

SESSION OF 2008

**CONFERENCE COMMITTEE REPORT BRIEF
HOUSE SUBSTITUTE FOR SENATE BILL NO. 365**

As Agreed to May 7, 2008

Brief*

House Sub. for SB 365 would create a comprehensive and coordinated system for long-term care services, including home and community based services, in the state of Kansas. The bill would direct that the system:

- Emphasize self-direction, individual choice, home and community settings, and privacy;
- Ensure transparency, accountability, safety, and high quality services;
- Increase expedited eligibility determination;
- Provide timely services;
- Utilize informal services; and
- Ensure the moneys follow the person into the community.

The bill would direct that all persons receiving long-term care services be offered the most appropriate services which are determined to be the most economical, in the aggregate, in terms of State General Fund expenditures. Funding would follow those individuals who transition from nursing facilities to home and community based services into the community. The bill would direct the Department on Aging, the Department of Social and Rehabilitation Services (SRS) and the Kansas Health Policy Authority (KHPA) to design and implement the system, in consultation with stakeholders and advocates. The Department on Aging and SRS in consultation with KHPA would be required to submit annual reports to the Governor and the Legislature.

*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at

In addition, the bill would establish the Joint Committee on Home and Community Based Services Oversight, which would be a joint legislative committee comprised of nine members, five from the House of Representatives and four from the Senate. Each of the following individuals would appoint a member: Speaker of the House of Representatives, Minority Leader of the House of Representatives, President of the Senate, Minority Leader of the Senate, Chairperson of the House Appropriations Committee, Ranking Minority Member of the House Appropriations Committee, Chairperson of the Senate Ways and Means Committee, Ranking Minority Member of the Senate Ways and Means Committee, and the Majority Leader of the House of Representatives.

The Oversight Committee would meet at least four times per year, with the chairmanship alternating between members of the House of Representatives and the Senate. The chairman for the first year of the Committee would be the member appointed by the Speaker of the House of Representatives. The Committee would review the number of individuals transferred from institutional settings to home and community based settings and the associated funding. The Committee also would review community capacity and ensure adequate progress is being made for the transfers to occur. In addition, the Committee would study and determine the effectiveness of the program and perform a cost analysis. The Committee would review the salaries, benefits, and training of direct care staff. The Committee also would review and ensure that any proceeds resulting from the successful transfer be applied to the system of long term care and home and community based services. The Committee would review the Legislative Budget Committee Report to the 2007 Legislature regarding funding recommendations for home and community based services and use the report as a guideline for future funding and policy recommendations.

The bill would establish home and community based services savings funds at both the Department of Social and Rehabilitation Services and the Department on Aging, into which all savings resulting from transferring individuals from

institutional settings to home and community based services would be deposited. These funds would be subject to appropriation. The savings would be the difference between the average cost of institutional care and the cost of providing services to that individual in the community. In addition, the bill would authorize the director of accounts and reports to transfer the savings, as certified by the Secretary of Aging and the Secretary of Social and Rehabilitation Services, into the newly created funds.

Conference Committee Action

The Conference Committee agreed to the House amendments to House Sub. for SB 365 (as amended by the House Committee of the Whole) and agreed to amend the bill further to:

- Delete all appropriations for Fiscal Year 2009 as well as all of the funding recommendations for Fiscal Year 2010, 2011 and 2012;
- Remove all provisions of the bill relating to authorizations for loans from the Pooled Money Investment Board to the Department on Aging and the Department of Social and Rehabilitation Services; and
- Delete provisions of the bill which directed the Joint Committee on Home and Community Based Services Oversight to study and determine the possible closure of a state institution.

In addition, the Conference Committee:

- Added the provisions of SB 656, which related to the creation of a comprehensive and coordinated system for long-term care services in Kansas;
- Expanded the duties of the Oversight Committee to include the study and determination of effectiveness and performance of a cost analysis, as well as the review of the use of proceeds resulting from the successful transfer from an institution to the community. In addition, the

Committee shall review the Legislative Budget Committee Report to the 2007 Legislature, particularly regarding future funding and policy recommendations;

- Expanded the reporting requirements of the Committee to include average daily census in the state institutions and long-term care facilities; and
- Added technical language authorizing the Director of Accounts and Reports to transfer savings, as certified by the Secretary of Aging and the Secretary of Social and Rehabilitation Services, into the newly created funds.

Background

The House Committee on Appropriations removed the original contents of SB 365, which concerned primary care safety net clinics. The Committee inserted the original contents of HB 2761, and further amended those contents.

Fiscal Impact

The bill originally contained appropriations of \$2.1 million from the State General Fund for the Department on Aging in FY 2009 for the Home and Community Based Services Waiver for the Frail Elderly. The bill also originally appropriated \$13.0 million from the State General Fund for the Department of Social and Rehabilitation Services (SRS) in FY 2009 for home and community based services waivers, including the waivers for individuals with developmental disabilities, physical disabilities, and traumatic brain injury. The substitute bill also established specific funding recommendations for the Home and Community Based Services Wavier for the Frail Elderly at the Department on Aging, and the Home and Community Based Services Waivers for individuals with developmental disabilities, physical disabilities, and traumatic brain injury at the Department of Social and Rehabilitation Services for FY 2010 through FY 2012. All of the provisions related to appropriations were removed by the Conference Committee.

long-term care services