

2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 57 / HB 59

OFFERED BY: Rep. Gara

DEPARTMENT: Department of Health and Social Services

APPROPRIATION: Public Assistance

ALLOCATION: Public Assistance Field Services

ADD THE FOLLOWING LANGUAGE AMENDMENT:

SEC. XX. DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The unencumbered balance, not to exceed \$500,000, of the of Department of Health and Social Services appropriations determined to be available for lapse at the end of the fiscal year ending June 30, 2017, is appropriated to the Department of Health and Social Services, Public Assistance Field Services for the fiscal year ending June 30, 2018.

Effective Date: June 30, 2017

EXPLANATION:

In FY16, DPA was cut by \$1,101.2 of UGF. Due to the combination of reduced funding and an increased caseload, DPA has experienced a significant backlog in its eligibility determinations. While DPA is able to keep up with new cases, it is struggling to address the backlog. The Department has testified that, after applying for SNAP (AKA Food Stamp) benefits, applicants typically have to wait for a month for their first application interview.

This one-time funding (which is matched by about \$500.0 of federal receipts), will help Public Assistance address its backlog. It will allow families who are waiting for food stamps and other benefits to obtain them in a timely manner. There is sufficient federal receipt authority in the existing budget.

2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL**OFFERED IN:** The House Finance Subcommittee**TO:** HB 57 / HB 59**OFFERED BY:** Rep. Gara**AMENDMENT PART 1**

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Public Assistance
ALLOCATION: Adult Public Assistance

DELETE: \$3,290.4 UGF (code 1004)**EXPLANATION:**

Based on the recent projections, Public Assistance expects some of the UGF in this allocation to be in excess of what Adult Public Assistance beneficiaries will receive during FY18.

The deleted funding will be reallocated to OCS/Front Line Social Workers, to reduce excessive caseloads of new workers in training, and provide adequate training and mentorship. Without this change we will not be able to reduce the 50% loss of new caseworkers during their first year of work. Current new worker caseloads exceed federal caseload recommendations for new case workers in training, waste state money, and impair the ability of OCS to protect children and families.

AMENDMENT PART 2

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Office of Children's Services
ALLOCATION: Front Line Social Workers

ADD: \$3,290.4 of UGF (1004) and \$1,681.6 Federal Receipts (1002)**ADD POSITIONS:** Add PFT Positions as follows:

- Protective Services Specialist I/II: 22
- Protective Services Specialist III: 3
- Social Services Associate II: 2
- Protective Services Specialist IV: 2
- Office Assistant II: 2

EXPLANATION:

This amendment reallocates the decrement in Adult Public Assistance to the Office of Children's Services.

Back up for OCS
amendment (2)

Anchorage Region	Average Caseload per worker	
Anchorage Office		30

Northern Region	Average Caseload per worker	
Barrow office		32
Delta Office		15
Fairbanks Office		23
Interior Rural Office		18
Kotzebue		21
McGrath		30

South Central Region	Average Caseload per worker	
Wasilla		43
Dillingham		22
Kodiak		22
Homer		36
Seward		16
Gakona		7
Kenai		16
Valdez		5
King Salmon		22

Western Region	Average Caseload per worker	
Aniak		16
St. Mary's		20
Bethel		30

South East Region	Average Caseload per worker	
Craig		17
Ketchikan		17
Sitka		10
Juneau		16
Petersburg		26

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OFFERED IN: The House Finance Subcommittee

TO: HB 57 / HB 59

OFFERED BY: Representative Les Gara

DEPARTMENT: Department of Health and Social Services

**AMEND THE FOLLOWING CONDITIONING LANGUAGE INCLUDED IN
THE GOVERNOR'S BUDGET:**

At the discretion of the Commissioner of the Department of Health and Social Services, up to \$25,000,000 [**OF UNRESTRICTED GENERAL FUNDS**] may be transferred between all appropriations in the Department of Health and Social Services, **except Medicaid Services.**

EXPLANATION:

The Governor's FY18 wordage is very similar to the FY17 wordage EXCEPT that it allows transfers to occur to and from Medicaid Services.

This amendment allows DHSS to transfer up to \$25 million of all fund types (not just UGF) between all appropriations except the Medicaid Services appropriation.

2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 57 / HB 59

OFFERED BY: Rep. Gara

DEPARTMENT: Department of Health and Social Services
APPROPRIATION: Juvenile Justice

ADD INTENT:

It is the intent of the legislature that the Nome Youth Facility not be closed if the cost of moving youth from the Nome Youth Facility, maintaining the vacated facility, transporting youth to another facility, and other related costs effectively erase the savings of closing the facility.

EXPLANATION:

The Division of Juvenile Justice Privatization Feasibility Study found that the Nome Youth Facility provides substantial value to the state juvenile system and the local community, and has very strong community support. The report further states that, "Closing the facility could save approximately \$1.7 million, but would necessitate transfer of resident youth to distant facilities and layoff of the facility's staff. In the process however, the State would lose a very unique, valuable facility that performs exceptionally well in meeting the needs of at-risk youth in a difficult-to-serve area."

2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 57 / HB 59

OFFERED BY: REPRESENTATIVE COLLEEN SULLIVAN-LEONARD

DEPARTMENT: Health & Social Services

APPROPRIATION: Department of Health & Social Services

ALLOCATION: Unallocated UGF Spending Reduction

DELETE: Reduction of \$567,300.00, 1004 Gen Fund (UGF) dollars to Line Item 72000 (Travel)

POSITIONS: None.

EXPLANATION: The intent of this proposed amendment would reduce the HSS operating budget *Travel* expenditure(s) (Line Item 72000) by \$567,300.00 and which is funded by 1004 UGF dollars.

2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 57 / HB 59

OFFERED BY: REPRESENTATIVE COLLEEN SULLIVAN-LEONARD

DEPARTMENT: Health & Social Services

APPROPRIATION: Department of Health & Social Services

ALLOCATION: Unallocated UGF Spending Reduction

DELETE: Reduction of \$35.3M, 1004 Gen Fund (UGF) dollars to Line Item 71000 (Personal Services)

POSITIONS: The positions would be determined by the Department as outlined in the explanation/intent language below.

EXPLANATION: The intent of this proposed amendment would reduce the HSS operating budget *Personal Services* expenditure(s) (Line Item 71000) by \$35.3M and which is funded by 1004 UGF dollars.

2017 SESSION OPERATING BUDGET AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 57

OFFERED BY: Rep. Johnston

DEPARTMENT: Department of Health and Social Services

APPROPRIATION: Juvenile Justice

ALLOCATION: Probation Services

DELETE: \$150,000 UGF 1004

EXPLANATION: This amendment removes half of the funding increase requested by the Division of Juvenile Justice for the purposes of increased travel due to closing the Nome facility.

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AMENDMENT PROPOSAL

OFFERED IN: The House Finance Subcommittee

TO: HB 57

OFFERED BY: Rep. Johnston

DEPARTMENT: Department of Health and Social Services

APPROPRIATION: Juvenile Justice

ALLOCATION: McLaughlin Youth Center

DELETE: \$489,300 UGF 1004

POSITIONS: -3 PFT

EXPLANATION: This amendment removes funding for a transfer of 3 full time positions from the Nome Youth Facility that is being closed to the McLaughlin Youth Center. The Nome Youth Facility is being closed, and no longer requires the 3 positions. If McLaughlin requires additional funding to fulfill its functions, they should request a separate increment.

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OFFERED IN: The House Finance Subcommittee

TO: HB 57 / HB 59

OFFERED BY: Rep. Gara

DEPARTMENT: Department of Health and Social Services

APPROPRIATION: Public Health

ALLOCATION:

RECOMMENDED STATUTE CHANGE:

The subcommittee recommends a statutory change allowing the Department of Health and Social Services to establish and collect reasonable fees for essential public health services.

EXPLANATION:

The Department has identified a number of areas of fees that they believe would raise revenue in a fair way to help address our budget deficit.

It is proposed that the subcommittee recommend the following fee increases with the following estimated budget reduction impacts. The intent would be that the appropriate committee would file the legislation to accomplish these fee changes, which require a statutory change (in the event the Governor does not file a bill on this subject, which is not expected).

Fee proposals with revenue estimates:

Administrative: An attempt to update radiological device inspection regulations was withdrawn after the Department of Law determined the department could not charge fees to inspect additional devices (MRI, CT, mammography, and ultraviolet devices) and that the fees in regulations for X-ray devices that we have had for decades are not authorized either. The intent is for the radiological health unit to be self-supporting. The additional fee revenue would generate an estimated \$100,000 in revenue, enough to support a second inspector for the additional devices.

Administrative: The SHARP loan repayment program cannot charge a fee to cover the cost of administering the program. The single staffer who manages the program is supported entirely with UGF. Charging a 5% fee

to the employer sites would generate an estimated \$200,000, enough to cover the cost of administration of this program.

Professional: The Health Facility Discharge Reporting system is an unfunded mandate. Resources are consumed in collecting the data and leave little capacity for analysis. Allowing this data system (as well as all our data systems) to charge a reasonable fee for custom analysis would generate an estimated \$75,000 and likely more as additional uses for the dataset become apparent.