

STATE INSTITUTIONS FOR INTELLECTUAL DISABILITIES

FY 2022 – FY 2024 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2022 – FY 2024

	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Operating Expenditures:					
State General Fund	\$ 22,919,259	\$ 38,417,474	\$ 38,417,474	\$ 35,576,760	\$ 34,119,166
Federal Funds	1,925,903	-	-	-	-
All Other Funds	34,422,680	29,756,712	29,756,712	30,263,103	30,263,103
<i>Subtotal</i>	<u>\$ 59,267,842</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 59,267,842</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
Percentage Change:					
State General Fund	(5.7) %	67.6 %	67.6 %	(7.4) %	(11.2) %
All Funds	7.8 %	15.0 %	15.0 %	(3.4) %	(5.6) %
FTE Positions	914.7	927.7	927.7	927.7	927.7

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

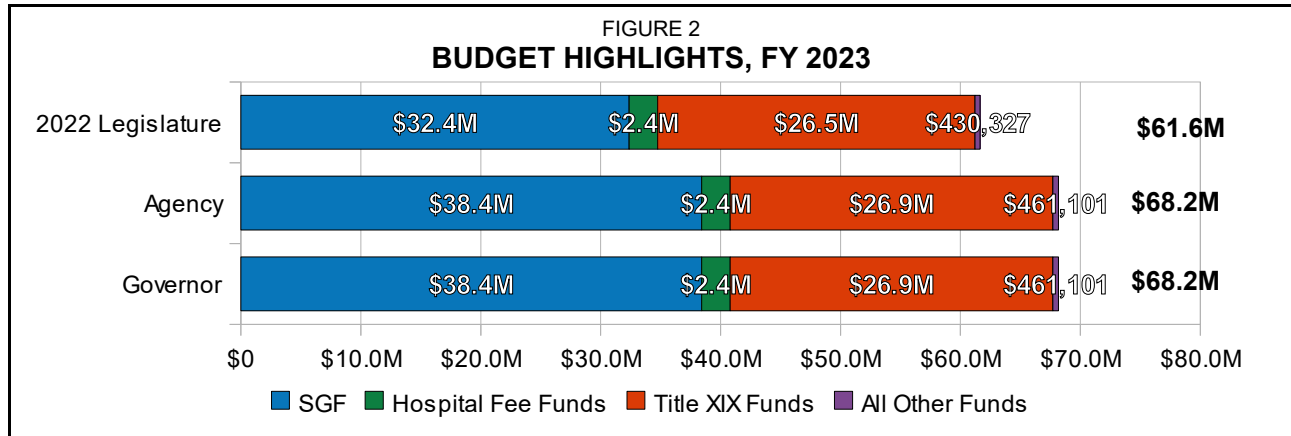
The State Institutions for Intellectual Disabilities (I/D Institutions) serve individuals diagnosed with intellectual and developmental disabilities who require specialized residential service provisions. There are two residential treatment, training, and care facilities operated by the State of Kansas: Kansas Neurological Institute (KNI) and Parsons State Hospital and Training Center (Parsons). Both facilities are state agencies administered by the Kansas Department for Aging and Disability Services (KDADS), pursuant to KSA 39-1904.

The I/D Institutions' mission is to improve the lives of residents by connecting the individuals they serve to appropriate supports and services. The general philosophy of the I/D Institutions is to promote the autonomy of the residents served through support and assistance to allow residents to make choices and achieve personal goals. Such individuals have conditions that originate early in life, most often before birth. Developmental disabilities often require some level of ongoing support throughout a lifetime. As a result, those living in state developmental disability hospitals tend to remain at the facility for much longer than patients at the state mental health hospitals. Therefore, the I/D Institutions are both treatment centers and homes for those individuals who are not served in the community.

EXECUTIVE SUMMARY

The 2022 Legislature approved a budget of \$61.1 million, including \$31.8 million from the State General Fund (SGF), for the State Institutions for Intellectual Disabilities for FY 2023. Subsequent to the 2022 Session, one adjustment has been made to that amount, which changes the current year approved amount without any legislative action required:

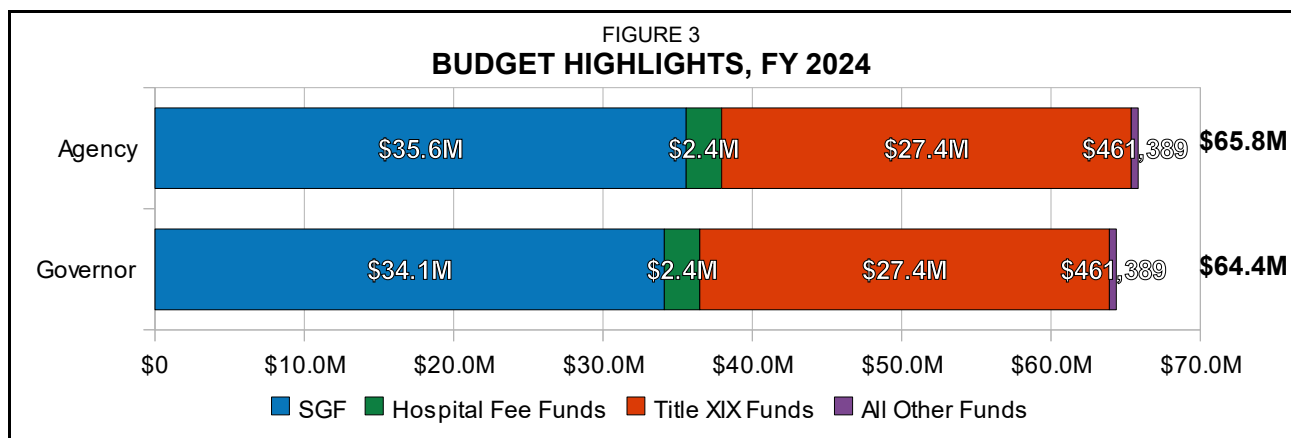
- SGF REAPPROPRIATION.** The agencies reappropriated \$575,310 SGF in unspent moneys from FY 2022 into FY 2023.



The **agencies** estimate revised expenditures of \$68.2 million, including \$38.4 million SGF, and 927.7 FTE positions in FY 2023. This is an all funds increase of \$6.5 million, including an increase of \$6.0 million SGF, above the agencies' FY 2023 approved amount. Significant changes in the agencies' revised estimate include:

- 24/7 PAY PLAN.** The agencies received a transfer of \$6.0 million SGF from KDADS in FY 2023. The funds include \$2.0 million for base pay increases and \$4.0 million for differential pay in accordance with the 24/7 Pay Plan approved by the 2022 Legislature.

The **Governor** concurs with the agencies' revised estimate in FY 2023.



The **agencies** request \$65.8 million, including \$35.6 million SGF, in expenditures and 927.7 FTE positions for FY 2024. This is an all funds decrease of \$2.3 million, including a decrease of \$2.8 million SGF, below the FY 2023 revised estimate. Significant changes in the agencies' revised estimate include:

- **24/7 PAY PLAN.** The FY 2024 request does not include funds related to the 24/7 Pay Plan. For FY 2024, the funds are reflected in the KDADS budget and will be transferred to the agencies during FY 2024. This appears as a decrease of \$6.0 million SGF below the agencies' FY 2023 revised estimate.
- **ENHANCEMENT REQUESTS RELATED TO STAFF SALARY INCREASES.** The agencies' FY 2024 request includes two enhancements requests totaling \$1.5 million SGF. The funding would be used for agency support staff salary increases. More detail is provided in the Enhancements section.

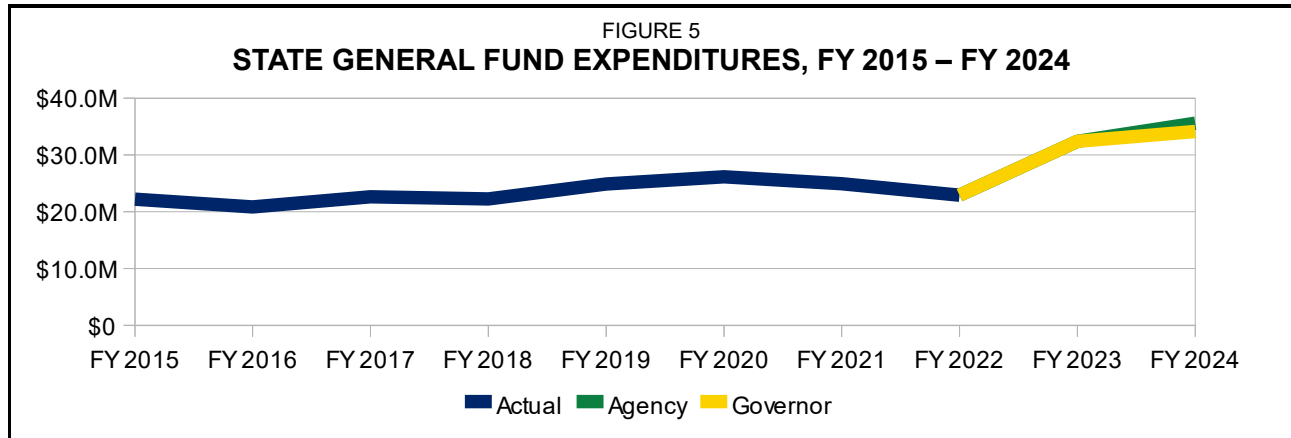
The **Governor** recommends expenditures of \$64.4 million, including \$34.1 million SGF, for FY 2024. This is a decrease of \$1.5 million, all SGF, below the agency's request for FY 2024. This decrease is due to the Governor not recommending the agency's enhancement request for support staff salary increases.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2022 – FY 2024

Category of Expenditure:	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Salaries and Wages	\$ 49,805,323	\$ 57,943,285	\$ 57,943,285	\$ 55,646,598	\$ 54,189,004
Contractual Services	5,876,339	6,048,461	6,048,461	6,091,071	6,091,071
Commodities	3,155,643	3,527,510	3,527,510	3,644,214	3,644,214
Capital Outlay	428,486	654,930	654,930	457,980	457,980
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 59,265,791</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	2,051	-	-	-	-
<i>Subtotal—Operating</i>	<u>\$ 59,267,842</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
Capital Improvements	-	-	-	-	-
Debt Service Principal	-	-	-	-	-
TOTAL	<u>\$ 59,267,842</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
Financing:					
State General Fund	\$ 22,919,259	\$ 38,417,474	\$ 38,417,474	\$ 35,576,760	\$ 34,119,166
Title XIX Funds	31,666,822	26,921,175	26,921,175	27,427,233	27,427,233
Hospital Fee Funds	2,474,437	2,374,436	2,374,436	2,374,481	2,374,481
ARPA Funds	1,925,903	-	-	-	-
All Other Funds	281,421	461,101	461,101	461,389	461,389
TOTAL	<u>\$ 59,267,842</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
FTE Positions	914.7	927.7	927.7	927.7	927.7

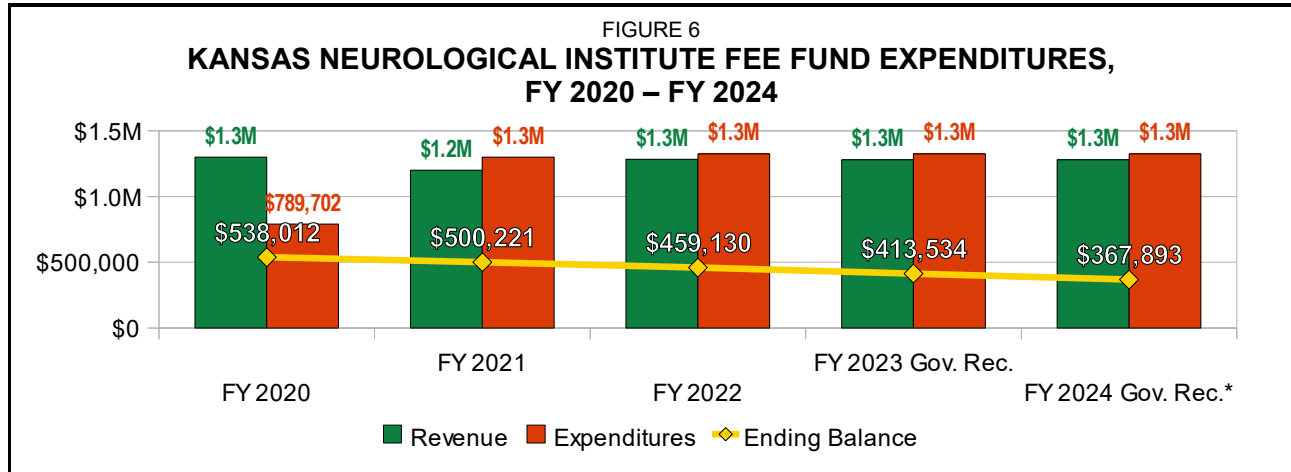
STATE GENERAL FUND



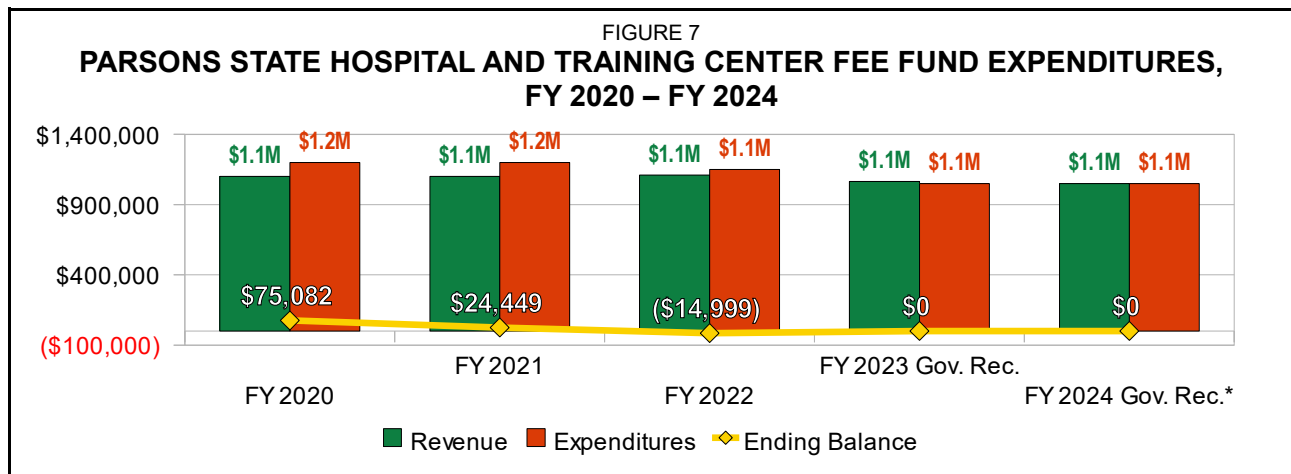
For the State Institutions for Intellectual Disabilities, SGF expenditures are expected to increase in FY 2023 and FY 2024 due to the end of the Public Health Emergency (PHE). As a result of the COVID-19 pandemic, the federal government provided for a temporary 6.2 percent increase to the Federal Medical Assistance Percentage (FMAP). This has resulted in a corresponding decrease in state match. The temporary increased FMAP extends until the last day of the calendar quarter in which the federal COVID-19 PHE is declared ended.

The agency's estimate for FY 2023 and FY 2024 reflects the increased FMAP ending in the first quarter of FY 2023. This results in three quarters of increased SGF expenditures in FY 2023 and four quarters of increased SGF expenditures in FY 2024, as compared to FY 2022.

AGENCY FEE FUNDS



* For FY 2024, the lowest month ending balance for the Kansas Neurological Institute Fee Fund will occur in March, with a balance of \$206,910.



* For FY 2024, the lowest month ending balance for the Parsons State Hospital and Training Center Fee Fund will occur in July, with a balance of \$0.

Both agencies maintain fee fund accounts, however these are not traditional fee funds in which the agency collects various fees or licenses. The bulk of these funds are private insurance or Medicare recoupments the hospitals receive in the course of caring for residents. Both agencies have indicated that these funds are not a stable source of revenue, as they can not consistently anticipate when they will receive recoupments or exactly how much those recoupments might be.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	All Other Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2022 Legislature	\$ 31,802,073	\$ 29,276,730	\$ 61,078,803	927.7
1. SGF Reappropriations	575,310	-	575,310	--
<i>Subtotal—Legislative Approved</i>	\$ 32,377,383	\$ 29,276,730	\$ 61,654,113	927.7
Agency Revised Estimate:				
2. 24/7 Pay Plan	\$ 5,965,091	-	\$ 5,965,091	--
3. All Other Adjustments	75,000	479,982	554,982	--
<i>Subtotal—Agency Revised Estimate</i>	\$ 38,417,474	\$ 29,756,712	\$ 68,174,186	927.7
Governor's Recommendation:				
4. No Changes	-	-	-	--
TOTAL	\$ 38,417,474	\$ 29,756,712	\$ 68,174,186	927.7

LEGISLATIVE APPROVED

Subsequent to the 2022 Session, one adjustment was made to the \$61.1 million appropriated to the State Institutions for Intellectual Disabilities for FY 2023. This adjustment changes the current year approved amount without any legislative action required and includes the following:

1. **SGF REAPPROPRIATIONS.** The agencies reappropriated \$575,310 SGF in unspent funds from FY 2022 into FY 2023.

AGENCY ESTIMATE

The **agencies** estimate revised expenditures of \$68.2 million, including \$38.4 million SGF, and 927.7 FTE positions in FY 2023. This is an all funds increase of \$6.5 million, including an increase of \$6.0 million SGF, above the agencies' FY 2023 approved amount.

The **agencies'** estimate includes the following adjustments:

2. **24/7 PAY PLAN.** The agencies received a transfer of \$6.0 million SGF from KDADS in FY 2023. The funds include \$2.0 million for base pay increases and \$4.0 million for differential pay in accordance with the 24/7 Pay Plan.
3. **ALL OTHER ADJUSTMENTS.** All other adjustments result in an increase of \$554,982, including an increase of \$75,000 SGF. This is primarily due to the increased availability of Title XIX funds at KNI in FY 2023.

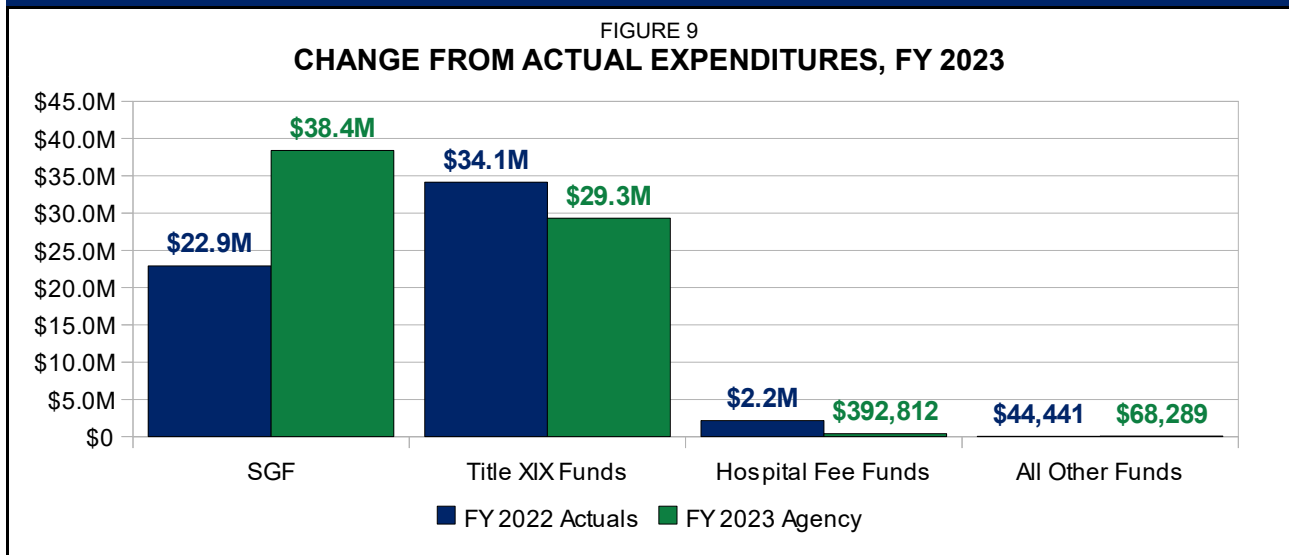
The **agency** estimate also includes 927.7 FTE positions in FY 2023. This is unchanged from the approved number.

GOVERNOR'S RECOMMENDATION

The **Governor** concurs with the agency's revised estimate in FY 2023.

4. **NO CHANGES.** The Governor does not recommend any changes to the agencies' revised estimate in FY 2023.

FY 2023 CHANGE FROM ACTUAL EXPENDITURES



The **agency** estimates revised expenditures of \$68.2 million, including \$38.4 million SGF, in FY 2023. This is an all funds increase of \$8.9 million, or 15.0 percent, including an SGF increase of \$15.5 million, or 67.6 percent, above FY 2022 actual expenditures.

SGF expenditures are expected to increase in FY 2023 due to the 2022 Legislature adding \$5.4 million SGF for FY 2023 to increase the starting salaries for Mental Health/Developmental Disability Technicians (MHDDTs) from \$12.35 per hour to \$16.00 per hour. Additionally, the 2022 Legislature added \$644,388 SGF to Parsons for a behavioral crisis stabilization unit for FY 2023.

SGF expenditures are expected to increase, and the federal match is expected to decrease, in FY 2023 due to the end of the Public Health Emergency (PHE). As a result of the COVID-19 pandemic, the federal government provided for a temporary 6.2 percent increase to the Federal Medical Assistance Percentage (FMAP). This has resulted in a corresponding decrease in state match. The temporary increased FMAP extends until the last day of the calendar quarter in which the federal COVID-19 PHE is declared ended. The agency's budget submission reflects one quarter of enhanced FMAP during FY 2023, ending in September 2022.

FY 2024 ANALYSIS

FIGURE 10
SUMMARY OF BUDGET REQUEST, FY 2024

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2023	\$ 38,417,474	\$ 29,756,712	\$ 68,174,186	927.7
Agency Request:				
1. Enhancement – Salary Increases for Support Staff	\$ 1,457,594	\$ -	\$ 1,457,594	--
2. All Other Adjustments	(4,298,308)	506,391	(3,791,917)	--
<i>Subtotal–Agency Estimate</i>	\$ 35,576,760	\$ 30,263,103	\$ 65,839,863	927.7
Governor’s Recommendation:				
3. Enhancement – Salary Increases for Support Staff – Not Recommended	\$ (1,457,594)	\$ -	\$ (1,457,594)	--
TOTAL	\$ 34,119,166	\$ 30,263,103	\$ 64,382,269	927.7

AGENCY REQUEST

The **agencies** request \$65.8 million, including \$35.6 million SGF, in expenditures for FY 2024. This is an all funds decrease of \$2.3 million, including \$2.8 million SGF, below the FY 2023 revised estimate.

The **agencies'** request includes the following adjustments:

1. **ENHANCEMENT – SALARY INCREASES FOR SUPPORT STAFF.** The agencies request an enhancement of \$1.5 million SGF to increase support staff salaries by 15.0 percent. For Parsons, the total is \$763,907, which would impact 117.0 FTE positions. For KNI, the total is \$693,687, which would impact 104.0 FTE positions.

2. **ALL OTHER ADJUSTMENTS.** All other adjustments result in a decrease of \$3.7 million, including a decrease of \$4.3 million SGF, below the FY 2023 revised estimate. The decrease is primarily due to the 24/7 Pay Plan base pay and differential funds not appearing in the agencies' budget for FY 2024. Instead, the funds are included in the KDADS budget request and will be transferred to the agencies during FY 2024. The overall decrease is partially offset by increases in salaries and wages fringe benefits and expenditures on commodities.

The **agency** request also includes 927.7 FTE positions, which is unchanged from the FY 2023 revised estimate.

GOVERNOR’S RECOMMENDATION

The **Governor** recommends expenditures of \$64.4 million, including \$34.1 million SGF, for FY 2024. This is a decrease of \$1.5 million, all SGF, below the agencies' request for FY 2024. The **Governor’s** recommendation includes the following adjustment:

3. **ENHANCEMENT – SALARY INCREASES FOR SUPPORT STAFF – NOT RECOMMENDED.** The Governor does not recommend the adoption of the agency's enhancement request to increase support staff salaries by 15.0 percent, which is a decrease of \$1.5 million SGF below the agency's request for FY 2024 (Item 1).

ENHANCEMENT REQUEST SUPPORT STAFF SALARY INCREASE

Agency	SGF	FTE Positions Affected
Kansas Neurological Institute	\$ 693,687	104
Parsons State Hospital and Training Center	763,907	117
TOTAL	\$ 1,457,594	221

For FY 2024 and beyond, the **agencies** request \$1.5 million SGF to raise starting wages for agency support staff. The requested increase would fund a 15.0 percent increase to the starting salary of existing and vacant support staff positions. For KNI, the total cost is \$693,687, and it would impact 104.0 FTE positions. For Parsons, the total cost is \$763,907, and it would impact 117.0 FTE positions.

The agencies report that increasing the Mental Health Technician (MHT) wages helped reduce vacancy and turnover rates. However, it widened the wage gap between direct support positions and agency support positions, such as custodial, laundry, engineering, maintenance, and administrative positions. The agencies state that increasing salaries for these positions will assist in reducing turnover rates and meeting the agencies' performance measures.

The Governor does not recommend adoption of this request.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

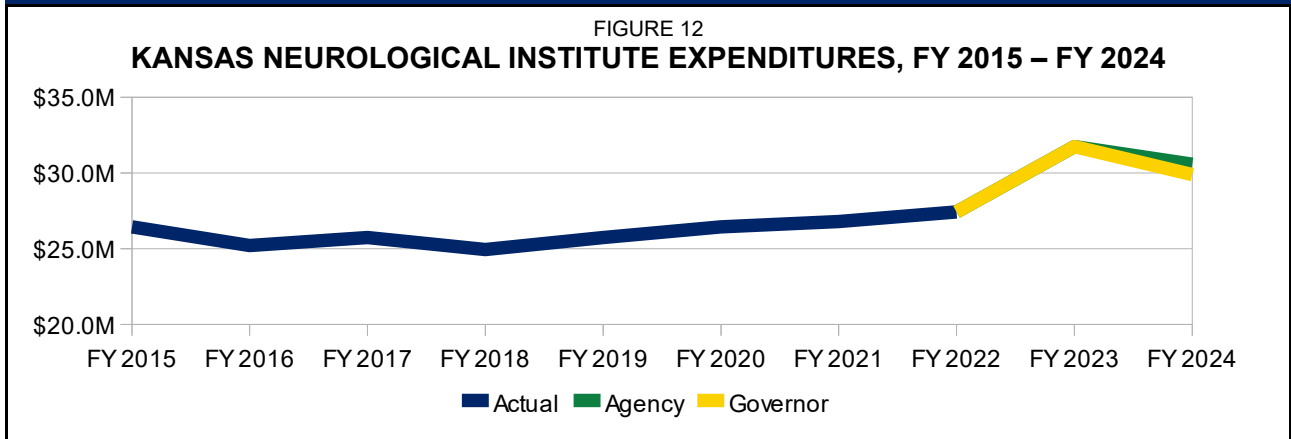
FIGURE 11
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2022 – FY 2024

Programs	Actual FY 2022	Agency FY 2023	Governor FY 2023	Agency FY 2024	Governor FY 2024
Expenditures:					
Kansas Neurological Institute	\$ 27,420,301	\$ 31,734,410	\$ 31,734,410	\$ 30,574,855	\$ 29,881,168
Parsons State Hospital and Training Center	31,847,541	36,439,776	36,439,776	35,265,008	34,501,101
TOTAL	<u>\$ 59,267,842</u>	<u>\$ 68,174,186</u>	<u>\$ 68,174,186</u>	<u>\$ 65,839,863</u>	<u>\$ 64,382,269</u>
FTE Positions:					
Kansas Neurological Institute	437.5	437.5	437.5	437.5	437.5
Parsons State Hospital and Training Center	477.2	490.2	490.2	490.2	490.2
TOTAL	<u>914.7</u>	<u>927.7</u>	<u>927.7</u>	<u>927.7</u>	<u>927.7</u>

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

KANSAS NEUROLOGICAL INSTITUTE



- STATUTORY BASIS:** • KSA 76-17c01 to 76-17c08
- PROGRAM GOALS:**
- Provide quality supports for the people living at KNI in daily needs and decision-making.
 - Provide support for residents in all aspects of finding, securing, and retaining individualized and meaningful employment.
 - Engage community people, to provide a high-quality volunteer experience that will enrich the lives of the volunteers and people with intellectual disabilities.
 - Provide health care for people who live at KNI with various types of acute and chronic conditions and intermediate health care 24 hours a day, 7 days a week.

The Kansas Neurological Institute (KNI) was established in 1959 on 183 acres formerly occupied by the Winter Veterans Hospital. The resident population at KNI is growing older and facing increasingly complex medical, physical, and behavioral support challenges. Many KNI residents require intensive physical and medical supports. Patients at KNI live in 20 homes in 4

residential lodges. KNI's mission is to support each individual who lives at KNI to have a meaningful life. The agency aims to accomplish this mission by ensuring the well-being of its residents; providing opportunities for personal choice; promoting personal relationships; encouraging participation in the community; and recognizing residents' individuality.

	Actual FY 2020	Actual FY 2021	Actual FY 2022	Projected FY 2023	Projected FY 2024
Bed Capacity	141	135	133	131	131
Average Daily Census	132	126	126	126	126
Admissions	3	4	5	4	4
Separations	10	7	6	4	4

FIGURE 13
KANSAS NEUROLOGICAL INSTITUTE, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. Vacancy Rate for Direct Care Staff*	24.1 %	25.0 %	19.8 %	10.0 %	10.0 %
2. Vacancy Rate for Non-Direct Care Staff*	8.7 %	12.9 %	10.5 %	6.0 %	6.0 %
3. Percent of guardians who agree KNI treats individuals with respect and dignity	99.0 %	94.0 %	95.7 %	100.0 %	100.0 %
4. Percent of guardians who agree KNI provides a comprehensive array of services that meet the needs of the individual living at KNI*	99.0 %	96.0 %	96.7 %	100.0 %	100.0 %
5. Number of on-site medical clinic visits	335	120	294	500	500
Output Measure:					
6. Number of residents participating in Supported Employment jobs*	77	74	79	88	88
7. Percent of employed residents*	60.0 %	100.0 %	42.0 %	100.0 %	100.0 %
8. Number of KNI work requests for assistive technology services*	1,268	1,942	1,535	1,350	1,350
Financing (in Thousands)	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ 11,216	\$ 10,095		\$ 16,721	\$ 15,024
Federal Funds	892	1,094		393	393
All Other Funds	14,680	16,231		14,621	14,464
TOTAL	\$ 26,788	\$ 27,420		\$ 31,735	\$ 29,881
Percentage Change:					
SGF	(2.7) %	(10.0) %		65.6 %	(10.1) %
All Funds	1.4 %	2.4 %		15.7 %	(5.8) %
FTE Positions	437.5	437.5		437.5	437.5

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

The primary focus of KNI is providing individual supports for people with intellectual and developmental disabilities. Therefore, KNI's priority is ensuring it has adequate coverage for the care of its residents.

In FY 2019, the vacancy rate for direct care support staff was 9.2 percent. In FY 2020, that rate increased to 10.4 percent, and to 24.6 percent in FY 2021. The increase in FY 2021 is partly related to the COVID-19 pandemic. The agency reports that it has historically faced difficulty retaining staff, which is largely attributed to low salaries and the difficult nature of the work.

PREVIOUS SALARY INCREASE REQUESTS

During the 2021 Session, the agency sought to increase the starting salaries of its Mental Health/Developmental Disability Technicians (MHDDTs). At the time, the starting salary for MHDDTs was approximately \$12.35 an hour. The Governor subsequently issued Executive Directive Nos. 21-537 and 21-538, which increased the starting salaries for these positions. The 2022 Legislature added \$2.7 million SGF for FY 2023 to implement the Executive Directives.

Additionally, the 2022 Legislature approved the 24/7 Pay Plan, which provides for base pay increases and hourly differential pay. The 24/7 Pay Plan was funded using federal ARPA funds in FY 2022 and SGF moneys in FY 2023.

The funds pass through KDADS to each of the state hospitals.

SERVICES FOR RESIDENTS

FOSTER GRANDPARENT PROGRAM

As part of its active therapies program, KNI provides leisure activities and skill development through the Foster Grandparent Program, which is a federally funded program that assists in pairing residents with older volunteers. Through this program, residents receive an

array of individualized social, leisure, and spiritual opportunities by participating in leisure and other activities with the volunteer grandparents.

SUPPORTED EMPLOYMENT SERVICES

KNI also provides various supported employment services through several entrepreneurial businesses operated at KNI, as well as employment opportunities at KNI itself or other locations in the Topeka community.

FIGURE 14
**KANSAS NEUROLOGICAL INSTITUTE
SUMMARY OF EXPENDITURES FY 2022 – FY 2024**

Item	Actual FY 2022	Agency Est. FY 2023	Gov. Rec. FY 2023	Agency Req. FY 2024	Gov. Rec. FY 2024
Expenditures:					
Salaries and Wages	\$ 22,244,147	\$ 26,225,377	\$ 26,225,377	\$ 25,107,093	\$ 24,413,406
Contractual Services	3,326,489	3,362,398	3,362,398	3,362,398	3,362,398
Commodities	1,746,761	1,900,135	1,900,135	1,903,864	1,903,864
Capital Outlay	100,853	246,500	246,500	201,500	201,500
Debt Service	-	-	-	-	-
<i>Subtotal - Operations</i>	<u>\$ 27,418,250</u>	<u>\$ 31,734,410</u>	<u>\$ 31,734,410</u>	<u>\$ 30,574,855</u>	<u>\$ 29,881,168</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	2,051	-	-	-	-
<i>Subtotal - Operating</i>	<u>\$ 27,420,301</u>	<u>\$ 31,734,410</u>	<u>\$ 31,734,410</u>	<u>\$ 30,574,855</u>	<u>\$ 29,881,168</u>
Capital Improvements	-	-	-	-	-
Debt Service (Principal)	-	-	-	-	-
TOTAL	<u>\$ 27,420,301</u>	<u>\$ 31,734,410</u>	<u>\$ 31,734,410</u>	<u>\$ 30,574,855</u>	<u>\$ 29,881,168</u>
Financing:					
State General Fund	\$ 10,095,375	\$ 16,720,542	\$ 16,720,542	\$ 15,717,648	\$ 15,023,961
Federal Funds	-	-	-	-	-
All Other Funds	17,324,926	15,013,868	15,013,868	14,857,207	14,857,207
TOTAL	<u>\$ 27,420,301</u>	<u>\$ 31,734,410</u>	<u>\$ 31,734,410</u>	<u>\$ 30,574,855</u>	<u>\$ 29,881,168</u>
FTE Positions	437.5	437.5	437.5	437.5	437.5

FY 2023 REVISED ESTIMATE

The **agency's** revised estimate is \$31.7 million, including \$16.7 million SGF, in expenditures in FY 2023. This is an increase of \$3.2 million, including \$2.7 million SGF, above the FY 2023 approved amount.

The increase is primarily due to a transfer of \$2.7 million SGF from KDADS. This transfer includes \$895,224 for base pay increases and \$1.8 million for differential pay pursuant to the 24/7 Pay Plan. Other adjustments include increased utility costs, increased expenditures on contract agency staffing, and increased capital outlay expenditures across the agency's programs.

The **Governor** concurs with the agency's revised estimate in FY 2023.

FY 2024 AGENCY REQUEST

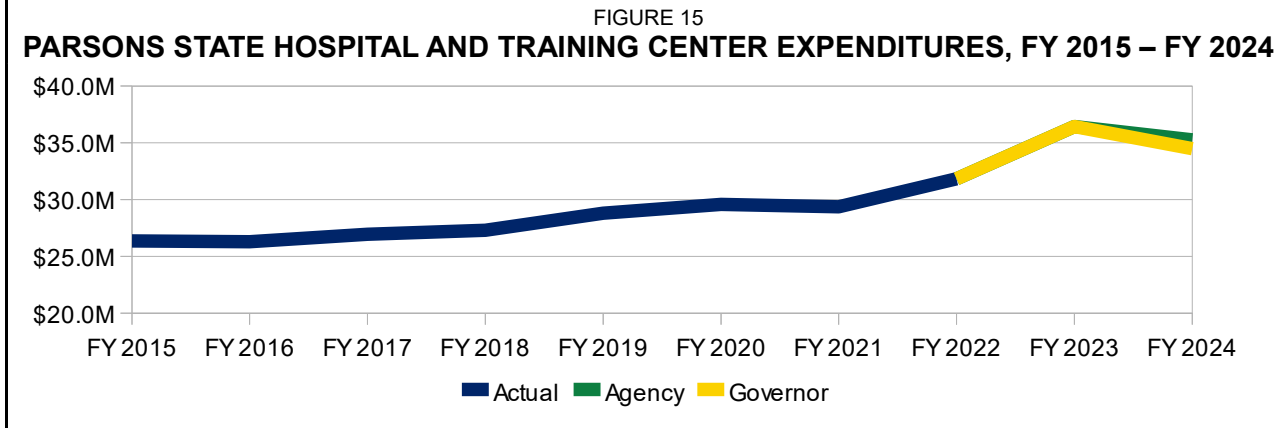
The **agency's** request is \$30.6 million, including \$15.7 million SGF, for FY 2024. This is a decrease of \$1.2 million, including a decrease of \$1.0 million SGF, below the agency's FY 2023 revised estimate.

The decrease is primarily due to the 24/7 Pay Plan funds being included in the KDADS budget request in FY 2024. KDADS will transfer the funds to the state hospitals during FY 2024.

The overall decrease is partially offset by the agency's enhancement request of \$693,687 to increase support staff salaries. For more information on the enhancement request, see the Enhancements section. Additionally, the agency's request includes increased expenditures for employer contributions for group health insurance.

The **Governor** recommends expenditures of \$29.9 million, including \$15.0 million SGF, for KNI for FY 2024. This is a decrease of \$693,687 SGF, or 2.3 percent, below the agency's request for FY 2024. The decrease is due to the Governor not recommending adoption of the agency's enhancement request to increase support staff salaries.

PARSONS STATE HOSPITAL AND TRAINING CENTER



- STATUTORY BASIS:** • KSA 76-1401 to KSA 76-1415
- PROGRAM GOALS:**
- Provide effective habilitation, rehabilitation, active treatment, and care to residents of the facility in a safe, healthy, and homelike living environment with consideration for the informed personal lifestyle choices of each resident
 - Supplement and extend development of community service provisions for developmentally disabled children and adults, especially through Outreach Services, a statewide program for persons with developmental disabilities and psychiatric impairments.
 - Provide for the optimal mental and physical health of each resident with consideration for the informed personal lifestyle choices of each resident.

The Parsons State Hospital and Training Center (Parsons) was opened in 1903 as Parsons State Hospital to treat people who were epileptic. In 1953, the program was changed to provide residential services for children with intellectual disabilities, and the name was changed to the Parsons State Training School. Its name was changed a few

years later to the Parsons State Hospital and Training Center to more accurately describe the treatment programs. The population at Parsons function within a profound to borderline range of intellectual abilities. Approximately 90.0 percent of the population are dually diagnosed with an accompanying psychiatric impairment.

	Actual FY 2020	Actual FY 2021	Actual FY 2022	Projected FY 2023	Projected FY 2024
Bed Capacity	172	172	172	172	172
Average Daily Census	157	150	147	147	150
Admissions	7	6	11	12	13
Separations	13	14	12	10	13

FIGURE 16
PARSONS STATE HOSPITAL AND TRAINING CENTER, PERFORMANCE MEASURES

	Actual FY 2021	Actual FY 2022	Actual 3-Year Avg.	Target FY 2023	Target FY 2024
Outcome Measure:					
1. Percent compliance to ICF/IID standards pertaining to Habilitation and Treatment Program*	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
2. Average Number of Parsons residents requiring increased supervision due to self-injurious or aggressive behaviors.*	139	141	140	139	139
3. Average number of Parsons residents requiring their own bedroom due to self-injurious or aggressive behaviors.*	83	82	86	80	80
4. Direct support staff turnover rate.*	32.2 %	25.0 %	28.6 %	27.0 %	27.0 %
5. Number of new direct support staff hired each FY.*	60	81	55	50	50
Output Measure:					
6. Number of ICF/IID residents served.*	161	159	163	159	162
7. Number of SPTP residents served.*	9	10	10	10	10
Financing (in Thousands)	Actual FY 2021	Actual FY 2022		Governor FY 2023	Governor FY 2024
SGF	\$ 13,723	\$ 12,824		\$ 21,697	\$ 19,095
Federal Funds	578	1,069		-	-
All Other Funds	15,060	17,954		14,743	15,406
TOTAL	\$ 29,361	\$ 31,847		\$ 36,440	\$ 34,501
Percentage Change:					
SGF	(6.1) %	(6.6) %		69.2 %	(12.0) %
All Funds	(0.8) %	8.5 %		14.4 %	(5.3) %
FTE Positions	477.2	477.2		490.2	490.2

*The Governor's Office does not utilize this measure for evaluation purposes.

PERFORMANCE AND BUDGET ANALYSIS

The mission of Parsons State Hospital and Training Center is to improve the lives of its residents by connecting people with supports and services. The agency's philosophy views services as existing to enhance the quality of life for individuals with developmental disabilities while supporting diversity and inclusion of such individuals. It views personal preferences of the individual in all aspects of life as the benchmark of all of its services.

As stated above, approximately 90.0 percent of the Parsons population are dually diagnosed with an accompanying psychiatric impairment. This results in a population that may be more

prone to emotional outbursts and self injurious/aggressive behaviors.

The agency indicates that in FY 2019 and FY 2020, Parsons saw a significant increase in the number of psychotropic medications prescribed prior to admission to the state hospital by an outside service provider. According to the agency, these medications are generally used as a means to control aggressive behaviors in the community. The Parsons Medical Director and staff closely monitor all medications for each resident in an effort to reduce the number of psychotropic medications prescribed during a resident's stay at Parsons. The agency estimates that approximately 73.0 percent of

people admitted to Parsons have had psychotropic medication prescriptions reduced or eliminated since FY 2004.

EFFECT OF THE COVID-19 PANDEMIC

During FY 2020 and FY 2021, the COVID-19 pandemic affected the daily operations of the hospital. For most of FY 2020 and half of FY 2021, off-campus activities and family visitations were prohibited. Additionally, vendors and deliveries were subjected to strict measures to avoid the transmission of COVID-19. The hospital adapted its policies to promote better handwashing, surface disinfecting, and social distancing, and limited face-to-face interactions. During the second half of FY 2021, restrictions began to be lifted. With the prevalence of the delta variant, these procedures remained to some extent.

AGING POPULATION

Similar to KNI, the population of Parsons is beginning to age. Currently, the average length

of stay for residents at Parsons is 19.3 years. Currently, 54.0 percent of the population is over the age of 50, including 21 residents who are over the age of 60. As these residents continue to age, Parsons anticipates seeing increased expenditures related to age-related health conditions, similar to expenditures at KNI to care for its aging population.

AGGRESSIVE AND SEXUAL BEHAVIOR

The agency reports that a majority of new admissions are individuals with serious aggressive and sexual acting-out behaviors. While the agency indicates that the overall population is aging, since FY 2019 its new admissions have been on average 17 years old. Additionally, a majority of new residents have had multiple police involvements, hospitalizations, or emergency room visits prior to being admitted to the hospital. The agency anticipates that if this trend continues, it will see an increase in aggressive and self-injurious behaviors, which it believes may create difficulty in placing individuals.

FIGURE 17
**PARSONS STATE HOSPITAL AND TRAINING CENTER
 SUMMARY OF EXPENDITURES FY 2022 – FY 2024**

Item	Actual FY 2022	Agency Est. FY 2023	Gov. Rec. FY 2023	Agency Req. FY 2024	Gov. Rec. FY 2024
Expenditures:					
Salaries and Wages	\$ 27,561,176	\$ 31,717,908	\$ 31,717,908	\$ 30,539,505	\$ 29,775,598
Contractual Services	2,549,850	2,686,063	2,686,063	2,728,673	2,728,673
Commodities	1,408,882	1,627,375	1,627,375	1,740,350	1,740,350
Capital Outlay	327,633	408,430	408,430	256,480	256,480
Debt Service	-	-	-	-	-
<i>Subtotal - Operations</i>	<u>\$ 31,847,541</u>	<u>\$ 36,439,776</u>	<u>\$ 36,439,776</u>	<u>\$ 35,265,008</u>	<u>\$ 34,501,101</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal - Operating</i>	<u>\$ 31,847,541</u>	<u>\$ 36,439,776</u>	<u>\$ 36,439,776</u>	<u>\$ 35,265,008</u>	<u>\$ 34,501,101</u>
Capital Improvements	-	-	-	-	-
Debt Service (Principal)	-	-	-	-	-
TOTAL	<u>\$ 31,847,541</u>	<u>\$ 36,439,776</u>	<u>\$ 36,439,776</u>	<u>\$ 35,265,008</u>	<u>\$ 34,501,101</u>
Financing:					
State General Fund	\$ 12,823,884	\$ 21,696,932	\$ 21,696,932	\$ 19,859,112	\$ 19,095,205
Federal Funds	-	-	-	-	-
All Other Funds	19,023,657	14,742,844	14,742,844	15,405,896	15,405,896
TOTAL	<u>\$ 31,847,541</u>	<u>\$ 36,439,776</u>	<u>\$ 36,439,776</u>	<u>\$ 35,265,008</u>	<u>\$ 34,501,101</u>
FTE Positions	477.2	490.2	490.2	490.2	490.2

FY 2023 REVISED ESTIMATE

The **agency's** revised estimate is \$36.4 million, including \$21.7 million SGF, in FY 2023. This is an increase of \$3.3 million, including \$3.3 million SGF, above the FY 2023 approved amount.

The increase is due to a transfer of \$3.3 million SGF from KDADS. This transfer includes \$1.1 million for base pay increases and \$2.2 million for differential pay pursuant to the 24/7 Pay Plan.

The **Governor** concurs with the agency's revised estimate in FY 2023.

FY 2024 AGENCY REQUEST

The **agency's** request is \$35.3 million, including \$19.9 million SGF, for FY 2024. The request is a decrease of \$1.2 million, including a decrease of \$1.8 million SGF, below the agency's FY 2023 revised estimate.

The decrease is primarily due to the 24/7 Pay Plan funds being included in the KDADS budget request in FY 2024. KDADS will transfer the funds to the state hospitals during FY 2024.

The overall decrease is partially offset by the agency's enhancement request of \$763,907 to increase support staff salaries. For more information on the enhancement request, see the Enhancements section. Additionally, the agency's request includes increased expenditures for employer contributions for group health insurance and miscellaneous expenditures on commodities and contractual services.

The **Governor** recommends expenditures of \$34.5 million, including \$19.1 million SGF, for FY 2024. This is a decrease of \$763,907 SGF, or 2.2 percent, below the agency's request for FY 2024. The decrease is due to the Governor not recommending adoption of the agency's enhancement request to increase support staff salaries.