

**Department of Social and Rehabilitation Services
Reductions to Reach Statutorily Required Allotment**

Proposal	FY 2003	
	SGF	AF
<p>Reduce developmental disability community support grants</p> <p>Impact:</p> <ul style="list-style-type: none"> This could reduce community services to those who have no other funding source - approximately 80 persons could lose services. Removing state dollars will result in the loss of \$2.25 million in federal funds 	(1,500,000)	(3,750,000)
<p>Freeze ICFs/MR rates at FY 2002 levels</p> <p>Impact:</p> <ul style="list-style-type: none"> ICF/MR rates generally increase each year, based on their costs for the previous year. This action eliminates that growth. 	(242,382)	(609,000)
<p>Freeze waiver access to PD, DD and HI with limited crisis access to PD waiver</p> <p>Impact:</p> <ul style="list-style-type: none"> <i>Physical Disability Waiver</i> As of April 1, 2002, 545 unserved persons were reported waiting for services. A net of 41 persons are currently being added to the PD waiver waiting list each month. Freezing the PD Waiver means no new persons can be added to services, except those in crisis, adding another estimated 300 persons to the waiting list. As a result, an estimated 1,419 persons will be unserved and waiting for services at the end of FY 2003. <i>Developmental Disability Waiver</i> As of March 1, 2002, 424 unserved persons were waiting for community developmental disability services. A net of 19 new persons are currently being added to the DD waiting list each month. Freezing the DD waiver means no new persons can be added to services, except those in crisis, adding another 120 persons to the waiting list in FY 2003. As a result, an estimated 829 persons will be unserved and waiting for services at the end of FY 2003. <i>Head Injury Waiver</i> As of April 15, 2002, 25 unserved persons are waiting for community based services. Freezing the HI waiver means no new person can be added to services, except those in crisis, adding 35 more persons to the waiting list in FY 2003. As a result, an estimated 60 persons will be unserved. 	(2,361,628)	(5,933,737)

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	SGF	AF
<p>Reduce Pharmacy Dispensing Fee</p> <p>Impact:</p> <ul style="list-style-type: none"> This would decrease the dispensing fee paid to pharmacists for filling Medicaid prescriptions from \$4.50 to \$4.00 per prescription 	(715,540)	(1,797,839)
<p>Reduce MediKan MH rates</p> <p>Impact:</p> <ul style="list-style-type: none"> CMHCs will receive payments for services that are funded entirely with state funds at rates used prior to Mental Health Initiative 2000. 	(1,400,000)	(1,400,000)
<p>Reduce acute care hospital rates</p> <p>Impact:</p> <ul style="list-style-type: none"> Claims would be paid at the lesser of the “diagnostic related group” amount for that service, or the amount charged. The amount paid for out leir services will be reduced. Out of state hospitals will be paid lower rates. No payments will be made for medical education, except at the KU Medical Center. 	(3,110,954)	(7,777,385)
<p>Double HealthWave premiums</p> <p>Impact:</p> <ul style="list-style-type: none"> HealthWave currently charges families with incomes between 150% and 175% of the federal poverty level (FPL) a \$10 per month premium and families over 175% FPL a \$15 premium. This adjustment would double these premiums to \$20 and \$30 respectively. 	(320,000)	0
<p>Reduce community mental health center flexible community support grants</p> <p>Impact:</p> <ul style="list-style-type: none"> This could reduce community services available to those who have no other funding source, so people who do not have insurance and are not eligible for public programs would receive less service. 	(1,570,000)	(1,570,000)
<p>Implement 24 month time limit on July 1, 2002 for all GA and MediKan Clients</p> <p>Impact:</p> <ul style="list-style-type: none"> An estimated 650 persons will lose GA and MediKan during FY 03. Demands made upon community helping agencies for services these clients need may increase. Persons that have received 24 months of assistance as of Jun 30, 2002 will not be eligible for services starting July 1, 2002. 	(4,383,802)	(4,383,802)

Proposal	FY 2003	
	SGF	AF
<p>Reduce child care eligibility to 150% of the federal poverty level</p> <p>Impact:</p> <ul style="list-style-type: none"> • Approximately 1,288 families/children would lose the benefit of receiving a subsidy for their child care costs. • Child care is a basic support for employment, thus, this reduction may result in loss of employment or increased reliance on cash assistance. 	(2,024,970)	(6,226,596)
<p>Reengineer and combine administrative functions in SRS and Hospitals</p> <p>Impact:</p> <ul style="list-style-type: none"> • Several Area field offices have already reduced hours of operation in low-volume locales, and State Hospitals have initiated a number of unit closures as a means to reduce administrative expenditures. • The Department would examine emerging workload trends and identify further methods to streamline our organizational structures and operations. Possible arenas to explore include flattening administrative structures, downsizing, consolidation, closures, and reducing hours of service. • Plans will be developed with our field offices, central office and state hospitals for phased implementation beginning this fall. • These reductions are in addition to statewide administrative reductions in S.B 517. 	(500,000)	(1,000,000)
<p>Reduce Family Preservation</p> <p>Impact:</p> <ul style="list-style-type: none"> • The Conference Committee restored \$2,750,000 out of the \$6,614,263 reduction and funding for Family Preservation program from the Children's Initiatives Fund. This reduction will decrease Family Preservation funding by \$1.9 million (SGF). • 496 families will not be referred for services under the Family Preservation contracts. • An increased number of children could be removed from the family home. 	(1,948,891)	(1,948,891)
<p>Discontinue payments for Emergency Shelter stays for children not in SRS custody</p> <p>Impact:</p> <ul style="list-style-type: none"> • SRS will not be responsible for payment when a child who is not in the Secretary's custody, but is in police protective custody, needs an out-of-home placement. • Local communities, counties, etc. may need to absorb these costs. 	(833,000)	(833,000)
Total	(20,911,167)	(37,230,250)