

KANSAS DEPARTMENT FOR AGING AND DISABILITY SERVICES

Expenditure	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Operating Expenditures:					
State General Fund	\$ 622,246,143	\$ 669,312,344	\$ 628,444,371	\$ 663,263,265	\$ 629,549,116
Other Funds	885,228,986	904,116,399	854,355,262	844,981,794	797,024,467
TOTAL	\$ 1,507,475,129	\$ 1,573,428,743	\$ 1,482,799,633	\$ 1,508,245,059	\$ 1,426,573,583
Capital Improvements:					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	7,637,501	11,491,033	11,491,033	7,720,000	7,720,000
TOTAL	\$ 7,637,501	\$ 11,491,033	\$ 11,491,033	\$ 7,720,000	\$ 7,720,000
GRAND TOTAL	\$ 1,515,112,630	\$ 1,584,919,776	\$ 1,494,290,666	\$ 1,515,965,059	\$ 1,434,293,583
Percentage Change:					
Operating Expenditures					
State General Fund	10.7 %	7.6 %	1.0 %	(0.9) %	0.2 %
All Funds	8.5	4.4	(1.6)	(4.1)	(3.8)
FTE Positions	195.0	167.5	167.5	167.5	167.5
Non-FTE Perm.Uncl.Pos.	80.0	117.0	117.0	117.0	117.0
TOTAL	275.0	284.5	284.5	284.5	284.5

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, Commission on Aging and Aging Grants, Survey, Certification and Credentialing Commission, Medical and Community Services, and Behavioral Health.

Administration includes the Office of the Secretary, Financial and Information Services, and the KanCare Ombudsman. Medical and Community Services includes Medicaid medical services including nursing facilities, behavioral health services 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 implemented a provider assessment for hospitals. 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, including:

- \$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.

The **2015 Legislature** deleted \$382,000, all from the Problem Gambling and Addictions Grant Fund, for FY 2016 and FY 2017, and transferred \$94,993 to the State General Fund and \$287,007 to the DADS Social Welfare Fund. In addition, the Legislature added language to transfer the remaining balances in the Problem Gambling and Addictions Grant Fund to the State General Fund at the end of FY 2016 and FY 2017.

The **2015 Legislature** added \$3.5 million, all from the State General Fund, for FY 2016 for additional community resources needed while building improvements are being completed at Osawatomie State Hospital.

In addition, the **2015 Legislature** shifted savings totaling \$1.5 million from the Kansas Neurological Institute (KNI) to the KDADS budget for FY 2016 and FY 2017 to be expended for the Home and Community Based Services Waiver for Individuals with Developmental Disabilities. Also increased expenditures by \$1.9 million in additional federal Medicaid funds for FY 2016 and FY 2017 as a result of the additional State General Fund expenditures.

The **2015 Legislature** deleted \$1,198,469, for a 4.0 percent operating reduction for FY 2016 and FY 2017 and deleted \$57.0 million, including \$25.0 million from the State General Fund, for FY 2016 and \$56.8 million, including \$25.0 million from the State General Fund, for FY 2017, associated with the implementation of KanCare policy changes.

Additionally, the **2015 Legislature** added \$1.0 million, all from the State General Fund, for mental health services for FY 2016 and FY 2017 to provide behavioral health access for transitional and intermediate levels of care; added \$6.8 million, including \$3.0 million from the State General Fund, for 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; and added \$2.3 million, including \$1.0 million from the State General Fund, for 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.

The **2015 Legislature** also deleted \$14.8 million, including \$6.5 million from the State General Fund, for FY 2017 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 of Health and Environment beginning January 1, 2016.

BUDGET SUMMARY AND KEY POINTS

FY 2016 – Current Year. The **agency** requests a revised FY 2016 estimate totaling \$1.6 billion, including \$669.3 million from the State General Fund. The revised estimate includes capital improvement expenditures totaling \$11.5 million, all from the State Institutions Building Fund and \$1.6 billion, including \$669.3 million from the State General Fund, for operating expenditures. The revised estimate is an increase of \$31.8 million, or 2.0 percent, above the approved amount.

The revised estimate includes supplemental requests totaling \$7.5 million, including \$3.3 million from the State General Fund. The agency's revised estimate includes the addition of \$232,935, all from the State General Fund, to be transferred from the Department for Children and Families for information technology expenditures. Additionally, the revised estimate includes the addition of \$268,529, all from the State General Fund, which was offset by total reduction of the same amount at the State Hospitals. The revised estimate also includes the addition of \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks. The estimate also includes the addition of \$1.3 million, all from federal funds, for a grant to treat homeless individuals with mental illness and substance use disorders.

The capital improvements estimate includes a reappropriation of \$2.6 million for rehabilitation and repair projects not expended in FY 2015. In addition, the estimate includes the addition of \$1.4 million transferred from the Rainbow Mental Health Hospital account that had not been expended. The revised estimate includes 167.5 FTE positions and 117.0 non-FTE positions. The revised estimate is a reduction of 27.5 FTE positions and an increase of 37.0 non-FTE positions from the number approved by the 2015 Legislature.

The **Governor** recommends FY 2016 expenditures totaling \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation includes capital improvement expenditures totaling \$11.5 million, all from the State Institutions Building Fund, the same as the agency's revised estimate. The Governor's recommendation for operating expenditures totals \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation is a decrease of \$90.6 million, including \$40.9 million from the State General Fund, below the agency's revised estimate.

The decrease is attributable to the Governor not recommending the agency's supplemental request for funding and instead recommending that the funding source to

implement the federal Department of Labor Final Rule utilize existing funding the Home and Community Based Services Waiver for Individuals with Intellectual and Developmental Disabilities waiting list. In addition, the Governor's recommendation makes reductions of \$48.4 million, including \$24.2 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. The Governor's recommendation also contains a reduction of \$24.1 million, all from federal funds, associated with the allotment reduction to the shift of funding between caseload and non-caseload KanCare programs.

FY 2017 – Budget Year. The **agency** requests a revised FY 2017 estimate totaling \$1.5 billion, including \$663.3 million from the State General Fund. The revised estimate is an increase of \$6.7 million, or 0.4 percent, and a State General Fund increase of \$606,606, or less than 0.1 percent, above the amount approved by the 2015 Legislature. The revised estimate includes \$7.7 million, all from the State Institutions Building Fund, for capital improvements and \$1.5 billion, including \$663.3 million from the State General Fund, for operating expenditures.

The agency's revised estimate includes the addition of \$232,935, all from the State General Fund, to be transferred from the Department for Children and Families for information technology expenditures. Additionally, the revised estimate includes the addition of \$104,987, all from the State General Fund, transferred from the State Hospitals associated with the consolidated food service contracts. Additionally, the revised estimate includes the addition \$268,529, all from the State General Fund, in other operating reductions at the State Hospitals.

The revised estimate also includes the addition of \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks. The estimate also includes the addition of \$1.7 million, all from federal funds, for a grant to treat homeless individuals with mental illness and substance use disorders. Additionally, the agency's revised estimate includes the addition of \$1.4 million, all from special revenue funds for other increases.

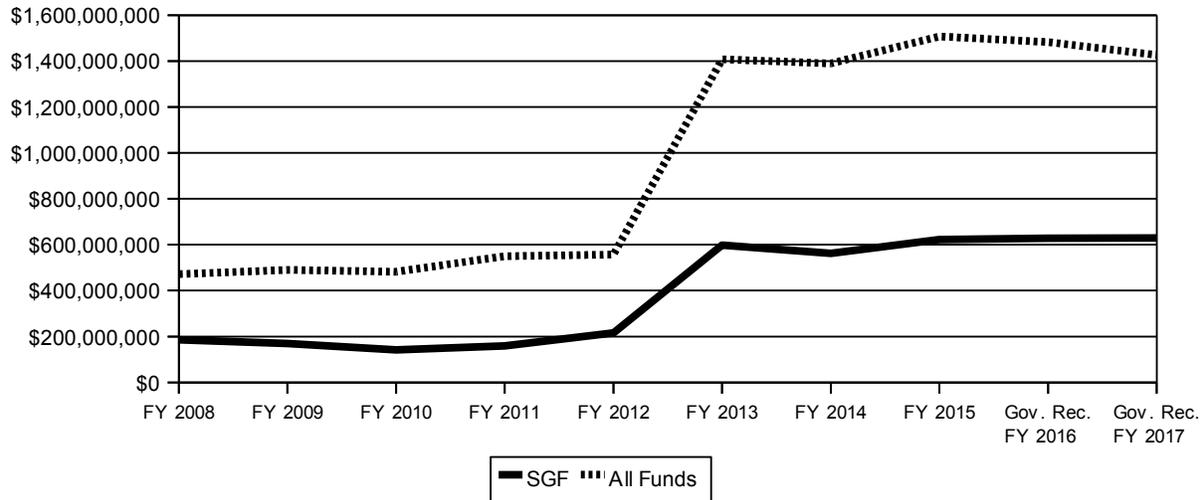
The revised estimate includes 167.5 FTE positions and 117.0 non-FTE positions. The revised estimate is a reduction of 27.5 FTE positions and an increase of 37.0 non-FTE positions from the number approved by the 2015 Legislature.

The **Governor** recommends FY 2017 expenditures totaling \$1.4 billion, including \$629.5 million from the State General Fund. The recommendation includes capital improvement expenditures totaling \$7.7 million, all from the State Institutions Building Fund, the same as the agency's revised estimate. The Governor's recommendation for operating expenditures totals \$1.4 billion, including \$629.5 million from the State General Fund. The recommendation is a decrease of \$81.7 million, including \$33.7 million from the State General Fund, below the agency's revised estimate.

The decrease is attributable to reductions of \$67.6 million, including \$33.5 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. Also included in the Governor's recommendation are reductions totaling \$11.7 million, including \$3.0 million from the State General Fund, to shift funding between caseload and non-caseload KanCare programs to reflect refinements made in the allocation based upon additional experience and actual data on the type of medical services needed by consumers in each population. Additionally, the Governor's recommendation includes the replacement of \$3.8 million from the Children's Initiatives Fund with State General Fund moneys for the children's mental health initiatives. The Governor's recommendation also includes the reduction of \$2.3 million, including \$1.0 million from the State General Fund, for the Home and Community Based Services waiver for individuals with physical disabilities.

BUDGET TRENDS

OPERATING EXPENDITURES FY 2008 – FY 2017



OPERATING EXPENDITURES FY 2008 – FY 2017

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
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	622,246,143	10.7	1,507,475,129	8.5	195.0
2016 Gov. Rec.	628,444,371	1.0	1,482,799,633	(1.6)	167.5
2017 Gov. Rec.	629,549,116	0.2	1,426,573,583	(3.8)	167.5
Ten-Year Change					
Dollars/Percent	\$ 443,760,156	238.9 %	\$ 955,124,835	202.6 %	(41.5)

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 2015 - FY 2017

Kansas Department for Aging and Disability Services

	Actual 2015	Agency Estimate				Governor's Recommendation			
		Estimate FY 2016	Estimate 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	\$ 9,967,811	\$ 11,561,958	\$ 11,069,108	\$ (492,850)	(4.3) %	\$ 11,561,958	\$ 11,069,108	\$ (492,850)	(4.3) %
Aging & Aging Grants	27,466,481	27,276,424	27,192,892	(83,532)	(0.3)	27,276,424	27,192,892	(83,532)	(0.3)
Medical & Com Services	1,356,655,345	1,413,061,685	1,352,465,409	(60,596,276)	(4.3)	1,322,432,575	1,270,793,933	(51,638,642)	(3.9)
Behavioral Health - Operations & Grants	87,293,575	92,996,118	88,967,544	(4,028,574)	(4.3)	92,996,118	88,967,544	(4,028,574)	(4.3)
Community Services Administration	16,648,940	17,735,595	17,733,597	(1,998)	(0.0)	17,735,595	17,733,597	(1,998)	(0.0)
Survey, Certification & Credentialing	9,442,977	10,796,963	10,816,509	19,546	0.2	10,796,963	10,816,509	19,546	0.2
TOTAL	\$ 1,507,475,129	\$ 1,573,428,743	\$ 1,508,245,059	\$ (65,183,684)	(4.1) %	\$ 1,482,799,633	\$ 1,426,573,583	\$ (56,226,050)	(3.8) %
By Major Object of Expenditure:									
Salaries and Wages	\$ 16,764,233	\$ 17,605,516	\$ 17,603,853	\$ (1,663)	(0.0) %	\$ 17,605,516	\$ 17,603,853	\$ (1,663)	(0.0) %
Contractual Services	44,301,264	52,739,987	48,045,259	(4,694,728)	(8.9)	52,739,987	48,045,259	(4,694,728)	(8.9)
Commodities	189,954	341,778	341,778	0	0.0	341,778	341,778	0	0.0
Capital Outlay	518,575	1,143,923	1,039,607	(104,316)	(9.1)	1,143,923	1,039,607	(104,316)	(9.1)
Debt Service	2,035,088	1,906,931	1,720,313	(186,618)	(9.8)	1,906,931	1,720,313	(186,618)	(9.8)
Subtotal - Operations	\$ 63,809,114	\$ 73,738,135	\$ 68,750,810	\$ (4,987,325)	(6.8) %	\$ 73,738,135	\$ 68,750,810	\$ (4,987,325)	(6.8) %
Aid to Local Units	52,195,169	51,494,572	51,894,572	400,000	0.8	51,494,572	51,894,572	400,000	0.8
Other Assistance	1,391,470,846	1,448,196,036	1,387,599,677	(60,596,359)	(4.2)	1,357,566,926	1,305,928,201	(51,638,725)	(3.8)
TOTAL	\$ 1,507,475,129	\$ 1,573,428,743	\$ 1,508,245,059	\$ (65,183,684)	(4.1) %	\$ 1,482,799,633	\$ 1,426,573,583	\$ (56,226,050)	(3.8) %
Financing:									
State General Fund	\$ 622,246,143	\$ 669,312,344	\$ 663,263,265	\$ (6,049,079)	(0.9) %	\$ 628,444,371	\$ 629,549,116	\$ 1,104,745	0.2 %
Children's Initiatives Fd	3,800,000	3,800,000	3,800,000	0	0.0	3,800,000	0	(3,800,000)	(100.0)
Problem Gambling and Addictions Grant	6,082,729	5,920,102	5,920,057	(45)	(0.0)	5,920,102	5,920,057	(45)	(0.0)
Quality Care Serv Fund	23,820,044	23,181,627	0	(23,181,627)	(100.0)	23,181,627	0	(23,181,627)	(100.0)
Title XIX Federal	773,937,760	792,143,512	756,954,425	(35,189,087)	(4.4)	741,382,375	712,797,098	(28,585,277)	(3.9)
Prevention Treat Subst Abuse Block Grant	12,263,157	12,176,521	12,168,804	(7,717)	(0.1)	12,176,521	12,168,804	(7,717)	(0.1)
All Other Funds	65,325,296	66,894,637	66,138,508	(756,129)	(1.1)	67,894,637	66,138,508	(1,756,129)	(2.6)
TOTAL	\$ 1,507,475,129	\$ 1,573,428,743	\$ 1,508,245,059	\$ (65,183,684)	(4.1) %	\$ 1,482,799,633	\$ 1,426,573,583	\$ (56,226,050)	(3.8) %

BUDGET OVERVIEW

A. FY 2016 – Current Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$666,348,244 for the Department for Aging and Disability Services in FY 2016. 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 \$730,487, based on the reappropriation of FY 2015 funding which was not spent in FY 2015 and has shifted to FY 2016;
- An increase of \$104,987, all from the State General Fund, which was transferred from Larned State Hospital and Osawatomie State Hospital, associated with a consolidated food service contracts;
- A reduction of \$1,730,487, on July 30th as the result of the authority given under 2015 Senate Sub. for HB 2135. The Governor’s July allotment also transferred \$1.0 million from the Social Welfare Fund to the State General Fund; and
- A reduction of \$13,340,443, as the result of the Governor’s November 6, 2015 State General Fund allotment and authority given under 2015 Senate Sub. for HB 2135.

These adjustments change the FY 2016 approved State General Fund to \$652,112,788. That amount is reflected in the table below as the currently approved FY 2016 State General Fund amount. The agency’s budget was submitted after the Governor’s July allotment, but prior to the November allotment, so the agency’s revised budget estimates do not incorporate the second allotment.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2016	Agency Estimate FY 2016	Agency Change from Approved	Governor Rec. FY 2016	Governor Change from Approved
State General Fund	\$ 652,112,788	\$ 669,312,344	\$ 17,199,556	\$ 628,444,371	\$ (23,668,417)
All Other Funds	901,008,634	915,607,432	14,598,798	865,846,295	(35,162,339)
TOTAL	\$ 1,553,121,422	\$ 1,584,919,776	\$ 31,798,354	\$ 1,494,290,666	\$ (58,830,756)
FTE Positions	195.0	167.5	(27.5)	167.5	(27.5)

The **agency** submits a revised FY 2016 estimate totaling \$1.6 billion, including \$669.3 million from the State General Fund. The revised estimate includes capital improvement

expenditures totaling \$11.5 million, all from the State Institutions Building Fund and \$1.5 billion, including \$669.3 million from the State General Fund, for operating expenditures. The revised estimate is an increase of \$31.7 million, or 2.0 percent, above the approved amount.

The revised estimate includes supplemental requests totaling \$7.5 million, including \$3.3 million from the State General Fund. The agency's revised estimate includes the addition of \$232,935, all from the State General Fund, to be transferred from the Department for Children and Families for information technology expenditures. Of this amount, \$177,090 is for additional information technology staff and \$55,845 is for the Cisco SmartNet Agreement. Additionally, the revised estimate includes the addition \$268,529, all from the State General Fund, in reductions at the State Hospitals. These transfers include \$124,769, from Larned State Hospital, to transfer legal and support positions; \$26,692, from Larned State Hospital, to transfer the Chief Forensic Psychologist; and \$117,068 from Parson State Hospital and Training Center also for the Chief Forensic Psychologist position.

The revised estimate also includes the addition of \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks. The estimate also includes the addition of \$1.3 million, all from federal funds, for a grant to treat homeless individuals with mental illness and substance use disorders. Additionally, the agency's revised estimate includes the addition of \$2.0 million, all from special revenue funds for other increases.

The capital improvements estimate includes a reappropriation of \$2.6 million for rehabilitation and repair projects not expended in FY 2015. In addition, the estimate includes the addition of \$1.4 million transferred from the Rainbow Mental Health Hospital account that had not been expended. The revised estimate includes 167.5 FTE positions and 117.0 non-FTE positions. The revised estimate is a reduction of 27.5 FTE positions and an increase of 37.0 non-FTE positions from the number approved by the 2015 Legislature.

The **Governor** recommends FY 2016 expenditures totaling \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation includes capital improvement expenditures totaling \$11.5 million, all from the State Institutions Building Fund, the same as the agency's revised estimate. The Governor's recommendation for operating expenditures totals \$1.5 billion, including \$628.4 million from the State General Fund. The recommendation is a decrease of \$90.6 million, including \$40.9 million from the State General Fund, below the agency's revised estimate.

The decrease is attributable to the Governor not recommending the agency's supplemental request for funding and instead recommending that the funding source to implement the federal Department of Labor Final Rule utilize existing funding from the Home and Community Based Services Waiver for Individuals with Intellectual and Developmental Disabilities waiting list. In addition, the Governor's recommendation makes reductions of \$48.4 million, including \$24.2 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. The Governor's recommendation also contains a reduction of \$24.1 million, all from federal funds, associated with the allotment reduction to the shift of funding between caseload and non-caseload KanCare programs.

The Governor recommends the creation of a new no limit special revenue fund and language permitting the Secretary to transfer between this fund and other special revenue funds. In addition, the Governor's recommendation also includes removing the designation of no limit for the Problem Gambling and Addictions Grant Fund.

Supplemental Detail

Supplementals	FY 2016 SUPPLEMENTALS					
	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Add LTC Programs to Consensus Caseload	\$ 0	\$ 0	0.0	\$ 0	\$ 0	0.0
Language to allow spec revenue fund transfers	0	0	0.0	0	0	0.0
PGAGF proviso adjust	0	0	0.0	0	0	0.0
DOL Rule	3,290,250	7,500,000	0.0	0	0	0.0
TOTAL	\$ 3,290,250	\$ 7,500,000	0.0	\$ 0	\$ 0	0.0

The **agency** requests the addition of long-term care program to the human services consensus caseload estimating process. The request includes adding all the home and community based services waivers and the money follows the person program and clarifying that the Program of All Inclusive Care for the Elderly be included. The addition to the process does not include a current year funding change.

The **Governor** was silent upon the agency's request.

The **agency** requests proviso language be added to the appropriations bill permitting the agency to transfer funds between its special revenue funds with the approval of the Director of the Budget.

The **Governor** recommends the creation of a new no limit special revenue fund and language permitting the Secretary to transfer between this fund and other special revenue funds.

The **agency** requests revisions to the current transfer language for the Problem Gambling and Addictions Grant Fund for FY 2016 and FY 2017. The agency indicated that transferring the balance in the fund at the end of the fiscal year created cash flow issues due to other transfers scheduled on July 1st and payroll obligations that occur each payroll period. The agency requests to modify the transfers to the Governor's office and the Department of Corrections from an annual basis to a quarterly basis and limit the year end transfer to leave sufficient balances to make the first quarterly transfer and cover payroll expenses.

The **Governor** does not recommend any changes to the Problem Gambling and Addictions Grant Fund transfer language.

The **agency** requests the addition of \$7.5 million, including \$3.3 million from the State General Fund, to fund additional costs associated with direct services workers providing sleep cycle support provided under the Home and Community Based Services Waivers. The increase is required due to implementation of recent federal Department of Labor rule. The increased rates are planned to be implemented January 1, 2016.

The **Governor** recommends funding the request through funding currently appropriated to address the waiting list for the Home and Community Based Services Waiver for Individuals with intellectual/developmental disabilities.

Governor 's Allotments

The 2015 Legislature, through the enactment of Sen. Sub for HB 2135, authorized the Director of the Division of the Budget to lapse appropriations or transfer funding from special revenue funds to the State General Fund (SGF), up to a total of \$100.0 million, at any time during FY 2016 if the Director determines the unencumbered ending balance of the SGF for FY 2016 will be less than \$100.0 million. This authority does not apply to appropriations for the Judicial Branch, Legislative Branch agencies, debt service, employer contributions to the Kansas Public Employees Retirement System (KPERs), the Department of Education (except the agency 's operating expenditures account), or demand transfers to the school district capital improvements fund. On July 30, 2015, the Director announced various SGF lapses and transfers totaling \$60.7 million of which \$17.7 million require legislative approval.

On November 6, 2015, the Consensus Revenue Estimating Group met to revise the SGF Revenue Estimate for FY 2016. The estimate was decreased by \$159.1 million, for FY 2016. Excluding Governor recommended legislative adjustments, the ending balance for FY 2016 was estimated to require \$135.9 million in adjustments to achieve a zero ending balance. This estimate assumes that human services caseloads are funded at the recommended level and school finance KPERs contributions are reduced to reflect current estimates. As a result, on November 6, 2015 the Director exercised his authority under Sen. Sub for HB 2135 to make an additional \$56.9 million in revenue adjustments. The Governor further made \$52.6 million in expenditure reductions under the Governor's allotment authority. Finally, the Governor recommended the Legislature make an additional \$14.3 million in revenue adjustments.

Between the July and November adjustments, the Governor has reduced expenditures by a total of \$73.2 million, made \$79.4 million in revenue adjustments, and recommended the Legislature enact an additional \$32.0 million through the allotment authority and authority under 2015 Senate Sub. for HB 2135 or the special allotment statute. These adjustments, including the recommended Legislative adjustments, would result in a State General Fund ending balance of approximately \$5.6 million in FY 2016. This estimate excludes monthly SGF receipts subsequent to the November 6, 2015 consensus revenue estimate and any further adjustments made within the FY 2016 Governor's Budget Recommendation. The impact of these adjustments on this agency is described below.

GOVERNOR'S ALLOTMENTS			
<u>Allotment</u>	<u>SGF</u>	<u>All Funds</u>	<u>FTE</u>
July Special Allotment			
HCBS/PD Waiver	\$ (1,000,000)	\$ (1,000,000)	0.0
Lapse Reappropriation	(730,487)	(730,487)	0.0
Transfer from the Social Welfare Fund	0	0	0.0
November Allotment			
Funding Shift	\$ (1,000,000)	\$ 0	0.0
Caseload shifts	(12,340,443)	(12,340,443)	0.0
TOTAL	<u>\$ (150,070,930)</u>	<u>\$ (140,070,930)</u>	<u>0.0</u>

July Special Allotment. The Governor's July 30, 2015 State General Fund special allotment included a reduction of \$1.0 million from the State General Fund. The lapse is

associated with the Medicaid Home and Community Based Services Waiver for Individuals with Physical Disabilities waiting list. The Governor's allotment also included the lapse of \$730,487 of moneys not expended in FY 2015 which reappropriated into FY 2016. In addition, the Governor's special allotment transferred \$1.0 million from the Social Welfare Fund to the State General Fund.

November Allotment. The Governor's November State General Fund allotment included a funding shift of \$1.0 million from the State General Fund to the Social Welfare Fund. Also included in the Governor's November allotment were reductions of \$12.5 million from the State General Fund, to shift funding between caseload and non-caseload KanCare programs to reflect refinements made in the allocation based upon additional experience and actual data on the type of medical services needed by consumers in each population.

B. FY 2017 – Budget Year

Adjustments to Approved State General Fund Budget

The 2015 Legislature approved a State General Fund budget of \$662,656,659 for the Department for Aging and Disability Services in FY 2017.

CHANGE FROM APPROVED BUDGET					
	Legislative Approved FY 2017	Agency Estimate FY 2017	Agency Change from Approved	Governor Rec. FY 2017	Governor Change from Approved
State General Fund	\$ 662,656,659	\$ 663,263,265	\$ 606,606	\$ 629,549,116	\$ (33,107,543)
All Other Funds	846,636,195	852,701,794	6,065,599	804,744,467	(41,891,728)
TOTAL	<u>\$ 1,509,292,854</u>	<u>\$ 1,515,965,059</u>	<u>\$ 6,672,205</u>	<u>\$ 1,434,293,583</u>	<u>\$ (74,999,271)</u>
FTE Positions	195.0	167.5	(27.5)	167.5	(27.5)

The **agency** submits a revised FY 2017 estimate totaling \$1.5 billion, including \$663.3 million from the State General Fund. The revised estimate is an increase of \$6.7 million, or 0.4 percent, and a State General Fund increase of \$606,606, or less than 0.1 percent, above the amount approved by the 2015 Legislature. The revised estimate includes \$7.7 million, all from the State Institutions Building Fund, for capital improvements and \$1.5 billion, including \$663.3 million from the State General Fund, for operating expenditures.

The agency's revised estimate includes the addition of \$232,935, all from the State General Fund, to be transferred from the Department for Children and Families. Of this amount, \$177,090 is for additional information technology staff and \$55,845 is for the Cisco SmartNet Agreement. Additionally, the revised estimate includes the addition of \$104,987, all from the State General Fund, transferred from the State Hospitals associated with a consolidated food service contracts. Additionally, the revised estimate includes the addition \$268,529, all from the State General Fund, in reductions at the State Hospitals. These transfers include \$124,769, from Larned State Hospital, to transfer legal and support positions, \$26,692, from Larned State Hospital, to transfer the Chief Forensic Psychologist; and \$117,068 from Parson State Hospital and Training Center also for the Chief Forensic Psychologist position.

The revised estimate also includes the addition of \$3.0 million, all from federal funds, for a new grant from the federal Centers for Medicare and Medicaid Services, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal records checks. The estimate also includes the addition of \$1.7 million, all from federal funds, for a grant to treat homeless individuals with mental illness and substance use disorders. Additionally, the agency's revised estimate includes the addition of \$1.4 million, all from special revenue funds for other increases.

The revised estimate includes 167.5 FTE positions and 117.0 non-FTE positions. The revised estimate is a reduction of 27.5 FTE positions and an increase of 37.0 non-FTE positions from the number approved by the 2015 Legislature.

The **Governor** recommends FY 2017 expenditures totaling \$1.4 billion, including \$629.5 million from the State General Fund. The recommendation includes capital improvement expenditures totaling \$7.7 million, all from the State Institutions Building Fund, the same as the agency's revised estimate. The Governor's recommendation for operating expenditures totals \$1.4 billion, including \$629.5 million from the State General Fund. The recommendation is a decrease of \$81.7 million, including \$33.7 million from the State General Fund, below the agency's revised estimate.

The decrease is attributable to reductions of \$67.6 million, including \$33.5 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. Also included in the Governor's recommendation are reductions totaling \$11.7 million, including \$3.0 million from the State General Fund, to shift funding between caseload and non-caseload KanCare programs to reflect refinements made in the allocation based upon additional experience and actual data on the type of medical services needed by consumers in each population. Additionally, the Governor's recommendation includes the replacement of \$3.8 million from the Children's Initiatives Fund with State General Fund moneys for the children's mental health initiatives. The Governor's recommendation also includes the reduction of \$2.3 million, including \$1.0 million from the State General Fund, for the Home and Community Based Services waiver for individuals with physical disabilities.

The Governor recommends the creation of a new no limit special revenue fund and language permitting the Secretary to transfer between this fund and other special revenue funds. In addition, the Governor's recommendation also includes removing the designation of no limit for the Problem Gambling and Addictions Grant Fund.

Supplemental Detail

Supplementals	FY 2017 SUPPLEMENTALS					
	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
Add LTC Programs to Consensus Caseload	\$ 0	\$ 0	0.0	\$ 0	\$ 0	0.0
Language to allow spec revenue fund transfers	0	0	0.0	0	0	0.0
PGAGF proviso adjust	0	0	0.0	0	0	0.0
TOTAL	\$ 0	\$ 0	0.0	\$ 0	\$ 0	0.0

The **agency** requests the addition of long-term care program to the human services consensus caseload estimating process. The request includes adding all the home and

community based services waivers and the money follows the person program and clarifying that the Program of All Inclusive Care for the Elderly be included. The addition to the process does not include a current year funding change.

The **Governor** was silent upon the agency's request.

The **agency** requests proviso language be added to the appropriations bill permitting the agency to transfer funds between its special revenue funds with the approval of the Director of the Budget.

The **Governor** recommends the creation of a new no limit special revenue fund and language permitting the Secretary to transfer between this fund and other special revenue funds.

The **agency** requests revisions to transfer language for the Problem Gambling and Addictions Grant Fund for FY 2016 and FY 2017. The agency indicated that transferring the balance in the fund at the end of the fiscal year created cash flow issues due to other transfers scheduled on July 1st and payroll obligations that occur each payroll period. The agency requested to modify the transfers to the Governor's office and the Department of Corrections from an annual basis to a quarterly basis and limit the year end transfer to leave sufficient balances to make the first quarterly transfer and cover payroll expenses.

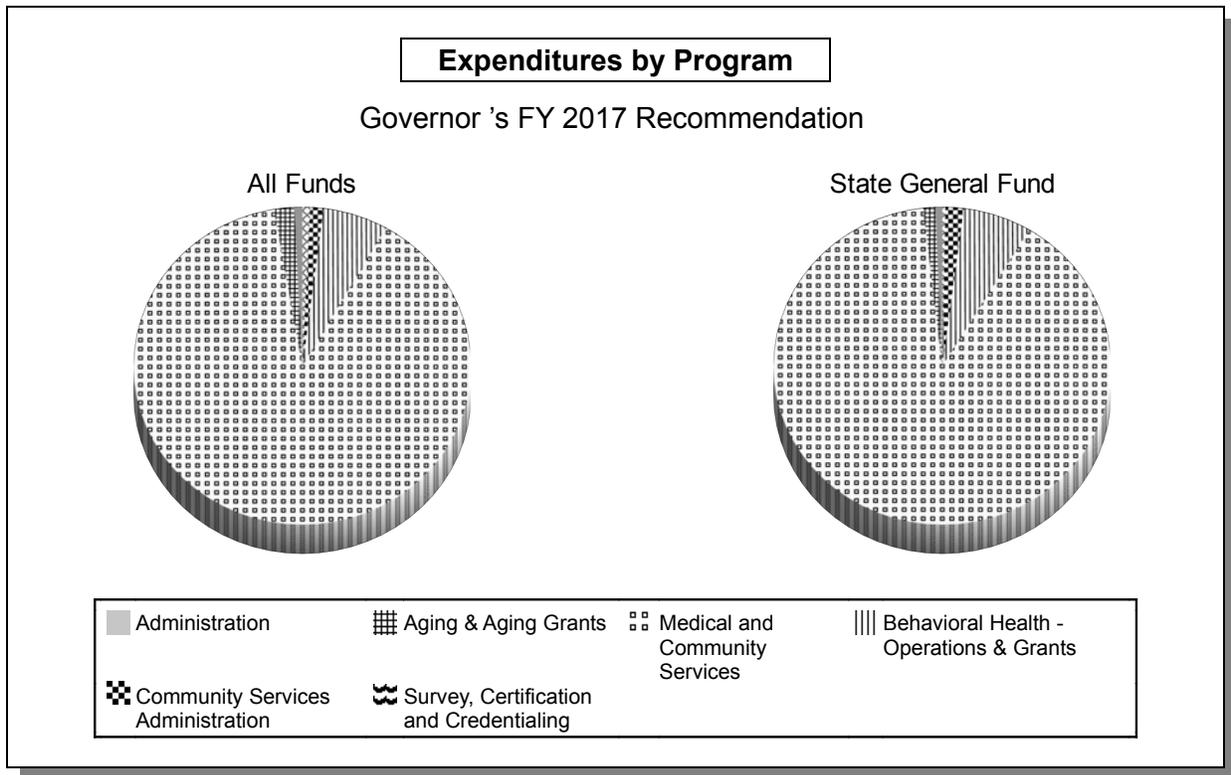
The **Governor** does not recommend any changes to the Problem Gambling and Addictions Grant Fund transfer language.

Funding Sources

Funding Source	Agency Est. Percent of Total FY 2017	Gov. Rec. Percent of Total FY 2017
State General Fund	44.0 %	44.1 %
Problem Gambling & Addictions Grant Fund	0.4	0.4
Quality Care Services Fund	0.0	0.0
Title XIX Fund	50.2	50.0
Prevention Treat Subst Abuse Block Grant	0.8	0.9
All Other Funds	4.6	4.6
TOTAL	100.0 %	100.0 %

Note: Details may not add to totals due to rounding.

PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2017	Percent of Total	Gov. Rec. SGF FY 2017	Percent of Total
Administration	\$ 11,069,108	0.8 %	\$ 4,138,818	0.7 %
Aging and Aging Grants	27,192,892	1.9	7,172,150	1.1
Medical and Community Services	1,270,793,933	89.1	563,977,778	89.6
Behavioral Health - Operations and Grants	88,967,544	6.2	41,405,559	6.6
Community Services Administration	17,733,597	1.2	10,943,435	1.7
Survey, Certification and Credentialing	10,816,509	0.8	1,911,376	0.3
TOTAL	\$ 1,426,573,583	100.0 %	\$ 629,549,116	100.0 %

FTE POSITIONS BY PROGRAM FY 2015 – FY 2017					
Program	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Administration	40.0	32.0	32.0	32.0	32.0
Aging and Aging Grants	7.0	6.0	6.0	6.0	6.0
Medical & Com Services	0.0	0.0	0.0	0.0	0.0
Behavioral Health - Operations & Grants	59.0	26.0	26.0	26.0	26.0
Community Services Administration	0.0	23.0	23.0	23.0	23.0
Survey, Certification & Credentialing	89.0	80.5	80.5	80.5	80.5
TOTAL	195.0	167.5	167.5	167.5	167.5

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 the Financial and Information Services 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.

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 federal Centers for Medicare and Medicaid 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 Centers 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.

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 14 Actual	FY 15 Actual	FY 16 Est.	FY 17 Est.
Percentage of nursing facility desk reviews completed	100%	100%	100%	100%
Percentage of nursing facilities field audited annually	3%	3%	3%	3%
Amount of reimbursable costs reported that were reduced as a result of desk review adjustments due to non compliance	\$13,442,817	\$7,000,000	\$7,000,000	\$9,973,225

Promoting Excellent Alternative in Kansas Nursing Homes (PEAK). The Department began this initiative in 2002 to promote innovation in long term care. In the first 10 years, 51 different nursing homes were recognized for their achievements in pursuing cultural change. During FY 2013, the agency began 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					
SUMMARY OF EXPENDITURES FY 2015 – FY 2017					
Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 5,491,655	\$ 5,750,968	\$ 5,750,968	\$ 5,749,053	\$ 5,749,053
Contractual Services	1,805,992	3,106,234	3,106,234	2,906,233	2,906,233
Commodities	86,921	178,902	178,902	178,902	178,902
Capital Outlay	510,402	618,923	618,923	514,607	514,607
Debt Service	2,035,088	1,906,931	1,906,931	1,720,313	1,720,313
<i>Subtotal - Operations</i>	<u>\$ 9,930,058</u>	<u>\$ 11,561,958</u>	<u>\$ 11,561,958</u>	<u>\$ 11,069,108</u>	<u>\$ 11,069,108</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	37,753	0	0	0	0
TOTAL	<u>\$ 9,967,811</u>	<u>\$ 11,561,958</u>	<u>\$ 11,561,958</u>	<u>\$ 11,069,108</u>	<u>\$ 11,069,108</u>
Financing:					
State General Fund	\$ 3,170,730	\$ 4,450,558	\$ 4,450,558	\$ 4,138,818	\$ 4,138,818
All Other Funds	6,797,081	7,111,400	7,111,400	6,930,290	6,930,290
TOTAL	<u>\$ 9,967,811</u>	<u>\$ 11,561,958</u>	<u>\$ 11,561,958</u>	<u>\$ 11,069,108</u>	<u>\$ 11,069,108</u>
FTE Positions	40.0	32.0	32.0	32.0	32.0
Non-FTE Uncl. Perm. Pos.	41.0	55.5	55.5	55.5	55.5
TOTAL	<u>81.0</u>	<u>87.5</u>	<u>87.5</u>	<u>87.5</u>	<u>87.5</u>

The **agency** submits a revised estimate for FY 2017 totaling \$11.1 million, including \$4.1 million from the State General Fund. The revised estimate is an increase of \$667,221, or 4.4 percent, above the amount approved by the 2015 Legislature. The revised estimate includes an increase in salaries and wages and contractual services, mainly attributed to contacts related to information technology projects. These increases were partially offset by reductions in capital outlay expenditures associated with computer purchases.

The **Governor** recommends FY 2017 expenditures totaling \$11.1 million, including \$4.1 million from the State General Fund. The recommendation is the same as the agency's revised estimate.

B. 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.

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; 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)).

	Actual FFY 2014	Actual FFY 2015	Est. FFY 2016	Est. FFY 2017
Home Delivered (number of unduplicated persons)	11,300	11,300	11,300	11,300
Traditional congregate (number of unduplicated persons)	23,585	24,000	24,000	24,000
Total Meals Served	3,023,421	3,023,500	3,023,500	3,023,500
Cost Per Meal	\$5.75	\$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; and
- 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.

Hospital Discharge Model Grant. The Department for Aging and Disability Services was 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, 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 – 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 2015 – FY 2017					
Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 935,456	\$ 944,139	\$ 944,139	\$ 946,552	\$ 946,552
Contractual Services	2,047,663	1,599,440	1,599,440	1,513,721	1,513,721
Commodities	6,289	11,200	11,200	11,200	11,200
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 2,989,408</u>	<u>\$ 2,554,779</u>	<u>\$ 2,554,779</u>	<u>\$ 2,471,473</u>	<u>\$ 2,471,473</u>
Aid to Local Units	8,968,326	9,203,854	9,203,854	9,203,854	9,203,854
Other Assistance	15,508,747	15,517,791	15,517,791	15,517,565	15,517,565
TOTAL	<u>\$27,466,481</u>	<u>\$ 27,276,424</u>	<u>\$ 27,276,424</u>	<u>\$ 27,192,892</u>	<u>\$ 27,192,892</u>
Financing:					
State General Fund	\$ 7,681,173	\$ 7,256,862	\$ 7,256,862	\$ 7,172,150	\$ 7,172,150
All Other Funds	19,785,308	20,019,562	20,019,562	20,020,742	20,020,742
TOTAL	<u>\$27,466,481</u>	<u>\$ 27,276,424</u>	<u>\$ 27,276,424</u>	<u>\$ 27,192,892</u>	<u>\$ 27,192,892</u>
FTE Positions	7.0	6.0	6.0	6.0	6.0
Non-FTE Uncl. Perm. Pos.	11.0	11.0	11.0	11.0	11.0
TOTAL	<u>18.0</u>	<u>17.0</u>	<u>17.0</u>	<u>17.0</u>	<u>17.0</u>

The **agency** submits a revised estimate for FY 2017 totaling \$27.2 million, including \$7.2 million from the State General Fund. The revised estimate is a decrease of \$676,833, or 2.4 percent, below the amount approved by the 2015 Legislature. The majority of the decrease is attributable to a decrease in other professional fees.

The **Governor** recommends FY 2017 expenditures totaling \$27.2 million, including \$7.2 million from the State General Fund. The recommendation is the same amount as the agency's revised estimate.

C. Medical and Community Services

The Medical and Community Services program includes all of the medical services programs administered by the Department, the majority of which are included in KanCare. Services include: Home and Community Based Services waivers, Medicaid mental health services, Medicaid substance abuse disorder services, psychiatric residential treatment facilities, nursing facilities, nursing facilities for mental health, the Program of All-Inclusive Care for the Elderly, Head Injury Rehabilitation Services, targeted case management services, and Intermediate Care Facilities for Person with Intellectual Disabilities.

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:

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.

Waiting Lists. Some programs that 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.

ID/DD Waiver. As of August 2015, there were 3,332 persons on the ID/DD waiting list who currently do not receive any HCBS services.

PD Waiver. As of August 2015, there were 1,769 persons on the waiting list.

FE Waiver. The FE waiver does not have a waiting list as of August 2015.

Autism Waiver. As of August 2015, there were 241 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.

Overview of Medicaid Home and Community Based Services Waivers						
Waiver	Physically Disabled (PD)	Intellectual/ Developmental Disabilities (I/DD)	Technology Assisted (TA)	Traumatic Brain Injury (TBI)	Autism	Frail Elderly (FE)
Institutional Equivalent	Nursing Facility	Intermediate Care Facility for Persons with Intellectual Disabilities (ICF/ID)	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.						

Program of All-Inclusive Care for the Elderly (PACE). 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 Medicare and Medicaid 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; and
- 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.

**MEDICAL AND COMMUNITY SERVICES
SUMMARY OF EXPENDITURES FY 2015 – FY 2017**

Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 238,284	\$ 225,245	\$ 225,245	\$ 225,102	\$ 225,102
Contractual Services	822,636	217,972	217,972	217,972	217,972
Commodities	108	108	108	108	108
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
Subtotal - Operations	\$ 1,061,028	\$ 443,325	\$ 443,325	\$ 443,182	\$ 443,182
Aid to Local Units	0	0	0	0	0
Other Assistance	1,355,594,317	1,412,618,360	1,321,989,250	1,352,022,227	1,270,350,751
TOTAL	<u>\$ 1,356,655,345</u>	<u>\$ 1,413,061,685</u>	<u>\$ 1,322,432,575</u>	<u>\$ 1,352,465,409</u>	<u>\$ 1,270,793,933</u>
Financing:					
State General Fund	\$ 558,512,621	\$ 599,929,300	\$ 560,061,327	\$ 597,691,927	\$ 563,977,778
All Other Funds	798,142,724	813,132,385	762,371,248	754,773,482	706,816,155
TOTAL	<u>\$ 1,356,655,345</u>	<u>\$ 1,413,061,685</u>	<u>\$ 1,322,432,575</u>	<u>\$ 1,352,465,409</u>	<u>\$ 1,270,793,933</u>
FTE Positions	0.0	0.0	0.0	0.0	0.0
Non-FTE Uncl. Perm. Pos.	0.0	4.0	4.0	4.0	4.0
TOTAL	<u>0.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>

The **agency** submits revised expenditures for FY 2017 totaling \$1.4 billion, including \$597.7 million from the State General Fund. The revised request is an increase of \$2.0 million, or 0.1 percent, above the amount approved by 2015 Legislature. The majority of the increase is attributable to increases in other assistance payments due to increased expenditures for the for the mental health community transitions services and increases in the Money Follows the Person estimate.

The **Governor** recommends FY 2017 expenditures totaling \$1.3 billion, including \$564.0 million from the State General Fund. The recommendation is a reduction of \$81.7 million, or 6.0 percent, below the agency's revised estimate. The recommendation is a State General Fund reduction of \$33.7 million, or 5.6 percent, below the agency's revised estimate. The Governor's recommendation includes a reduction of \$67.6 million, including \$33.5 million from the State General Fund, associated with the fall Human Services Consensus Caseload estimate. Also included in the Governor's recommendation are reductions totaling \$11.7 million, including \$3.0 million from the State General Fund, to shift funding between caseload and non-caseload KanCare programs to reflect refinements made in the allocation based upon additional experience and actual data on the type of medical services needed by consumers in each population. Additionally, the Governor's recommendation includes the replacement of \$3.8 million from the Children's Initiatives Fund with State General Fund moneys for the children's mental health initiatives. The Governor's recommendation also includes the reduction of \$2.3 million, including \$1.0 million, all from the State General Fund, for the Home and Community Based Services waiver for individuals with physical disabilities.

D. Behavioral Health - Operations and Grants

Behavioral Health - Operations and Grants includes behavioral health services including mental health services and substance use disorders.

Behavioral Health Mental Health

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.

Behavioral Health Mental Health Services 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; and
- Pharmacy Benefit Manager.

Behavioral Health Substance Use Disorders

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; and
- Problem Gambling Treatment.

Hospital Administration

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

**BEHAVIORAL HEALTH - OPERATIONS AND GRANTS
SUMMARY OF EXPENDITURES FY 2015 – FY 2017**

Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 2,623,489	\$ 2,726,712	\$ 2,726,712	\$ 2,727,959	\$ 2,727,959
Contractual Services	26,103,787	32,632,940	32,632,940	28,203,119	28,203,119
Commodities	17,067	20,375	20,375	20,375	20,375
Capital Outlay	640	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 28,744,983</u>	<u>\$ 35,380,027</u>	<u>\$ 35,380,027</u>	<u>\$ 30,951,453</u>	<u>\$ 30,951,453</u>
Aid to Local Units	38,218,563	37,556,206	37,556,206	37,956,206	37,956,206
Other Assistance	20,330,029	20,059,885	20,059,885	20,059,885	20,059,885
TOTAL	<u>\$ 87,293,575</u>	<u>\$ 92,996,118</u>	<u>\$ 92,996,118</u>	<u>\$ 88,967,544</u>	<u>\$ 88,967,544</u>
Financing:					
State General Fund	\$ 40,116,003	\$ 44,864,771	\$ 43,864,771	\$ 41,405,559	\$ 41,405,559
All Other Funds	47,177,572	48,131,347	49,131,347	47,561,985	47,561,985
TOTAL	<u>\$ 87,293,575</u>	<u>\$ 92,996,118</u>	<u>\$ 92,996,118</u>	<u>\$ 88,967,544</u>	<u>\$ 88,967,544</u>
FTE Positions	59.0	26.0	26.0	26.0	26.0
Non-FTE Uncl. Perm. Pos.	22.0	16.5	16.5	16.5	16.5
TOTAL	<u>81.0</u>	<u>42.5</u>	<u>42.5</u>	<u>42.5</u>	<u>42.5</u>

The **agency** submits a revised estimate for FY 2017 expenditures totaling \$89.0 million, including \$41.4 million from the State General Fund. The revised estimate is an increase of \$2.8 million, or 3.3 percent, above the amount approved by the 2015 Legislature. The revised estimate includes an increase of \$2.1 million in other assistance, the majority is attributable to the addition of federal funds for a grant to treat homeless individuals with mental illness and substance use disorders. The majority of the remaining increase is attributable to increases in other contractual services.

The **Governor** recommends expenditures totaling \$89.0 million, including \$41.4 million from the State General Fund. The recommendation is the same as the agency's revised estimate.

E. Community Services Administration

Community Services Administration provides oversight of the purchasing of community based supports and services, including staff who manage and administer the Medicaid Home and Community Based Services Waivers. Additionally, this program administers grant funds to Community Developmental Disability Organizations.

Community Services mission is to support Kansans in living self-determined, meaningful lives by ensuring access to quality person centered services. Community Services Administration ensures the supports and services purchased allow persons to live successfully in their home and community; persons are treated with dignity and respect, have opportunities for independence, and are free from abuse, neglect, and exploitation.

**COMMUNITY SERVICES ADMINISTRATION
SUMMARY OF EXPENDITURES FY 2015 – FY 2017**

Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 2,185,018	\$ 2,263,636	\$ 2,263,636	\$ 2,261,638	\$ 2,261,638
Contractual Services	9,438,048	10,716,257	10,716,257	10,716,257	10,716,257
Commodities	10,702	21,190	21,190	21,190	21,190
Capital Outlay	6,892	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 11,640,660</u>	<u>\$ 13,001,083</u>	<u>\$ 13,001,083</u>	<u>\$ 12,999,085</u>	<u>\$ 12,999,085</u>
Aid to Local Units	5,008,280	4,734,512	4,734,512	4,734,512	4,734,512
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 16,648,940</u>	<u>\$ 17,735,595</u>	<u>\$ 17,735,595</u>	<u>\$ 17,733,597</u>	<u>\$ 17,733,597</u>
Financing:					
State General Fund	\$ 11,148,681	\$ 10,946,007	\$ 10,946,007	\$ 10,943,435	\$ 10,943,435
All Other Funds	5,500,259	6,789,588	6,789,588	6,790,162	6,790,162
TOTAL	<u>\$ 16,648,940</u>	<u>\$ 17,735,595</u>	<u>\$ 17,735,595</u>	<u>\$ 17,733,597</u>	<u>\$ 17,733,597</u>
FTE Positions	0.0	23.0	23.0	23.0	23.0
Non-FTE Uncl. Perm. Pos.	0.0	14.0	14.0	14.0	14.0
TOTAL	<u>0.0</u>	<u>37.0</u>	<u>37.0</u>	<u>37.0</u>	<u>37.0</u>

The **agency** submits a revised FY 2017 estimate totaling \$17.7 million, including \$10.9 million from the State General Fund. The revised estimate is a reduction of \$557,258, or 3.0 percent, below the amount approved by the 2015 Legislature. The majority of the reduction is attributable to reduction in other assistance grants for community developmental disability services.

The **Governor** recommends FY 2017 expenditures totaling \$17.7 million, including \$10.9 million from the State General Fund. The recommendation is the same as the agency's revised estimate.

F. Survey, Certification, and Credentialing

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 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

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
SUMMARY OF EXPENDITURES FY 2015 – FY 2017**

Item	Actual FY 2015	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Expenditures:					
Salaries and Wages	\$ 5,290,331	\$ 5,694,816	\$ 5,694,816	\$ 5,693,549	\$ 5,693,549
Contractual Services	4,083,138	4,467,144	4,467,144	4,487,957	4,487,957
Commodities	68,867	110,003	110,003	110,003	110,003
Capital Outlay	641	525,000	525,000	525,000	525,000
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 9,442,977</u>	<u>\$ 10,796,963</u>	<u>\$ 10,796,963</u>	<u>\$ 10,816,509</u>	<u>\$ 10,816,509</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
TOTAL	<u>\$ 9,442,977</u>	<u>\$ 10,796,963</u>	<u>\$ 10,796,963</u>	<u>\$ 10,816,509</u>	<u>\$ 10,816,509</u>
Financing:					
State General Fund	\$ 1,616,935	\$ 1,864,846	\$ 1,864,846	\$ 1,911,376	\$ 1,911,376
All Other Funds	7,826,042	8,932,117	8,932,117	8,905,133	8,905,133
TOTAL	<u>\$ 9,442,977</u>	<u>\$ 10,796,963</u>	<u>\$ 10,796,963</u>	<u>\$ 10,816,509</u>	<u>\$ 10,816,509</u>
FTE Positions	89.0	80.5	80.5	80.5	80.5
Non-FTE Uncl. Perm. Pos.	6.0	16.0	16.0	16.0	16.0
TOTAL	<u>95.0</u>	<u>96.5</u>	<u>96.5</u>	<u>96.5</u>	<u>96.5</u>

The **agency** submitted a revised estimate for FY 2017 totaling \$10.8 million, including \$1.9 million from the State General Fund. The revised estimate is an increase of \$2.4 million, or 28.7 percent, above the amount approved by the 2015 Legislature. The increase is mainly attributable increased expenditures in professional services. The increased expenditures were generally associated with a grant from the federal Centers for Medicare and Medicaid Services to develop a Kansas National Criminal Information System, to develop a fully automated system designed to utilize fingerprints to provide state and national criminal record checks. Expenditures for this grant began in FY 2016.

The **Governor** recommends FY 2017 expenditures totaling \$10.8 million, including \$1.9 million from the State General Fund. The recommendation is the same as the agency's revised estimate.

CAPITAL IMPROVEMENTS

CAPITAL IMPROVEMENTS				
Project	Agency Est. FY 2016	Gov. Rec. FY 2016	Agency Est. FY 2017	Gov. Rec. FY 2017
Rehabilitation and Repair	\$ 6,961,033	\$ 6,961,033	\$ 3,000,000	\$ 3,000,000
Debt Service Principal	4,530,000	4,530,000	4,720,000	4,720,000
TOTAL	<u>\$ 11,491,033</u>	<u>\$ 11,491,033</u>	<u>\$ 7,720,000</u>	<u>\$ 7,720,000</u>
Financing:				
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	11,491,033	11,491,033	7,720,000	7,720,000
TOTAL	<u>\$ 11,491,033</u>	<u>\$ 11,491,033</u>	<u>\$ 7,720,000</u>	<u>\$ 7,720,000</u>

FY 2016 – Current Year. The agency submits a revised estimate for capital improvement expenditures of \$11.5 million, all from special revenue funds, in FY 2016. The request includes \$7.0 million for rehabilitation and repair projects and \$4.5 million for debt service principal payments. The revised estimate includes a reappropriation of \$2.6 million for rehabilitation and repair projects not expended in FY 2015. In addition, the estimate includes the addition of \$1.4 million transferred from the Rainbow Mental Health Hospital account that had not been expended. Rehabilitation and repair funding includes projects at the four state hospitals. Projects include re-roofing buildings, replacing steam piping systems, replacing work out water lines, replacing plumbing lines and fixtures, renovating buildings to comply with current safety codes, and a variety of other key equipment repair and replacements.

The **Governor** recommends capital improvement expenditures of \$11.5 million, all from special revenue funds, in FY 2016. This is the same amount as the agency's revised estimate.

FY 2017 – Budget Year. The agency submits a revised estimate for capital improvement expenditures of \$7.7 million, all from special revenue funds, for FY 2017. The revised estimate 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.

The **Governor** recommends capital improvement expenditures of \$7.7 million, all from special revenue funds, for FY 2017. This is the same amount as the agency's revised estimate.

PERFORMANCE MEASURES

Measure	Gov. Rec. for FY 2015	Actual FY 2015	Gov. Rec. FY 2016	Gov. Rec. FY 2017
Aging Grants				
Number of meals served	3,073,340	3,023,500	3,023,500	3,023,500
Cost per meal	\$6.00	\$6.00	\$6.00	\$6.00
Number of customers receiving support services	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
Behavioral Health - Operations and Grants				
Number of persons with severe and persistent mental illness receiving state-funded inpatient or outpatient services	11,750	11,500	11,750	11,750
Number of target and/or developmental communities engaged in implementing the Kansas Strategic Prevention Framework (K-SPF)	50	45	50	50
Number of individuals receiving problem gambling treatment	217	132	145	160
Number of individuals receiving community based alcohol and drug treatment services	12,956	11,838	13,000	13,000