

**FY 2010 and FY 2011 SRS Budget
Governor's Budget Recommendations**

Description	FY 2010 SGF	FY 2010 All Funds	FY 2011 SGF	FY 2011 All Funds
<u>July Allotments</u>				
Reduce Salary Budget Additional 2.0 Percent As part of the allotments issued by the Governor in July, the budget for salaries and wages in SRS was reduced an additional 2.0 percent. This reduction is continued in FY 2011.	(1,483,534)	(3,356,193)	(1,483,534)	(3,356,193)
Federal Stimulus FMAP Funding Switch Due to rising unemployment, the State of Kansas qualified for additional federal funding through the American Recovery and Reinvestment Act (ARRA). This replaces State General Fund expenditures with federal funds. This particular adjustment is for both consensus and non-consensus caseload items. This brings the cumulative total of ARRA funding for FY 2009 and FY 2010 to \$106.1 million. This reduction was carried forward in the FY 2011 Division of the Budget allocation.	(4,185,564)	--	(4,185,564)	--
TOTAL SRS JULY ALLOTMENTS	(5,669,098)	(3,356,193)	(5,669,098)	(3,356,193)
<u>November Allotments and Governor's Recommended Reductions</u>				
Medicaid Rate Reduction Medicaid provider rates were reduced by 10.0 percent effective January 1, 2010. This rate reduction applies to all Medicaid programs across the state. This reduction will affect access to services for clients; impact the ability of providers to hire staff to provide services; and impact the financial viability of Medicaid providers which could lead to a reduction in available services or the number of providers. The Governor recommends this reduction be restored in FY 2011.	(6,172,512)	(19,263,525)	--	--
Reduce Developmental Disabilities (DD) Day and Residential and Family Support Grants DD Day and Residential and Family Support Grants have been reduced by \$1.3 million in FY 2010. This will result in reduced services for approximately 2,450 individuals. The Governor recommends continuing this reduction in FY 2011.	(1,300,000)	(1,300,000)	(1,300,000)	(1,300,000)

Description	FY 2010 SGF	FY 2010 All Funds	FY 2011 SGF	FY 2011 All Funds
<p>Reduce Community Mental Health Center (CMHC) Consolidated Grants Funding for CMHC's consolidated grants has been reduced by approximately \$4.0 million in FY 2010. This reduction equates to the estimated amount it would take to provide approximately 1,380 uninsured persons community mental health services. The Governor recommends continuing this reduction in FY 2011.</p>	(3,983,347)	(3,983,347)	(3,983,347)	(3,983,347)
<p>Reduce Substance Abuse Grants The amount of funding available for addiction and prevention grants has been reduced by \$275,000 in FY 2010. The Governor recommends continuing this reduction in FY 2011.</p>	(275,000)	(275,000)	(275,000)	(275,000)
<p>Reduce General Assistance (Cash) Tier 2 from 18 to 12 Months The time limit for General Assistance - Tier 2 adults will be reduced from 18 months to 12 months in FY 2010. This restriction will result in an estimated caseload decline of 480 average monthly adults. The Governor recommends continuing this reduction in FY 2011.</p>	(288,000)	(288,000)	(381,122)	(592,695)
<p>Limit MediKan Mental Health Assistance to 12 Months Eligibility for MediKan Mental Health Assistance will go from 18 to 12 months in FY 2010. This reduction eliminates funding for community mental health services for about 132 persons with mental illness in FY 2010 and 190 individuals in FY 2011. These persons will also lose funding for their mental health medication and other health care, which comes from KHPA's budget. The Governor recommends continuing this reduction in FY 2011.</p>	(465,552)	(465,552)	(820,587)	(820,587)

Description	FY 2010 SGF	FY 2010 All Funds	FY 2011 SGF	FY 2011 All Funds
<p>Reduce Salary Budget The budget for salaries and wages was reduced by the amounts shown. SRS is operating with 400 fewer staff than in FY 2008, while managing a significant increase in caseloads. These reductions equate to 29 fewer staff in FY 2010 and 61 fewer staff in FY 2011. Reductions taken in FY 2010 have been achieved through a hiring freeze, layoffs, and reorganization. However, the additional reductions will force the agency to continue operations at unacceptably low staffing levels.</p>	(747,071)	(1,426,495)	(1,621,570)	(3,000,000)
<p>Replace SGF with TANF Available TANF balances will be used to replace SGF in FY 2010. This has no effect on services.</p>	(2,000,000)	--	--	--
<p>Replace SGF with Fee Fund Available fee funds balances will be used to replace SGF expenditures in FY 2010. Of the amount shown, \$450,000 will be transferred to Larned State Hospital to fund the expansion of the Sexual Predator Treatment Program. The remaining \$1,322,800 represents an allotment issued in November.</p>	(1,772,800)	--	--	--
<p>Reduce Center for Independent Living Grants Centers for Independent Living provide services to consumers such as independent living skills training, peer counseling, and individual advocacy assistance, as well as information and referral and de-institutionalization supports. Each person served develops an Independent Living plan that often includes many different services provided over a period of time. This FY 2011 reduction will leave a remaining budget of \$1.0 million AF and will result in a loss of services to an estimated 9,276 individuals.</p>	--	--	(1,071,956)	(1,071,956)
<p>Reduce Family Preservation Family Preservation Services are intensive in-home services provided through contracts with Child Welfare Case Management Providers. This proposal reduces the program budget by 2.8 percent and would result in approximately 75 fewer families referred for services in FY 2011.</p>	--	--	(275,000)	(290,238)
<p>TOTAL SRS NOVEMBER ALLOTMENTS and GOVERNOR'S RECOMMENDED REDUCTIONS</p>	(17,004,282)	(27,001,919)	(9,728,582)	(11,333,823)

Description	FY 2010 SGF	FY 2010 All Funds	FY 2011 SGF	FY 2011 All Funds
<u>Other Recommended Adjustments</u>				
Fall 2009 Consensus Caseload Estimates				
Provides funding for the following SRS caseloads:				
Temporary Assistance for Families	--	2,187,264	--	10,987,264
General Assistance	477,840	477,840	277,840	277,840
Foster Care	(5,196,703)	(5,884,649)	(4,196,703)	(5,210,383)
Community Supports and Services	488,518	1,613,013	1,099,141	2,521,608
NF/MH	539,573	508,088	482,685	514,754
Mental Health	7,837,391	26,520,004	11,330,578	28,428,276
AAPS PIHP	136,326	452,347	(934,692)	(3,030,800)
Total Consensus Caseload	4,282,945	25,873,907	8,058,849	34,488,559
Available Balances Used to Cover Waivers	--	32,219,849	--	21,934,342
In FY 2010, available federal fund balances will be used to replace SGF. The SGF that is made available by this action will be used along with the SRS fee fund balance to cover projected increases in expenditures for the DD, PD, TBI, and TA Waivers. In FY 2011, the SRS fee fund balance will be used to cover projected caseload increases in the DD, PD, TBI, and TA Waivers. Policy changes have been implemented in the DD, PD, and TBI Waivers to help control costs. It is estimated that these changes will save \$1.7 million SGF in FY 2010 and \$4.6 million SGF in FY 2011. The numbers shown here represent the net increase in expenditures after accounting for the savings from the policy changes.				
Adoption Support	--	--	429,403	2,270,213
Fee fund balances are being used to cover increased expenditures for adoption support in FY 2011. The \$429,403 SGF represents a transfer from the Hospitals to SRS. The Hospitals generated the SGF savings by increasing Title XIX expenditures.				
Additional SGF Funding for FMAP Change	--	--	32,615,460	--
The additional Medicaid federal funding received from the American Recovery and Reinvestment Act (ARRA) ends on December 31, 2010. The FY 2011 Division of the Budget allocation includes additional SGF to reflect the increased state match required for the second half of FY 2011.				
TOTAL OTHER RECOMMENDED ADJUSTMENTS	4,282,945	58,093,756	41,103,712	58,693,114

**FY 2010 and FY 2011 Hospital Budgets
Governor's Budget Recommendations**

Description	FY 2010 SGF	FY 2010 All Funds	FY 2011 SGF	FY 2011 All Funds
<u>November Allotments and Governor's Recommended Reductions</u>				
Reduction in Operating Expenditures SGF operating expenditures for the five state hospitals have been decreased by a total of \$3.0 million. These reductions will result in the consolidation of units at KNI, the closing of children's beds at Larned, the consolidation of cottages at Parsons, and various other reductions in salaries and other operating expenditures. In addition, fee fund balances will be used in FY 2010 to replace approximately \$1.1 million SGF.	(3,002,763)	(1,918,759)	(3,000,000)	(3,000,000)
Replace SGF with Unbudgeted State Hospital ARRA Funds. Approximately \$3.1 million SGF will be replaced with unbudgeted ARRA funds. This has no effect on services.	(3,092,047)	--	--	--
Replace SGF with Fee Funds Balances in various hospital fee funds will be used to replace SGF expenditures.	--	--	(4,200,000)	--
TOTAL NOVEMBER and GOVERNOR'S RECOMMENDED REDUCTIONS	(6,094,810)	(1,918,759)	(7,200,000)	(3,000,000)
<u>Other Recommended Adjustments</u>				
SPTP 17-Bed Expansion The census for the Sexual Predator Treatment Program (SPTP) is currently 187, which is 27 persons more than Larned State Hospital has funding to serve. This additional funding will provide a 17-bed expansion for the program to be implemented around March 2010. The \$450,000 SGF in FY 2010 represents a transfer from SRS, which was made available by replacing SGF expenditures with fee fund expenditures in SRS. The funding available in FY 2011 for this expansion is a result of increasing Title XIX expenditures throughout the Hospitals.	450,000	450,000	--	1,402,261
Workers Compensation Increase The Hospitals will be using balances in their fee funds to cover increasing workers compensation costs in FY 2010 and FY 2011.	--	2,272,410	--	1,894,705
TOTAL OTHER RECOMMENDED ADJUSTMENTS	450,000	2,722,410	--	3,296,966