

MINUTES

LEGISLATIVE BUDGET COMMITTEE

October 4-5, 2006
Room 123-S—Statehouse

Members Present

Senator Dwayne Umbarger, Chairman
Representative Melvin Neufeld, Vice-Chairman
Senator Jim Barone
Senator Steve Morris
Representative Bill Feuerborn
Representative Brenda Landwehr

Members Absent

Representative Ray Merrick

Staff

Alan Conroy, Director, Kansas Legislative Research Department
J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department
Bruce Kinzie, Revisor of Statutes Office
Jill Wolters, Revisor of Statutes Office
Julian Efird, Kansas Legislative Research Department
Susan Kannarr, Kansas Legislative Research Department
Amy VanHouse, Kansas Legislative Research Department
Matt Spurgin, Kansas Legislative Research Department
Emalene Correll, Kansas Legislative Research Department
Aaron Klaassen, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Daniel Nibarger, Kansas Legislative Research Department
Judy Bromich, Chief of Staff, Senate Ways and Means Committee
Melinda Gaul, Administrative Analyst, Senate Ways and Means Committee
Mary Shaw, Committee Secretary

Conferees

Gary Daniels, Secretary, Kansas Department of Social and Rehabilitation Services
Rick Cagan, Executive Director, National Alliance on Mental Illness
Dr. Stephen Feinstein, Kansas Chapter of National Alliance on Mental Illness

Michael Halleran, Lyon County Counselor
Jayme Collins, Assistant Director, Mental Health Center of East Central Kansas
Bruce Linhos, Executive Director, Children's Alliance of Kansas
Sky Westerlund, Executive Director, Kansas Chapter of the National Association of
Social Workers
Dr. Ira Stamm, Psychologist and Consultant
Maggie Rasette, Mercy Regional Health Center and Chair, Kansas Hospital Association
Mental Health Task Force
Lois Clendening, Via Christi Health System
Rose Mary Mohr, President and CEO, Mental Health Association of South Central Kansas
Cheryl Blue, Mental Health Consumer
Kathy Cash, Mental Health Consumer
Daniel Lord, Ph.D., Mental Health Credentialing Coalition
Dr. Roy Menninger, Chairman, Kansas Mental Health Coalition
Scott Jackson, Vice-Chair, Governor's Mental Health Services Planning Council
Sherri Luthe, Mental Health Consumer
Kim Fascizno, Mental Health Consumer
Jenifer Wisdom, Mental Health Consumer
Keith Rickard, Executive Director, The Guidance Center
Ric Dalke, Executive Director, Area Mental Health Center
Walt Hill, High Plains Mental Health Center
Tom Drees, Ellis County Attorney
Mike Hammond, Executive Director, Association of Community Mental Health Centers
of Kansas, Inc.
Jane Adams, Executive Director, Keys for Networking, Inc.
Virginia Standley, Mental Health Consumer
Ed VanPetten, Executive Director, Kansas Lottery
Debra Billingsley, Board of Pharmacy
Betty Wright, Dental Board
Larry Buening, Board of Healing Arts
Penny Bowie, Board of Optometry
Mary Blubaugh, Board of Nursing
Bob Waner, Vice-President of Engineering, Spirit AeroSystems
Phill Kline, Kansas Attorney General
Eric Rucker, Senior Deputy Attorney General
Captain Mark Bruce, Kansas Highway Patrol
Chris Howe, Director of Purchases, Kansas Department of Administration

**Wednesday, October 4, 2006
Morning Session**

Chairman Umbarger opened the meeting at 10:05 a.m. The Chairman recognized Susan Kannarr, Senior Fiscal Analyst, Kansas Legislative Research Department, who gave an overview of the Kansas public mental health system (Attachment 1). Ms. Kannarr also explained that the Governor's Mental Health Services Planning Council synthesized recommendations from the President's New Freedom summits held throughout the state during the past year. The Council used this information to develop recommendations to the state mental health authority for updating of the five-year strategic plan for mental health services. In its ongoing efforts to fulfill the directives of the Governor's Executive Order No. 04-10, the Council recently formed a "transformation subcommittee" to continue Kansas' implementation of transformation activities. The subcommittee began meeting at the end of December 2005.

Chairman Umbarger welcomed Gary Daniels, Secretary, Kansas Department of Social and Rehabilitation Services (SRS), who presented testimony regarding mental health initiatives in Kansas, information on the direction of mental health services, and an update on existing programs (Attachment 2). In regard to Mental Health Reform, Secretary Daniels explained that as the needs of consumers of mental health services constantly evolve, so must the strategic plan. He noted that the Governor's Mental Health Services Planning Council is active in the continuing development of this plan, and continues to be a dynamic and directive voice for advocacy and for change in the mental health system. Secretary Daniels mentioned that all these activities marked a new era of mental health reform, based on a reliance on outcomes, data driven decisions, and real change in the lives of people with mental illness. He noted that the mental health system in Kansas today focuses on community-based services and recovery in home communities.

In regard to the Medicaid State Plan/Waiver Changes, Secretary Daniels explained that starting in the Spring of 2004 the federal Centers for Medicare and Medicaid Services (CMS) notified SRS that substantial portions of the current Medicaid State Plan governing mental health, behavioral health, and substance abuse services are considered out of compliance with their practice standards. Left unaddressed, these identified deficits in Kansas' approved Medicaid State Plan would render the state and particularly the mental health, behavioral health, and substance abuse service systems, vulnerable to negative funding decisions by CMS that would ultimately cripple the ability to provide these services to Kansans in the greatest need.

Secretary Daniels went on to describe the work group that was formed in response to the 2006 legislative proviso concerning Mental Health Services (Attachment 3) and in order to comprehensively address the myriad issues about which CMS had expressed concern. The work group, comprised of staff from SRS, the Kansas Health Policy Authority (KHPA), and state plan experts, met throughout the first half of 2006 to explore available responsive options. Secretary Daniels noted that the foundation for responding to CMS was developed using extensive prior stakeholder input, as well as the leadership guidance of state agencies and the Legislature.

Overall, Secretary Daniels explained that their comprehensive package of responses to CMS have been very well received. CMS has fully approved the selective services contracting waiver application, which will govern all public mental health and substance abuse service in Kansas effective July 1, 2007. He noted that the state plan amendments and Serious Emotional Disturbance (SED) waiver amendments have generated some additional technical questions from CMS, all of which have been answered, and timely approval of those changes is anticipated. Secretary Daniels also discussed the delivery of in-home family treatment, model service for provider partnerships, and admissions and census capacity issues at the three state mental health hospitals.

The Chairman acknowledged Rick Cagan, who appeared before the Committee representing the National Alliance on Mental Illness (NAMI) as the Executive Director of NAMI Kansas (Attachment 4). Mr. Cagan explained that the loss of inpatient beds has gone too far, with the result that inpatient care options are too limited to provide for the necessary level of recovery. He provided a copy of a report, Crisis Continuum Preliminary Proposal, in his written testimony that was issued by their sister organization in Tennessee. Mr. Cagan noted that the report identified needs similar to those faced in Kansas and proposed a shift in mental health resources to establish a continuum of care that would meet the various needs in the system. He urged examination of the Tennessee model and implementation of portions in ways that would address the gaps in service that are being experienced in Kansas today.

Chairman Umbarger recognized Dr. Stephen Feinstein, Kansas Chapter of National Alliance on Mental Illness (NAMI), who presented information regarding the NAMI Kansas perspective on the state mental hospital (SMHH) census issue (Attachment 5). Dr. Feinstein explained that the focus of his testimony was on inpatient services. He explained that NAMI Kansas believes that the census issues at the state's mental health hospitals are more complex than may be apparent. They cannot be adequately addressed without changing the way care is provided in the state inpatient mental health system. Dr. Feinstein detailed information regarding the three level delivery system and recommended changes in state inpatient facilities that reflect a new emphasis on state hospitals.

The Chairman welcomed Michael Halleran, Lyon County Counselor, who addressed the mental health care and treatment system in Kansas and the impact of limited bed space (Attachment 6). Mr. Halleran provided information regarding the care and treatment system in Kansas and explained that the current system is binary - the patient is either in or out of a state hospital. There is no provision for intermediate levels of care. Mr. Halleran expressed local concern about the frequent discharge rate from state mental hospitals. Several patients who are persistently mentally ill are falling through cracks in the system. There is a need to ensure that persons receive long-term care that is provided in such a way that the person and the community are safe. In conclusion, Mr. Halleran emphasized the following topics: the need for intermediate treatment options; security for patients and the public; and a rational step-down transitioning.

Chairman Umbarger recognized Jayme Collins, Assistant Director, Mental Health Center of East Central Kansas, who spoke about the dangers under the current mental health system of care and a proposal regarding a secure intermediate treatment facility (Attachment 7). Ms. Collins addressed the gap in the continuum of care in caring for the violently mentally ill person in the community setting. They are trying to keep people safe, but it is beyond their control. She noted that the court/legal system, NAMI, and mental health service providers have all come together to address the problem of keeping people safe in the system. Ms. Collins also provided copies of a handout titled, "Dangerous Consumers Who Frequent Osawatomie State Hospital or are Currently There as of 09-29-06" (Attachment 8).

The Chairman acknowledged Bruce Linhos, Executive Director, Children's Alliance of Kansas, who presented a White Paper on Mental Health Services to Children in Child Welfare (Attachment 9). Mr. Linhos explained in his written testimony that the intent of the document was to outline a variety of concerns with regard to how mental health services are delivered to children and families of Kansas; to initiate a dialogue on the relevance of the current system of mental health care upon which children and families of Kansas must rely; to explore approaches for resolving problems in the system; and to continue to improve a system of effective care in Kansas. Common to these families are the need for safety, permanency, and well-being.

Regarding the child welfare perspective, Mr. Linhos noted that the primary objective for children in the child welfare system is "timely" permanency. This can occur through the reunification

of the child and family, by adoption or relative placement. Barriers to timely permanency will occur when the various systems serving the family do not share a common vision for the successful outcome of a case.

Mr. Linhos addressed the following recommendations:

- A consistent definition of service expectations for the child welfare population;
- Measurable outcomes shared across the mental health and child welfare systems;
- External evaluation of the appropriateness of services; and
- An assurance that if a community mental health center is unable to provide a needed service that they will partner with a local provider to see that the family is given timely service.

Chairman Umbarger recognized Sky Westerlund, Executive Director, Kansas Chapter of the National Association of Social Workers, who presented information on Kansas mental health reform (Attachment 10). Ms. Westerlund conveyed the message that mental health issues that go unaddressed (emotional difficulties, bad experiences, trauma) do not go away and they manifest into explosive behaviors that harm others. She mentioned that as announced this week, the state has secured approval of the requested State Medicaid Plan Freedom of Choice Waiver (1915 (b)) from the federal government. The approved waiver exempts the state from the “any willing provider” provision of the federal Medicaid law (1902(a)(23)). She explained that as part of the waiver, any willing provider – as defined by state licensure – would have the option to become an ‘associate’ of the community mental health center (CMHC). Ms. Westerlund mentioned that the CMHCs and SRS are working to develop an associate business contract that will be offered to private practice clinicians. She noted that the CMHCs will function similarly to a managed care entity to the private practice community.

The Committee recessed for lunch at 12:20 p.m.

Afternoon Session

The Committee reconvened at 1:20 p.m. The Chairman welcomed Dr. Ira Stamm, Psychologist and Consultant, who presented "The Public Mental Health System: The State Hospitals" (Attachment 11). Dr. Stamm noted that he believes that there are kinds of treatment that can only occur in a hospital setting that are very much needed in serving patients. He mentioned that there are many ideas in the history of medicine that are well intentioned but that turn out to be wrong. Dr. Stamm felt that decreasing state hospital beds in Kansas and closing Topeka State Hospital was one of those unfortunate ideas. In closing, Dr. Stamm noted that it is important that the existing state hospital system be funded to the maximum extent possible and he provided additional recommendations as follows:

- The State of Kansas should develop long-term plans for the treatment of those with mental illness in Kansas.

- This should include a feasibility study for creating and building a new, state-of-the-art psychiatric center in Topeka or Wichita that would place Kansas, once again, at the leading edge of treatment, education, and research in mental health and mental illness.

Chairman Umbarger acknowledged Maggie Rasette, Mercy Regional Health Center and Chair, Kansas Hospital Association Mental Health Task Force, who shared information from the community hospitals that provide short-term care to Kansans with mental illness ([Attachment 12](#)). Ms. Rasette discussed the adequacy of using the Diagnostically Related Group (DRG) methodology for reimbursement for community hospitals. She noted that the Kansas Hospital Association Mental Health Task Force discussed the issue and determined that DRG methodology is a reasonable payment mechanism. Ms. Rasette detailed in her written testimony concerns as to how the state has applied the DRG payment as the lesser of the DRG or charges, whichever is less. As a result of this, the hospitals would not be able to recoup their costs for patients for longer lengths of stay. She noted that the DRG mechanism of payment is adequate if the model is correctly used. Ms. Rasette emphasized that the main concern facing the community hospitals providing inpatient mental health treatment is the high percentage of uninsured.

The Chairman welcomed Lois Clendening, Via Christi Health System, who addressed the need to support community hospitals to continue to treat Kansans with mental illness ([Attachment 13](#)). Ms. Clendening mentioned that Via Christi is a significant part of the mental health system in Kansas. In her testimony, Ms. Clendening identified challenges for Via Christi regarding payor mix, high percentage of uninsured, and treating involuntary patients. She noted that regarding involuntary patients, they are sicker, require more resources to treat, have a higher potential for violence toward others, take longer to stabilize, and additional processing is required by the legal system.

In conclusion, Ms. Clendening explained that Via Christi believes that:

- Inpatient care is an essential component of the mental health treatment continuum.
- Community services must include inpatient beds in the community.
- The financial viability of these community beds is threatened by the high percentage of uninsured patients.

In closing, Ms. Clendening mentioned that they are asking for the assistance in finding a way to support community hospitals so they can continue to treat Kansans with mental illness.

Chairman Umbarger recognized Rose Mary Mohr, President and CEO, Mental Health Association of South Central Kansas, who shared perspectives on mental health services in Kansas ([Attachment 14](#)). Ms. Mohr explained that challenges remain in addressing mental health issues associated with hospital care, forensics, and foster care, among other things. She asked continued support for community-based mental health services as essential to the Kansas system of care, and most importantly, to the people suffering a serious mental illness.

The Chairman welcomed Cheryl Blue, who provided information as a mental health consumer and a representative for consumers of the Mental Health Association of South Central Kansas ([Attachment 15](#)). Ms. Blue explained how the Mental Health Association has assisted her to reach her goals. She urged continued support for the services that the Mental Health Association provides.

Chairman Umbarger welcomed Kathy Cash, a mental health consumer, who shared information with the Committee on how the Mental Health Association of South Central Kansas has helped her ([Attachment 16](#)). Ms. Cash provided information on how the Mental Health Association of South Central Kansas helped her with tenant based rental assistance, compeer program, adult psycho-social services, case management, employment, and family assistance.

The Chairman acknowledged Daniel Lord, Ph.D., Mental Health Credentialing Coalition, who encouraged the Legislature's support for a multi-disciplinary approach to mental health service provision in Kansas ([Attachment 17](#)). Dr. Lord also explained that there is a small cluster of older statutes that compromise this priority. These statutes are detailed in Dr. Lord's written testimony. He explained that today these four statutes prevent citizens, employers, and courts from utilizing the full range of professionals now employed in the state's mental health and child welfare agencies.

Chairman Umbarger welcomed Dr. Roy Menninger, Chairman, Kansas Mental Health Coalition, who addressed the Committee regarding four primary points on behalf of the Kansas Mental Health Commission ([Attachment 18](#)). Dr. Menninger detailed the following items:

- The current hospital crisis must be dealt with – an acute shortage of beds for the sickest persons – an unacceptable situation.
- Reduce barriers to community services.
- Address the overwhelming demand for mental health services in the jails and the prison community.
- Develop a vision of a comprehensive system of mental health services, and an integrative long-range planning process to get there.

The Chairman welcomed Scott Jackson, Vice-Chair, Governor's Mental Health Services Planning Council ([Attachment 19](#)). Mr. Jackson explained that the Governor's Mental Health Services Planning Council is actively involved in the planning, implementation, monitoring, and evaluation of statewide mental health initiatives. He mentioned that in addition to the subcommittees that have been formed, there is a Task Force for Mental Health Parity to review and make recommendations to the Office of the Governor on barriers to service existing in the current Kansas mental health parity law.

Chairman Umbarger welcomed the following three mental health consumers:

Sherri Luthe testified how mental health services in the state have assisted her family. She noted how the SED Waiver had allowed their family to receive non-traditional community based services for her son that were not covered by their insurance ([Attachment 20](#)).

Kim Fascizno testified how mental health services have assisted her family regarding her two sons diagnosed with mental illness and how they were helped by the SED Waiver ([Attachment 21](#)).

Jenifer Wisdom testified how mental health services have assisted her family regarding one of her sons being diagnosed with mental illness ([Attachment 22](#)). Ms. Wisdom explained how ComCare has assisted her as a parent and her son.

Chairman Umbarger welcomed the following conferees who presented information titled, "The Public Mental Health System in Kansas Since Mental Health Reform" ([Attachment 23](#)).

Keith Rickard, Executive Director, The Guidance Center, provided a history on the Mental Health Reform Act of 1990. He noted that there were inpatient resources and community-based services, but the two were not connected. Mr. Rickard also identified the mental health reform objectives and the implementation of mental health reform which was determined to be successful.

Ric Dalke, Executive Director, Area Mental Health Center, provided information on the community-based mental health services today and addressed the state-of-the-art treatment found in the local mental health centers. Mr. Dalke explained that as the local mental health authorities for community-based mental health services in Kansas, Community Mental Health Centers (CMHCs) provide the primary linkages between and among services agencies as well as transitioning consumers from child to adult services. The CMHCs serve as gatekeepers to state mental health hospital treatment by screening all referrals to state hospitals. Mr. Dalke also identified problems in rural Kansas and access issues to services.

Walt Hill, High Plains Mental Health Center, addressed the importance of inpatient resources. He also provided information regarding: factors impacting increased admissions at state mental health hospitals, the importance of sustaining and expanding local inpatient resources, and the impact of co-occurring disorders.

Tom Drees, Ellis County Attorney, spoke regarding mental health reform and the funding of mental health services (Attachment 24). Mr. Drees emphasized that the critical shortage in inpatient beds must be dealt with by the Legislature. He noted that if communities are going to continue to provide “wrap around” services for families in crisis, there must be access to institutional beds when needed. Mr. Drees explained that when a prosecutor is faced with an individual that was posing a danger to his community, the prosecutor must take steps to protect the public, and if inpatient beds are not available, then prosecutors will be forced to utilize prison beds instead.

Mike Hammond, Executive Director, Association of Community Mental Health Centers of Kansas, Inc., addressed challenges and opportunities for the future in mental health systems and systems transformation in Kansas which are detailed in Mr. Hammond’s written testimony (refer to Attachment 23). He explained that the two main themes, among several that are guiding systems transformation, are:

- Promote public awareness to maximize wellness and resources.
- Assure consumer/family driven process: design, delivery, and evaluation.

Mr. Hammond addressed meeting the needs of the uninsured and underinsured. He noted that a survey of CMHCs was taken in FY 2005, in which 17 CMHCs responded, including the largest CMHCs from urban areas of the state. Those 17 CMHCs served 22,166 individuals with no insurance coverage, at an average cost of \$806.20 per person. It was noted that it equates to a total of \$17.8 million in service to uninsured Kansans and the number would undoubtedly be higher if the remaining nine CMHCs were included. Mr. Hammond mentioned that the Association and its members believe true mental health parity (equal insurance coverage for mental illnesses on par with physical conditions) or at least increased incentives to improve employee benefits for mental health coverage would reduce the number of individuals having to rely on Medicaid insurance should they suffer from mental illness that requires ongoing treatment.

The Chairman welcomed Jane Adams, Executive Director, Keys for Networking, Inc., who addressed three requests that she brought to the Committee (Attachment 25):

- Continue to support and invest in the growth and development of the best buy in Kansas – mental health and wellness.
- Maintain interests in their efforts to move what the President's New Freedom Commission called transformation.
- Recognize the efforts of Secretary Daniels of SRS to support the efforts of transformation and the wide stakeholder planning which is occurring through the Kansas Mental Health Coalition and the Governor's Mental Health Planning Council.

The Chairman welcomed Virginia Standley, Mental Health Consumer, who testified before the Committee regarding the changes she has seen over the years in mental health services and how they have not only benefitted her family, but families she has helped through her work as a Parent Support Specialist ([Attachment 26](#)).

The Committee recessed at 4:10 p.m.

Thursday, October 5, 2006 Morning Session

The Committee reconvened at 9:25 a.m.

Ed VanPetten, Executive Director, Kansas Lottery, reviewed the sales of the Kansas Lottery for FY 2006 as well as the upcoming budget year for projections in both budgetary matters and overall sales ([Attachment 27](#)). Mr. VanPetten noted that beginning in July 2005, the Lottery radically changed the method for delivering instant tickets (scratch off tickets and pull tabs) to their lottery retailers. He felt that was the reason for the big increase in instant sales. Mr. VanPetten mentioned that FY 2006 saw record sales at the Kansas Lottery and provided information in his written testimony regarding some of the reasons for the increases (online games, electronic game cards, games with a Kansas theme, Kansas Hold'Em). He noted that the Kansas Lottery will sunset in 2008, which would necessitate legislation this coming session to renew the term of the Lottery, or preferably, to eliminate the Sunset provision. In response to a request, copies of information regarding locations where Kansas Hold'Em can be played as of the current date, October 5, 2006, was provided ([Attachment 28](#)).

The Chairman recognized Matt Spurgin, Fiscal Analyst, Kansas Legislative Research Department, who gave an overview of the impaired provider programs ([Attachment 29](#)). Copies of 2006 Senate Bill No. 469 also were provided to the Committee ([Attachment 30](#)).

Chairman Umbarger welcomed the following conferees on the review of the Regulatory Boards' Impaired Provider Services. The conferees responded to questions from the Committee and staff.

Debra Billingsley, Executive Director, Board of Pharmacy, distributed a tally sheet regarding the dollars spent by the Board of Healing Arts on impaired provider programs ([Attachment 31](#)). In response to a request, Ms. Billingsley provided information on how the impaired provider program worked. She explained that since they are dealing with pharmacists the majority of the problems are

prescription drug-related. Occasionally, there are alcoholic issues. The Board is seeing successes with the programs, with a couple of occasional relapses; and if so, the person is required to go through the program again. In the past year, the Board has had a pending issue with one person who may lose their practicing license because they do not want to participate in the program.

Staff inquired about the possibility of exploring shared impaired provider services with other boards rather than each board handling their own impaired provider program. Chairman Umbarger recognized State Senator Vicki Schmidt, who is also a pharmacist, and explained that pharmacy technicians are not a part of the impaired provider program even though they have a registration fee, and that needs to be addressed. She noted that most of the technicians that have had impaired provider problems have had their licenses revoked. The technician wages are low and so are technician registrations. Many technicians could not afford treatment and if they were to be included in the impaired provider program, the costs of the program would increase. Senator Schmidt requested information in a chart form that would indicate the cost per impaired provider, per agency, and what is being purchased for the \$30,000 because it is spent regardless.

Betty Wright, Kansas Dental Board, explained that their impaired provider program treatment is about the same as other boards. She noted that the request for increases in dollars is for services and is requested because she feels that more people will be in the impaired provider program.

Larry Buening, Board of Healing Arts, explained that there are three new professions that the Legislature has asked the Board to regulate – athletic trainers, naturopathic doctors, and radiologic technologists have not been included in the statutory language which would enable them to be included in the impaired provider programs. He noted that 8.5 percent of the agency's whole budget is for impaired provider programs. Mr. Buening noted the 1993 Legislative Post Audit regarding all contracts for impaired provider programs coming under one umbrella agency.

Chairman Umbarger recognized Jerry Slaughter, Kansas Medical Society (KMS), present at the meeting, who addressed the Committee that there have been questions regarding if the impaired provider programs are effective and the cost per person to operate the programs. He noted that from the KMS program standpoint, the best way to effectively identify the problem is to encourage individuals to self-report and create an environment to self-report. It is important to get them into treatment as soon as possible because of potential harm to the people they serve. KMS has tried to move away from characterization and the stigma of an impaired provider program. He noted that most of their costs are in salaries and benefits.

Penny Bowie, Board of Optometry, explained that all of those in their impaired provider program in the past five years were self-reported. She noted there is a comfort level for these optometrists to self-report to the Kansas Optometric Association rather than to the Board of Optometry, which is much more threatening.

Mary Blubaugh, Board of Nursing, noted that they have increased the number in the impaired provider programs by 100 in the past five years and it is mainly due to alcohol and drug problems.

Chairman Umbarger recognized Sky Westerlund, Executive Director, Kansas Chapter of the National Association of Social Workers, who presented information on the impaired provider programs ([Attachment 32](#)). Ms. Westerlund explained that professional impairment of social workers is important to address for several reasons:

- An impairment can undermine the social worker's ability to perceive client situations clearly and objectively, thus potentially causing harm.

- Social workers who have an unaddressed impairment are at greater risk of unethical or unprofessional conduct, or both.
- Social workers suffering from some sort of impairment may practice in such a way that jeopardizes the rights of clients and the effectiveness of the social work services. She noted that if left unaddressed, an impairment can harm the social worker's clients.

The Chairman welcomed Bob Waner, Vice-President of Engineering, Spirit AeroSystems, who provided an update on the Kansas Aviation Research Initiative in Wichita ([Attachment 33](#)). Mr. Waner addressed the industry's current situation, aviation economic impact in Kansas, summary of the previous program, the industry's need for future technology investment, and a proposal to sustain and grow the industry. He noted that the aviation industry is a major contributor to the economic vitality of Kansas and has the potential for significant growth as a national center for aerospace innovation.

Mr. Waner explained that they are requesting support for \$5 million appropriation per year for five years for aviation-related research at the National Institute for Aviation Research (NIAR) beginning in FY 2008. In summary, Mr. Waner mentioned that industry must be capable of competing in an ever-changing economic environment and investment must be made to maintain a leadership role in Kansas.

Chairman Umbarger welcomed Phill Kline, Kansas Attorney General, who provided an update and information regarding the Abuse, Neglect and Exploitation of Persons Unit (ANE) in the Office of the Attorney General. (No written testimony was provided.) General Kline mentioned that everything is working well with their office and the offices of the Kansas Department of Social and Rehabilitation Services, Kansas Department of Health and Environment, and the Kansas Department on Aging. The reports are coming to them in a timely manner and have to be provided to them within ten days. General Kline explained that they are asking for broader data in the referrals required for them to process the reports and noted that Eric Rucker of his office will address that item.

The Chairman recognized Eric Rucker, Senior Deputy Attorney General, Office of the Attorney General, who explained the process when reports are received by the Attorney General's Office for confirmed cases of abuse, neglect, and exploitation reported to them by the Kansas Department of Social and Rehabilitation Services, Kansas Department on Aging, and Kansas Department of Health and Environment ([Attachment 34](#)). Mr. Rucker explained that reports made pursuant to the enactment of 2006 HB 2105 must be received by the unit within ten days of any confirmation of "ANE." He noted that the law enhances law enforcement's ability to investigate and prosecute those who have been confirmed as abusing, neglecting, or exploiting persons with disabilities and those otherwise vulnerable to such mistreatment.

Mr. Rucker explained that when a confirmed case of ANE is received by the ANE unit, the information is reviewed by unit personnel, entered into the ANE database, and this information is then disseminated to the local county or district attorney as well as the most effected local law enforcement agency. He noted that at this time, the Attorney General also requests these same local law enforcement officials respond and advise the unit about the status or disposition, or both, of all reports within 30 days of their receipt. Information regarding the status reports and reports of disposition of cases received to date were provided in Mr. Rucker's written testimony.

In closing, Mr. Rucker explained that their office continues to work with the Kansas Department of Social and Rehabilitation Services in an effort to improve the quality and quantity of

the reporting documentation. He also noted that their office is pleased with the degree of cooperation that has been extended to the ANE Unit by SRS in addressing reporting issues.

The Committee recessed at 12:05 p.m. for lunch.

Afternoon Session

The Committee reconvened at 1:45 p.m.

The Chairman welcomed Gary Daniels, Secretary, Kansas Department of Social and Rehabilitation Services, who provided an update on 2006 HB 2105 which established a unit within the Attorney General's office for purposes of investigation and litigation of abuse, neglect, and exploitation of children and adults ([Attachment 35](#)). Secretary Daniels explained that the new provisions are not applicable to cases of confirmed self neglect.

Secretary Daniels provided an update that since June, SRS has submitted 190 substantiated findings to the Attorney General and 63 of those were from Adult Protective Services with the remainder coming from Child Protective Services. SRS has submitted two cases since June for further follow up by the unit, one of which needed further law enforcement involvement and the other in which staff could not complete the investigation due to lack of cooperation from the involved adult.

In closing, Secretary Daniels mentioned that the new law has helped to establish a more formal, effective, and cooperative relationship between their agency and the Attorney General's office on protective service matters.

Chairman Umbarger recognized Captain Mark Bruce, Kansas Highway Patrol, who provided an update on the FFY 2006 Homeland Security Grant Program ([Attachment 36](#)). Captain Bruce addressed the Kansas Highway Patrol grant application and award, local and regional award process, and regional equipment tracking and inventory. He noted that Fisher Scientific has provided the regional equipment tracking/inventory both for the state and to meet federal reporting requirements since Federal Fiscal Year 1999. Captain Bruce mentioned that in regard to the program's future, in FY 2007 and beyond, the intent is for all "local" dollars to be distributed to the regional groups and the regional grant process to be competitive, in part.

The Chairman recognized Chris Howe, Director of Purchases, Kansas Department of Administration, who provided information regarding the effort to renegotiate fees associated with Homeland Security Grand Purchases ([Attachment 37](#)). In his written testimony, Mr. Howe explained that the Division of Purchases is preparing a contract addendum to reflect information listed in his written testimony (third party items and franchise/catalog items).

Chairman Umbarger recognized J. G. Scott, Chief Fiscal Analyst, Kansas Legislative Research Department, who provided an update on the Actual FY 2006 Resources, Demands and Balances of the State General Fund ([Attachment 38](#)).

The Chairman acknowledged Alan Conroy, Director, Kansas Legislative Research Department, who provided information and an update on the following items:

- State General Fund Receipts, August, FY 2007 ([Attachment 39](#));

- State General Fund Receipts, Expenditures and Balances as Projected FY 2005 - FY 2009, in Millions (Attachment 40); and
- State General Fund Receipts, Expenditures and Balances as Projected FY 2005 - FY 2009, in Millions (Attachment 41).

Chairman Umbarger requested a list of challenges for the next meeting which is scheduled for December 11-12, 2006. The meeting adjourned at 2:45 p.m.

Prepared by Mary Shaw
Edited by J.G. Scott

Approved by Committee on:

December 11, 2006

(date)