRANT AND SERVICES EXPENDITURES FY 2015 – FY 2017**

Item	Agency Est. FY 2015 SGF	Agency Est. FY 2015 All Funds	Agency Est. FY 2016 SGF	Agency Est. FY 2016 All Funds	Agency Est. FY 2017 SGF	Agency Est. FY 2017 All Funds
MH Grants	\$ 30,693,851	\$ 45,040,626	\$ 40,285,057	\$ 43,631,832	\$ 40,285,057	\$ 43,631,832
MH Services*	76,539,918	185,542,535	77,434,241	185,380,293	77,434,241	185,380,293
Psychiatric Residential Treat. Facilities*	11,638,371	26,878,454	11,691,000	27,000,000	11,691,000	27,000,000
Nursing Facilities for Mental Health**	18,679,090	23,389,034	15,928,884	24,246,453	15,928,884	24,246,453
SUD Treatment Grants*	2,311,703	23,189,815	2,313,903	22,853,662	2,313,903	22,853,662
SUD Services Managed Care*	3,574,238	22,008,190	5,773,528	22,248,230	5,773,528	22,248,230
TOTAL	<u>\$ 143,437,171</u>	<u>\$ 326,048,654</u>	<u>\$ 153,426,613</u>	<u>\$ 325,360,470</u>	<u>\$ 153,426,613</u>	<u>\$ 325,360,470</u>
	Gov. Rec. FY 2015 SGF	Gov. Rec. FY 2015 All Funds	Gov. Rec. FY 2016 SGF	Gov. Rec. FY 2016 All Funds	Gov. Rec. FY 2017 SGF	Gov. Rec. FY 2017 All Funds
MH Grants	\$ 30,214,616	\$ 44,561,391	\$ 30,977,035	\$ 44,073,810	\$ 30,977,035	\$ 44,073,810
MH Services*	80,414,617	196,752,372	89,891,082	209,392,716	88,265,645	204,326,959
Psychiatric Residential Treat. Facilities*	12,837,268	29,606,352	13,934,232	31,052,685	14,594,544	32,298,366
Nursing Facilities for Mental Health**	19,095,694	24,139,031	17,922,059	27,091,950	18,086,016	27,608,051
SUD Treatment Grants*	2,311,703	23,189,815	2,313,903	22,853,662	2,313,903	22,853,662
SUD Services Managed Care**	3,778,692	23,489,177	6,623,532	24,846,069	6,949,623	25,872,521
TOTAL	<u>\$ 148,652,590</u>	<u>\$ 341,738,138</u>	<u>\$ 161,661,843</u>	<u>\$ 359,310,892</u>	<u>\$ 161,186,766</u>	<u>\$ 357,033,369</u>

* Subject to the consensus caseload estimating process as Behavioral Health/Substance Abuse.

**Subject to the consensus caseload estimating process.

- **Program for the All-Inclusive Care of the Elderly (PACE).** The agency estimates expenditures of \$9.8 million, including \$4.3 million from the State General Fund, for FY 2015. The agency requests expenditures of \$11.7 million, including \$5.1 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2015 expenditures of \$10.1 million, including \$4.4 million from the State General Fund. The recommendation includes an increase of \$240,950, including \$91,448 from the State General Fund, to fund caseload estimates.

The **Governor** recommends FY 2016 expenditures of \$12.3 million, including \$5.5 million from the State General Fund. The

recommendation includes an increase of \$634,826, including \$355,025 from the State General Fund, to fund caseload estimates.

The **Governor** recommends FY 2017 expenditures of \$12.6 million, including \$5.6 million from the State General Fund. The recommendation includes an increase of \$885,657, including \$491,225 from the State General Fund, to fund caseload estimates.

Home and Community Based Services Waivers

- **DD Waiver.** The agency estimates \$365.0 million, including \$157.1 million from the State General Fund, in FY 2015. As of December 2014, 8,708 individuals were receiving waiver services. The request includes an increase of \$1.8 million, including \$800,000 from the State General Fund, associated with transferring savings from the Kansas Neurological Institute. The agency requests expenditures totaling \$360.9 million, including \$157.1 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2016 and FY 2017 expenditures totaling \$367.8 million, including \$160.1 million from the State General Fund. The recommendation includes the addition of \$6.8 million, including \$3.0 million from the State General Fund, in both FY 2016 and FY 2017, to reduce the waiting list for services on the home and community based services waiver for individuals with developmental disabilities.

- **PD Waiver.** The agency estimates \$128.5 million, including \$55.7 million from the State General Fund in FY 2015. As of December 2014, 5,318

individuals were receiving waiver services. The agency requests expenditures of \$128.2 million, including \$56.1 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2016 and FY 2017 expenditures of \$130.5 million, including \$57.1 million from the State General Fund. The recommendation includes the addition of \$2.3 million, including \$1.0 million from the State General Fund, to reduce the waiting list for services on the home and community based services waiver for individuals with physical disabilities.

- **Frail Elderly Waiver.** The agency estimates \$60.0 million, including \$26.0 million from the State General Fund in FY 2015. As of December 2014, 5,123 individuals were receiving waiver services. The agency requests expenditures totaling \$59.1 million, including \$25.9 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2015 expenditures of \$60.0 million, including \$26.0 million from the State General Fund. The Governor recommends \$59.1 million, including \$25.9 million from the State General Fund, in both FY 2016 and FY 2017, the same as the agency's request.

- **Autism Waiver.** The agency estimates \$1.4 million, including \$623,116 from the State General Fund in FY 2015. As of December 2014, 62 individuals were receiving waiver services. The agency requests \$1.1 million, including \$485,758 from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2015 expenditures of \$1.4 million, including \$623,116 from the State General Fund. The Governor's recommendation for FY 2016 and FY 2017 total \$1.1 million, including \$485,758 from the State General Fund.

- **TA Waiver.** The agency estimates \$27.5 million, including \$11.9 million from the State General Fund, in FY 2015. As of December 2014, 423 individuals were receiving waiver services. The agency requests expenditures of \$27.3 million, including \$12.0 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2015 expenditures of \$27.0 million, including \$11.9 million from the State General Fund. The Governor recommends FY 2016 and FY 2017 expenditures totaling \$27.3 million, including \$12.0 million from the State General Fund.

- **TBI Waiver.** The agency estimates \$14.4 million, including \$6.2 million from the State General Fund, in FY 2015. As of December 2014, 512 individuals were receiving waiver services. The agency requests \$12.4 million, including \$5.4 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2015 expenditures of \$14.4 million, including \$6.2 million from the State General Fund. The Governor's FY 2016 and FY 2017 recommendation totals \$12.4 million, including \$5.4 million from the State General Fund.

- **Money Follows the Person.** The agency estimates expenditures of \$13.0 million, including \$2.8 million from the State General Fund, for FY 2015 to transition individuals out of institutional settings (such as NFMH and NFs) onto the

various waivers (TBI, PD, DD, & FE) into the community. The agency requests expenditures totaling \$9.4 million, including \$2.0 million from the State General Fund, for both FY 2016 and FY 2017.

The **Governor** recommends FY 2015 expenditures of \$13.0 million, including \$2.8 million from the State General Fund. The recommendation is a decrease of \$2,285, all from federal funds, associated with the KPERS reduction in the December allotment.

The Governor's recommendation for FY 2016 and FY 2017 totals \$9.4 million, including \$2.0 million from the State General Fund. The recommendation includes a reduction of \$2,018 in FY 2016 and \$2,059 in FY 2017 associated with the employers portion of health insurance.

- **Targeted Case Management.** The agency estimates expenditures of \$34.4 million, including \$15.0 million from the State General Fund, in FY 2015 for all targeted case management. This includes FE targeted case management expenditures of \$6.2 million, including \$2.7 million from the State General Fund. The agency request Targeted Case Management expenditures totaling \$34.2 million, including \$15.0 million from the State General Fund, for both FY 2016 and FY 2017. Targeted Case Management expenditures are a part of human services consensus caseload estimates and are considered an entitlement service.

The **Governor** recommends FY 2015 expenditures totaling \$36.9 million, including \$16.0 million from the State General Fund. The recommendation is an increase of \$2.5 million, including \$942,451 from the State General Fund, above the

agency's estimate, associated with the 2014 fall human services consensus caseload estimate.

The **Governor** recommends FY 2016 expenditures of \$38.4 million, including \$17.3 million from the State General Fund. The recommendation is an increase of \$4.2 million, including \$2.3 million from the State General Fund, above the agency's request, associated with the fall 2014 human services consensus caseload estimate.

The **Governor** recommends FY 2017 expenditures of \$40.0 million, including \$18.1 million from the State General Fund. The recommendation is an increase of \$5.8 million, including \$3.1 million from the State General Fund, above the agency's request, associated with the fall 2014 human services consensus caseload estimate.

The following table shows expenditures for the Home and Community Based Services (HCBS) waivers and associated regular medical services.

**HCBS Waivers and Medicaid Services for Participants
Summary of Expenditures FY 2015-FY 2017**

Item	Agency Est. FY 2015 SGF	Agency Est. FY 2015 All Funds	Agency Est. FY 2016 SGF	Agency Est. FY 2016 All Funds	Agency Est. FY 2017 SGF	Agency Est. FY 2017 All Funds
Home and Community Based Services (HCBS) waiver for:						
Developmentally Disabled (DD)	\$ 157,060,796	364,962,996	157,065,453	360,937,940	157,065,453	360,937,940
Physically Disabled (PD)	55,653,186	128,529,299	56,140,148	128,203,124	56,140,148	128,203,124
Frail Elderly (FE)	25,969,857	59,976,576	25,868,538	59,074,077	25,868,538	59,074,077
Traumatic Brain Injury (TBI)	6,220,639	14,366,374	5,449,372	12,444,330	5,449,372	12,444,330
Technology Assist. Children (TA)	11,889,529	27,458,498	11,968,470	27,331,514	11,968,470	27,331,514
Autism	623,116	1,439,068	485,758	1,137,181	485,758	1,137,181
TOTAL	\$ 257,417,123	\$ 596,732,811	\$ 256,977,739	\$ 589,128,166	\$ 256,977,739	\$ 589,128,166
Regular Medicaid Services for persons on waivers:						
Targeted. Case Mgmt.*	\$ 15,008,454	30,909,640	14,981,800	34,212,834	14,981,800	34,212,834
Positive Behavior Support*	49,478	115,012	52,398	120,944	52,398	120,944
Head Injury Rehab. Hosp.*	4,035,116	8,958,975	3,897,000	8,899,292	3,897,000	8,899,292
ICFs/MR	6,110,091	14,111,107	6,166,992	14,111,107	6,166,992	14,111,107
Money Follows the Person	2,747,101	12,986,170	2,002,100	9,368,021	2,002,100	9,375,376
TOTAL	\$ 27,950,240	\$ 67,080,904	\$ 27,100,290	\$ 66,712,198	\$ 27,100,290	\$ 66,719,553
GRAND TOTAL	\$ 285,367,363	\$ 663,813,715	\$ 284,078,029	\$ 655,840,364	\$ 284,078,029	\$ 655,847,719
	Gov. Rec. FY 2015 SGF	Gov. Rec. FY 2015 All Funds	Gov. Rec. FY 2016 SGF	Gov. Rec. FY 2016 All Funds	Gov. Rec. FY 2017 SGF	Gov. Rec. FY 2017 All Funds
Home and Community Based Services (HCBS) waiver for:						
Developmentally Disabled (DD)	\$ 157,060,796	364,962,996	160,065,453	367,776,326	160,065,453	367,749,929
Physically Disabled (PD)	55,653,186	128,529,299	57,146,579	130,486,182	57,146,579	130,477,383
Frail Elderly (FE)	25,969,857	59,976,576	25,874,180	59,078,219	25,874,180	59,078,219
Traumatic Brain Injury (TBI)	6,220,639	14,366,374	5,449,985	12,444,798	5,449,985	12,444,798
Technology Assist. Children (TA)	11,889,529	27,458,498	11,968,470	27,331,514	11,968,470	27,331,514
Autism	623,116	1,439,068	485,758	1,137,181	485,758	1,137,181
TOTAL	\$ 257,417,123	\$ 596,732,811	\$ 260,990,425	\$ 598,254,220	\$ 260,990,425	\$ 598,219,024
Regular Medicaid Services for persons on waivers:						
Targeted. Case Mgmt.*	\$ 15,950,905	36,952,770	17,266,452	38,387,734	18,112,629	39,966,189
Positive Behavior Support*	52,308	122,751	60,112	135,066	63,072	140,646
Head Injury Rehab. Hosp.*	4,294,025	9,580,500	4,494,799	9,948,496	4,711,552	10,350,817
ICFs/MR	6,110,091	14,111,107	6,166,992	14,111,107	6,166,992	14,111,107
Money Follows the Person	2,769,201	12,983,885	2,002,100	9,366,003	2,002,100	9,373,317
TOTAL	\$ 29,176,530	\$ 73,751,013	\$ 29,990,455	\$ 71,948,406	\$ 31,056,345	\$ 73,942,076
GRAND TOTAL	\$ 286,593,653	\$ 670,483,824	\$ 290,980,880	\$ 670,202,626	\$ 292,046,770	\$ 672,161,100

* Subject to the consensus caseload estimating process for Community services and Programs.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS						
	Agency Est. FY 2015	Gov. Rec. FY 2015	Agency Req. FY 2016	Gov. Rec. FY 2016	Agency Req. FY 2017	Gov. Rec. FY 2017
Rehabilitation and Repair	\$ 6,338,611	\$ 6,338,611	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Debt Service Principal	4,340,000	4,340,000	4,530,000	4,530,000	4,720,000	4,720,000
TOTAL	<u>\$ 10,678,611</u>	<u>\$ 10,678,611</u>	<u>\$ 7,530,000</u>	<u>\$ 7,530,000</u>	<u>\$ 7,720,000</u>	<u>\$ 7,720,000</u>
Financing:						
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	10,678,611	10,678,611	7,530,000	7,530,000	7,720,000	7,720,000
TOTAL	<u>\$ 10,678,611</u>	<u>\$ 10,678,611</u>	<u>\$ 7,530,000</u>	<u>\$ 7,530,000</u>	<u>\$ 7,720,000</u>	<u>\$ 7,720,000</u>

Current Year Agency Estimate

FY 2015 – Current Year. The agency estimates revised capital improvement expenditures of \$10.7 million, all from the State Institutions Building Fund, in FY 2015. The request includes \$3.0 million for rehabilitation and repair projects and \$4.3 million for debt service principal payments. In FY 2013, \$1.5 million was appropriated to renovate part of Rainbow Mental Health Facility, and \$1.4 million is reappropriated into FY 2015. As Rainbow Mental Health Facility was closed March 31, 2014, the balance in the Rainbow Mental Health Facility

renovation account was transferred to the main hospital rehabilitation and repair fund to be utilized for projects at the other hospitals in the future. The rehabilitation and repair funding includes projects at the four state hospitals. In FY 2015, projects include re-roofing buildings, replacing steam piping systems, replacing worn out water lines, replacing plumbing lines and fixtures, renovating buildings to comply with current life safety codes, and a variety of other equipment repair and replacements.

Current Year Governor Recommendation

The **Governor** recommends capital improvement expenditures of \$10.7 million, all from the State Institutions

Building Fund, in FY 2015. This is the same amount as the agency's revised estimate.

Budget Year Agency Request

FY 2016 – Budget Year. The agency requests capital improvement expenditures of \$7.5 million, all from the State Institutions Building Fund, for FY 2016. The request includes

\$3.0 million for rehabilitation and repair projects and \$4.5 million for debt service principal payments. The rehabilitation and repair funding includes projects at the four state hospitals.

Budget Year Governor Recommendation

The **Governor** recommends capital improvement expenditures of \$7.5 million, all from the State Institutions

Building Fund, for FY 2016. This is the same amount as the agency's request.

Budget Year Agency Request

FY 2017 – Budget Year. The agency requests capital improvement expenditures of \$7.7 million, all from the State Institutions Building Fund, for FY 2017. The request includes

\$3.0 million for rehabilitation and repair projects and \$4.7 million for debt service principal payments. The rehabilitation and repair funding includes projects at the four state hospitals.

Budget Year Governor Recommendation

The **Governor** recommends capital improvement expenditures of \$7.7 million, all from the State Institutions

Building Fund, for FY 2017. This is the same amount as the agency's request.

PERFORMANCE MEASURES					
Measure	Gov. Rec. for FY 2014	Actual FY 2014	Gov. Rec. FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Aging Grants					
Number of meals served	3,250,000	3,073,340	3,073,340	3,073,340	3,073,340
Cost per meal	\$5.74	\$6.00	\$6.00	\$6.00	\$6.00
Number of customers receiving support services	230,000	250,000	250,000	250,000	250,000
Number of area agencies and case management entities found to be in compliance with federal and state requirements for providing services to seniors	20	20	20	20	20
Mental Health Services					
Number of persons with severe and persistent mental illness receiving state-funded inpatient or outpatient services	11,500	11,500	11,750	11,750	11,750
Number of target and/or developmental communities engaged in implementing the Kansas Strategic Prevention Framework (K-SPF)	45	45	50	50	50
Addiction Services					
Number of individuals receiving problem gambling treatment	154	181	217	220	220
Number of individuals receiving community-based alcohol and drug treatment services	12,869	12,956	12,956	13,000	13,000