



Kansas Department of Health and
Environment



Health Budget Enhancements FY 2024-2025

House Social Services Budget

Overview



- Overview of Budget Supplementals FY 24
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Budget Supplementals



FY 2024 Supplementals:

- Add \$166,049 from the State General Fund for Pay Plan Shortfall.
- Add \$6,234,800 from the State General Fund for KHEL One-time Expenses for New Lab.
- Add \$410,000 from the State General Fund for KHEL Equipment for federally-mandated water testing.
- Add \$2,316,377 from the State General Fund for the Early Childhood Data Management System.
- Add \$1,535,000, of which \$383,750 is from the State General Fund, for the Medicaid Eligibility Employment Data Contract.

Budget Supplementals



FY 2024 Supplementals:

- Add \$166,049 from the State General Fund for Pay Plan Shortfall.
 - The pay plan that was passed by the 2023 Legislature and implemented for FY 2024 was underfunded by approximately 20.0 percent from the State General Fund. As a result, state agencies appropriations were prorated. The State Finance Council has committed to passing a supplemental appropriations bill during the 2024 Legislative Session to make agencies whole. Of the \$166,049 requested for KDHE, \$145,688 from the State General Fund is attributable to KDHE-Health, and \$20,361 is attributable to KDHE-Environment.

Budget Supplementals



FY 2024 Supplementals:

- Add \$6,234,800 from the State General Fund for KHEL One-time Expenses for New Lab.
 - For costs associated with furnishing and moving into the new KHEL facility being constructed on lot 4 of the Capitol Complex. Once complete, the new laboratory will be a state-of-the-art facility capable of meeting the environmental and public health testing needs of the future. KHEL needs a significant amount of equipment for the new laboratory. Much of the equipment in the current laboratory is outdated, not able to meet the needs of the new facility, and/or would likely not survive the transportation to the new facility. The new facility will also require KHEL to purchase additional items that it currently doesn't have on hand (e.g., servers, wireless access points, refrigerators, etc.).

FY 2024 Supplementals:

- Add \$410,000 from the State General Fund for KHEL Equipment for federally-mandated water testing.
 - To increase its capacity to test for Per- and Polyfluorinated alkyl substances (PFAS). KHEL has completed all validations and initial testing for PFAS. Wastewater and surface water samples are currently being analyzed for the presence of these analytes. EPA has issued a preliminary regulation for PFAS that includes a health-based maximum contaminant level goal for several of the PFAS analytes. To ensure the delivery of safe drinking water, all Kansas public water systems will need to be monitored starting January 2024. KHEL will need to increase its capacity to test these drinking water samples. A solid phase extraction system specifically designed to test for PFAS and a Liquid Chromatography with Mass Spectrometry instrument are needed to perform the testing. This is the only technology and extraction technique approved by EPA to analyze for these compounds.

Budget Supplementals



FY 2024 Supplementals:

- Add \$2,316,377 from the State General Fund for the Early Childhood Data Management System.
 - For the Kansas Early Childhood Developmental Services (KECDS) to fully fund the development and implementation of a data management system for Part C early intervention services (EIS) to replace the current system. This system will collect, manage, and track files and services for children referred to and/or enrolled in EIS in Kansas. This includes, but is not limited to; referrals, compliance and services timelines, evaluations, Individualized Family Services Plans (IFSPs), services, notes, contact information, demographic information, health records, transition information (e.g. family moves, referral to Part B, Bridges Program, community-based supports), billing of private insurance and Medicaid, organizing and consolidating data for the purpose of producing local, state and federal reporting, data hosting, support and to provide tiered access for State staff, Local Programs, providers and families.

Budget Supplementals



FY 2024 Supplementals:

- Add \$1,535,000, of which \$383,750 is from the State General Fund, for the Medicaid Eligibility Employment Data Contract.
 - The Division of Health Care Finance is currently in the process of rebidding its contract for employment data. Only one bid was received. If DHCF proceeds in awarding the contract, the new contract would take effect in February 2024. The new contract would come with increased costs for FY24, as well as a bigger increase for FY25. Employment data is required to determine Medicaid eligibility; DHCF does not have the option to let these data services lapse. The Affordable Care Act and accompanying federal regulations have established a modernized, data driven approach to verification of financial and non-financial information needed to determine Medicaid and CHIP and Marketplace eligibility in 2014. Beginning in January 2014, states rely on available electronic data sources to confirm information included on the application, promote program integrity, while minimizing the amount of paper documentation that consumers need to provide.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$150,000 from the State General Fund for migration of Asset & Hardware Management to Service Now with OITS.
- Add \$3,039,000 from the State General Fund for KHEL One-time Expenses for New Lab.
- Add \$951,700 from the State General Fund for KHEL Recurring Costs for New Lab.
- Add \$1.0 million from the State General Fund for Environmentally At-Risk Community Testing*
- Add \$1,511,750 from the State General Fund to continue Bureau of Disease Control & Prevention Services
- Add \$370,000 from the State General Fund to continue Bureau of Oral Health Services
- Add \$2.0 million from the State General Fund for Bureau of Family Health Services
- Add \$1,430,813 from the State General Fund for the Early Childhood Data Management System.
- Add \$336,000 from the State General Fund for Electronic Fingerprinting Devices
- Add \$1.3 million from the Children's Initiatives Fund for Child Care Health & Safety Grants.*
- Add \$902,292, of which \$355,405 is from the State General Fund, for Medicaid Operations FTE & Eligibility FTE.
- Add \$6,499,000, of which \$1,624,750 is from the State General Fund, for the Medicaid Eligibility Employment Data Contract.
- Add \$714.99 million, including savings of -\$61.8 million in State General Funds, for Medicaid Expansion*
- Add \$4.0 million, of which \$1.6 million is from the State General Fund, for Critical Access Hospitals Cost Adjustment Factor.*

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$150,000 from the State General Fund for migration of Asset & Hardware Management to Service Now with OITS.
- The agency current hardware and asset management is in several different systems including spreadsheets, SharePoint, and Microsoft Access. By moving the assets into this new system, the agency will be able to:
 - Centralize and consolidate of all agency hardware and software asset tracking.
 - Track agency assets more efficiently.
 - Create automated reports that assist the agency with reconciliations.
 - Track maintenance renewals.
 - Ability to track installed software on devices to achieve and maintain compliance with licensing audits as well as speed up the replacement of employee devices.
 - Prevent the over purchase of equipment and software by reusing unassigned equipment.
 - Automatically include user computer information in help tickets which will help resolve tickets faster.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$3,039,000 from the State General Fund for KHEL One-time Expenses for New Lab.
 - For costs associated with furnishing and moving into the new KHEL facility being constructed on lot 4 of the Capitol Complex. Once complete, the new laboratory will be a state-of-the-art facility capable of meeting the environmental and public health testing needs of the future. KHEL needs a significant amount of equipment for the new laboratory. Much of the equipment in the current laboratory is outdated, not able to meet the needs of the new facility, and/or would likely not survive the transportation to the new facility. The new facility will also require KHEL to purchase additional items that it currently doesn't have on hand (e.g., extra servers, wireless access points, additional refrigerators, etc.).

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$951,700 from the State General Fund for KHEL Recurring Costs for New Lab.
 - For FY2025 and subsequent years for funding associated with the ongoing costs of a newly constructed laboratory. This funding is necessary to ensure that the laboratory being newly constructed has the appropriate level of funds to sustain its equipment, staffing, and infrastructure needs. These needs include:
 - Increased rent to Department of Administration
 - Additional Computers and costs associated with data access, along OITS wireless data connections and zoom licenses
 - Lease costs for bulk tanks holding necessary laboratory gases (Argon and Nitrogen)
 - State portion of tests billed to Medicaid to cover increased testing
 - Automated data logging system annual costs
 - Staff training program

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$1.0 million from the State General Fund for Environmentally At-Risk Community Testing*
 - For a grant program for testing in environmentally at-risk communities, which will require matching funds from private funding sources.
- Add \$1,511,750 from the State General Fund to continue Bureau of Disease Control & Prevention Services
 - To continue public health efforts in FY 2025 pertaining to Disease Control and Prevention. The American Rescue Plan Act (ARPA) awarded a five-year grant to expand, train, and sustain a response-ready workforce to combat infectious diseases. As part of the federal debt ceiling agreement in June 2023, the funding for years four and five were rescinded. The Bureau of Disease Control and Prevention used these ARPA funds to expand and improve capabilities while providing a wide swath of public health services to communities throughout Kansas.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$370,000 from the State General Fund to continue Bureau of Oral Health Services
 - For FY2025 and subsequent years to fund the Bureau of Oral Health whose mission is to improve the oral health of all Kansans through:
 - Development of Evidence-based Oral Health Policy
 - Programming Dedicated to Dental Disease Prevention
 - Statewide Oral Health Education with an emphasis on improving overall health literacy
 - Support of School-Based Oral Health Outreach programs
 - Leadership and advocacy for transformative integrated health care practice models that emphasize the integration of medical, dental and mental health services
 - Collaborative efforts to address health disparities

This funding will ensure continuation of existing programs and future initiatives focused on community-based integrated health care efforts that expand oral health services in both medical and mental health service locations to optimize transformative change towards a whole-person care approach.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$2.0 million from the State General Fund for Bureau of Family Health Services
 - For FY 2025 and subsequent years to expand and maintain Title X/Family Health services throughout Kansas.

This funding will ensure Kansans have access to critical health services including contraception, chronic disease screening, and preconception health care. Currently, the Family Health program receives \$350,000 in SGF, of which \$94,296 is allocated to the DAISEY data management system for family health grantees (this is a non-allowable cost in accordance with the federal family planning grant).

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$1,430,813 from the State General Fund for the Early Childhood Data Management System.
 - For the Kansas Early Childhood Developmental Services (KECDS) to fully fund the development and implementation of a data management system for Part C early intervention services (EIS). This system will collect, manage, and track files and services for children referred to and/or enrolled in EIS in Kansas. This includes, but is not limited to; referrals, compliance and services timelines, evaluations, Individualized Family Services Plans (IFSPs), services, notes, contact information, demographic information, health records, transition information (e.g. family moves, referral to Part B, Bridges Program, community-based supports), billing of private insurance and Medicaid, organizing and consolidating data for the purpose of producing local, state and federal reporting, data hosting, support and provide tiered access for State staff, Local Programs, providers and families.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$336,000 from the State General Fund for Electronic Fingerprinting Devices
 - To purchase 12 Electronic Fingerprint Devices. Each Electronic Fingerprint Device costs \$28,000. Ongoing annual maintenance fees of \$120,000 (\$10,000 per device) will be needed, as well, in order to comply with KBI requirements of annual maintenance. Electronic fingerprinting processes (which requires both hardware and software) capture an individual unique fingerprints electronically. This fingerprint data is then electronically transmitted to a law enforcement agency. The law enforcement agency will share the secure results electronically with participating agencies and partners. This method eliminates the mess and hassle of traditional ink fingerprinting, providing a more accurate, efficient, and rapid method of obtaining essential data.
 - KDHE Child Care Licensing is required by federal and state rule to collect fingerprints on all childcare staff, or commonly called “affiliates” in the childcare setting, before they can begin employment or obtain a license. These fingerprints must be recollected every 5 years from the date of their last result.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$1.3 million from the Children's Initiatives Fund for Child Care Health & Safety Grants.*
 - For Child Care Health and Safety Grants to assist providers with updating facilities to comply with health and safety standards.
- Add \$902,292, of which \$355,405 is from the State General Fund, for Medicaid Operations FTE & Eligibility FTE.
 - For 9.0 FTE positions for Medicaid Operations and Eligibility staffing for FY 2025 to meet new and changing federal requirements, address critical staffing gaps, improve MCO oversight, and centralize provider credentialing system.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$6,499,000, of which \$1,624,750 is from the State General Fund, for the Medicaid Eligibility Employment Data Contract.
 - The Division of Health Care Finance is currently in the process of rebidding its contract for employment data. Only one bid was received. If DHCF proceeds in awarding the contract, the new contract would take effect in February 2024. The new contract would come with increased costs for FY24, as well as a bigger increase for FY25. Employment data is required to determine Medicaid eligibility; DHCF does not have the option to let these data services lapse. The Affordable Care Act and accompanying federal regulations have established a modernized, data driven approach to verification of financial and non-financial information needed to determine Medicaid and CHIP and Marketplace eligibility in 2014. Beginning in January 2014, states rely on available electronic data sources to confirm information included on the application, promote program integrity, while minimizing the amount of paper documentation that consumers need to provide.

Budget Enhancements



FY 2025 Enhancements:

* Source = Gov Recs

- Add \$714.9 million, including savings of -\$61.8 million in State General Funds, for Medicaid Expansion*
 - For the expansion of Medicaid eligibility to the full amount allowed under federal law, beginning January 1, 2025. The Governor has introduced the expansion plan with further details.
- Add \$4.0 million, of which \$1.6 million is from the State General Fund, for Critical Access Hospitals Cost Adjustment Factor.*
 - To increase the cost adjustment factor for Critical Access Hospitals. The Cost Adjustment Factor has not been updated since its inception in 2013.

Questions?