

MINUTES OF THE SENATE WAYS & MEANS.

The meeting was called to order by Chairperson Dave Kerr at 11:00 a.m. on January 12, 2000 in Room 123-S of the Capitol.

All members were present except: Barbara Lawrence, who was excused

Committee staff present: Norman Furse, Revisor of Statutes
Michael Corrigan, Asst. Revisor of Statutes
Rae Anne Davis, Kansas Legislative Research Department
Debra Hollon, Kansas Legislative Research Department
Judy Bromich, Administrative Assistant to the Chair
Ronda Miller, Committee Secretary

Conferees appearing before the committee:
Secretary Janet Schalansky, Department of Social and Rehabilitation Services

Others attending: See attached list

The Chairman welcomed the Secretary of the Department of Social and Rehabilitation Services, Janet Schalansky who appeared to present an overview of the department's recent reorganization, medical caseload, waiting lists and child welfare. She reviewed her written testimony, copies of which were distributed to members. ([Attachment 1](#))

There was discussion regarding the Governor's recommendation for elimination of optional medical services for the needy. Secretary Schalansky noted that even with this recommendation, the Governor added \$33 million to the approved budget because of growth in the medical programs. She noted that this is one issue for policy debate this legislative session.

Areas of concern which members highlighted for further review this legislative session were:

- any offset in traditional medical interventions due to the increased use of pharmaceuticals ([Attachment 1-3](#))
- clearer legislative objectives regarding who should be served by CDDOs within appropriations ([Attachment 1-5](#))
- cost recovery fees for Child Support Enforcement ([Attachment 1-9](#))
- cost savings in emergency room charges as a result of preventive health care services for children

It was noted that a response from SRS to a Post Audit report regarding the procedure used by CDDOs and independent service providers to prioritize services is due February 1, 2000. Concern was expressed regarding large cash reserves in restricted and unrestricted funds of CDDOs and ability of the agency to track whether appropriations were being used by CDDOs to reduce the number of persons on waiting lists. Ms. Laura Howard, SRS, told members that a proviso in the CDDO contract as it relates to funding they receive in the current fiscal year allows SRS to recoup those funds if the provisions regarding waiting lists and managed care have not been met. It was noted that there will be legislation introduced to address the issue of providers acting as gatekeepers.

In answer to a question, Secretary Schalansky responded that she did not believe that SRS was paying any out-of-state hospitals for mental health services for children though they do pay private hospitals.

Senator Salisbury communicated to the Secretary that she senses there are still significant consumer concerns and misunderstanding regarding the "bundling of services" for the MRDD in the community and that the families desire and welcome dialogue with the agency. She suggested that some families feel that this is being done **to** them and have some level of concern that "bundling of services" may imply greater costs to the state and may encourage fraudulent billing.

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In response to a question, Secretary Schalansky told members that the threshold score for applicants for physically disabled waiver was set by the Department and is written into the waiver. There was a consensus that growth in these services is not sustainable. The Secretary indicated that she would provide information to Committee members regarding the number of persons who enter the program with a score in the 26-35 range.

In answer to questions regarding the number of children going into foster care, it was stated that the agency's ability to predict has been fairly accurate. Ms. Howard noted that the highest proportion of children coming from out of home care has occurred in Sedgwick County and those numbers have exceeded the agency's estimates.

In answer to the Chairman's question regarding the repeal of the \$40 pass-through, Ms. Howard stated that the Governor's staff has indicated that the repeal was supported and the appropriate funding adjustments have been made. She told the Chairman that she would provide information about the amount of savings that would be realized in FY 2001.

A list of legislative fiscal analyst assignments to agencies was distributed to members. (Attachment 2)

The Chairman adjourned the meeting at 12:10 p.m. The next meeting will be January 13, 2000.