

Senate Subcommittee Report

Agency: State Institutions for Mental Health **Bill No.** SB 155

Bill Sec. 54

Analyst: LaMunyon

Analysis Pg. No. Vol. II, p. 1285

Budget Page No. 258

Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 144,182,433	\$ 105,560,052	\$ 744,907
Federal Funds	0	0	0
Other Funds	19,369,013	19,369,013	0
<i>Subtotal</i>	<u>\$ 163,551,446</u>	<u>\$ 124,929,065</u>	<u>\$ 744,907</u>
Capital Improvements:			
State General Fund	\$ 9,688	\$ 9,688	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<u>\$ 9,688</u>	<u>\$ 9,688</u>	<u>\$ 0</u>
TOTAL	<u>\$ 163,561,134</u>	<u>\$ 124,938,753</u>	<u>\$ 744,907</u>
FTE positions	1,459.5	1,453.5	6.0

Agency Request

The **agencies** request \$163.6 million, including \$144.2 million SGF, in expenditures and 1,459.5 FTE positions for FY 2024. This is an all funds decrease of \$8.3 million, or 4.8 percent, and an SGF decrease of \$7.3 million, or 4.9 percent, below the agencies' revised estimate for FY 2023. The agencies' request for FY 2024 includes the following adjustments:

- **LSH—CONTRACTED FOOD EXPENSES.** LSH requests an enhancement of \$625,000 SGF for contracted food expenses. This increase would continue to fund the 16.6 percent increase in the FY 2023 contract.
- **LSH—FIREFIGHTING EQUIPMENT.** LSH requests an enhancement of \$91,000 for FY 2024 to purchase additional fire safety equipment and supplies. LSH reports that unless equipment is purchased, officers may need to wear safety equipment that is not properly sized.
- **LSH—NURSING HOUSE SUPERVISORS.** LSH requests an enhancement of \$744,907 SGF to its base budget for FY 2024 and to continue in future years. Additionally, the LSH requests 6.0 FTE positions. This increase would create and continue to fund the nursing House Supervisors positions. Among other duties, the House Supervisor would provide on-site supervision 24/7, manage staff, coordinate nursing services for each shift, and ensure staffing levels for each area fit the level of need.

- **SALARY INCREASES.** The agencies request \$3.1 million SGF to provide salary increases to support staff.
 - LSH requests an enhancement of \$1.8 million SGF to provide salary increases to support staff, psychology, and social work positions. Executive Directives No. 21-537 and 21-538 authorized salary increases for LSH direct support positions, but did not include increases for the support staff, psychology, and social work positions. This increase will impact 223.0 FTE positions. The average hourly wage for these positions will increase from \$18.55 to \$21.29.
 - OSH requests an enhancement of \$1.3 million SGF to raise starting wages for OSH support staff, excluding the Mental Health Developmental Disability Technician position, which previously received an increase. This increase will impact 154.0 FTE positions.
- **LSH—CONTRACT AGENCY NURSING STAFF.** LSH requests an enhancement of \$34.2 million SGF for FY 2024. This increase will be used to fund contract agency nursing staff through FY 2024. This is the same level of funding requested by LSH in FY 2023.
- **24/7 PAY PLAN—SHIFT TO KDADS BUDGET.** For FY 2024, expenditures on salaries and wages are anticipated to decrease by \$14.3 million below the FY 2023 revised estimate. This decrease is primarily due to the mechanism by which 24/7 Pay Plan funds are distributed. For FY 2024, these funds are reflected in the KDADS budget and will be distributed to LSH, OSH, Kansas Neurological Institute, and Parsons State Hospital and Training Center by KDADS.

Governor's Recommendation

The **Governor** recommends expenditures of \$124.9 million, including \$105.6 million SGF, and 1,453.5 FTE positions for FY 2024. This is an all funds decrease of \$38.6 million, or 23.6 percent, including an SGF decrease of the same amount, or 26.8 percent, below the agencies' FY 2024 request.

The **Governor's** recommendation includes the following adjustment:

- **ENHANCEMENT REQUESTS NOT RECOMMENDED.** The Governor did not recommend the following agency enhancement requests:
 - **LSH—CONTRACTED FOOD EXPENSES.** LSH requested \$625,000 SGF to cover a 16.6 percent increase in the food contract. The Governor directs the agency to utilize FMAP savings to cover the increased cost.
 - **LSH—CONTRACT AGENCY NURSING STAFF.** LSH requested \$34.2 million SGF to cover increased contract agency nursing staff costs.
 - **LSH—NURSING HOUSE SUPERVISORS.** LSH requested \$744,907 SGF and 6.0 FTE positions to create a nursing house supervisors position.
 - **SALARY INCREASES.** The agencies requested \$3.1 million SGF to implement salary increases for support staff.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation with the following adjustments:

1. The Subcommittee requests from the agencies additional information regarding the current hourly wages of each support position included in the agencies' supplemental request for support position wage increases.
2. Add \$744,907 SGF and 6.0 FTE positions for the agencies' enhancement request to create the Nursing House Supervisor position, which will provide additional oversight of hospital employees and contract agency staff during nights and weekends.
3. The Subcommittee recommends the Legislative Post Audit Committee consider requesting the Legislative Division of Post Audit conduct a limited scope audit on the State's usage of contract agency nursing staff, including a review of the number of contract staff operating in the state, the amount paid by the state per hour for contract staff by position, and the amount the agencies pay comparable state employees per hour by position.

Senate Committee Recommendation

The **Committee** concurs with the Subcommittee's recommendation with the following adjustment:

1. The Subcommittee recommends the Legislative Post Audit Committee consider requesting the Legislative Division of Post Audit conduct a limited scope audit on the State's usage of contract agency nursing staff, including a review of the number of contract staff operating in the state, the amount paid by the state per hour for contract staff by position, the amount the agencies pay comparable state employees per hour by position, and the number of vacant employees at state institutions.

Senate Committee of the Whole Recommendation (Sub. for SB 155)

The **Committee of the Whole** concurs with the Subcommittee's recommendation for FY 2024.

House Budget Committee Report

Agency: State Institutions for Mental Health **Bill No.** 2273

Bill Sec. 54

Analyst: LaMunyon

Analysis Pg. No. Vol. II, p. 1285

Budget Page No. 258

Expenditure Summary	Agency Request FY 2024	Governor Recommendation FY 2024	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 144,182,433	\$ 105,560,052	\$ 0
Federal Funds			0
Other Funds	19,369,013	19,369,013	0
<i>Subtotal</i>	<i>\$ 163,551,446</i>	<i>\$ 124,929,065</i>	<i>\$ 0</i>
Capital Improvements:			
State General Fund	\$ 9,688	\$ 9,688	\$ 0
Federal Funds	0	0	0
Other Funds	0	0	0
<i>Subtotal</i>	<i>\$ 9,688</i>	<i>\$ 9,688</i>	<i>\$ 0</i>
TOTAL	<u>\$ 163,561,134</u>	<u>\$ 124,938,753</u>	<u>\$ 0</u>
FTE positions	1,459.5	1,453.5	0.0

Agency Request

The **agencies** request \$163.6 million, including \$144.2 million SGF, in expenditures and 1,459.5 FTE positions for FY 2024. This is an all funds decrease of \$8.3 million, or 4.8 percent, and an SGF decrease of \$7.3 million, or 4.9 percent, below the agencies' revised estimate for FY 2023. The agencies' request for FY 2024 includes the following adjustments:

- **LSH—CONTRACTED FOOD EXPENSES.** LSH requests an enhancement of \$625,000 SGF for contracted food expenses. This increase would continue to fund the 16.6 percent increase in the FY 2023 contract.
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nursing services for each shift, and ensure staffing levels for each area fit the level of need.

- **SALARY INCREASES.** The agencies request \$3.1 million SGF to implement support position salary increases.
 - LSH requests an enhancement of \$1.8 million SGF to its base budget for FY 2024 and to continue in future years. This increase would provide salary increases to support staff, psychology, and social work positions. Executive Directives No. 21-537 and 21-538 authorized salary increases for LSH direct support positions, but did not include increases for the support staff, psychology, and social work positions. This increase will impact 221.0 FTE positions and 21.0 temporary positions. The average hourly wage for these positions will increase from \$18.55 to \$21.29.
 - OSH requests an enhancement of \$1.3 million SGF to its base budget for FY 2024 and to continue in future years. The increase would be used to raise starting wages for OSH support staff, excluding the Mental Health Technician position, which previously received an increase. This increase will impact 154.0 FTE positions.
- **LSH—CONTRACT AGENCY NURSING STAFF.** LSH requests an enhancement of \$34.2 million SGF for FY 2024. This increase will be used to fund contract agency nursing staff through FY 2024. This is the same level of funding requested by LSH in FY 2023.
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Governor's Recommendation

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The **Governor's** recommendation includes the following adjustment:

- **ENHANCEMENT REQUESTS NOT RECOMMENDED.** The Governor did not recommend the following agency enhancement requests:
 - **LSH—CONTRACTED FOOD EXPENSES.** LSH requested \$625,000 SGF to cover a 16.6 percent increase in the food contract. The Governor directs the agency to utilize FMAP savings to cover the increased cost.
 - **LSH—CONTRACT AGENCY NURSING STAFF.** LSH requested \$34.2 million SGF to cover increased contract agency nursing staff costs.
 - **LSH—NURSING HOUSE SUPERVISORS.** LSH requested \$744,907 SGF and 6.0 FTE positions to create a nursing house supervisors position.

- **SALARY INCREASES.** The agencies requested \$3.1 million SGF to implement a salary increase for agency support staff.

House Budget Committee Recommendation

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

House Committee Recommendation

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

House Committee of the Whole Recommendation (H. Sub. for SB 42)

The **Committee of the Whole** concurs with the Governor's recommendation for FY 2024.

Conference Committee Action (HB 2184)

The **Conference Committee** concurs with the Governor's recommendation for FY 2024 with the following adjustment:

1. Add \$744,907 SGF for the agencies' enhancement request to create the Nursing House Supervisor position, which will provide additional oversight of hospital employees and contract agency staff during nights and weekends.

Omnibus Action (SB 25)

No Omnibus Action for FY 2024

State Finance Council

1. Add \$2.6 million, including \$2.5 million SGF, for a salary adjustment at LSH for most state employees based on the Department of Administration Market Survey, and add an additional 5.0 percent salary adjustment for FY 2024.
2. Add \$2.0 million, including \$1.8 million SGF, for a salary adjustment for most state employees based on the Department of Administration Market Survey, and add an additional 5.0 percent salary adjustment for FY 2024.

	Governor's Recommendation FY 2024	Legislative Action Mega Bill	Legislative Approved FY 2024	Legislative Action Omnibus Bill	Final Legislative Approved FY 2024
All Funds					
State Operations	\$ 124,916,123	\$ 744,907	\$ 125,661,030	\$ 4,657,114	\$ 130,318,144
Aid to Local Units	0	0	0	0	0
Other Assistance	12,942	0	12,942	0	12,942
<i>Subtotal - Operations</i>	<i>\$ 124,929,065</i>	<i>\$ 744,907</i>	<i>\$ 125,673,972</i>	<i>\$ 4,657,114</i>	<i>\$ 130,331,086</i>
Capital Improvements	9,688	0	9,688	0	9,688
TOTAL	\$ 124,938,753	\$ 744,907	\$ 125,683,660	\$ 4,657,114	\$ 130,340,774

State General Fund

State Operations	\$ 105,547,188	\$ 744,907	\$ 106,292,095	\$ 4,277,987	\$ 110,570,082
Aid to Local Units	0	0	0	0	0
Other Assistance	12,864	0	12,864	0	12,864
<i>Subtotal - Operating</i>	<i>\$ 105,560,052</i>	<i>\$ 744,907</i>	<i>\$ 106,304,959</i>	<i>\$ 4,277,987</i>	<i>\$ 110,582,946</i>
Capital Improvements	9,688	0	9,688	0	9,688
TOTAL	\$ 105,569,740	\$ 744,907	\$ 106,314,647	\$ 4,277,987	\$ 110,592,634

FTE Positions	1,453.5	6.0	1,459.5	0.0	1,459.5
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