FY 2009 AND FY 2010 BUSINESS PLAN

Executive Summary and Budget Information	5
FY 2010 Budget Schedules	8
Disability and Behavioral Health Services	13
Integrated Service Delivery	18
FY 2009 Budget Schedules	22
FY 2009 and 2010 Hospital Budget	24
Agency Overview	26

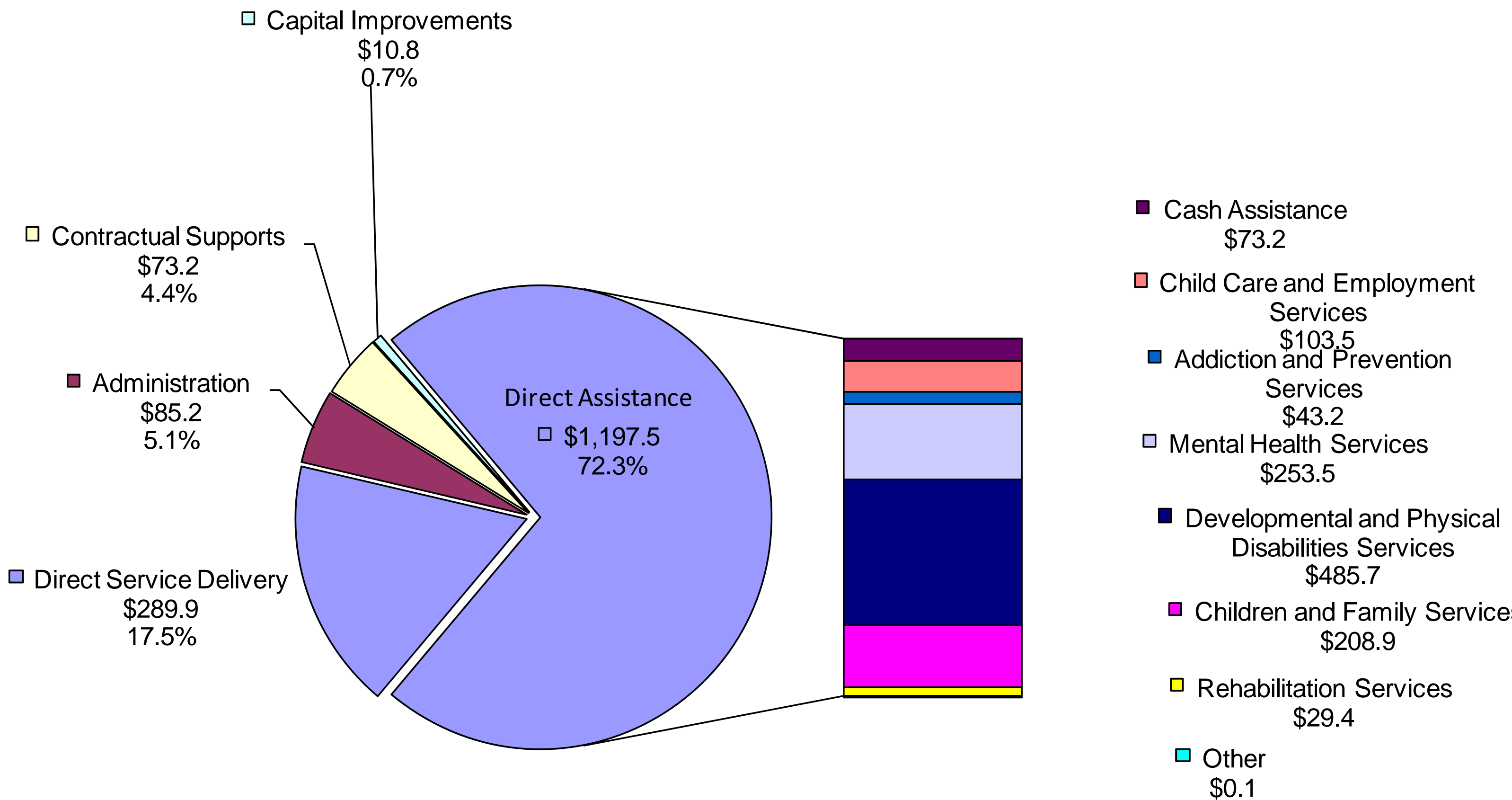
Introduction

SRS is Kansas' social service agency, with a mission to protect children and promote adult self-sufficiency. To that end, SRS manages a wide range of services to vulnerable Kansans and partners with local organizations to deliver various supports. We work to develop and implement best social service practices across our entire enterprise.

I'd like to provide you a brief overview of the SRS budget and describe the challenges we face in the state's current financial situation. Hundreds of thousands of Kansans rely on the services funded through SRS, and the need for these services only increases in difficult economic times. The majority of the budget is for direct assistance to the people of Kansas. Because of this, we have no choice but to limit or restrict services to those in need when faced with reductions of this magnitude. A large amount of administrative spending was eliminated in the 2003/2004 allotment process and was never restored. We have proposed some administrative reductions, but it is necessary

to make assistance reductions across various programs to meet the requested reduction level.

FY 2010 SRS Governor's Budget Recommendations including State Hospitals
Expenditures (in millions)



Total Budget $1,656.6 million

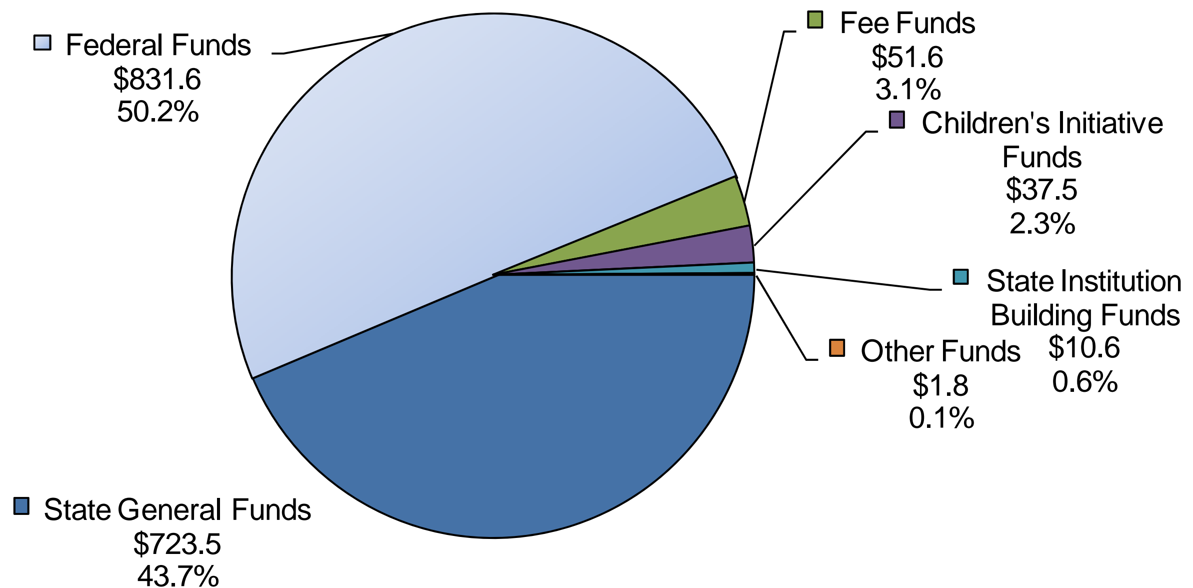
SRS makes expenditures in five areas:

- **Direct Assistance - 72.3%** of the SRS budget is direct assistance to the citizens of Kansas. This includes but is not limited to Mental Health, Temporary Assistance for Needy Families, Child Care Assistance, Foster Care, Family Preservation, General Assistance, Substance Abuse, and services to persons with Physical and Developmental Disabilities.
- **Direct Service Delivery - 17.5%** of the budget is in the Regions and State Hospitals for service delivery to clients. There are 5,578 authorized position in direct service delivery. Currently 692, or 12% of those positions, are vacant. Further reductions in those areas would impede our ability to provide quality service.
- **Administration – 5.1%** is for direct administrative costs including travel, supplies, rent, equipment, and salaries and wages for Central Office positions. Currently, there are 850 authorized positions in this category, and 228, or 27%, of these positions are vacant. Administrative reductions such as eliminating all travel (0.16% of the total budget) and supplies (0.18% of the total budget) would garner very little savings.
- **Contractual Supports – 4.4%** of the SRS budget represents contracts with providers that support the execution of various programs. Examples of contracts in this category include: Kansas Health Solutions, Kansas Payment Center, Electronic Benefit Transfer, Child Support Enforcement contracts, and the Customer Service Center.

- **Capital Improvement - 0.07%** of the total budget is for repairs and maintenance of five State Hospitals and Chanute Service Center.

FY 2010 SRS Governor's Budget Recommendations including State Hospitals

Funding (in millions)



Total Budget $1,656.6 million

SRS funds the services it provides through three revenue sources:

- **Federal Funds - 50.2%** of SRS and State Hospital expenditures are financed by over 50 different federal funds
- **State General Fund (SGF*)* - 43.7%** of expenditures are financed from SGF. Almost all state funds appropriated to SRS are used to draw down federal funds or meet Maintenance of Effort (MOE) requirements
- **Other State Funds – 6.1%** of SRS expenditures are financed with these other state funds such as fee funds, the Children's Initiative Funds, Problem Gambling and Addiction Fund, and the State Institutions Building Fund.

Budgeting for FY 2009 and FY 2010

Developing the FY 2009/2010 budget was challenging. It was difficult because Kansans across the state and across all walks of life rely on SRS to provide the critical services they need to live and work. Also, SRS had to consider the effects of past budget reductions on both administration and the service delivery system, while ensuring that services remain available to the most vulnerable Kansans. In response to Governor Sebelius' call for proposals for three percent budget reductions in the current fiscal year, SRS sought to identify its most vulnerable clients and to maintain programs that directly affect them. Three percent cuts will affect valuable supports across the agency's core services. We do not advocate these reductions, but the state's fiscal situation demands that we make cuts while preserving our ability to protect children and promote adult self-sufficiency.

SRS developed the FY 2009/2010 budget and made our proposed reductions keeping our mission, vision and the following key values in mind:

- **Minimize impact on most vulnerable:** SRS placed the highest priority on the services and programs that are critical to the Agency's mission of protecting children and promoting adult self sufficiency. A primary concern was to preserve the basic social service safety net that protects the most vulnerable Kansans. In proposing reduced resources, SRS considered the vulnerability of the populations we serve, and prioritized preserving services to those most vulnerable.
- **Choice Not to Reduce State Hospital Budgets:** SRS elected to include the required SGF base budget reduction and reduced resources amount for the State Hospitals in the SRS base budget reduction and reduced resource package. The only reduction at the state hospitals is delaying the opening of a 30 bed unit at Osawatomie State Hospital that is included in the 2% base budget reductions, and additional 1% reductions in KNI and Parsons in FY 2010. The actual costs to operate each facility are the amounts budgeted for the State Hospitals. The hospitals also face added costs due to changes in the calculation of overtime and shift differential and due to the rising costs of food and energy. The only other choice of reductions would require serving fewer people which would be very difficult to accomplish at the state hospitals.
- **Inter-relatedness of Reductions on Populations, Provider Groups, and other Agencies:**
  SRS considered how policy decisions in one program or service area would impact consumers and, thus, other SRS programs and services. In addition, other agencies can be affected by changes within SRS, such as the JJA and DOC when mental health or substance abuse treatment options for youth or released inmates are reduced, or KDOA when reductions are made that impact HCBS. These effects were considered as well.
- **Choose programs with a high percentage of state funds in making reduction decisions:** SRS reviewed programs mostly funded by state funds. Our first priority

was to protect the most vulnerable Kansans and we then minimized the total all funds amount of the reduction by identifying state funded programs.

2008 Fiscal Management and the Governor's Budget

Earlier this year, after the 2% reductions were announced, I imposed limitations on hiring across SRS and the hospitals. In addition, I directed that only essential capital purchases be made. On November 6, based on the Governor's directive that only essential positions be filled, I directed that the only exceptions to the hiring freeze at SRS and the hospitals would be certain direct care positions in our state hospitals necessary to maintain core staffing, and federally funded temporary positions for the Low Income Energy Assistance program. We have been managing frugally for a number of months and will continue to do so during these uncertain times. In December, I also made the difficult decision to freeze access to the HCBS-PD waiver and begin a waiting list because projected expenditures for the program far exceeded the appropriated funding levels. The following highlights the significant recommendations in the Governor's budget:

- **Funded Caseloads:** The Consensus Caseload estimating group consisting of staff from SRS, the Department on Aging, Kansas Health Policy Authority, Division of the Budget, and Legislative Research met on October 30, 2008 to revise the FY 2009 estimates and make the first FY 2010 estimates for the Consensus Caseloads. These are funded in the Governor's budget. The current year estimate is an increase of $6.7 million in state funds from the approved budget while FY 2010 reflects an increase of $8.4 million. The consensus programs are entitlement programs that comprise 39% SGF (31% AF) of the total SRS budget.
- **Maintain Services for PD Home and Community Based Services** : This additional funding will continue support to those individuals already receiving services before a waiting list was implemented December 2008.
- **Budget Reductions:**
  - $12.4 million SGF, $21.0 million AF in FY 2009
  - $42.6 million SGF, $48.0 million AF in FY 2010
- **Major reductions were made by**
  - Increasing shrinkage in both central office and the Regions
  - Integrating Grandparents as Caregivers into the Temporary Assistance for Families (TANF) program
  - imiting General Assistance (GA) and MediKan Mental Health Assistance to 18 months and revoking the current hardship provision
  - Reducing Community Mental Health Center (CMHC) and Community Developmental Disability (CDDO) grants

- Ending Secretary's custody of Children in Need of Care at age 18,
- Not placing youth age 16 and older in custody for reasons other than maltreatment .

More detail on all items included in the Governor's Budget are included on pages 16 – 21. Some of these proposals will require legislative changes, and legislation has been introduced to effect these changes.

2009 Initiatives

- The Governor's Child Protective Services Task Force recommendations will continue to be implemented in tandem with the Administration for Children and Families Program Improvement Plan. These efforts include policy changes to assure thorough safety assessments are performed at significant points in time during work with families, from the initial point of involvement through reintegration and aftercare of permanency.
- In a new initiative to reduce overrepresentation of African American children in foster care, SRS will partner with contractors, experts and other agencies to assure racial and ethnic equity across all state child welfare and juvenile justice programs. This effort will assess dynamics of disproportionality in Kansas foster care and juvenile justice programs and identify approaches to address these issues in our state.

DISABILITY AND BEHAVIORAL HEALTH SERVICES

Introduction

The Division of Disability and Behavioral Health Services (DBHS) is comprised of Addiction and Prevention Services, Mental Health Services, Community Supports and Services and the state's mental health and mental retardation hospitals. DBHS also manages the Sexual Predator Treatment Program.

DBHS sets policy and oversees grants and contracts for programs that deliver a variety of services to Kansans eligible for these services. The Division's goals are to support Kansans in living self-determined, meaningful lives and to ensure access to quality, person-centered mental health, addictions and disability services.

In contrast to the Division of Integrated Service Delivery's utilization of regional staff to carry out many of its goals, DBHS goals are met through a network of private and public agencies, some of whom are established by state statutes such as Community Mental Health Centers (CMHCs) and Community Developmental Disability Organizations (CDDOs).

Budget Considerations

The services provided through DBHS serve some of Kansas' most vulnerable citizens. The majority of the supports provided allow individuals with a range of disabilities to live successfully in their communities instead of receiving services in an institution. Ensuring the availability of a comprehensive network of substance abuse and mental health services becomes even more critical in times of reduced budgets. When individuals lack access to quality substance abuse and mental health treatment, it impacts the state's largest systems, e.g. criminal justice, child welfare and education. The community based services delivered through DBHS allow individuals the freedom of choice to remain in their homes, continue their employment and receive the amount and frequency of services appropriate to their condition. Without the availability of these programs, many of these untreated individuals would likely end up further disabled or in our prisons or state institutions.

Budget Issues

Physical Disability Waiver Waiting List. On December 1, 2008, SRS implemented a waiting list for the HCBS/PD Waiver due to the significant increase in the number of individuals applying for services. Due to this increased demand, the program will overspend the appropriated funding. To address this shortfall, the Governor's budget recommendation has identified an additional $8 million in SGF ($20 million all funds) in FY 09. The decision to institute a waiting list was done to avoid further overspending, not to cut the budget. SRS will monitor the number of individuals on the waiting list as well as any crisis situations. SRS will also work with the Kansas Department on Aging to monitor the number of nursing facility admissions in order to assess any impacts of the waiting list on the number of nursing facility admissions.

Community Mental Health Centers (CMHCs). As a result of the 3% budget reduction required for FY 2009, the CMHC consolidated grant fund was reduced by $1.8 million. The Governor's budget recommendation reduces a total of $7 million for FY 2010. Twenty seven centers, serving all 105 counties in Kansas, provide a safety net of community based mental health services to individuals with mental health disorders. CMHC consolidated grants fund needed mental health services for uninsured persons who have no other way to pay for such services. Current state statutes require that CMHCs serve all persons needing community mental health services without regard to their ability to pay. If left untreated, some of these persons' mental illness may decompensate resulting in possible increased referrals to in-patient or residential treatment settings like state mental health hospitals, private in-patient mental health hospitals, psychiatric residential treatment facilities, and nursing facilities for mental health.

Community Developmental Disability Organizations (CDDOs). The Governor's budget recommendation identifies $2 million reduction in state aid to CDDOs which are funds that provide services that would not otherwise be provided through Medicaid or other funding sources. Examples include supplies and equipment that assist in caring for individuals with disabilities in their homes, assistive technology devices that are not otherwise reimbursed for, early childhood intervention services in local communities, and assistance with housing, i.e. deposits, and transportation. These services provide families with the supports to care for their child in the community as opposed to an institution or coming into the custody of SRS.

Delay of 30 bed expansion at Osawatomie State Hospital. The state mental health hospitals – Osawatomie State Hospital, Rainbow Mental Health Facility and Larned State Hospital – were not included in the 3% budget reductions for FY 09 due to the increased demand for services along with an increase in operating costs. The one exception to this was the Osawatomie state hospital 30 bed expansion project. In FY 2007, the legislature appropriated planning funds to expand bed capacity at OSH to address the increase in average daily census at OSH. Additional funds were appropriated in 2008 to staff the expansion for 6 months in FY 09. Upon the Governor's request for a 3% reduction and a moratorium on new projects, SRS is delaying this expansion saving the state $1.4 million in FY 09 and $3 million in FY 10.

The state mental retardation/developmental disability hospitals were not included in any budget reductions for FY 09 but will assume a 1% budget reduction in FY 2010. The agency has absorbed the additional reductions within the overall budget.

Anticipated funding from the Kansas Expanded Lottery Act (KELA). The Governor's budget recommendation (GBR) is that $600,000 of the anticipated revenue to the Problem Gambling and Other Addictions grant fund be used to supplant an equivalent reduction in state general funds currently dedicated to substance abuse treatment services. While the primary purpose of this fund is to develop a system to minimize harm caused by gambling, the act also allows the use of the funds to address other co-occurring addictions as well. In addition, the GBR identifies an additional $200,000

reduction from the Addiction and Prevention Services program. Although there has been a delay in casino development in recent months, SRS has been engaged in readiness activities for the past year to ensure that Kansas is prepared to address the increased demand for problem gambling services in the future.

Developmentally Disabled Waiver Waiting List. The MR/DD waiver serves individuals with a developmental disability. At this time there are 1,609 people on the waiting list receiving no waiver services and another 864 people receiving some services who are waiting for additional services. Each year on the average, 208 people come off the waiver and these positions are filled by individuals in crisis situations. We have one statewide waiting list for HCBS-MR/DD services which includes both the unserved and the underserved. A person's position on the waiting list is determined by the request date for the service(s) for which the person is waiting. Each fiscal year, if funding is made available, we serve people on the statewide waiting list, and the persons with the oldest request dates are at the top of the list. Currently, the persons at the top of the list have been waiting since June 27, 2005.

Sexual Predator Treatment Program. The Sexual Predator Treatment Program (SPTP) operated by Larned State Hospital (LSH) serves persons who have been civilly committed for treatment through Kansas sexual predator laws. The program is operated at two locations – the inpatient treatment program at LSH and the Transition Program at Osawatomie State Hospital. The Transition Program is provided for those persons approved by the court to begin their preparation for possible conditional release from the program. Predators are being committed to the program at a faster rate than patients are completing treatment. As a result the census has been steadily rising at both programs. The inpatient program at LSH has a budgeted capacity of 160, but is actually serving 172 persons. Projected census growth indicates that both programs will soon exceed the available building capacity.

To address the steadily rising census of the inpatient SPTP program and the Transition program, the GBR allows for additional state funding of $323,928 in FY 09 and FY 10 to cover the increased cost of staffing the transition program. Balances in the hospital fee funds were shifted to the General Fund to support this increase. The Transition Program at OSH has a budgeted capacity of 6, but is currently serving 10 persons. This funding shift will be used to provide funding to house and treat a total of 12 residents.

Discontinue the BARS Program. The Be A Responsible Store (BARS) Program is a training service for retail store operators to raise awareness and change employee carding habits. In federal FY 2005, Kansas fell below the minimum requirements of the Synar Amendment which requires states to ensure retailers prevent the sale of tobacco to underage youth. In FY 08, SRS contracted with the BARS Program, but has not continued it in FY09, as a memorandum of understanding was developed with the Kansas Department of Revenue, which established a Cigarette and Tobacco Enforcement (CATE) team. The CATE team members are now available to conduct educational as well as compliance visits to ensure the state remains in compliance with the Synar requirements.

Program Accountability and Efficiencies

As a purchaser of behavioral health services, DBHS is committed to processes of quality assurance and performance improvement to ensure that contracted providers adhere to the highest standards of quality and service. Examples of recent, very large scale changes in DBHS are highlighted below:

Substance Abuse Managed Care. On July 1, 2007, SRS began implementation of its Substance Abuse Managed Care program. It includes an array of community outpatient and inpatient substance abuse treatment services funded by Medicaid and federal block grants. The program has been reviewed by both Centers for Medicare and Medicaid Services and Center for Substance Abuse Treatment and received very positive reports from both reviews. During the first year of operation, Value Options (VO) established member and provider advisory councils, performed extensive member outreach activities, and held both regional provider quality improvement work sessions and care coordination meetings with physical and behavioral health care providers to ensure strong stakeholder collaboration. VO also created additional capacity to meet consumer needs, with more providers in the public substance abuse network and an enlarged service array offered by existing providers.

Service utilization trends have demonstrated effective support for more people with less intensive treatment resources:

- 1,033 additional Kansans were served
- 6% reduction in adults' average length of stay in more intensive service settings
- Provider rate increases were implemented to build additional provider capacity

These outcomes were realized without incurring additional costs to the system

Community Mental Health Managed Care. Community mental health services funded by Medicaid and MediKan are administered through a managed care program. The Community Mental Health Managed Care Program funds community mental health outpatient treatment, rehabilitative services and supports, the HCBS waiver for children with a serious emotional disturbance, the Psychiatric Residential Treatment Facility community-based alternatives waiver, and screening for inpatient services.

Community mental health centers (CMHCs) and private practitioners provide outpatient services through the Community Mental Health Managed Care Program. As a result:

- 1,197 private providers are providing community mental health services to Medicaid/MediKan beneficiaries, including
- 485 associated with child welfare and
- 712 other private practitioners

These private practitioners are providing over 30% of Medicaid/MediKan outpatient treatment. In addition, the CMHCs have successfully made the transition to the new program and most are providing as much or more Medicaid/MediKan funded mental health services than they provided before managed care. The managed care program has been reviewed twice by the Centers for Medicare and Medicaid Services and received very positive reports from each review.

Hospital and Home Initiative. The Hospital and Home Initiative was begun in response to concerns regarding chronic over census at the state's mental health hospitals. The purpose of the initiative is to design and implement an effective array of mental health services to ensure that persons with mental illness recover and live safe, healthy, self-determined lives in their homes and communities. The initiative was guided by a core team of key mental health leaders. The team chartered three work teams to study various areas of mental health services and to provide recommended action plans to be undertaken to improve the mental health service array in Kansas. These and other recommendations for community mental health services are being actively pursued. The Core Team is developing outcome measures for these action plans and will be advising SRS regarding their implementation.

Money Follows the Person Demonstration Grant. Money Follows the Person (MFP) is a federally funded demonstration grant designed to enhance participating states' ability to increase the capacity of approved HCBS programs to serve individuals residing in institutional settings. Implementation began July 1, 2008 and Kansans who have chosen community living include 4 persons with physical disabilities, 1 person with a traumatic brain injury, 64 persons with a developmental disability and 3 elderly persons.

Target populations for this grant include persons residing in nursing facilities and intermediate care facilities for the mentally retarded.

The Technology Assisted Children's Waiver. As a result of a CMS determination that Kansas could no longer administer the Attendant Care for Independent Living (ACIL) program as it has in the past, a decision was made to merge the TA waiver and ACIL program. On August 1, 2008 the transition of the ACIL program to the TA waiver was completed. The ACIL program provided the skilled nursing services that children required to remain in their homes. With the change SRS is able to continue serving these medically fragile children.

Changes include increasing the age limit from 18 to 21 and adding services that include case management, skilled nursing services, attendant care, respite services and home modifications. These changes have allowed families to have an increased involvement in the services provided to their child. With the increased involvement families and children are learning about independent living and planning for a future where the child will have the greatest level of independence that is possible for them. Since the implementation of the changes SRS has seen an increase in consumer satisfaction and an increase in the number of enrolled case managers and home health agencies which provide nursing services to these consumers.

INTEGRATED SERVICE DELIVERY

Introduction

The Division of Integrated Service Delivery is comprised of four major program areas and the six Regional SRS Offices. The Division has three primary objectives:

- Protect children and adults
- Promote permanent, nurturing families
- Provide appropriate resources to meet the self sufficiency needs of consumers.

This work is accomplished through the Children and Family Services Program, the Economic and Employment Support Programs, Child Support Enforcement, and Kansas Rehabilitation Services. Staff in the Regional Offices, operating under the program guidance of central office managers,

- investigate reports of child and adult abuse and work with families and the court system to determine appropriate interventions,
- assist consumers to become employed and self-reliant through job readiness activities,
  vocational assessment, training, rehabilitation technology, and job placement and supported employment activities,
- help consumers access child support and other public benefits to which they are entitled, and
- connect consumers to resources and services in the community that will meet their needs.

Budget Considerations

Many Kansans rely on programs within the Integrated Service Delivery Division to help them meet basic needs while they strive to become self-sufficient. During this economic downturn these services are even more critical as jobs become scarce and the unemployment rate rises. The agency's obligation to protect vulnerable children and adults and the growing need to maintain a basic safety net for needy families were paramount when the agency made decisions regarding what to recommend in its budget this year.

Another consideration is the impact benefit programs have on the Kansas economy. The USDA has determined that very $5.00 in food benefits generates $9.20 in economic activity. In FY 2008, SRS provided $133.9 million in Food Stamp benefits, resulting in over $300 million in economic activity. Over 9,000 TANF parents who joined the labor force with the help of child care assistance earned about $110 million which they spent on food, shelter, clothing and other items. In addition the direct economic impact of the child care assistance was $87 million.

Budget Issues

Integrate Grandparents as Caregivers into TANF. The state-funded Grandparents as Caregivers program began January 1, 2007. A grandparent or other qualifying relative is eligible to participate in the program if he or she is at least 50 years old; has physical and legal custody of a grandchild; has an annual income of less than 130% of the federal poverty level; the children are not in state custody; and the parent or parents of the child do not reside with them. In SFY 2008, we served 380 children on 200 cases. The average benefit for a household was $367. The Governor's budget includes a proposal to continue these services under the federal Temporary Assistance for Families Program. In two areas, program requirements are more lenient in the Temporary Assistance for Families (TAF) program. While the Grandparents as Caregivers program requires the adult's income to fall below 130% of the federal poverty level, no income is considered in the Relative Caregivers TAF program. In addition, grandparents and relatives would not need to obtain legal custody of the child. They would be required to cooperate in securing child support, which affirms the responsibility that parents have for their children. The benefit levels under the TAF program are lower, but are more widely available. Over 1,900 families have been served by the Relative Caregivers program in the first half of FY 2009. Integrating the Grandparents as Caregivers into TANF will result in a state general fund savings of $1.165 million in SF 2010.

Release Secretary's Custody of Children In Need of Care (CINC) at Age 18. Currently, young adults may remain in the custody of SRS until age 21. Releasing the Secretary's custody at the age of 18, except for those still in high school, will affect an estimated 141 young adults each year, and reduce the foster care average monthly caseload by 94. This difficult choice is premised on these young adults being the least vulnerable in out-of-home care relative to the greater need for safety and security for younger children. The proposal would heighten the Department's emphasis on individual planning for the young adult's transition to independent living. Generally, these young adults are eligible for, and would receive services through other State programs to assist with housing and living expenses, education or training assistance, and health insurance. The state general fund savings resulting from this change is $1.5 million.

Youth Age 16 and Older Will Not Be Placed in Custody for Reason Other Than Maltreatment. Foster care services are provided when the court finds a child to be in need of care and the parents are not able to meet the safety and care needs of the child. Youth age 16 or older will continue to be placed in the custody of the Secretary for reasons of maltreatment. The needs of youth 16 and older with circumstances such as out-of-control behavior, truancy, or running away will be addressed through in-home services and without being placed in the Secretary's custody. An estimated 298 youth will be impacted by this change each year, reducing the foster care average monthly caseload by 170. This decision helps to preserve families where safety is not

an issue, while keeping youth safe who have been harmed and whose safety is at stake. A portion of the foster care savings resulting from this decision will be offset by an increase in services for families with youth who are demonstrating out-of-control behaviors, resulting in a net annual state general fund savings of $2.28 million.

Eliminate Funeral Assistance. The Governor's budget includes the elimination of the all-SGF SRS funeral assistance program. In FY 2008, the program provided aid for approximately 1,200 funerals for former SRS recipients at a cost of $810,000 a year.

Limit General Assistance and MediKan for Mental Health Services to 18 Months. Because General Assistance and MediKan are funded entirely with state general funds, assistance is being limited for those individuals unable to meet federal disability standards to 18 months of eligibility, and the hardship provision is being revoked. Currently, adults may receive General Assistance for up to 24 months, or longer if the hardship criteria are met. It is estimated that 1,503 adults, or 32.7 percent of the General Assistance caseload, will lose eligibility under this reduction and that 616 individuals will lose eligibility for MediKan funded mental health services. The combined annual savings resulting from this decision is $5.5 million.

Child Welfare Contracts. Contracts for case management of family preservation services and foster care/reintegration and adoption services were rebid during the summer of 2008 and are effective FY 2010. The focus of the family preservation contract is to prevent out of home placement for children and support families to care for their children at home. Effective FY2010, the family preservation contract includes services to pregnant women who are using substances. The foster care/reintegration and adoption contract focuses on case management toward permanency for children placed in the custody of the Secretary. The agency has a separate contract for adoption exchange services to match children in foster care with potential adoptive families through a statewide and national database. These changes have saved approximately $14.1 million SGF.

Program Accountability and Efficiencies

SRS recognizes that resources are limited and every effort must be made to conduct our business in an efficient and effective manner. With the challenge of the current budget situation come opportunities to insure that we continue to manage our resources well. Examples of how the Integrated Service Delivery Division is working to insure resources are utilized wisely include:

Kansas Rehabilitation Services (KRS) Contract Accountability. To offer a full array of vocational rehabilitation services to meet the needs and interests of people with disabilities, KRS maintains provider agreements with an extensive network of community-based organizations and individuals. Following extensive stakeholder involvement, analysis of resources invested, outcomes achieved, and provider training, KRS implemented a new approach to service provider agreements effective July 1, 2008.

The new approach emphasizes development of action plans, strengthened approaches to ongoing communication among KRS counselors and service providers, and accountability measures for successful rehabilitation outcomes.

Child and Family Services Review. For the first time ever, Kansas met the federal Children and Family Services Review (CFSR) outcome of timely and permanent reunification. In addition, SRS has improved performance with timely adoption to a level within 0.5 percent of the goal. SRS received special acknowledgment for Kansas' hard work and commitment to data quality as there were no data elements in error greater than 3%. The Kansas CFSR Performance Improvement Plan was approved by the Department of Health and Human Services Administration for Children and Families in the fall of FY 2009. The plan will be the focus of much activity in FY 2010 and FY 2011 as Kansas works to achieve the new negotiated performance improvement goals. The Governor's Child Protective Services Task Force recommendations will continue to be implemented in tandem with the Program Improvement Plan. These efforts include policy changes to assure thorough safety assessments are performed at significant points in time during work with families, from the initial point of involvement through reintegration and aftercare of permanency.

Child Support Enforcement Sanction Against Driving Privileges._ Implementation of CSE's new administrative sanction against driving privileges (K.S.A. 39-7,155) will be completed in early 2009. On October 28, 2008, SRS sent 3,150 letters to individuals owing $500 or more in back child support, informing them of the Drivers License restricted license law. Under a restricted license the individual is allowed to drive to and from work, to and from school, and can drive during the course of their work (such as a delivery driver). In order to avoid the restriction they can accept an Income Withholding Order, enter into a repayment agreement, or pay the arrearage in full. Payments have been made either directly or through debt set off by 882 (28%) individuals who received the letter. By mid January collections totaling $510,000 have been received from these individuals.

CSE Business Operations. The Kansas Payment Center (KPC) disburses all support payments in Kansas. This summer the KPC vendor introduced debit card for parents receiving support, called the NOW card. Increasing the volume of "e-disbursements" sped up the delivery of support payments, eliminated overhead for the KPC and reduced undisbursed collections.

Workforce Efficiencies. As the SRS workforce has become smaller, the agency's need to be efficient and effective has increased. The downturn in the economy and resultant increase in caseloads will put an even greater strain on staff. One way the workforce can become more efficient and effective is using technology to perform tasks best suited to automation and allowing employees more time to perform the interpersonal tasks required to serve customers most effectively. Current SRS

information technology systems were developed nearly 20 years ago and are difficult for IT staff to update. These systems are very cumbersome to use and require regional staff to do error-prone off-system determinations and use many paper-intensive manual work-arounds. The first phase of the Human Services Management (HSM) project would create a new, integrated eligibility system resulting in more efficient business processes, greater workforce effectiveness, and strengthened customer relations as worker have more time to address individual consumer needs.