

AMENDMENT # 1

OFFERED IN THE HOUSE

BY REPRESENTATIVE NEUMAN

TO: CSHB 2001(FIN), Draft Version "P"

1 Page 63, following line 28:

2 Insert a new bill section to read:

3 "\*\* Sec. 10. PUBLIC EDUCATION FUND. (a) If, and only if, the appropriation made in  
4 sec. 13(b) of this Act fails to pass upon an affirmative vote of three-fourths of the members of  
5 each house of the Twenty-Ninth Alaska State Legislature in the Second Special Session,

6 (1) the sum of \$157,000,000 is appropriated from the in-state natural gas  
7 pipeline fund (AS 31.25.100) to the public education fund (AS 14.17.300);

8 (2) the amount necessary, after the appropriations made in (1) of this  
9 subsection and in sec. 31, ch. 23, SLA 2015, when added to the balance of the public  
10 education fund (AS 14.17.300) on June 30, 2015, to fund the total amount for the fiscal year  
11 ending June 30, 2016, of state aid calculated under the public school funding formula under  
12 AS 14.17.410(b), multiplied by 0.9859, estimated to be \$950,555,700, is appropriated from  
13 the general fund to the public education fund (AS 14.17.300).

14 (b) If the amount of the appropriation made in (a)(1) of this section is less than  
15 \$157,000,000, the appropriation made in (a)(2) of this section shall be reduced on a dollar-for-  
16 dollar basis, equal to the amount of the reduction in (a)(1) of this section."

17  
18 Renumber the following bill sections accordingly.

19  
20 Page 66, line 5:

21 Delete "sec. 12(a)"

22 Insert "sec. 13(a)"

1 Page 66, line 11:  
2 Delete "secs. 8 - 10"  
3 Insert "secs. 8 - 11"  
4  
5 Page 66, line 13:  
6 Delete "Sections 26(d), 26(e), and 28"  
7 Insert "Section 28"  
8  
9 Page 66, line 15:  
10 Delete "Sections 33 and 36"  
11 Insert "Sections 26(d), 26(e), 33, and 36"  
12  
13 Page 66, line 21:  
14 Delete "sec. 12(a)"  
15 Insert "sec. 13(a)"  
16  
17 Page 66, line 23:  
18 Delete "sec. 13"  
19 Insert "sec. 14"  
20  
21 Page 66, line 24:  
22 Delete "sec. 13"  
23 Insert "sec. 14"  
24  
25 Page 66, line 25:  
26 Delete "secs. 12(a) and (b)"  
27 Insert "secs. 13(a) and (b)"  
28  
29 Page 66, line 27:  
30 Delete "secs. 12(a) and 15"  
31 Insert "secs. 13(a) and 16"

1  
2 Page 66, line 28:  
3 Delete "secs. 12(a) and 15"  
4 Insert "secs. 13(a) and 16"  
5  
6 Page 66, line 29:  
7 Delete "sec. 16" in both places  
8 Insert "sec. 17" in both places  
9  
10 Page 67, line 1:  
11 Delete "sec. 13"  
12 Insert "sec. 14"  
13  
14 Page 67, line 2:  
15 Delete "sec. 12(a)"  
16 Insert "sec. 13(a)"  
17  
18 Page 67, line 5:  
19 Delete "11"  
20 Insert "12"  
21  
22 Page 67, line 7:  
23 Delete "11, and 15"  
24 Insert "12, and 16"  
25  
26 Page 67, line 8:  
27 Delete "sec. 12(b)"  
28 Insert "sec. 13(b)"  
29  
30 Page 67, following line 10:  
31 Insert a new subsection to read:

1       "(d) The appropriations made in sec. 10 of this Act are contingent on the failure of the  
2       appropriation made in sec. 13(b) of this Act to pass upon an affirmative vote of three-fourths  
3       of the members of each house of the Twenty-Ninth Alaska State Legislature in the Second  
4       Special Session."

5

6       Page 67, line 11:

7               Delete "Sections 12(a), 13, 17, and 18(a)"

8               Insert "Sections 13(a), 14, 18, and 19(a)"

9

10       Page 67, line 12:

11               Delete "Sections 15 and 16"

12               Insert "Sections 16 and 17"

13

14       Page 67, line 13:

15               Delete "secs. 19 and 20"

16               Insert "secs. 20 and 21"

**FY16 OPERATING BUDGET AMENDMENT**

#2

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DELETE:** \$4,200.0 UGF (1004)

**ADD:** \$556.3 UGF (1004) (recurring)  
\$3,400 UGF (1004) (one-time build-out)

**TOTAL:** -\$240.0 UGF (1004) (this year)  
-\$3,640.0 UGF (1004) (future years)

**EXPLANATION:** The current rent on the Anchorage LIO is \$4.2 million per year. The Atwood building is capable of hosting the LIO at a fraction of this cost. For a one-time moving cost of \$3.4 million, the annual rent on the LIO could be reduced by roughly 87%.

#2 page 1842

**Joseph Caissie**

---

**From:** Pitney, Pat (GOV) <pat.pitney@alaska.gov>  
**Sent:** Monday, May 11, 2015 7:36 PM  
**To:** Rep. Les Gara  
**Subject:** Atwood

Les,

To move the Legislature into the Atwood would cost ~\$3.4M in build out and \$560k annually in rent. This does not include the cost of changes to accommodate the current tenants (DNR).

Detail.

Build-out	\$/square ft	Sq. Ft	Total Cost
Atwood	125	27,000	\$ 3,375,000

Rent		Monthly Total	
Atwood	\$ 1.5427	27,000	\$ 41,653
Parking	\$ 0.3136	15,000	\$ 4,704
		\$ 46,357	\$ 556,282.80

Thanks  
Pat

#2 party 282

#3

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Public Assistance

**ALLOCATION:** Senior Benefits Payment Program

**ADD:** \$5,091.6 UGF (1004)

**EXPLANATION:** The budget currently cuts benefits to seniors earning as little as \$11,040 per year. The Senior Benefits Payment Program provides vital supplemental funding to low-income seniors that allow them to stay in their homes, and afford medicine and basic life necessities. The current budget cuts Senior Benefit payments by 20% to seniors making between \$11,040 and \$25,760 per year.

#4

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Early Learning Coordination

**ADD:** \$750.0 UGF (1004)

**EXPLANATION:** Parents as Teachers was passed as a bill by the Legislature because it is the most cost-effective way to provide Pre-K to young children, and is proven to save states money by graduating more students, reducing social service and criminal costs, and increasing a student's future earning potential and educational attainment.

**DEPARTMENT:** Education and Early Development

**APPROPRIATION:** Teaching and Learning Support

**ALLOCATION:** Pre-Kindergarten Grants

**ADD:** \$2,000.0 UGF (1004)

**EXPLANATION:** Retains FY15 Pre-K Grants funding level. Alaska is one of the few states without a statewide Pre-K. In 2007 the state started a pilot \$2 million Pre-K program, intending to reach more children as its success was proven. That has occurred.



#5

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Front Line Social Workers

**ADD:** \$2,726.7 UGF (1004); \$681.7 Fed (1002)

**POSITIONS:** ADD: 23 PFT positions

**EXPLANATION:** The Office of Children's Services was able to discover a source of previously unused Federal TANF funds for Child Advocacy Centers. The Office suggested using the freed-up GF money to address the crisis-level short staffing in front line caseworkers, for no net state budget increase.

The Office of Children's Services suffers from a severe shortage of Front Line Caseworkers, and ILP staff who help youth succeed as adults with job training and education. The caseload in Anchorage and the Matsu is 70% higher than the national standard. A caseworker was recently assigned 79 foster youth in 45 different rural Alaskan villages. The director of Children's Services has testified that under the current level of funding, "children will, in fact, die." Adding these positions will get us part of the way to the recommendations in the 2012 study that recommended 45 new positions at OCS. Since that 2012 study, we have seen an increase of 600 foster youth, meaning that our front line social workers are now even further behind. The additional federal receipt authority is due to a 20% federal match on the \$2,726.7 devoted to front line social workers.

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Office of Children's Services

**ALLOCATION:** Family Preservation

**ADD:** \$211.3 UGF (1004)

**EXPLANATION:** This adds \$211.3 GF to Employment Training Vouchers. The funds are going to assist youth aging out of foster care in attending job training programs, continued education and postsecondary education, so

that they can successfully transition into being independent adults who do not need to rely on expensive state services.

## Excerpt, Alaska Commons May 8, 2015

### OCS Director: Kids Will Die as a Result of Budget Cuts

.... "We'll see an increase in the rate of repeat maltreatment," said Lawton, "the rate of kids coming into foster care. Their lengths of stay will rise. It will likely contribute to failing the federal audit that's coming. And ultimately, the worst outcome is that kids will, in fact, die as a result of unmet needs and our inability to get to them quickly enough."

I'm sorry, did you say die, Gara asked.

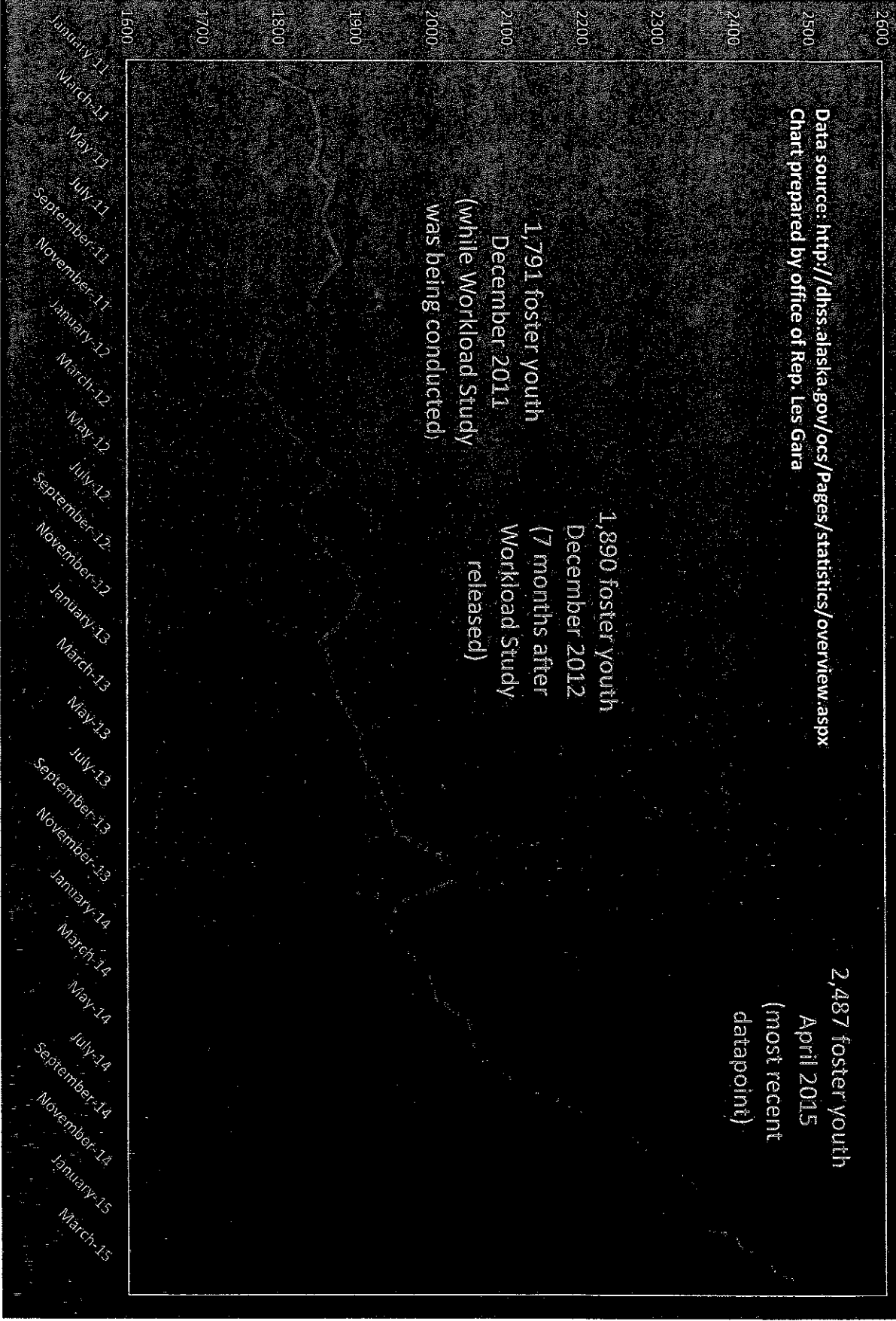
"I did say die," responded Lawton. "Kids die from fatalities related to abuse and neglect regularly in Alaska, so you can expect that more cases with insufficient resources to meet the needs of those families and to get to them soon enough can certainly contribute to that number rising."

.....

(Underlining added)

# Foster Youth in Care, 2011-15

Data source: <http://dhss.alaska.gov/ocs/Pages/statistics/overview.aspx>  
 Chart prepared by office of Rep. Les Gara





# Office of Children's Services



Executive Summary of the 2012  
Hornby, Zeller and Associates Workload Study



### Transfer of Responsibility for Case Specific Activities

HZA also used the workload study data to identify work that could be shifted from case carrying staff to support staff. A strategy that could be employed and possibly increase efficiencies with less addition to the overall staffing levels. Using the data from the RMS process, HZA was able to identify that a monthly average of 13.2 to 14.6 hours/worker would be made available for case carrying staff to devote to case work activities, were various administrative tasks shifted away from case carrying workers, and reassigned to OA or SSA staff. A detailed analysis is presented as to what tasks should be reassigned and which should not. Based on the analysis, HZA identified a total of 2,695 hours each month that caseworkers spend on activities that could otherwise be provided by the Social Services Associates or the Office Assistants. However, HZA points out that "while the intent is to transfer full responsibility for support activities to support staff, it is unrealistic to expect that will be possible." However, if 75% or 2,021 hours of the support activities were transferred to support staff, that there would be increased efficiencies.

HZA's recommendations for additional staff:

31 total FTEs are needed in the support positions (SSA and OA) while

13 Community Care Licensing Specialists position are also needed.

*This equates to:*

- 1 SSA for every 4.2 caseworkers
- 1 office assistant for every 3.9 caseworker
- 1 SSA for every 4.7 Community Care Licensing Specialists
- 1 office assistant to every 4.3 Community Care Licensing Specialists

This staffing structure would essentially enable frontline caseworkers and licensing staff to spend increased quantities and quality time in the field doing what is categorically the activity most likely to shorten length of foster care stays, increase safety of kids in both in and out of home placements and will also ensure enhanced abilities to improve outcomes for the well being and permanency needs of children served.

Workers will not be as tied to their desks completing endless amounts of data input or driving children to and from family contact or other appointments. With specialized and dedicated staff focused on administrative support to staff and social service associates providing real assistance to enormous case management duties, training can be tailored to meet those needs to increase effectiveness and quality. Those improvements will improve outcomes for the families served and those families providing temporary care.

#6

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** University of Alaska

**APPROPRIATION:** University of Alaska

**ALLOCATION:** Various

**ADD:** \$ 7,000.0 UGF (1004)

**EXPLANATION:** The current budget proposal includes roughly \$30 million in cuts already. We need a University that can train a vibrant workforce, diversify the economy, and give people opportunity.

#7

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

Insert a new section to read:

“(c) \$6 million of the unexpended and unobligated balances, estimated to be a total of \$6,681,700, of the appropriations made in sec. 4, ch. 16 SLA 2013, page 105, lines 20-24, and sec. 4, ch. 18, SLA 2014, page 87, lines 10-11, and without elimination of any department positions, lapses to the general fund on June 30, 2015.”

**EXPLANATION:** This causes the available general fund balance appropriated to Susitna-Watana Hydroelectric projects to lapse into the general fund. The Susitna Dam would serve the same customers as the two gasline projects being considered by the State at this time, and all three projects will bring excess power to the railbelt. This amendment withdraws the remaining unobligated funds with appropriated to the Susitna Dam in a time of budget shortfalls. This lapse does not affect any positions at DCCED.



#8

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Unallocated

**ADD:** \$29,800.0 UGF (1004)

**LANGUAGE:** Delete Page 25, lines 24-25

**EXPLANATION:** This amendment removes the unallocated statewide cut that will result in the loss of jobs and important state services.

#9

**FY16 OPERATING BUDGET AMENDMENT**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Transportation and Public Facilities

**APPROPRIATION:** Marine Highway System

**ALLOCATION:** Various

**ADD:** \$ 5,000.0 UGF (1004)

**EXPLANATION:** Under the existing budget, communities this winter may be reduced to bi-monthly service. There will be limited vessels available due to lay-ups, which means that if vessels go in for unexpected repairs, there could be severe service interruptions. Two trips to the Aleutian chain to transport gear and supplies for fisheries in the spring could be lost. A slower step-down will allow the Marine Highway System to better-analyze possible commercial and passenger fare increases.

#10

**FY16 OPERATING BUDGET AMENDMENT**

DOR Oil and Gas Tax Credit -200,000.0 UGF 1004

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Reps. Guttenberg, Gara, Kawasaki

**DEPARTMENT:** Revenue  
**APPROPRIATION:** Language Section  
**ALLOCATION:** Fund Capitalization

**ADD:** \$500,000.0 UGF 1004  
Add text: "not to exceed \$500,000,000"

**DELETE:** \$700,000.0 UGF 1004  
Delete text: "estimated to be \$700,000,000"

**POSITIONS:** 0

**EXPLANATION:** Amend language HB 2001, page 63, lines 9-14 as follows:

(b) If the balance of the oil and gas tax credit fund (AS 43.55.028) is insufficient to purchase transfer tax credit certificates issued under AS 43.55.023 and production tax credit certificates issued under AS 43.55.025 that are presented for purchase, the amount by which the tax credit certificates presented for purchase exceeds the balance of the fund, not to exceed \$500,000,000 [estimated to be \$700,000,000] is appropriated from the general fund to the oil and gas tax credit fund (AS 43.55.028).

**From:** "Alper, Ken (DOR)" <ken.alper@alaska.gov>  
**Date:** May 17, 2015 at 3:19:14 PM AKDT  
**To:** "Rep. Les Gara" <Rep.Les.Gara@akleg.gov>  
**Subject:** tax credit fund

Rep. Gara,

The language you asked me about is in the statute that talks about how DOR purchases credits.

When ACES passed, language was added to broaden the state's ability to purchase oil and gas tax credits.

Credit repurchase is a two-step process. First, companies submit their accounting records, which are audited by Tax Division staff.

Based on the qualified amounts of spending, we issue tax credit certificates. The certificates can be used in one of three ways:

- 1) Held until the taxpayer has a tax liability, and used to reduce their taxes (they don't expire);
- 2) Sold to another company with a tax liability; or
- 3) Cashed in ("repurchased") by the state.

The tax credit fund, also called the "028 fund", is the mechanism we use to purchase them. At the Tax division, we approve transfers of funds from the GF to the 028 fund as needed, based on the demand from the companies that hold the credit certificates.

Importantly, as part of ACES, the legislature added language to indicate an intent that the amount we'd spend wouldn't be too large, compared to our actual tax revenues:

Sec. 43.55.028. Oil and gas tax credit fund established; cash purchases of tax credit certificates.

(a) The oil and gas tax credit fund is established as a separate fund of the state. The purpose of the fund is to purchase transferable tax credit certificates issued under AS 43.55.023 and production tax credit certificates issued under AS 43.55.025 and to pay refunds and payments claimed under AS 43.20.046, 43.20.047, or 43.20.053.

(b) The oil and gas tax credit fund consists of

(1) money appropriated to the fund, including any appropriation of the percentage provided under (c) of this section of all revenue from taxes levied by AS 43.55.011 that is not required to be deposited in the constitutional budget reserve fund established in art. IX, sec.

17(a), Constitution of the State of Alaska; and

(2) earnings on the fund.

(c) The applicable percentage for a fiscal year under (b)(1) of this section is determined with reference to the average price or value forecast by the department for Alaska North Slope oil sold or otherwise disposed of on the United States West Coast during the fiscal year for which the appropriation of revenue from taxes levied by AS 43.55.011 is made. If that forecast is

(1) \$60 a barrel or higher, the applicable percentage is 10 percent;

(2) less than \$60 a barrel, the applicable percentage is 15 percent.

#10 page 2 of 4

The way this is written, the maximum amount is intended to be 10% of the taxes levied by AS 43.55.011. That's the production tax, before any credits against liability are subtracted. For FY16, the production taxes we're estimated to actually receive (per the spring forecast) is \$320 million, but this is after \$590 million in credits is taken against tax liability (subtracted). This is mostly the per-barrel credit, reducing taxes down to the level of the 4% minimum tax. Those credits are from a different statute than AS 43.55.011. Therefore, the "tax" part is  $320+590=\$910$  million. That's the amount collected from .011. And 10% of that is \$91 million.

Strictly read, the intent of AS 43.55.028 is for the state to only repurchase \$91 million worth of credits in FY16.

\*

However, since at least FY11, the legislature has avoided this cap by writing open-ended appropriation language into the operating budget. This allows for purchasing as many credits as the companies ask for ("present for purchase"):

From CC HB72, the Operating Budget:

**\* Sec. 25. FUND CAPITALIZATION**

(d) If the balance of the oil and gas tax credit fund (AS 43.55.028) is insufficient to purchase transferable tax credit certificates issued under AS 43.55.023 and production tax credit certificates issued under AS 43.55.025 that are presented for purchase, **the amount by which the tax credit certificates presented for purchase exceeds the balance of the fund**, estimated to be \$700,000,000, is appropriated from the general fund to the oil and gas tax credit fund (AS 43.55.028).

Identical language has been in every operating budget since 2010. Only the estimated amount changes from year to year.

To this email I've attached the latest version of our standard credit detail report, which we've shared widely. In it you can see how much was actually spent on credit reimbursements per year.

This is important, because the "estimated to be" language in the budget often falls far short of the "actual" amount we purchase.

Over the last 5 years, the legislature has greatly underestimated the credits in the operating budget in three of them. When they have overestimated, it has been by a much smaller amount:

Year	Credit estimate (budget) (millions)	Credit Actual (millions)	Difference (millions)
FY11	\$180	\$450	\$270
FY12	\$400	\$353	-\$47
FY13	\$400	\$369	-\$31
FY14	\$400	\$593	\$193
FY15	\$450	(est) \$625	\$175
5 yr total	\$1,830	\$2,390	\$560

#10 page 3 of 4

So, from this you must understand that the \$700 million "estimate" in the FY16 operating budget is just a placeholder.

As written, the actual amount that DOR purchases will be the amount that companies qualify and ask for. It is open ended.

Please let me know if you need any additional information.

Regards

Ken

**Ken Alper, Director**

Alaska Department of Revenue

Tax Division

907-465-8221

**SECURITY NOTICE:** The state cannot guarantee the security of emails sent to or from a state employee outside the state email system. If you do not want to communicate with the Department of Revenue Tax Division via email, please contact the Tax Division in Juneau at (907) 465-2320 or in Anchorage at (907) 269-6620.

**CONFIDENTIALITY NOTICE:** This email message including any attachments is for the sole use of the intended recipient(s) and may contain confidential and privileged information. Any unauthorized review, use, or disclosure is prohibited.

#10 pag 4 of 4

#11

**FY16 OPERATING BUDGET AMENDMENT**

DOR Oil and Gas Tax Credit; DEED K-12 Aid to School Districts: **-167,756.3 UGF 1004**

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Reps. Guttenberg, Gara, Kawasaki

**DEPARTMENT:** Revenue

**APPROPRIATION:** Language Section

**ALLOCATION:** Fund Capitalization

**ADD:** \$500,000.0 UGF 1004  
Add text: "not to exceed \$500,000,000"

**DELETE:** \$700,000.0 UGF 1004  
Delete text: "estimated to be \$700,000,000"

**POSITIONS:** 0

**EXPLANATION:** Amend language HB 2001, page 63, lines 9-14 as follows:

(b) If the balance of the oil and gas tax credit fund (AS 43.55.028) is insufficient to purchase transfer tax credit certificates issued under AS 43.55.023 and production tax credit certificates issued under AS 43.55.025 that are presented for purchase, the amount by which the tax credit certificates presented for purchase exceeds the balance of the fund, not to exceed \$500,000,000 [estimated to be \$700,000,000] is appropriated from the general fund to the oil and gas tax credit fund (AS 43.55.028).

**DEPARTMENT:** Education and Early Development  
**APPROPRIATION:** K-12 Aid to School Districts  
**ALLOCATION:** Additional Foundation Funding

**ADD:** \$32,243.7 UGF (1004)

**ADD:** Language: "Sec 42(b) of SB 26 (2015) is repealed."

**EXPLANATION:** This section of the amendment restores the one-time funding from HB278, passed in 2014, that the schools were counting on when they made their budgets.



**FY16 OPERATING BUDGET AMENDMENT**

#12

**OFFERED IN:** Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Kawasaki, Guttenberg and Gara

**DEPARTMENT:** Health and Social Services/Unallocated

**APPROPRIATION:** Unallocated

**ADD:** \$2,000.0 UGF (1004), contingent

**DELETE:** \$2,000.0 UGF (1004)

**EXPLANATION:** The administration should seek to identify up to \$2 million in cuts across departments. This will give the administration more flexibility to make cuts in other departments, should the administration decide that they will be less harmful than unallocated cuts to HSS. The administration is still free to place the unallocated cut entirely on HSS, so this is a revenue-neutral amendment that only adds flexibility.

#12 page 1 of 1

**FY16 OPERATING BUDGET AMENDMENT** #13

**OFFERED IN:** The House Finance Committee

**TO:** HB 2001

**OFFERED BY:** Representatives Gara, Guttenberg, Kawasaki

**DEPARTMENT:** Health and Social Services, Corrections

**APPROPRIATION:** Various

**DEPARTMENT:** Corrections

**APPROPRIATION:** Health and Rehabilitation Services

**ALLOCATION:** Physical Health Care

**DELETE:** \$4,108.2 Gen Fund (1004)

**EXPLANATION:** This portion of the amendment reinstates the budget savings of \$4,108.2 UGF that will no longer be required to be spent if the Governor's proposal to expand Medicaid is reinstated in the Operating Budget.

---

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Behavioral Health

**ALLOCATION:** Behavioral Health Treatment and Recovery Grants

**DELETE:** \$1,558.7 GF/MH (1037)

**EXPLANATION:** This portion of the amendment reinstates the budget savings of \$1,558.7 UGF that will no longer be required to be spent if the Governor's proposal to expand Medicaid is reinstated in the Operating Budget.

---

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Health Care Services

**ALLOCATION:** Catastrophic and Chronic Illness Assistance

**DELETE:** \$1,000.0 Gen Fund (1004)

**EXPLANATION:** This portion of the amendment reinstates the budget savings of \$1,000.0 UGF that will no longer be required to be spent if the Governor's proposal to expand Medicaid is reinstated in the Operating Budget.

---

**DEPARTMENT:** Health and Social Services

**APPROPRIATION:** Health Care Services

**ALLOCATION:** Medical Assistance Administration

**ADD:** \$410.0 (\$205.0 Fed [1002], \$205.0 MHTAAR [1092])

**POSITIONS:** ADD: 3 PFT positions

**EXPLANATION:** This portion of the amendment allows the state to accept Federal and Mental Health Trust funds for three positions associated with Medicaid expansion.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Public Assistance  
**ALLOCATION:** Public Assistance Field Services

**ADD:** \$2,777.3 (\$1,385.6 Fed [1002], \$1,385.7 MHTAAR [1092])

**POSITIONS:** ADD: 23 PFT positions

**EXPLANATION:** This amendment allows the state to accept Federal and Mental Health Trust funds for 23 positions associated with the expansion of Medicaid.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Departmental Support Services  
**ALLOCATION:** Commissioner's Office

**ADD:** \$0.0

**POSITIONS:** Establish a project manager to manage Medicaid expansion team.

**EXPLANATION:** This amendment adds a temporary position to manage the Medicaid expansion team – not money or PFTs..

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Behavioral Health Medicaid Services

**ADD:** \$4,799.5 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$4,799.5 in Federal funds that will benefit Behavioral Health.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Adult Preventative Dental Medicaid Services

**ADD:** \$5,381.2 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$5,381.2 in Federal funds that will benefit Adult Preventative Dental services.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Senior and Disabilities Medicaid Services

**ADD:** \$2,908.8 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$2,908.8 in Federal funds that will benefit Senior and Disability Medicaid services.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Health Care Medicaid Services

**ADD:** \$132,348.9 Fed (1002)

**EXPLANATION:** This portion of the amendment allows the department to accept \$132,348.9 in Federal funds that will provide the opportunity for healthcare to the over 40,000 individuals without it in Alaska, create 4,000 jobs, and inject money into the state's economy.

---

**DEPARTMENT:** Health and Social Services  
**APPROPRIATION:** Medicaid Services  
**ALLOCATION:** Health Care Medicaid Services

**DELETE WORDAGE:** No money appropriated in this appropriation may be expended for services to persons who are eligible pursuant to 42 United States Code section 1396a(a)(10)A(i)(VIII) and whose household modified adjusted gross income is less than or equal to one hundred thirty-three percent of the federal poverty guidelines.

**EXPLANATION:** This portion of the amendment deletes wordage that prohibits the expenditure of Medicaid funding on the expansion population.

# MEDICAID EXPANSION & REFORM TIMELINE

Planning Timeframe  
 Implementation "Go-Live" Date  
 Post-Implementation Monitoring Period

YOU ARE HERE

MAJOR PROVISIONS & PROJECTS	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	6-year GF Savings
<b>DHSS REFORM INITIATIVES UNDERWAY</b>								
Fraud & Abuse Control Improvement Initiative								\$90.0 M
Pharmacy Reform Initiatives								\$30.0 M
Care Management ("SuperUtilizers") Pilot Program								\$15.0 M
Alaska Tribal Health System Coordination (NICU, Ortho, OB)								\$60.0 M
Increase Eligibility Requirements for Personal Care Assistance (PCA) Services								\$15.0 M
Utilization Control Initiative (Behavioral Health, DME, Dental, Transportation)								\$30.0 M
Medicaid Reform Contract								*
<b>GOVERNOR WALKER'S BILL (HB 148/SB 78)</b>								
Medicaid Expansion								\$38.9 M
Fraud & Abuse Control: Streamline Provider Audits; Impose Interest & Fines								\$1.0 M
Provider Tax Proposal								*
Tribal Health System Partnership (1115 Waiver)								\$232.1 M
Home & Community-Based Services 1915(i) & 1915(k) Options								\$58.2 M
Demonstration Projects								*
Telemedicine Enhancement								*

\*Savings indeterminate at this time.