

KANSAS BUDGET 101

Part V: Health and Human Services Spending



KANSAS HEALTH INSTITUTE
Informing Policy. Improving Health.

KANSAS HEALTH FOUNDATION

The State of Kansas has a large role in protecting health and providing assistance for all Kansans. To accomplish this, Kansas spends just over one-third of all state dollars on health and human services. This money supports a variety of services from providing financial assistance to Kansans in need, to strengthening public health across the state, to protecting children and families. State agencies work together to protect and promote the public's health.

This infographic details how health and human services are budgeted.

The Kansas Health Foundation engaged the Kansas Health Institute to produce a primer on the Kansas budget. A series of five infographics were created to tell the story:

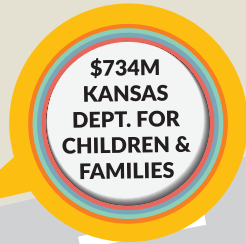
- I – Cash Flow
- II – Revenues
- III – Expenditures
- IV – Education Spending
- V – Health and Human Services Spending**

Available at khi.org and kansashealth.org



Health and Human Services \$6.1B

33.0% of FY 2020 All Funds Budget (\$18.4B)

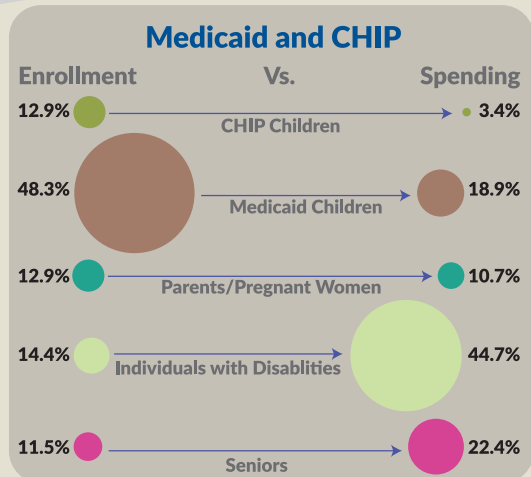


DCF provides services to protect children as well as promotes programs to ensure healthy Kansas families such as:

- Temporary Assistance for Needy Families helps low-income families with dependent children pay for ongoing basic needs.
- The Supplemental Nutrition Assistance Program benefits low-income families, elderly persons and those with disabilities by providing money to buy food.



KanCare, the state Medicaid program, provides health coverage to eligible low-income adults, children, pregnant women, elderly adults and people with disabilities; this includes the Children's Health Insurance Program (CHIP) which provides low-cost health insurance coverage to children. After public education, KanCare is the state's biggest expenditure. The \$3.7 billion program is financed through KDADS and KDHE and services are coordinated by 3 managed care organizations.



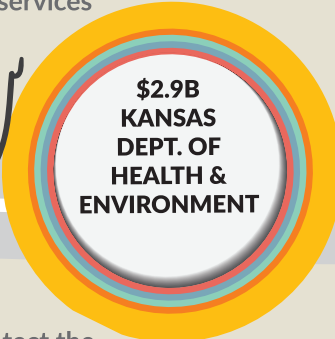
The majority of Medicaid and CHIP spending goes to seniors and individuals with disabilities.



KDADS provides financial assistance to older adults and people with disabilities across many programs, including: Older Americans Act programs, behavioral health programs, home- and community-based services for people with disabilities, and other important services. \$170 million of the KDADS budget is for state hospitals for mental health and intellectual disabilities.



- State Hospitals**
- Kansas Neurological Institute: \$26.6M
 - Larned State Hospital: \$71.6M
 - Osawatomie State Hospital: \$43.0M
 - Parsons State Hospital & Training Center: \$28.9M



- KDHE also provides services to protect the public's health and the environment, including:
- Aid for local health departments
 - Statewide immunization programs
 - The Women, Infants & Children (WIC) program
 - Programs to ensure sanitary conditions in public facilities
 - The State Employee Health Plan



Budgeting Basics

The Human Services state function receives just over one-third of all state money and more than a quarter of State General Fund (SGF) dollars. Primary agencies include the Kansas Department for Aging and Disability Services (KDADS), the Department for Children and Families (DCF) and the Kansas Department of Health & Environment (KDHE).

KDHE receives the largest share of the Human Services appropriation (just under half) and spends it on many public health and healthcare assistance services for Kansans.

KDADS receives more than a third of the appropriation and provides assistance to older adults and Kansans with disabilities or behavioral health conditions.

DCF receives just more than 10 percent of the appropriation and supports child welfare services as well as programs to ensure healthy Kansas families.

Policy Spotlights

The State of Kansas has a large role in protecting health of and providing assistance for Kansans. The issues below are at the forefront of human services discussions.

Medicaid

Kansas' Medicaid program, KanCare, provides health coverage to eligible low-income parents, children, pregnant women, older adults and people with disabilities. Kansas is one of only a few states with a "privatized" Medicaid program in which three "managed care organizations" (MCOs) coordinate the delivery of the KanCare program on behalf of the state.

Behavioral Health

Over the past 30 years, Kansas expenditures for mental health have shifted from spending within state hospitals to supporting community-based services. Challenges persist for community-based services as provider workforce and funding shortfalls affect the system's ability to meet growing needs.

Child Welfare

Similar to Medicaid, Kansas is one of only a few states to privatize the majority of its child welfare services. As of October 2019, there are 8 service regions called "catchment areas" across Kansas with each served by one of four providers. Child welfare system reform efforts are under way to provide more financial aid and staff. There also is a review of the Code for Care of Children to address current issues and help keep families together.

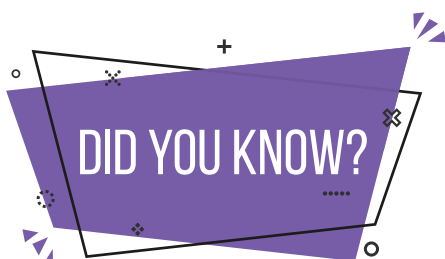
Constitution and Law

Kansas Constitution Article 7, Section 4 requires counties to provide assistance to needy individuals; counties may request the state participate in providing financial aid.

K.S.A. 39-1601 et seq is referred to as the "Mental Health Reform Act" which transitions care from institutional (hospital) services to community-based care.

K.S.A. 38-2201 et seq. is referred to as the "Revised Kansas Code for Care of Children" which provides for child welfare services, coordination of foster care and family reunification.

K.S.A. 75-7405 et seq. designates KDHE as having authority over the state Medicaid program (KanCare), the MediKan program, CHIP and other state health programs.



- Some individuals in Kansas have "dual eligibility" for KanCare (Medicaid) and Medicare when eligible for both programs according to income, disability status or other factors. For these individuals, Medicare is the primary payer and Medicaid covers what remains, including for long-term care.
- Proceeds from the national settlement with tobacco companies are deposited in the Kansas Endowment for Youth (KEY) Fund, then transferred to the Children's Initiatives Fund (CIF) which is used to finance early childhood and special needs education programs as well as newborn and toddler health programs and smoking prevention services.