



Senate Public Health and Welfare Committee

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Executive Reorganization Order Creating the Kansas Department of Human Services

Presented by:

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Testimony of:

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Chair Suellentrop, Vice-Chair Berger, and Ranking Member Bollier, thank you for the opportunity to address the committee regarding the Governor's Executive Reorganization Order creating the Kansas Department of Human Services. In this briefing I will be discussing **WHAT** the Executive Reorganization Order does; **WHY** this is an important step forward in serving Kansas citizens; and **HOW** my team and I are approaching the reorganization.

Before I dive deeper, I think it's important to address two issues:

First, I believe the benefits of this ERO are substantial – it creates an agency uniquely designed to strengthen families and support individuals by focusing on prevention, enhancing access to services, and creating stronger connections with our community partners.

Second, I stand before you today knowing there is a good chance, I will not be able to answer all your questions. Designing the new agency will take time and much of the work cannot begin until this legislative process is complete. We have, however, already begun the strategic planning process and begun to engage employees through staff work teams and focus groups. We've also engaged community stakeholders to gather their ideas for the new agency.

What I present to you today represents the result of analyzing initial data and preliminary planning. We know there is still much work to be done before we can achieve our vision.

Structuring a modern human services agency

Let's start with quick review of the current structure of state agencies managing human service programs:

The **Kansas Department for Children and Families** currently has more than 2,500 employees and is responsible for managing the child welfare system including:

- Child protection
- Foster care and foster care licensing
- Adoption
- Prevention services including Family Preservation and the newly implemented Family First Prevention Services Act.

The agency also manages:

- Adult protective services
- Rehabilitation services
- Child support services
- Traditional work and assistance programs like Temporary Assistance for Needy Families or TANF, food and childcare assistance.

The agency is currently comprised of four regions, 36 service centers across the state and the central office here in Topeka.

The **Kansas Department for Aging and Disability Services** has just under 300 employees. Through its commissions the agency is responsible for:

- Inspection and licensing of adult care homes and providers of disability and behavioral health services.
- Assists older Kansans who are at risk of institutionalization with services to help them remain at home.
- KDADS works with elderly and disabled Kansans to help them navigate Medicaid services that can maximize their independence in the least restrictive environment.
 - Examples include nursing home reimbursement
 - Program of All -Inclusive Care for the Elderly or PACE
 - Home and Community Based waiver programs like frail elderly, physical disabilities, and developmental disabilities to name a few.
- Manages adult and youth behavioral health services for the state, including mental health, and addiction services.

Most of KDADS employees are scattered across the state doing survey and certification work. The rest are in Topeka. KDADS also has oversight of the state's four psychiatric and I/DD hospitals, which in total have more than 2,300 employees around the state. Those include Larned State Hospital, Parsons State Hospital, Osawatomie State Hospital and the Kansas Neurological Institute here in Topeka.

Juvenile services is currently part of the Department of Corrections. It includes 23 employees at its central office in Topeka and all employees at the juvenile correctional facility in Topeka.

Programs under juvenile services include:

- Juvenile Intake and Assessment (JIAS)
- Immediate intervention programs

- Juvenile intensive supervised probation
- Community case management
- Kansas Juvenile Correctional Complex

Governor Kelly has submitted Executive Reorganization Order 44 that creates a new state agency, the Kansas Department of Human Services, effective July 1, 2020. The Governor asked me to lead the new KDHS as Secretary of Human Services.

Under the ERO, the new agency will comprise:

- The entirety of the existing Kansas Department of Aging and Disability Services (including oversight of the four state psychiatric and I/DD hospitals);
- The entirety of the existing Kansas Department for Children and Families; and
- Juvenile Services from the Kansas Department of Corrections (including oversight of the Kansas Juvenile Correctional Complex)



This is technically accomplished by:

- Renaming the Kansas Department of Children and Families to the Kansas Department of Human Services;
- Abolishing the Kansas Department for Aging and Disability Services and transferring its jurisdiction, powers, functions and duties to the Kansas Department of Human Services and the Secretary of Human Services; and
- Transferring jurisdictions, powers, functions and duties for juvenile services program and juvenile facilities and institutions from the Kansas Department of

Corrections and the Secretary of Corrections to the Kansas Department of Human Services and the Secretary of Human Services.

- Additionally, the Governors Fiscal Year 2021 budget recommendations reflect all three agency budgets in the KDHS budget.

Together to better serve Kansans

One of the first questions I get when talking about the ERO is why. Why create a larger agency?

For me, it's simple. We believe the service array offered by these agencies belong together. We know there is a large crossover population of customers that must access the matrix of services offered by these agencies. Today that customer journey is complicated and burdensome. This reorganization means that individuals and families have fewer systems to navigate to access the supports that they need and provides the opportunity to support individuals and strengthen families through a focus on:

- Prevention;
- Enhancing service access; and
- Strengthening connections with our community partners

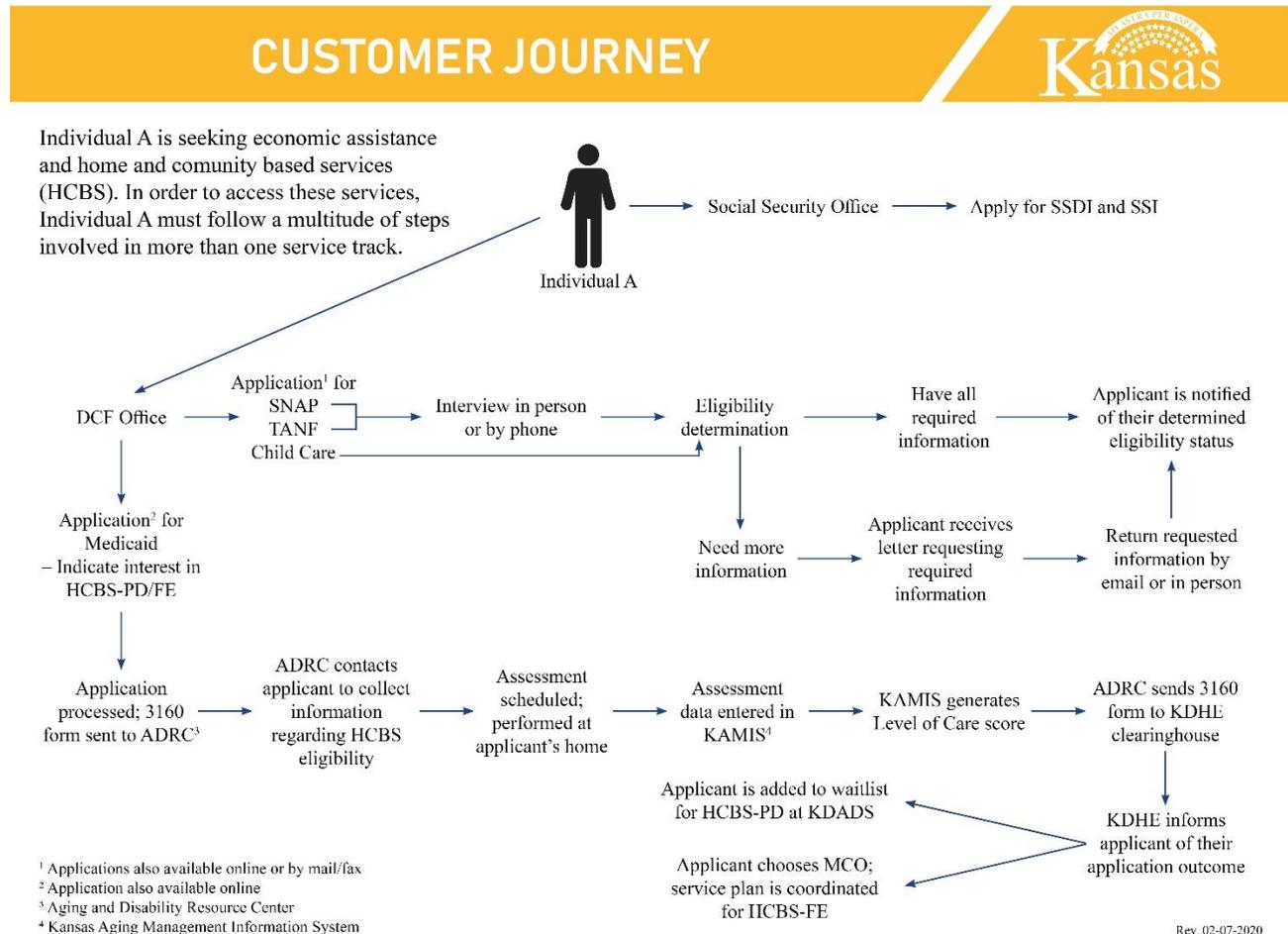
To illustrate, let's look at some of the current intersections between agencies:

The table below illustrates the significant crossover of populations between KDADS programs and DCF's food assistance program. More than 63 percent of those on the physical disability waiver access food assistance benefits, 55 percent on the brain injury waiver access food assistance and nearly 40 percent of those on the frail elderly waiver. You also can see the high percentages for the PACE program and those who access Medicaid mental health services.

<i>Waiver</i>	<i>Total Count</i>	<i>SNAP Recipients</i>	<i>Pct Receiving SNAP</i>
PD	6,625	4,209	63.5%
Brain Injury	575	319	55.5%
FE	5,009	2,200	39.8%
PACE	739	353	47.8%
Medicaid Mental Health	68,330	24,697	36.1%

The goal of the ERO is to make the customer journey across agencies more efficient and easier to navigate. Look at the graphic below. This is the typical journey of a PD waiver client who also needs food assistance. They must visit multiple offices, fill out

multiple applications and touch multiple data systems. It can be overwhelming and confusing for many people.



We know we won't solve this on day one. But by bringing these agencies together we can provide a more efficient process with fewer office visits, fewer websites to navigate and serve as a community hub where they can be referred to other services offered by entities like Centers for Independent Living.

HCBS/APS: We also see crossover in the areas of home and community-based services (HCBS) for persons with disabilities and adult protective services. KDADS provides oversight of HCBS while Adult Protective Services (APS) lives in DCF and has responsibility to receive reports for and investigate allegations of abuse, neglect or financial exploitation of adults.

Let's look at what we know about the crossover of these two programs:

- 15% of all APS intakes identified a HCBS client with 72% assigned;
- 20% of APS total investigations assigned involved an identified HCBS client
- 27% of the APS investigations assigned which identified an HCBS client were substantiated for an allegation of ANE (adult neglect) to include self-neglect.
- Monthly, APS investigates approximately 54 individuals residing in a KDADS licensed group home serving individuals with intellectual developmental disabilities. Currently KDADS is notified about such investigations yet do not routinely have access to the entire file.
- Monthly, APS submits approximately five crisis exceptions for HCBS waiver services. This exception occurs when a client with a disability is experiencing an emergency and needs immediate services.

Bringing these two agencies under one umbrella allows:

- HCBS access to APS investigations to assist in ensuring safety
- Better data sharing to meet Centers for Medicaid and Medicare requirements
- Provides APS access to the Adverse Incident Reporting System (AIRS) currently managed by KDADS
- Access to AIRS provides APS all necessary information to complete an investigation.

Juvenile Intake and Assessment/DCF Services: We also know there are several intersections between Juvenile Intake and Assessment (JIAS) and DCF services. In fiscal year 2019 our data indicates 31 percent of all JIAS assessments for status offense or other (non-JO) offense resulted in placements in DCF services including emergency shelter or foster care. Also, in fiscal year 2019, we see that JIAS service referrals for children and juveniles not already receiving a service showed nearly 2,200 referrals for DCF Family Preservation Services.

We also see clear connections between juvenile services and KDADS programs. In 2019, JIAS referred nearly 1,000 youth to substance use treatment services and about 2,000 referrals to mental health services.

Crossover youth: Another example where these agencies intersect is the issue of crossover youth. These are kids who are involved in both the child welfare and juvenile service systems. While they represent only a small segment of the broader foster care or juvenile offender populations, crossover youth often have significantly higher needs and require highly coordinated cross-system collaboration and greater placement stability for services to be effective.

To put the issue in context, we know that a case review completed for the 2020 Crossover Workgroup Final Report to the legislature shows that in July of 2019 nearly 700 of the more than 7,500 children in DCF custody were identified as crossover youth.

Of those kids:

- 222 (32%) experienced juvenile justice involvement in 2019 which included an arrest with criminal charges.
- 148 (21%) were adjudicated as juvenile offenders.
- 100 (14%) had at least one criminal damage to property charge recorded at intake by a juvenile intake and assessment (JIAS) worker.
- JIAS completed 1,194 intakes in FY 2019 for 460 crossover youth
- 25% were placed in detention after JIAS.
- 12% of crossover youth were referred to family preservation or other DCF services.
- 13% of crossover youth were referred to outpatient substance or mental health treatment.

We know juvenile justice reform has resulted in a reduced need for incarceration while at the same time enhancing county community corrections case management. Based on the numbers presented above and given the needs of families for inter-governmental and community collaboration, it makes sense to organize juvenile justice services, child welfare and behavioral health resources under one agency. Organizing juvenile justice and crossover youth under a single commissioner will provide a more seamless experience to children and their families that interact with multiple systems.

Additionally, a stronger focus on prevention is one of the outcomes of the single agency experience. Take for example Functional Family Therapy. Currently, juvenile services only offers this service to youth who have been adjudicated. On the DCF side, an approach of Functional Family Therapy is now offered through the Family First prevention program. If we can get more families into this program earlier, there is a good chance we can prevent them from ever having initial or deeper involvement in juvenile justice or in foster care out of home services.

Work programs: Chair Waymaster, I also think it's important to look at the impact this reorganization can have on work programs in the State of Kansas. It allows us to increase meaningful, community-integrated employment opportunities for populations traditionally served by KDADS and DCF.

We can achieve this outcome with a stronger focus on the vocational rehabilitation program, increased collaboration with the Kansas Department of Health and Environment on the KanCare waiver pilot as well as better collaboration with the Departments of Labor and Commerce. A common focus on employment outcomes whether the individual is a TANF recipient, a child aging out of foster care, or a person on an HCBS waiting list means success towards self-sufficiency for individuals and a stronger Kansas workforce.

Separate agencies create barriers

The second most common question I get is what is preventing these agencies from addressing these issues without an ERO? There are many barriers, but I think three stand out as significant and could all be solved with a single agency.

Data sharing– The inability to share data across agencies and programs is perhaps the single biggest barrier to serving the needs of our clients. I've already given you the example of adult protective services and HCBS waiver programs not having the ability to easily share information. We've also run into considerable roadblocks when trying to gather data between DCF and the Department of Corrections when studying the crossover youth population.

Even presenting this testimony was an exercise in frustration. My attorneys had to write, and I had to sign a memorandum of understanding between DCF and KDADS in order to share each agency's data to write the testimony. That's just for testimony, imagine when are needing to share more complex data. It's slow, inefficient and not in the best interest of our clients.

Budget – We could manage budget issues with an MOU, but it is not as efficient as having a single agency budget. Under an MOU, state and federal fund accounts remain separate. We would need additional agreements to make fund transfers between agencies. Since funds would be appropriated and budgeted in each agency, we would have to transfer the expenditures to make sure they hit the correct budget.

Cost allocation to the federal grants could be difficult also without the reorganization. We know it's different across all three agencies. A single agency would have one cost allocation plan and we may be able to gain additional federal funding in cost allocation and time studies. This is particularly true in IT and administrative units. Claiming also could be positively impacted. A single agency could add all costs and staff to the Public Assistance Cost Allocation Plan (PACAP) we negotiate with the Federal HHS Division of Cost Allocation.

The bottom line is that it gives us more flexibility to blend and braid funding within a single agency towards common priority outcomes.

I would point to attachments 1-5 for a complete look at what the FY 21 budget looks like for the combined agency.

Access to community partners – Access to community partner agencies is a barrier specific to KDADS. When the two agencies were split, KDADS lost its touchpoints to the community, more specifically to Centers for Independent Living and the Area Agencies on Aging.

There was no longer a community hub that could refer clients to services offered by these community partners. This issue is solved under the combined agency. With 36 service centers located across the state, KDHS service centers can serve as a connection point to programs and services offered through community agencies.

Moving forward

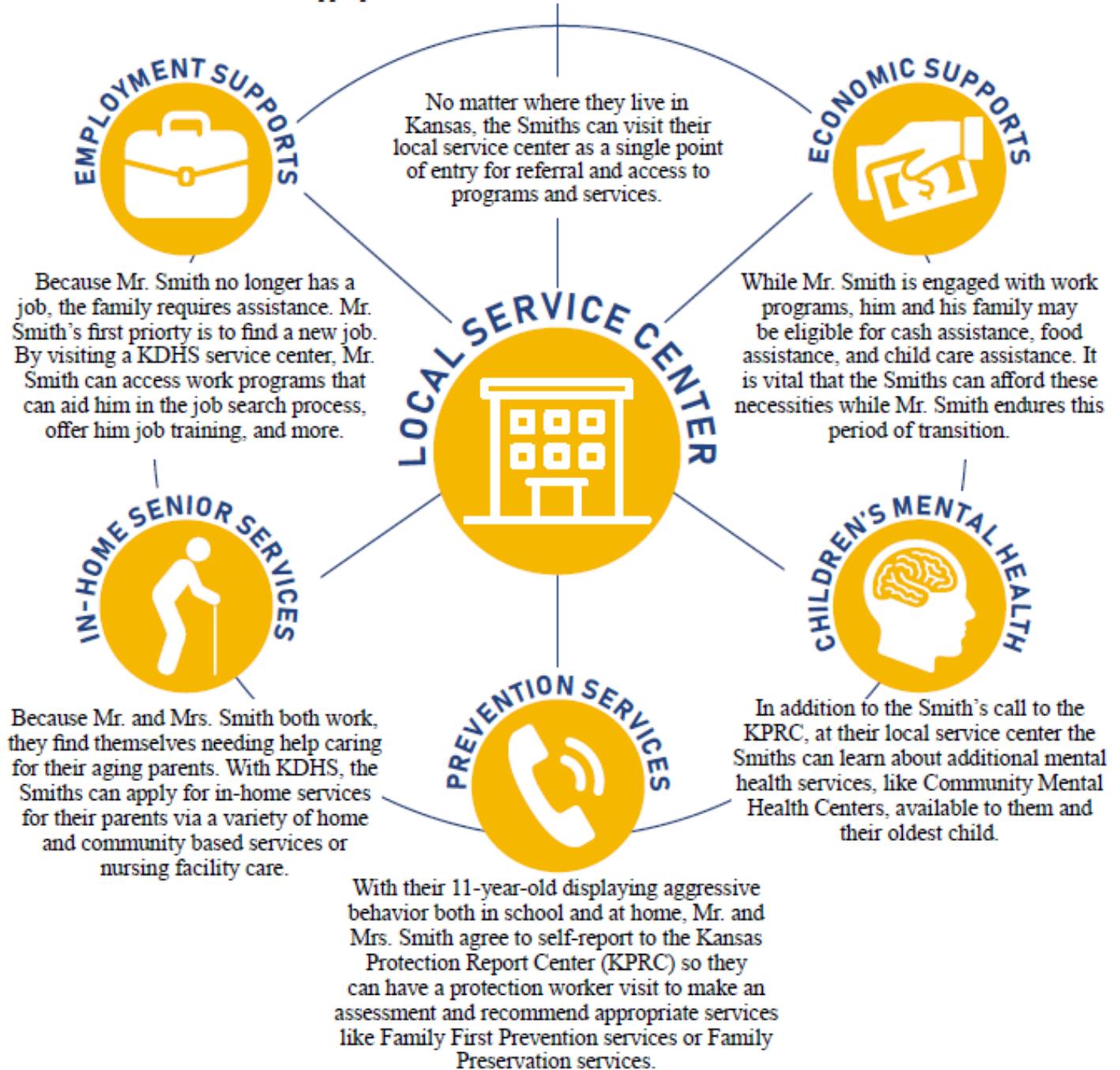
Families don't live in silos or have singular needs, and one need often intersects another. We also know more today about the intersections between childhood experiences, economic stability, food and nutrition, the characteristics of neighborhoods, housing, education, employment and the physical environment. This is an opportunity to break down those silos with an agency that better reflects the reality of Kansas families to better serve their needs.

The scenario of the 'Smith Family' illustrates this improved access:



Meet the Smith family.

Mr. and Mrs. Smith have two children, an 11 year-old and a 4 year-old, and they care for Mr. Smith's aging parents who live with them. Mr. Smith was recently laid off, and Mrs. Smith's income alone is not enough to support the family. Additionally, the Smiths noticed recent behavioral changes in their 11-year-old that they are struggling to manage themselves. In order for the Smiths to improve their current situation, the family needs help caring for their parents, affording groceries and daycare, and accessing the appropriate mental health services for their oldest child.



Let me sum this up in a core purpose and vision for KDHS that my team and I have developed for the new agency to illustrate this approach and focus:

Core Purpose

Strengthening Kansans through prevention, healthy networks and community supports

Vision

The Kansas Department of Human Services will strengthen families and support individuals by providing high-touch services that have a positive impact on the lives of Kansans. This will be achieved with a comprehensive approach to prevention, easy access to services and collaboration with communities across the state.

I am very mindful that our services and supports to individuals are in most cases temporary, but in almost all cases come at a time of great family stress or transition. For the season that we provide supports and services, it is incumbent that our efforts support the most positive life trajectory possible for that individual or family. It is also critical that our gaze is always relentlessly 'upstream' with a focus on those supports and services that might have alleviated a crisis in the first place.

This is also not work that we can do alone. You will note that I have referenced communities several times already in this presentation. Our work cannot be done in isolation from the work being done by countless human service partners in communities across the state, and the work of our local government partners. This reorganization is about organizing state efforts in concert with communities towards a more integrated system of service delivery focused on common outcomes and more efficient investment and targeting of resources. This approach is not just about more self-sufficient and resilient individuals, but more self-sufficient and resilient communities – it is about Collective Impact.

Thank you for the opportunity today to discuss the Governor's Executive Reorganization Order to create a new Kansas Department of Human Services. Let me close by saying that this ERO is about creating a new, modern human service agency that values its community partners, an agency that seeks collaboration and an agency that is accountable to the citizens of Kansas.

Some have suggested that since I am Secretary that I can make a lot of this happen without a reorganization. Perhaps this is true to some extent, but as I discussed earlier – not nearly as efficiently or effectively. But let me ask. What happens when I am no longer the Secretary? You must reorganize in order to sustain the impact we can

achieve by creating an agency that serves as a comprehensive resource connector to vital services.

This is all about better communication, better coordination, and most importantly better outcomes for Kansas citizens.

Attachment 1

FY 2021 Dept of Human Services

Amounts in millions

Agency	All Funds	SGF	FTE
Dept for Children and Families	\$780.8	\$350.1	2,545.9
Dept for Aging and Disability	\$2,108.8	850.89	282.0
Juvenile Services	\$39.5	36.68	22.4
Subtotal	\$2,929.1	1,237.6	2,850.3
State Hospitals	\$177.3	128.5	2,348.7
Juvenile Corrections Complex	\$21.1	20.6	264.5
Total	\$3,127.5	1,386.7	5,463.5

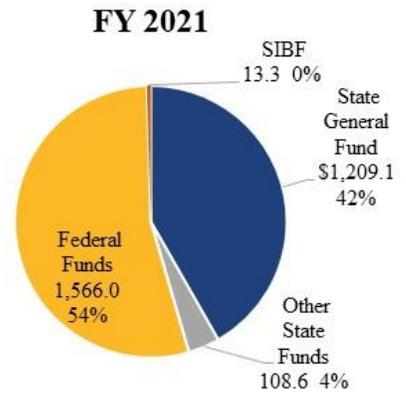


Attachment 2

Budget Summary

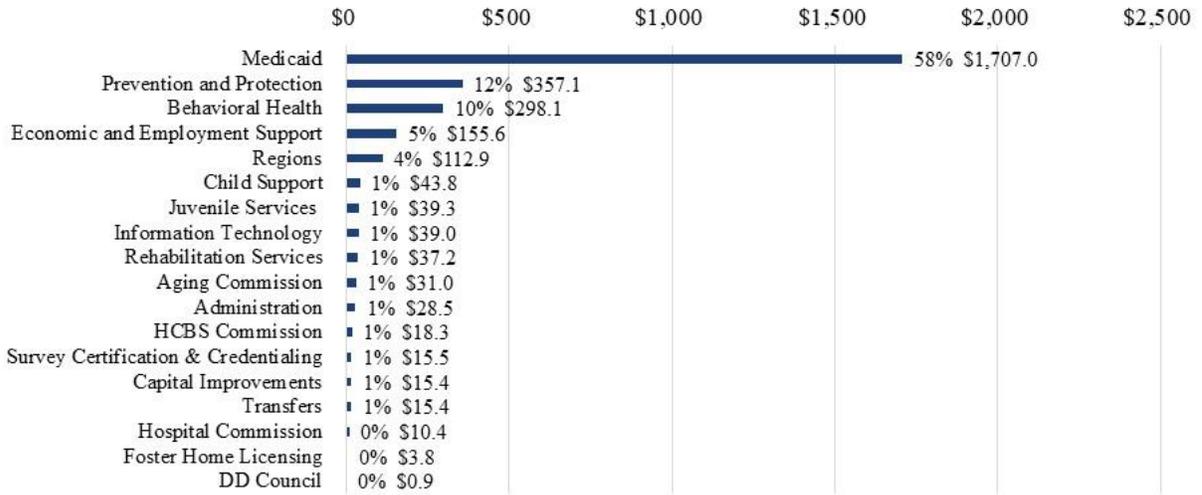
Amounts in millions

	FY 2020	FY 2021	Change
Total Budget	\$2,897.2	\$2,929.1	\$31.9
Positions	2,832.3	2,850.3	18.0
Funding Sources			
State General Fund	\$1,209.1	\$1,237.6	28.5
Other State Funds	108.6	81.3	(27.4)
Federal Funds	1,566.0	1,591.9	25.9
Enterprise Funds	0.1	0.1	0.0
SIBF	13.3	18.2	4.9
Total Funding	\$2,897.2	\$2,929.1	\$31.9



Attachment 3

FY 2021 Expenditures by Program (in millions)

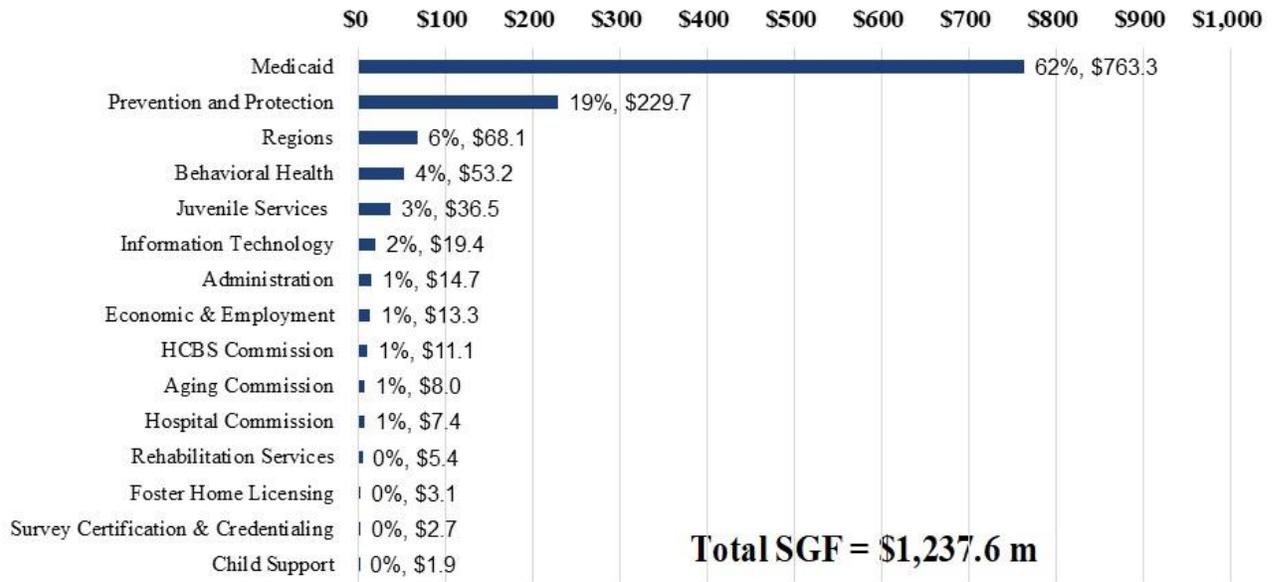


Total Budget = \$2,929.1 m



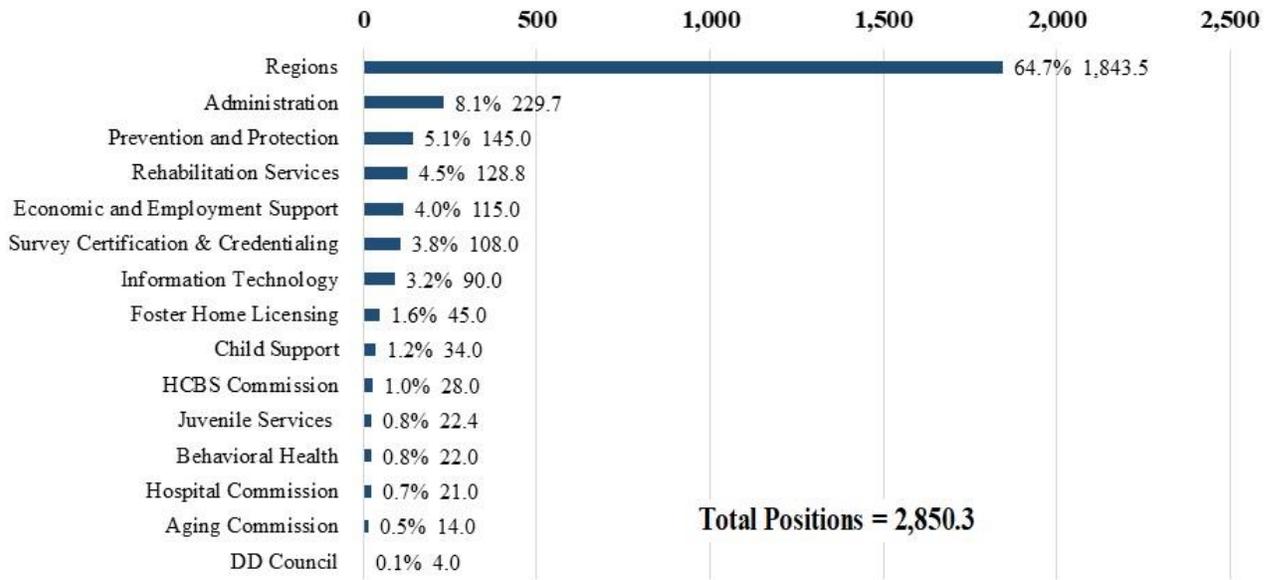
Attachment 4

FY 2021 SGF by Program (millions)



Attachment 5

FY 2021 Positions



Attachment 6

Key Resources & Organizational Support							
Organizational Health & Development	Family Services	Safety & Protection	Prevention	Children's Mental Health Supports	Permanency	Juvenile Justice & Crossover Youth	Practice Model & Performance Improvement
Strategic Communications & Govt. Relations							
Administrative Services	Adult Services & Supports	Long Term Services and Supports	Adult Behavioral Health Supports	Economic Supports	Employment Supports	Practice Model & Performance Improvement	
Financial Mgmt./CFO							
Legal	Facilities & Hospitals	Licensing, Survey & Certification	Hospitals & Facilities				
Chief Information Officer/IT							
Audit & Accountability							