

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request

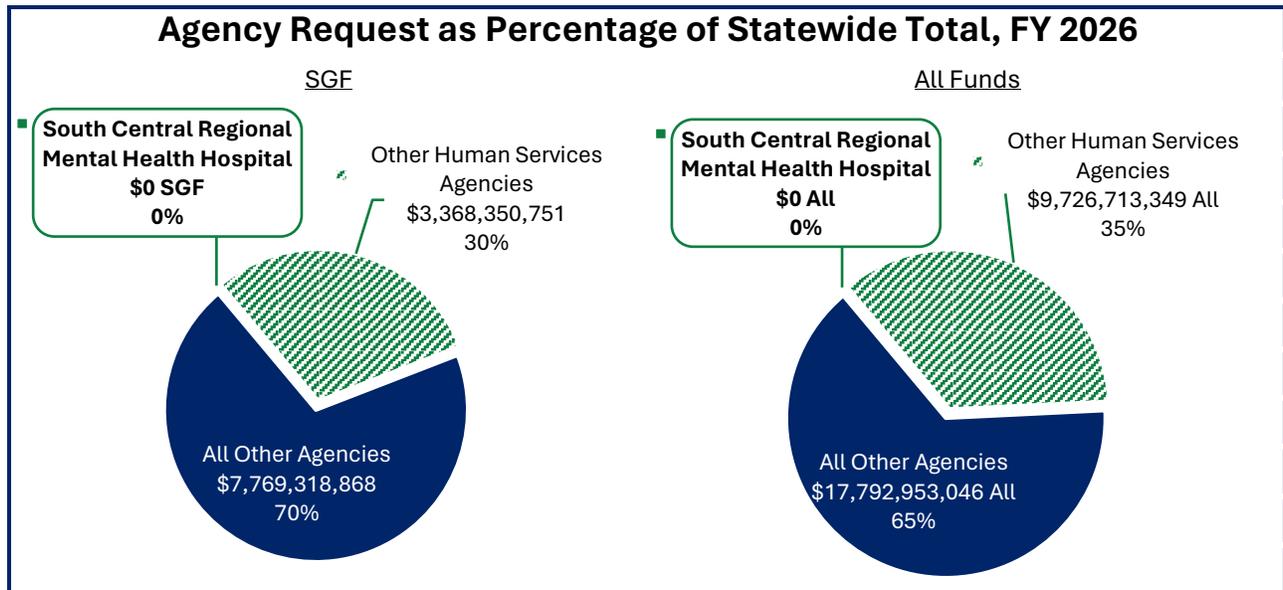
### Executive Summary

The South Central Regional Mental Health Hospital (SCR) is a psychiatric facility that provides inpatient treatment for mentally ill adults from five counties in Kansas, in collaboration with five Community Mental Health Centers. The hospital provides a continuum of mental health services, providing stabilization and rehabilitation to people with severe mental illness who cannot, or will not, access these services elsewhere. The Hospital has six operational units established under its Administration program:

- **General Administration** houses overall management functions, including the superintendent’s office, accounting, billing and collections, and more;
- **Staff Development and Training** provide staff education and development;
- The **Acute Clinical Program** provides inpatient services for people 18 years of age or older with severe mental illness. This program will be licensed for 52 beds;
- The **State Security Program** serves adult male mentally ill patients admitted through specific forensic statutes<sup>1</sup> from county jails. This program will also have 52 beds;
- **Medical Services** encompasses psychiatric services, physical therapy, and more;
- **Physical Plant and Central Services** maintains building systems.

The Hospital will seek licensure by the Kansas Department of Health and Environment (KDHE), to determine legal and regulatory compliance. Furthermore, the Acute Treatment program for individuals under the Care and Treatment Act<sup>2</sup> will seek certification from the Centers for Medicare and Medicaid Services. Initial surveys are anticipated to be completed around May 2027.

Expenditures by Fiscal Year and Version			
	SGF	All Funds	Note
FY 2027 Agency	\$ 43,903,466	\$ 45,903,466	Agency request, submitted September 2025



<sup>1</sup> [KSA 22-3302](#) (competency evaluation), [22-3303](#) (competency treatment), [22-3219](#) (mental status evaluation), [22-3429](#) (presence evaluation), [22-3428](#) (not guilty by reason of lack of mental state), [22-3430](#) (care and treatment in lieu of imprisonment).

<sup>2</sup> [KSA 59-2945](#) et al.

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request

### Budget and Policy Snapshot

The tables below provide a selection of items that inform the agency budget request. These items include **supplemental and enhancement requests** (NEW), adjustments related to **reappropriated funds** (E), **language-only policy changes** requested for inclusion in legislation, changes in **federal or state policy** that impact agency funding, and other budgetary items.

These tables are not intended to be a comprehensive list of changes in the agency budget request. For more detail on individual fiscal year requests, please refer to the [FY 2026 Analysis](#) and [FY 2027 Analysis](#) sections later in this document.

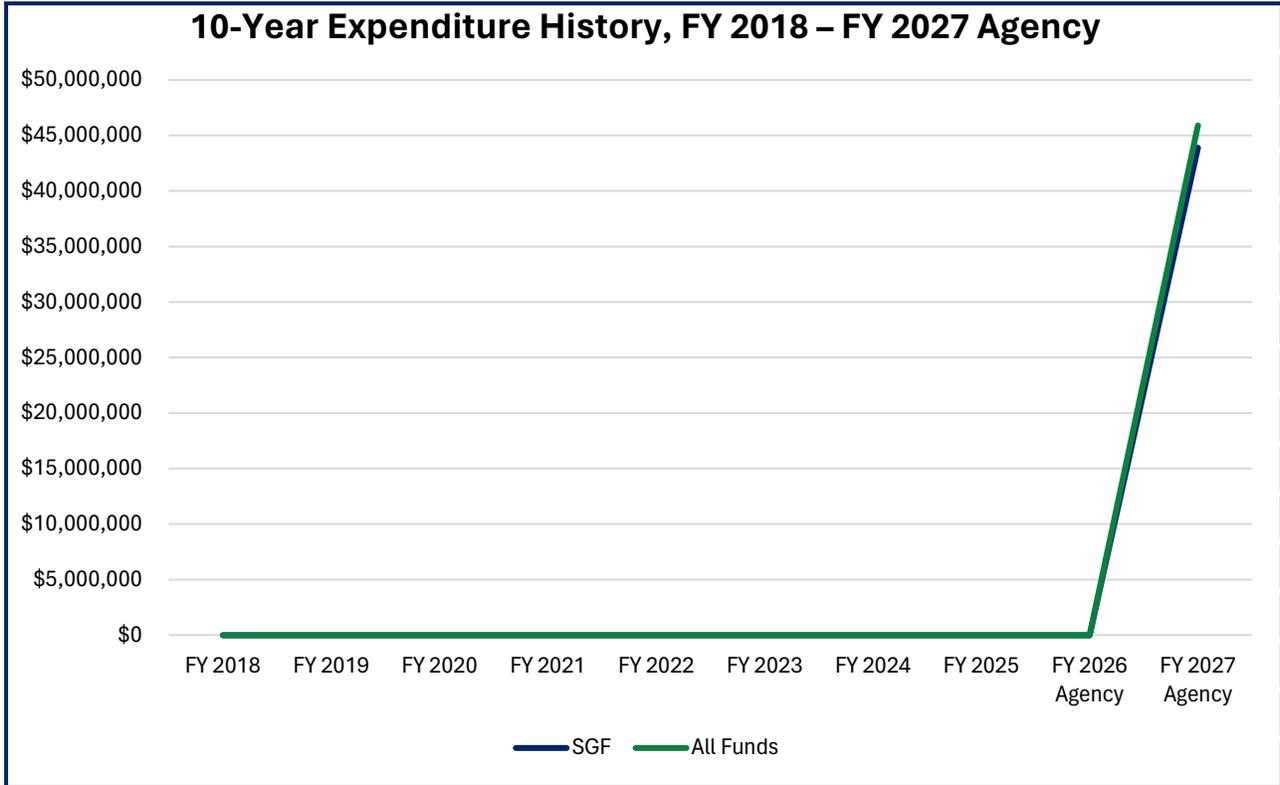
#### FY 2027

	Item	Amount	Source	Note
<span style="border: 1px solid black; padding: 0 2px;">NEW</span>	First Year Operations	\$ 28,903,466	SGF	

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request

### Summary of Expenditures



Fiscal Year	SGF		All Funds		FTE	CPI-U* Change (%)
	Amount	Change (%)	Amount	Change (%)		
FY 2018	\$ -	--	\$ -	--	-	0.2
FY 2019	-	--	-	--	-	--
FY 2020	-	--	-	--	-	0.8
FY 2021	-	--	-	--	-	2.4
FY 2022	-	--	-	--	-	9.2
FY 2023	-	--	-	--	-	5.8
FY 2024	-	--	-	--	-	3.0
FY 2025	-	--	-	--	-	3.0
FY 2026 Agency	-	--	-	--	-	2.8
FY 2027 Agency	43,903,466	--	45,903,466	--	400.50	2.4

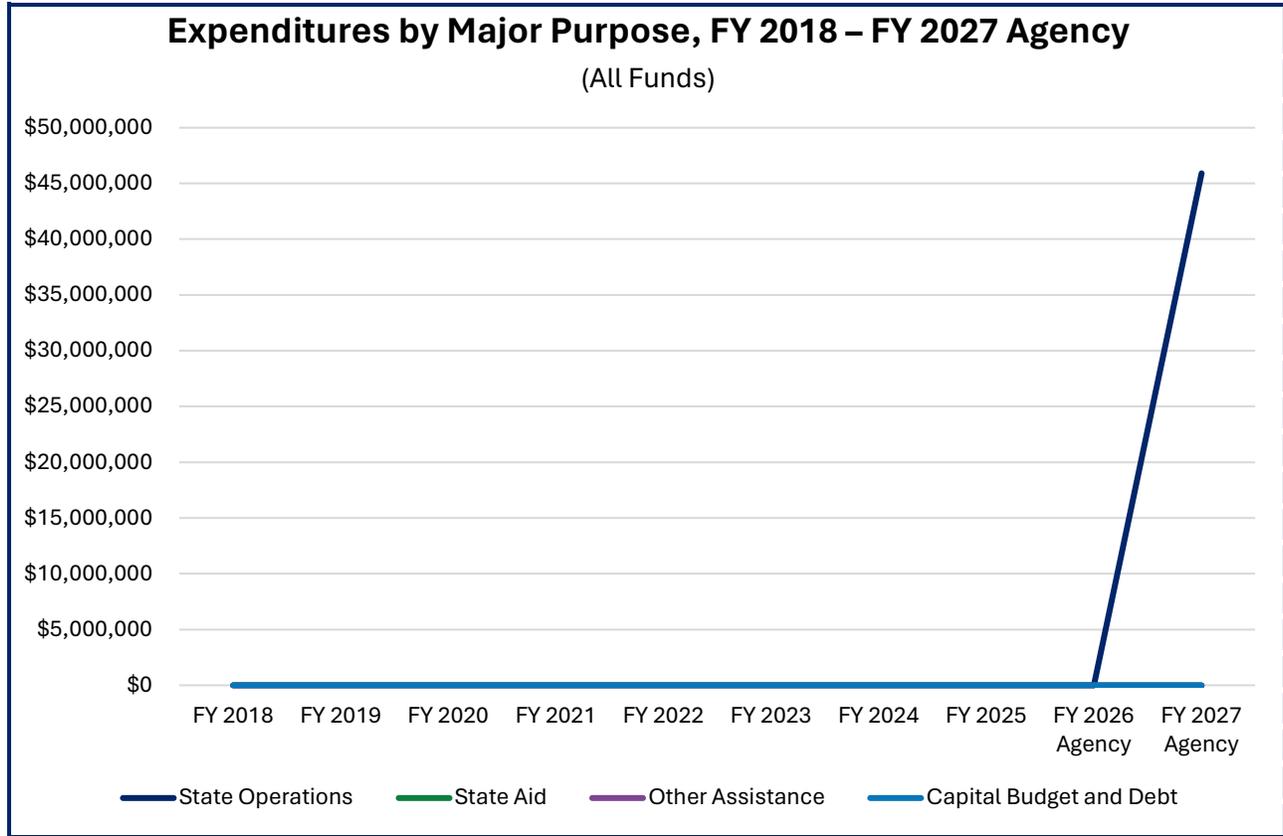
5-Year Change (FY 2023–2027)	\$ 43,903,466	--	\$ 45,903,466	--	400.50	11.6
10-Year Change (FY 2018–2027)	43,903,466	--	45,903,466	--	400.50	33.1
3-Year Average** (FY 2023–2025)	-	N/A	-	N/A	-	N/A

\* Note : Consumer Price Index for All Urban Consumers estimate for FY 2026–2027 is from the Consensus Revenue Estimating Group.

\*\* Note : Reflects the three most recent years of actuals data.

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request



### Expenditures by Category, FY 2024 – FY 2027 Agency

(All Funds)

	FY 2027 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
<b>State Operations</b>						
Salaries and Wages	61.8 %	\$ -	\$ -	\$ -	\$ -	28,349,189
Contractual Services	30.6	-	-	-	-	14,061,633
Commodities	6.4	-	-	-	-	2,925,000
Capital Outlay	1.2	-	-	-	-	567,644
Operating Adjustments	--	-	-	-	-	-
<b>Subtotal</b>	<b>100.0 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>45,903,466</b>
<b>State Aid and Assistance</b>						
Aid to Locals	-- %	\$ -	\$ -	\$ -	\$ -	-
Other Assistance	--	-	-	-	-	-
<b>Subtotal</b>	<b>-- %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Capital Budget and Debt</b>						
Capital Improvements	-- %	\$ -	\$ -	\$ -	\$ -	-
Debt Service Principal	--	-	-	-	-	-
Debt Service Interest	--	-	-	-	-	-
<b>Subtotal</b>	<b>-- %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Reappropriations</b>	<b>-- %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>100.0 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>45,903,466</b>

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request

### State Operations

<b>Expenditures by Classification, FY 2024 – FY 2027 Agency</b>						
(State Operations, All Funds)						
	FY 2027 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
<b>Salaries and Wages</b>						
Employee Pay	43.1 %	\$ -	\$ -	\$ -	\$ -	19,768,322
Employee Benefits	18.7	-	-	-	-	8,580,867
Shrinkage	--	-	-	-	-	-
<b>Subtotal</b>	<b>61.8 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>28,349,189</b>
<b>Contractual Services</b>						
Communication	1.0 %	\$ -	\$ -	\$ -	\$ -	481,440
Fees (Professional)	8.6	-	-	-	-	3,963,910
Fees (Other Services)	17.5	-	-	-	-	8,013,283
Freight and Express	--	-	-	-	-	-
Printing and Advertising	--	-	-	-	-	-
Rent and Leases	0.2	-	-	-	-	100,000
Repair and Servicing	0.7	-	-	-	-	300,000
Travel and Subsistence	0.1	-	-	-	-	3,000
Utilities	2.6	-	-	-	-	1,200,000
Other	--	-	-	-	-	-
<b>Subtotal</b>	<b>30.6 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>14,061,633</b>
<b>Commodities</b>						
Clothing	0.2 %	\$ -	\$ -	\$ -	\$ -	75,000
Equipment and Parts	--	-	-	-	-	-
Food	0.8	-	-	-	-	350,000
Fuel	--	-	-	-	-	-
Motor Vehicle Parts	--	-	-	-	-	-
Supplies (Office)	0.3	-	-	-	-	150,000
Supplies (Professional)	4.0	-	-	-	-	1,850,000
Supplies (Research)	--	-	-	-	-	-
Other	1.1	-	-	-	-	500,000
<b>Subtotal</b>	<b>6.4 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>2,925,000</b>
<b>Capital Outlay</b>						
Books	-- %	\$ -	\$ -	\$ -	\$ -	-
Computer Hardware	--	-	-	-	-	-
Computer Software	--	-	-	-	-	-
Equipment, Furniture	1.2	-	-	-	-	567,644
Information Processing	--	-	-	-	-	-
Telecommunications	--	-	-	-	-	-
Other	--	-	-	-	-	-
<b>Subtotal</b>	<b>1.2 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>567,644</b>
<b>Operating Adjustments</b>	<b>-- %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>TOTAL</b>	<b>100.0 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>45,903,466</b>

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request

### Expenditures by Fund

<b>Expenditures by Fund, FY 2024 – FY 2027 Agency</b>						
	FY 2027 Agency % of Total	FY 2024 Actual	FY 2025 Actual	FY 2026 Approved	FY 2026 Agency	FY 2027 Agency
State General Fund	95.6 %	\$ -	\$ -	\$ -	\$ -	\$ 43,903,466
South Central Regional	1.1	-	-	-	-	500,000
Mental Health Hospital Fee						
Title XIX Medicaid Fund	3.3	-	-	-	-	1,500,000
<b>TOTAL</b>	<b>100.0 %</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45,903,466</b>

### South Central Regional Mental Health Hospital Fee Fund

The agency anticipates fee fund collections totaling \$500,000 during FY 2027 related to patients with access to payer sources or covered by insurance. The agency will work in cooperation with Osawatomie and Larned State Hospitals to identify opportunities to contract with health insurers and collect from patients that have resources to underwrite the costs of care.

### Title XIX Medicaid Fund

The agency indicates it plans to become certified to participate in Medicare and Medicaid during FY 2027. Based on daily rates for Osawatomie and Larned State Hospitals and anticipated eligible patients in the 52-bed Acute Clinical Program, the agency anticipates generating approximately \$1.5 million in Title XIX revenue for FY 2027. Furthermore, while the agency expects to see patients covered by insurance, it anticipates only about 50 percent of the patient population to have access to payer sources, and SCR unable to receive Medicare or Medicaid reimbursement.

# SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL

## Budget Summary – Agency Request

### FY 2027 Analysis

<b>Summary of Agency Budget Request, FY 2027</b>						
	SGF	SCR Fee Fund	Title XIX Medicaid Fund		Total	FTE Positions
<b>Approved, FY 2026</b>						
1. <a href="#">2025 SB 125</a>	\$ -	\$ -	\$ -	\$ -	\$ -	--
<b>Enhancement Requests</b>						
2. First-Year Operations	\$ 28,903,466	\$ 500,000	\$ 1,500,000		\$ 30,903,466	336.0
<b>Other Changes</b>						
3. All Other Adjustments	\$ 15,000,000	\$ -	\$ -		\$ 15,000,000	64.5
<b>TOTAL – Agency Request</b>	<b>\$ 43,903,466</b>	<b>\$ 500,000</b>	<b>\$ 1,500,000</b>		<b>\$ 45,903,466</b>	<b>400.5</b>

### Approved Budget

#### 1. 2025 SB 125

Expenditures for the South Central Regional Mental Health Hospital are included in the Kansas Department for Aging and Disability Services (KDADS) budget in FY 2026. The funding appropriated for the construction and initial operational expenses are shown in the KDADS State Hospital Commission and Capital Improvement budget.

### Enhancement Request

#### 2. First-Year Operations

The agency requests \$30.9 million, including \$28.9 million SGF, to fund the first year of operations for FY 2027. Construction is expected to be completed by October 2026, providing for eight months of FY 2027 to be staffed and operational. The agency is on track to admit patients beginning January 2027. The enhancement request includes:

- \$21.3 million to reduce the shrinkage rate to allow filling of the full staffing plan to fund 336.0 FTE positions. That includes positions planned for hiring in July 2026 through January 2027. These positions include safety and security officers, registered nurses, mental health/developmental disability technicians, licensed mental health technicians, counselors, psychologists, and pharmacists;
- \$7.5 million for contractual services, including communications, utilities, and computer and telephone equipment; and
- \$2.2 million for medications and pharmacy supplies, patient clothing, laboratory supplies, vehicles for patient transport vehicles and maintenance equipment.

### Other Changes

#### 3. All Other Adjustments

The 2022 Legislature approved \$15.0 million SGF for construction and start-up costs to expand bed capacity for regional mental health beds. This \$15.0 million includes:

# **SOUTH CENTRAL REGIONAL MENTAL HEALTH HOSPITAL**

## **Budget Summary – Agency Request**

- \$7.1 million for 64.5 FTE positions. Of these positions, 16.5 FTE positions were hired in FY 2026 to complete the construction project and set up the operational and clinical programs for the hospital. These 16.5 FTE positions will be moved to the SCR budget at the beginning of FY 2027. The remaining 48.0 FTE positions will be hired at the beginning of FY 2027;
- \$6.6 million for contractual services, including communications, utilities, electronic health record implementation, and contract costs for consultants to help develop the clinical program and obtain The Joint Commission accreditation. The Joint Commission accreditation is the objective evaluation process that can help health care organizations measure, assess, and improve performance to provide safe, high-quality care for their patients. The accreditation includes an on-site survey, completion of any post-survey requirements to receive final accreditation and has a three-year cycle;
- \$1.0 million for commodities, including food, maintenance supplies, and initial supplies for the laboratory, pharmacy, clinical services, and facilities; and
- \$300,000 for patient transport vehicles and maintenance equipment.