

CS FOR HOUSE BILL NO. 66(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/4/05

Referred: Rules

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act making appropriations for the operating and capital expenses of the state's**
2 **integrated comprehensive mental health program; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

* **Section 1.** The following appropriation items are for operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the purposes expressed for the fiscal year beginning July 1, 2005 and ending June 30, 2006, unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated reduction set out in this section may be allocated among the appropriations made in this section to that department, agency, or branch.

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
	***** Department of Administration *****		
	*****	*****	
Legal and Advocacy Services	1,743,800	1,625,100	118,700
Office of Public Advocacy	1,480,900		
Public Defender Agency	262,900		
	*****	*****	
	***** Department of Corrections *****		
	*****	*****	
Administration and Support	71,000		71,000
Offender Habilitative Programs	71,000		
Inmate Health Care	5,062,900	4,889,900	173,000
Inmate Health Care	5,062,900		
	*****	*****	
	***** Department of Education and Early Development *****		
	*****	*****	
Teaching and Learning Support	366,100	116,100	250,000
Student and School Achievement	366,100		
	*****	*****	
	***** Department of Health and Social Services *****		
	*****	*****	

1 No money appropriated in this appropriation may be expended for an abortion that is not a
 2 mandatory service required under AS 47.07.030(a). The money appropriated for Health and
 3 Social Services may be expended only for mandatory services required under Title XIX of the
 4 Social Security Act and for optional services offered by the state under the state plan for
 5 medical assistance that has been approved by the United States Department of Health and
 6 Human Services. This statement is a statement of the purpose of the appropriation and is
 7 neither merely descriptive language nor a statement of legislative intent.

8 It is the intent of the legislature that the Department continues to aggressively pursue
 9 Medicaid cost containment initiatives undertaken in fiscal 2005. While individual
 10 components of the original initiatives may be unattainable, work should continue on others
 11 where the Department believes additional cost containment is possible including further
 12 efforts to contain travel expenses. The Department must initiate efforts imposing regulations
 13 controlling and materially reducing the cost of Personal Care Attendant (PCA) services.
 14 Efforts must be initiated to impose regulations screening applicants for Residential Psychiatric
 15 Treatment Center (RPTC) services, especially for out-of-state services. The department must
 16 address the entire matrix of optional Medicaid services, reimbursement rates and eligibility
 17 requirements that are the basis of the Medicaid growth algorithm. This work is to utilize the
 18 results of the Medicaid Assessment and Planning analysis that was funded in the FY05 budget
 19 and will be available in early FY06. The legislature requests that by January 2006 the
 20 Department be prepared to present projections of future Medicaid funding requirements under
 21 our existing statute and regulations and be prepared to present and evaluate the consequences
 22 of viable policy alternatives that could be implemented to lower growth rates and reducing
 23 projections of future costs.

24	Alaskan Pioneer Homes	11,723,700	11,723,700	
25	It is the intent of the legislature that the Department establishes regulations requiring all			
26	residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state			
27	subsidy being provided for their care from the State Payment Assistance program.			
28	Alaskan Pioneer Homes	64,300		
29	Management			
30	Pioneer Homes	11,659,400		
31	Behavioral Health	75,678,300	53,506,100	22,172,200

1	Alcohol Safety Action	120,000			
2	Program (ASAP)				
3	Behavioral Health Medicaid	28,173,900			
4	Services				
5	Behavioral Health Grants	15,005,800			

6 It is the intent of the legislature that the department reviews its procedures surrounding the
7 awarding of recurring grants to assure that applicants are regularly evaluated on their
8 performance in achieving the missions of the Department related to their specific grant and
9 that the recipients' performance be measured and incorporated in to the decision whether to
10 continue awarding grants.

11 It is the intent of the legislature that state grant funding from the department to the Salvation
12 Army/Clitheroe House treatment programs will not be reduced by any direct federal grant
13 funding received.

14	Behavioral Health	1,711,100			
15	Administration				
16	Community Action Prevention	408,100			
17	& Intervention Grants				
18	Rural Services and Suicide	2,115,200			
19	Prevention				
20	Psychiatric Emergency	6,153,400			
21	Services				
22	Services to the Seriously	8,849,300			
23	Mentally Ill				
24	Designated Evaluation and	1,211,900			
25	Treatment				
26	Services for Severely	5,916,700			
27	Emotionally Disturbed Youth				
28	Alaska Psychiatric Institute	6,012,900			
29	Children's Services		9,808,700	9,658,700	150,000
30	Children's Medicaid Services	2,000,000			
31	Children's Services	4,200			

1	Management			
2	Front Line Social Workers	148,600		
3	Family Preservation	150,000		
4	Foster Care Augmented Rate	500,000		
5	Foster Care Special Need	747,900		
6	Residential Child Care	1,956,300		
7	Infant Learning Program	4,301,700		
8	Grants			
9	Juvenile Justice		305,200	305,200
10	McLaughlin Youth Center	159,500		
11	Fairbanks Youth Facility	90,700		
12	Bethel Youth Facility	55,000		
13	Public Health		355,800	210,600 145,200
14	Certification and Licensing	257,500		
15	Community Health Grants	98,300		
16	Senior and Disabilities		13,743,800	12,814,800 929,000
17	Services			
18	It is the intent of the legislature that the department examine their procedure for maintaining			
19	the disabilities waitlist to assure that criteria for listing are consistent, objective and			
20	meaningful, that the list is accurately maintained without unnecessary action by individuals on			
21	the list, that the list identify services already being received by those on the list and that the			
22	list be managed to promote parity in the provision of services through out the social services			
23	system.			
24	Senior and Disabilities	2,179,300		
25	Services Administration			
26	Protection and Community	740,300		
27	Services			
28	Senior Community Based	2,849,400		
29	Grants			
30	Community Developmental	7,974,800		
31	Disabilities Grants			

1	Departmental Support Services		1,220,700	1,170,500	50,200
2	Administrative Support	375,600			
3	Services				
4	Health Planning and	50,200			
5	Infrastructure				
6	Information Technology	794,900			
7	Services				
8	Boards and Commissions		1,231,000	525,500	705,500
9	AK Mental Health & Alcohol	671,200			
10	& Drug Abuse Boards				
11	Commission on Aging	108,000			
12	Governor's Council on	331,400			
13	Disabilities and Special				
14	Education				
15	Suicide Prevention Council	120,400			
16		*****	*****		
17		*****	Department of Law	*****	
18		*****		*****	
19	Criminal Division		12,500		12,500
20	Criminal Justice Litigation	12,500			
21	Civil Division		69,600	69,600	
22	Human Services Section	69,600			
23		*****		*****	
24		*****	Department of Natural Resources	*****	
25		*****		*****	
26	Resource Development		1,249,400		1,249,400
27	Mental Health Trust Lands	1,249,400			
28	Administration				
29		*****		*****	
30		*****	Department of Revenue	*****	
31		*****		*****	

1	Taxation and Treasury		15,000		15,000
2	Treasury Division	15,000			
3	Alaska Mental Health Trust		1,544,900		1,544,900
4	Authority				
5	Mental Health Trust	1,544,900			
6	Operations				
7		*****	*****		
8		***** University of Alaska *****			
9		*****	*****		
10	University of Alaska		880,800	200,800	680,000
11	Budget Reductions/Additions	630,000			
12	- Systemwide				
13	Anchorage Campus	250,800			
14		*****	*****		
15		***** Alaska Court System *****			
16		*****	*****		
17	Alaska Court System		718,400	227,800	490,600
18	Budget requests from agencies of the Judicial Branch are transmitted as requested.				
19	Trial Courts	718,400			
20	(SECTION 2 OF THIS ACT BEGINS ON PAGE 8)				

1 * **Sec. 2.** The following sets out the funding by agency for the appropriations made in sec. 1 of
 2 this Act.

3	Funding Source	Amount
4	Department of Administration	
5	1037 General Fund / Mental Health	1,625,100
6	1092 Mental Health Trust Authority Authorized	118,700
7	Receipts	
8	*** Total Agency Funding ***	\$1,743,800
9	Department of Corrections	
10	1037 General Fund / Mental Health	4,889,900
11	1092 Mental Health Trust Authority Authorized	244,000
12	Receipts	
13	*** Total Agency Funding ***	\$5,133,900
14	Department of Education and Early Development	
15	1037 General Fund / Mental Health	116,100
16	1092 Mental Health Trust Authority Authorized	250,000
17	Receipts	
18	*** Total Agency Funding ***	\$366,100
19	Department of Health and Social Services	
20	1037 General Fund / Mental Health	89,915,100
21	1092 Mental Health Trust Authority Authorized	6,960,400
22	Receipts	
23	1180 Alcohol and Other Drug Abuse Treatment &	17,191,700
24	Prevention Fund	
25	*** Total Agency Funding ***	\$114,067,200
26	Department of Law	
27	1037 General Fund / Mental Health	69,600
28	1092 Mental Health Trust Authority Authorized	12,500
29	Receipts	
30	*** Total Agency Funding ***	\$82,100
31	Department of Natural Resources	

1	1092 Mental Health Trust Authority Authorized	1,249,400
2	Receipts	
3	*** Total Agency Funding ***	\$1,249,400
4	Department of Revenue	
5	1094 Mental Health Trust Administration	1,559,900
6	*** Total Agency Funding ***	\$1,559,900
7	University of Alaska	
8	1037 General Fund / Mental Health	200,800
9	1092 Mental Health Trust Authority Authorized	680,000
10	Receipts	
11	*** Total Agency Funding ***	\$880,800
12	Alaska Court System	
13	1037 General Fund / Mental Health	227,800
14	1092 Mental Health Trust Authority Authorized	490,600
15	Receipts	
16	*** Total Agency Funding ***	\$718,400
17	* * * * * Total Budget * * * * *	\$125,801,600
18	(SECTION 3 OF THIS ACT BEGINS ON PAGE 10)	

1 * **Sec. 3.** The following sets out the statewide funding for the appropriations made in sec. 1 of
 2 this Act.

3	Funding Source	Amount
4	General Funds	
5	1037 General Fund / Mental Health	97,044,400
6	***Total General Funds***	\$97,044,400
7	Federal Funds	
8	***Total Federal Funds***	\$0
9	Other Non-Duplicated Funds	
10	1092 Mental Health Trust Authority Authorized	10,005,600
11	Receipts	
12	1094 Mental Health Trust Administration	1,559,900
13	1180 Alcohol and Other Drug Abuse Treatment &	17,191,700
14	Prevention Fund	
15	***Total Other Non-Duplicated Funds***	\$28,757,200
16	Duplicated Funds	
17	***Total Duplicated Funds***	\$0

18 (SECTION 4 OF THIS ACT BEGINS ON PAGE 11)

1 * **Section 4.** The following appropriation items are for capital projects and grants from the
2 general fund or other funds as set out in section 5 of this Act by funding source to the
3 agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise
4 noted.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	
	***** Department of Health and Social Services *****		
	*****	*****	
10	MH: Therapeutic Foster Home	200,000	200,000

11 (ED 99)

12 (SECTION 5 OF THIS ACT BEGINS ON PAGE 12)

1 * **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of
2 this Act.

3	Funding Source	Amount
4	Department of Health and Social Services	
5	1092 Mental Health Trust Authority Authorized Receipts	200,000
6	*** Total Agency Funding ***	\$200,000
7	* * * * * Total Budget * * * * *	\$200,000

8 (SECTION 6 OF THIS ACT BEGINS ON PAGE 13)

1 * **Sec. 6.** PURPOSE. In accordance with AS 37.14.003 and 37.14.005, the appropriations
2 made by this Act are for the state's integrated comprehensive mental health program.

3 * **Sec. 7.** DEPARTMENT OF HEALTH AND SOCIAL SERVICES. The sum of
4 \$3,000,000 is appropriated from general fund/mental health to the Department of Health and
5 Social Services for costs associated with fulfilling the obligation of the State of Alaska related
6 to the demolition and asbestos abatement of the old Alaska Psychiatric Institute.

7 * **Sec. 8.** NONGENERAL FUND RECEIPTS. (a) Alaska Mental Health Trust Authority
8 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the
9 amounts appropriated by this Act are appropriated conditioned upon compliance with the
10 program review provisions of AS 37.07.080(h).

11 (b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or
12 administration receipts (AS 37.14.036) fall short of the estimates appropriated in this Act, the
13 affected appropriation is reduced by the amount of the shortfall in receipts.

14 * **Sec. 9.** LAPSE OF APPROPRIATION. The appropriation made by sec. 7 of this Act is
15 for a capital project and lapses under AS 37.25.020.

16 * **Sec. 10.** This Act takes effect July 1, 2005.