

House Budget Committee Report

Agency: Kansas Department of Health and Environment – Division of Health **Bill No.** HB 2802

Bill Sec. 57

Analyst: Leopold

Budget Analysis Vol. --

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Expenditure Summary	Agency Estimate FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
<i>Operating Expenditures:</i>			
State General Fund	\$ 888,480,303	\$ 850,231,935	\$ 0
Federal Funds	2,415,022,444	2,408,550,735	0
Other Funds	621,908,933	639,451,368	0
<i>Subtotal</i>	\$ 3,925,411,680	\$ 3,898,234,038	\$ 0
<i>Capital Improvements:</i>			
State General Fund	\$ 223,893	\$ 223,893	\$ 0
Federal Funds	112,573	112,573	0
Other Funds	0	0	0
<i>Subtotal</i>	\$ 336,466	\$ 336,466	\$ 0
TOTAL	\$ 3,925,748,146	\$ 3,898,570,504	\$ 0
FTE positions	1,385.2	1,384.2	0.0

Agency Estimate

The agency submits a revised estimate of \$3.9 billion, including \$888.7 million SGF, in FY 2024. This is an all funds increase of \$19.7 million, or 0.5 percent, including an SGF increase of \$3.2 million, or 0.1 percent, above the amount approved by the 2023 Legislature.

The estimate includes \$45.3 million for the Administration function, \$268.9 million for the Division of Public Health, and \$3.6 billion for the Division of Health Care Finance. The all funds increase is primarily attributable to expenditures for the KDHE laboratory being transferred from the Division of Environment to the Division of Public Health, partially offset by a decrease in federal funds for contractual expenditures in the Division of Health Care Finance. Also contributing to the agency's SGF increase are the agency's four supplemental requests totaling \$949,196.

The revised estimate includes 1,385.2 FTE positions, which reflects an increase of 71.5 FTE positions above the number approved by the 2023 Legislature for KDHE health. This includes a transfer of 90.2 existing positions from the Division of Environment, creating an overall increase of 91.8 positions in the Division of Public Health, a decrease of 2.2 FTE positions in the Administration function, and a decrease of 18.0 FTE positions in the Division of Health Care Finance. The overall decrease in positions is due to the agency eliminating positions that are unfilled that it does not plan to fill. A table indicating the FTE changes in each division is below.

Program	2024 Approved*	2024 Revised Request	Change in FTE count
Administration	155.0	152.8	(2.2)
Public Health	621.7	606.5	(15.2)
Health Care Finance	644.0	626.0	(18.0)
Environment	381.0	398.2	17.2
Agency Total	1,801.7	1,783.5	(18.2)

**Includes the FTE positions approved for the laboratory in the public health program*

Governor's Recommendation

The **Governor** recommends expenditures of \$3.9 billion, including \$850.5 million SGF, in FY 2024. This is an all funds decrease of \$27.8 million, or 0.7 percent, including an SGF decrease of \$38.2 million, or 4.3 percent, from the agency's FY 2024 revised estimate.

The decrease is largely due to adjustments to accept the Fall human services consensus caseload estimates (39.7 million SGF) and a lapse of SGF funding for the Kansas Modular Medicaid System (KMMS) (\$7.1 million SGF), offset by the Governor's recommendation to partially fund the agency's enhancement request for laboratory move and furnishing expenditures in FY 2024 rather than fully funding in FY 2025.

The Governor's recommendation also includes 1,782.4 FTE positions, which is a decrease of 1.0 FTE position below the agency's FY 2024 revised estimate number. The decrease is due to the Governor not recommending the agency's supplemental request for an additional FTE position in the Medicaid Eligibility program.

Joint Committee on State Building Construction Recommendation

The **Joint Committee** concurs with the Governor's recommendation in FY 2024.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation in FY 2024.

House Committee Recommendation

The **House Committee** concurs with the Budget Committee's recommendation in FY 2024.

Senate Subcommittee Report

Agency: Kansas Department of Health and Environment – Division of Health **Bill No.** SB 514

Bill Sec. 57

Analyst: Leopold

Budget Analysis Vol. --

GBR Vol. 2, p. 266

Expenditure Summary	Agency Estimate FY 2024	Governor Recommendation FY 2024	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 888,480,303	\$ 850,231,935	\$ 0
Federal Funds	2,415,022,444	2,408,550,735	0
Other Funds	621,908,933	639,451,368	0
<i>Subtotal</i>	<u>\$ 3,925,411,680</u>	<u>\$ 3,898,234,038</u>	<u>\$ 0</u>
Capital Improvements:			
State General Fund	\$ 223,893	\$ 223,893	\$ 0
Federal Funds	112,573	112,573	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 336,466</u>	<u>\$ 336,466</u>	<u>\$ 0</u>
TOTAL	<u>\$ 3,925,748,146</u>	<u>\$ 3,898,570,504</u>	<u>\$ 0</u>
FTE positions	1,385.2	1,384.2	0.0

Agency Estimate

The agency submits a revised estimate of \$3.9 billion, including \$888.7 million SGF, in FY 2024. This is an all funds increase of \$19.7 million, or 0.5 percent, including an SGF increase of \$3.2 million, or 0.1 percent, above the amount approved by the 2023 Legislature.

The estimate includes \$45.3 million for the Administration function, \$268.9 million for the Division of Public Health, and \$3.6 billion for the Division of Health Care Finance. The all funds increase is primarily attributable to expenditures for the KDHE laboratory being transferred from the Division of Environment to the Division of Public Health, partially offset by a decrease in federal funds for contractual expenditures in the Division of Health Care Finance. Also contributing to the agency's SGF increase are the agency's four supplemental requests totaling \$949,196.

The revised estimate includes 1,385.2 FTE positions, which reflects an increase of 71.5 FTE positions above the number approved by the 2023 Legislature for KDHE health. This includes a transfer of 90.2 existing positions from the Division of Environment, creating an overall increase of 91.8 positions in the Division of Public Health, a decrease of 2.2 FTE positions in the

Administration function, and a decrease of 18.0 FTE positions in the Division of Health Care Finance. The overall decrease in positions is due to the agency eliminating positions that are unfilled that it does not plan to fill. A table indicating the FTE changes in each division is below.

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Public Health	514.7	606.5	91.8
Health Care Finance	644.0	626.0	(18.0)
Environment	488.0	398.2	(89.8)
Agency Total	1,801.7	1,783.5	(18.3)

Governor's Recommendation

The **Governor** recommends expenditures of \$3.9 billion, including \$850.5 million SGF, in FY 2024. This is an all funds decrease of \$27.8 million, or 0.7 percent, including an SGF decrease of \$38.2 million, or 4.3 percent, from the agency's FY 2024 revised estimate.

The decrease is largely due to adjustments to accept the Fall human services consensus caseload estimates (39.7 million SGF) and a lapse of SGF funding for the Kansas Modular Medicaid System (KMMS) (\$7.1 million SGF), offset by the Governor's recommendation to partially fund the agency's enhancement request for laboratory move and furnishing expenditures in FY 2024 rather than fully funding in FY 2025.

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Joint Committee on State Building Construction Recommendation

The **Joint Committee** concurs with the Governor's recommendation in FY 2024.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation in FY 2024.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation in FY 2024.