

## MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Melvin Neufeld at 9:00 A.M. on February 4, 2005, in Room 514-S of the Capitol.

All members were present except:

Representative Lane- excused

Committee staff present:

J. G. Scott, Legislative Research Department  
Amy VanHouse, Legislative Research Department  
Reagan Cussimano, Legislative Research Department  
Becky Krahl, Legislative Research Department  
Matt Spurgin, Legislative Research Department  
Jim Wilson, Revisor of Statutes  
Mike Corrigan, Revisor of Statutes  
Shirley Jepson, Committee Secretary

Conferees appearing before the committee:

Patricia Biggs, Director, Kansas Sentencing Commission (KSC)  
Roger Werholtz, Secretary, Department of Corrections (DOC)

Others attending:

See attached list.

- Attachment 1 FY 2005 Prison Population Projection, Patricia Biggs, KSC
- Attachment 2 Comparative Prison Data & Facility Capacity, Roger Werholtz, DOC
- Attachment 3 Inmate Healthcare, Roger Werholtz, DOC

Chair Neufeld announced that the Committee meeting on Monday, February 7, 2005, will be cancelled.

Representative Feuerborn moved to introduce legislation concerning the Kansas Judicial Center allowing for donations to be received to fund the placement of the Seal of Justice in the Kansas Supreme Court. The motion was seconded by Representative Landwehr. Motion carried.

**HB 2264** is referred to Social Services Budget Committee.

**HB 2267** is referred to the Education Budget Committee.

**HB 2037, HB 2075, HB 2189, HB 2190, HB 2191** are referred to the sub-committee on Kansas Public Employees Retirement System (KPERs).

Chair Neufeld recognized Patricia Biggs, Director, Kansas Sentencing Commission, who presented testimony on the FY 2005 adult prison population projections and the foundation of prison population (Attachment 1).

Responding to questions from the Committee, Ms. Biggs indicated that 503 prison beds will be freed up as a result of the enactment of **SB 123**. With reference to the revision of projected population numbers, Ms. Biggs stated that it is usually not good policy to recompile projections because they are not accurate, but rather, it is important to examine the data and find the reasons for the inaccuracies to use in future projections. The Committee noted that it is important to have as accurate information as possible for budget planning. Ms. Biggs stated that prison capacity will be at a maximum level in 2007-2009. Because the Department of Corrections is reformatting the custody system, it could be two years before stable custody level projections are available. With reference to the length of stay increase for condition violators, Ms. Biggs noted that part of this problem is caused by the movement of individuals from the county jails to DOC at an earlier date. Ms. Biggs stated that KSC does not, at the present time, have any projections on the number of prisoners with mental illness.

The Chair thanked Ms. Biggs for her testimony before the Committee.

Chairman Neufeld recognized Roger Werholtz, Secretary, Department of Corrections, who presented testimony on the Department of Corrections' response to population projections and facility expansion options submitted to the Legislature in response to **SB 45** (Attachment 2). With reference to out-of-state prison space

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and Violent Offender Incarceration/Truth in Sentencing (VOI/TIS) funds, Secretary Werholtz noted that provisions of the federal law states that VOI/TIS funds can only be spent for out-of-state higher offender private-run prison space. These funds, were appropriated in the Federal Crime Bill, and were granted to Kansas through FY 2001 and must be expended by the end of FY 2006. The balance of \$841,000 has been structured in DOC's budget and will be re-directed toward day reporting centers in FY 2006 to make sure it is expended before the expenditure authority expires. At the present time, the Department is maintaining a contract with a private Texas facility for extra bed space. They are also looking at extra prison space in Oklahoma; however, no contract has been signed. Mr. Werholtz indicated that the Department is continuing to monitor the Texas facility. The deficiencies that were raised by inmates and their families have primarily been resolved.

Secretary Werholtz stated that the Department is continuing to anticipate an increase in the prison population over the long-term even though there has been some decline over the past several months which had not been predicted. The Secretary noted that the Department is doing research on the cause of the decline; however, several factors that could have an impact include: (1) parole violators have declined; (2) all types of releases have increased; (3) new court commitments have declined; and (4) enactment of **SB 123**.

Secretary Werholtz stated that the primary need for bed space is for medium and maximum adult male offenders. One of the Department's recommendations is for converting one of the maximum security cellhouses at El Dorado to medium security and double cell the inmates. Another recommendation is building a 100-bed minimum security facility at Ellsworth Correctional Facility which would allow approximately 50-60 minimum security male inmates to be moved outside the secure perimeter and replace them with medium security inmates. This would result in the lowest cost to create medium security male beds. There is no money in the Governor's budget for this proposal; however, the Governor has proposed the authorization for the issuance of bonds to begin the design process. One other proposal is by a privately-owned facility at Ellsworth. Secretary Werholtz noted that the last survey of excess county jail beds shows that there are no beds available at the county level for state use.

With reference to the prison healthcare contract, Secretary Werholtz advised the Committee that the current six-year prison healthcare contract at a cost of \$28 million is expiring. A new contract is being negotiated at an approximate cost of \$41 million (Attachment 3). The new contract will have the same full coverage, comprehensive specifications as the current contract: all medical, dental, optical, mental health and pharmaceutical services with no deductibles, co-pays, caps or exclusions on services or contractor expenditures. The main difference from the current contract and the new contract allows for an initial three-year term fixed pricing with up to three two-year extensions, with negotiations and mutual agreement of both parties. Responding to a question from the Committee with regard to aging inmates, Secretary Werholtz indicated that the Department has a monitoring contract with the University of Kansas Medical Center to examine the level of care given to elderly inmates. Release of elderly inmates can be made under a functional incapacitation procedure; however, it is rare for inmates to be released under this procedure.

Another difference between the old contract and the new contract involves the purchase of pharmaceutical drug pricing allowing the negotiated pricing in the new contract to be extended to all Kansas governmental agencies. The new negotiated prices are approximately 57 percent of wholesale drug prices. Secretary Werholtz stated that approximately 21 percent of the pharmaceutical drugs used at the prisons are psychotropic drugs.

Responding to a question from the Committee with regard to the number of mental health prisoners in the inmate population, Secretary Werholtz stated that 20-21 percent of the prison population has a mental disorder diagnosis of some significance and is prescribed psychotropic medication. The Department is doing future research on this data as well as looking at facilities, including 25 beds at Larned Correctional Mental Health Facility to house inmates with mental health problems, and find the safest location for the inmate as well as the staff.

Chair Neufeld thanked Secretary Werholtz for his presentation.

The meeting was adjourned at 11:00 a.m. The next meeting will be held at 9:00 a.m. on Tuesday, February 8, 2005.

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Melvin Neufeld, Chair

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