

MINUTES OF THE HOUSE COMMITTEE ON APPROPRIATIONS.

The meeting was called to order by Chairman Melvin Neufeld at 9:00 a.m. on March 18, 2003, in Room 514-S of the Capitol.

All members were present except:

Committee staff present:

- Alan Conroy, Legislative Research Department
- J. G. Scott, Legislative Research Department
- Amy Deckard, Legislative Research Department
- Becky Krahl, Legislative Research Department
- Nicoletta Buonasera, Legislative Research Department
- Audrey Nogle, Legislative Research Department
- Jim Wilson, Revisor of Statutes
- Mike Corrigan, Revisor of Statutes
- Nikki Feuerborn, Administrative Analyst
- Shirley Jepson, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached

- Attachment 1 FY 2003/2004 Budget Recommendation for Department of Human Resources
- Attachment 2 Amendment - Moratorium on the Waiting Week
- Attachment 3 FY 2003 Budget Recommendation for Department of Social and Rehabilitation Services
- Attachment 4 FY 2004 Budget Recommendation for Department of Social and Rehabilitation Services
- Attachment 5 Amendment - Hospital Closure
- Attachment 6 Amendment - Dispense as Written
- Attachment 7 Amendment - Children's Mercy Hospitals (CMH)

HB 2429 was referred to Agriculture and Natural Resources Budget Committee.

Representative Shriver moved to introduce the Governor's Budget Bill for FY 2004; seconded by Representative Feuerborn. Motion carried.

Representative Howell, Member of the General Government & Commerce Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Human Resources FY 2004 budget and moved for the adoption of the Budget Committee recommendation with a notation (Attachment 1). Motion was seconded by Representative Shriver. Motion carried.

The Chair recognized Jim Garner, Secretary of Department of Human Resources, and Bill Layes, Department of Human Resources, to respond to questions from the Committee concerning the "waiting week" for unemployment benefits (Attachment 2).

Representative Landwehr, Chair of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Social and Rehabilitation Services' FY 2003 budget and moved for the adoption of the Budget Committee recommendation (Attachment 3). Motion was seconded by Representative Ballard. Motion carried.

Representative Landwehr, Chair of the House Social Services Budget Committee, presented the Budget Committee report on the Governor's budget recommendations for the Department of Social and Rehabilitation Services' FY 2004 budget and moved for the adoption of the Budget Committee recommendation (Attachment 4). Motion was seconded by Representative Ballard.

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Representative Nichols moved to amend the report by inserting as the last sentence in Item 10 on Page 11 “In addition to the issue of considering hospital closure, this Commission shall also develop parallel recommendations on service and program changes to ensure that the supports and capacity will be available at the community level to enable any potential closure recommendations. These recommendations should specifically examine having the dollars follow the clients and new ways to fund community-based services that ensure that persons with disabilities are properly served. Also, this Commission should work with stakeholders and providers as they develop their recommendations” (Attachment 5). Motion was seconded by Representative Shriver. Motion carried.

To clarify the “dollars follow the client” issue, the Committee noted this money does not actually follow the client individually, but is used to build capacity in the community, not necessarily to fund client’s on a one-on-one basis. The greatest concern is that the dollars saved in closing an institution go back into the program to provide services, reduce the waiting list by giving those clients service and assure the families of stability from the closing of these institutions. The Budget Committee indicated that they were satisfied that they had dealt with the issue clearly but were willing to accept the addition.

Representative Bethell moved to amend the report by adding the following as Item 23: “23. The Budget Committee notes that the “dispense as written” or “D.A.W.” waiver in **2002 House Sub. for SB 422**, allowing doctors to prescribe brand name, non-formulary drugs for Medicaid patients when appropriate, sunsets as of July 1, 2003. The Budget Committee recommends extending the sunset provision to July 1, 2004 to further study the effects of the provision on Medicaid pharmacy expenditures.” (Attachment 6) Motion was seconded by Representative Landwehr.

In response to questioning as to why this was not made part of the original recommendations, Budget Committee members explained they had not had sufficient time to research the issue and by extending the sunset through a proviso, the Budget Committee would have the information available to make a proper assessment. Upon further discussion, it was determined by Jim Wilson, Revisor of Statutes, was requested to review whether a proviso to this effect can be prepared within the parameters of those matters that may be included in an appropriation act,

Representative Bethell withdrew his motion with the permission of the second to permit staff to report back on this matter..

Representative Bethell moved to amend the report and add that the Budget Committee recommends that a bill be introduced to extend the sunset provision of July 1, 2003, to July 1, 2004, that was created in **2002 House Sub for SB 422** during the 2002 Session. The motion was seconded by Representative Landwehr. Motion carried.

Representative Landwehr moved to amend the report by adding the following paragraph to the Budget Committee recommendations as Item 24: “Children’s Mercy Hospitals (CMH) operates facilities in Kansas City, Missouri; Johnson and Wyandotte Counties in Kansas. The Committee is aware that recent cuts in Kansas Medicaid disproportionate share funds to CMH have worked a hardship on facilities valuable to the health of Kansas’ children. The Committee is also aware that Missouri has recently increased its disproportionate share funding for Children’s Mercy. The Committee recommends that SRS review the disproportionate share funding to CMH to ensure that Kansas is providing appropriate funding levels and report back to the Legislature during discussion of the omnibus appropriations bill” (Attachment 7). The motion was seconded by Representative Bethell. Motion carried.

Representative Landwehr moved to amend the report by adding the following sentence to Item 3, Page 14, Paragraph 1, of the Budget Committee recommendations: “The savings would be used to fund the Developmentally Disabled waiting list” or whatever the language is that was adopted in the Department on Aging Budget Report recommendations. The motion was seconded by Representative Bethell. Motion carried.

Representative Bethell moved to amend the report by striking the words “from the redesign” from Page 9, Item 5, final paragraph of the Budget Committee recommendations. The motion was seconded by Representative Ballard.

During discussion, it was the Committee’s contention that they would like to see the proviso in final form before action

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on the motion. Representative Bethell withdrew his motion with permission of the second.

Discussion and action on the Department of Social and Rehabilitation Services' FY 2004 Budget will continue at the Committee's next meeting on March 19, 2003.

The Committee will meet on Tuesday, March 19, 2003, at 9:00 a.m. and again at 1:30 p.m. The same schedule will apply to Thursday, March 20, 2003.

The meeting was adjourned.

Melvin Neufeld, Chair