



31st Alaska State Legislature

House Finance Budget Subcommittee

Department of Health and Social Services

FY21 Operating Budget

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465-4949

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Capitol Room 416
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Rep. Ivy Spohnholz
Capitol Room 421
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Rep. Matt Claman
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Rep. Harriet Drummond
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Rep. Geran Tarr
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Rep. Sharon Jackson
Capitol Room 428
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Rep. Lance Pruitt
Capitol Room 404
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Capitol Room 415
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Subcommittee Aide:

Erin Shine
465-6820

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

FY21 HOUSE FINANCE BUDGET SUBCOMMITTEE

NARRATIVE REPORT

(dollars are in thousands)

February 13, 2020

The Legislature has been grappling with the impacts of billion-dollar deficits over the last few years. In response to the fiscal situation, the Department of Health and Social Services' Unrestricted General Fund budget has been reduced by \$141,638.4 (11.3%) between FY15 Management Plan and the FY21 Budget recommended by the House Finance Subcommittee.

SUBCOMMITTEE MEETINGS

The House Finance Budget Subcommittee for the Department of Health and Social Services held nine meetings with department personnel to review divisions, programs and the FY21 budget requests, and two meetings to consider amendments and closeout the subcommittee.

RECOMMENDATIONS

The House Finance Budget Subcommittee for the Department of Health and Social Services recommends an operating budget for FY21 to the House Finance Committee as follows:

Fund Source:

Unrestricted General Funds (UGF)	\$1,109,740.8
Designated General Funds (DGF)	\$86,436.8
Other Funds	\$167,710.6
Federal Funds	\$2,065,065.5
Total	\$3,428,952.7

The General Fund difference from FY21 Governor's Request to the FY21 House Subcommittee Recommended budget is \$316.6.

Positions:

Permanent Full-time	3,386
Permanent Part-time	26
Temporary	86
Total	3,498

SUBCOMMITTEE BUDGET RECOMMENDATIONS

The Governor's FY21 budget proposed changes to the FY21 Adjusted Base. After deliberating and voting on each item, the subcommittee's recommendations are outlined below.

Governor's FY21 Budget Items Approved as Requested

The subcommittee recommends the following items be adopted:

Alaska Pioneer Homes

- Increase General Funds for Alaska Pioneer Homes Payment Assistance;
- Reduce unrealizable authority for GF/Program, I/A Receipts and Statutory Designated Fund;

Behavioral Health

- Increase and continuation for MHTAAR funding for ABADA/AMHB Joint Staffing;
- Fund source change for Behavioral Health Administration;

Children's Services

- Increase Federal authority for Front Line Social Workers and Family Preservation;
- Fund source changes for Children's Services Training, and Subsidized Adoptions & Guardianship;

Public Assistance

- Restore Adult Public Assistance Maintenance of Effort;
- Fund source changes for Child Care Benefits, Public Assistance Administration, Public Assistance Field Services, and Quality Control;

Public Health

- Accept the Transfer of the Parents as Teachers Program from the Department of Education and Early Development to Public Health's Women, Children and Family Health program;
- Increase Statutory Designated funds for Emergency Programs as a result from legislation passed in 2019 (SB 93);
- Fund source changes for Women, Children and Family Health;

Senior and Disabilities Services

- Accept MHTAAR funding for the Rural Home and Community Based Services Coordinator;
- Increase Federal and General Fund Match authority for maintenance and operation of the Electronic Visit Verification;
- Accept MHTAAR funding for an Alaska Commission on Aging Planner, a Governor's Council on Disabilities and Special Education (GCDSE) Research Analyst III and a GCDSE Employment Beneficiary Employment Technical Assistance & Program Coordination;
- Fund source change for Senior and Disabilities Services Administration;

Departmental Support Services

- Increase UGF for Office of Information Technology salary adjustments billed to the department;
- Accept an Interagency Receipt technical fix for Information Technology Services and Rate Review
- Increase Interagency Receipts for Rate Review's authority for the Emergency Medical Transport Service Payments as a result from legislation passed in 2018 (HB 176);
- Reduce General Fund Program Receipts for Rate Review's Certificate of Need Program;

- Fund source changes for Public Affairs, Commissioner's Office, Administrative Support Services, Information Technology Services, and Rate Review;

Medicaid Services

- Increase Federal Receipts and Statutory Designated funding for Medicaid Services as a result from legislation passed in 2018 (HB 176);
- Increase General Fund Match and Federal authority for Medicaid Services; and
- Increase General Fund Match authority for Adult Preventative Dental Medicaid Services.

Governor's FY21 Budget Items Approved with Modifications

The subcommittee recommends the following items be adopted with modifications:

Behavioral Health

- Decrease General Fund Mental Health and Marijuana Education and Treatment fund source change to a sustainable level for Behavioral Health Treatment and Recovery Grants;
- Decrease Restorative Justice funding and offset reduction with General Fund Mental Health authority for Behavioral Health Treatment and Recovery Grants to maintain grants at the current level;

Public Health

- Accept the MHTAAR funding for the Emergency Programs' Comprehensive Program Planning Coordinator and include General Fund Mental Health match for the position;

Departmental Support Services

- Reduce the Commissioner's Office request for four additional staff (Deputy Commissioner, Project Coordinator, Special Assistant to the Commissioner, and Program Coordinator) and associated funding to include only the Special Assistant to the Commissioner (06-#219) and the associated General Fund and Federal authority and funding.

Governor's FY21 Budget Items Not Adopted

The Subcommittee recommends the following items not be adopted:

Senior and Disabilities Services

- Reject the Federal Receipt authority request for the Children and Family Preschool Development Grant – the state was not awarded this grant;

Additions and Deletions

In addition to the Governor's FY21 Budget items, the subcommittee considered and recommends adopting the following items:

- Restore Suicide Prevention Council funding for suicide prevention grants;
- Remove Recidivism Reduction funding from the Pioneer Homes and Alaska Pioneer Homes Management allocations and replace decrements with General Funds; reduce General Funds from the Behavioral Health Treatment and Recovery Grants allocation and replace with Recidivism Reduction funding;
- Increase the General Fund Mental Health match for existing MHTAAR funding required for Senior and Disabilities Services IT Application/Telehealth Services System Improvements; and
- Insert Senior and Disabilities Services Administration level intent language to require a report analyzing individuals on the Intellectual and Developmental Disabilities waiver waitlist.

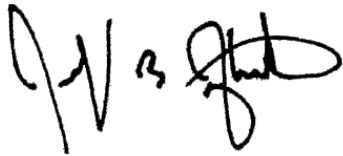
ATTACHED REPORTS

The House Finance Budget Subcommittee for the Department of Health and Social Services adopted the attached reports and documents:

(Division of Legislative Finance)

- HSS Budget Action Worksheet
- HSS Multi-year Agency Totals
- HSS Transaction Compare – FY21 Adjusted Base and House Sub
- HSS Transaction Compare – FY21 Governors and House Sub
- HSS Wordage Report

Respectfully submitted,

A handwritten signature in black ink, appearing to read "J. Johnston", with a stylized flourish at the end.

Representative Jennifer Johnston, Chair

House Finance Budget Subcommittee for the Department of Health and Social Services