

## MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 10:30 A.M. on January 25, 2005 in Room 123-S of the Capitol.

All members were present.

Committee staff present:

Jill Wolters, Senior Assistant, Revisor of Statutes  
J. G. Scott, Kansas Legislative Research Department  
Audrey Dunkel, Kansas Legislative Research Department  
Susan Kannarr, Kansas Legislative Research Department  
Matt Spurgin, Kansas Legislative Research Department  
Judy Bromich, Administrative Analyst  
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Gary Daniels, Acting Secretary, Kansas Department of Social and Rehabilitation Services (SRS)

Others attending: See attached list

Chairman Umbarger explained that the minutes for the meetings of January 13 and January 19, 2005, were presented to the committee for review and scheduled for approval on Thursday, January 27, 2005. If there are any additions or revisions to the minutes, notification should be given to the Chairman's office.

The Chairman welcomed Gary Daniels, Acting Secretary, Kansas Department of Social and Rehabilitation Services, who presented an overview of the agency (Attachment 1). He detailed information regarding the SRS Program Divisions of Health Care Policy, Integrated Service Delivery and Administration. Secretary Daniels explained that their mission is to protect children and promote adult self-sufficiency. He explained that this is done through two primary programs within SRS and detailed the following information:

### Health Care Policy Division

- Mental Health
- Community Supports and Services (Developmental and Physical Disability)
- Addiction and Prevention Services
- Medical Policy
- State Hospitals

The Secretary also addressed Health Care Policy outcomes regarding community inclusion (community based services, prevention, consumer driven, evidence-based practice; independence (housing, employment, health) and co-occurring issues (those individuals diagnosed with more than one disorder).

### Integrated Service Delivery

- Child Support Enforcement
- Economic and Employment Support
- Rehabilitation Services
- Child and Family Services
- Direct Service Delivery Through Field Offices

Secretary Daniels also detailed information on the division outcomes regarding maximum independence and self sufficiency, maintain families, protect children and adults, quality customer service and community capacity and partnerships.

The Secretary provided information regarding the Consensus Caseload Estimating Process done twice a year with the Kansas Department of Social and Rehabilitation Services, Division of the Budget and the Kansas

## CONTINUATION SHEET

MINUTES OF THE Senate Ways and Means Committee at 10:30 A.M. on January 25, 2005 in Room 123-S of the Capitol.

Legislative Research Department regarding Temporary Assistance for Families, Adoption, Foster Care, General Assistance, Nursing Facilities-Mental Health and Regular Medical Assistance. The 2005 Kansas Department of Social and Rehabilitation Service's Legislative Proposals are detailed on the last page of the written testimony submitted by Secretary Daniels. Committee questions and discussion followed. Chairman Umbarger addressed the situation of the growth of those in Sexual Predator Treatment Program at a more alarming rate than what was anticipated. Secretary Daniels explained that SPTP will be moved into the new state security hospital (Isaac Ray Building) at Larned State Hospital sometime later in the summer in 2005 which will accommodate the population in the SPTP. The Secretary noted that SRS has a group of individuals currently working on other ways to provide services to this population other than the State Hospitals. Senator Barone requested an update from SRS regarding the Sexual Predator Treatment Program (SPTP) regarding the in that the treatment is not successful because very few have come out of the program to date and information on possibly other ways to treat this population.

Secretary Daniels provided an update of the Kansas Department of Social and Rehabilitation Services Deferrals, Audits and Penalties (Attachment 2). He addressed the following items in detail:

- Child Welfare Managed Care Deferral
- State Hospital Title XIX Disallowance
- Child Welfare Rehabilitation Services Medicaid Audit
- OIG (Office of Inspector General) audit of LEA Funding
- Disability Determination Services (DDS) OIG Audit Recoupment
- SYNAR (Federal Synar Amendment) Penalty
- SACWIS (Statewide Automated Child Welfare Information System) IV-E Recoupment

Committee questions and discussion followed. Regarding the issue of federal deferrals, audits and penalties SRS is facing, Secretary Daniels wanted the committee to know that the State leaders in the Statehouse, as well as the Governor, are taking these issues very seriously. He noted that the Governor plans a trip to Washington, D.C., in the near future to engage the Kansas Congressional Delegation in the process to try to recoup some of these threats of loss of funds. Secretary Daniels mentioned that he has been impressed at how well SRS has been able to manage to control these expenditures. He noted that they have been able to manage the known deferrals SRS has up to this point in time and feels there may be shortfall of approximately \$6.1 million which has not been covered by the money recouped from Medicaid in the Child Welfare deferrals.

Chairman Umbarger recognized Audrey Dunkel, Senior Fiscal Analyst, Kansas Legislative Research Department, who gave a staff briefing on the Kansas Department of Social and Rehabilitation Services Deferrals and Potential Audit Penalties (Attachment 3).

The meeting adjourned at 11:40 a.m. The next meeting is scheduled for January 26, 2005.