

**CONFERENCE CS FOR HOUSE BILL NO. 66**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SPECIAL SESSION

BY THE CONFERENCE COMMITTEE

Offered: 5/24/05

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)



1	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2	<b>Allocations</b>	<b>Items</b>	<b>Funds Funds</b>
3	* * * * *		* * * * *
4	* * * * * <b>Department of Health and Social Services</b> * * * * *		
5	* * * * *		* * * * *

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

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

29	<b>Alaskan Pioneer Homes</b>	<b>11,723,700</b>	<b>11,723,700</b>
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30 It is the intent of the legislature that the Department establishes regulations requiring all  
31 residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state  
32 subsidy being provided for their care from the State Payment Assistance program.

33 It is the intent of the legislature that all pioneers' homes and veterans' homes applicants shall

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>	<b>Funds</b>

complete any forms to determine eligibility for supplemental program funding, such as Medicaid, Medicare, SSI, and other benefits as part of the application process. If an applicant is not able to complete the forms him/herself, or if relatives or guardians of the applicant are not able to complete the forms, Department of Health and Social Services staff may complete the forms for him/her, obtain the individuals' or designee's signature and submit for eligibility per AS 47.25.120.

9	Alaskan Pioneer Homes	64,300		
10	Management			
11	Pioneer Homes	11,659,400		
12	<b>Behavioral Health</b>	<b>75,678,300</b>	<b>53,506,100</b>	<b>22,172,200</b>

The Department of Health and Social Services will establish specific "evidence based" prevention programs at the community level through a competitive Request for Proposal (RFP). The department will also develop a clear plan for evaluation and program outcomes to better document the successes of Alaska's prevention efforts. The Plan must be presented to the Legislative Budget and Audit Committee prior to the beginning of the 2006 legislative session, or to the House and Senate Finance Committees by February 1, 2006 for approval. Upon approval of the Plan, up to \$2,000,000 in TANF Bonus award funding may be made available for alcohol and drug program expansion. The amount of the funding will be prorated based on timing and realistic use of funds.

22	Alcohol Safety Action	120,000		
23	Program (ASAP)			
24	Behavioral Health Medicaid	28,173,900		
25	Services			
26	Behavioral Health Grants	15,005,800		

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

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

	Appropriation		General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	funding received.			
4	Behavioral Health	1,711,100		
5	Administration			
6	Community Action Prevention	408,100		
7	& Intervention Grants			
8	Rural Services and Suicide	2,115,200		
9	Prevention			
10	Psychiatric Emergency	6,153,400		
11	Services			
12	Services to the Seriously	8,849,300		
13	Mentally Ill			
14	Designated Evaluation and	1,211,900		
15	Treatment			
16	Services for Severely	5,916,700		
17	Emotionally Disturbed Youth			
18	Alaska Psychiatric Institute	6,012,900		
19	<b>Children's Services</b>		<b>9,808,700</b>	<b>9,658,700</b>
20	Children's Medicaid Services	2,000,000		
21	Children's Services	4,200		
22	Management			
23	Front Line Social Workers	148,600		
24	Family Preservation	150,000		
25	Foster Care Augmented Rate	500,000		
26	Foster Care Special Need	747,900		
27	Residential Child Care	1,956,300		
28	Infant Learning Program	4,301,700		
29	Grants			
30	<b>Juvenile Justice</b>		<b>305,200</b>	<b>305,200</b>
31	McLaughlin Youth Center	159,500		
32	Fairbanks Youth Facility	90,700		
33	Bethel Youth Facility	55,000		

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
			<b>Items</b>	
3	<b>Public Health</b>		<b>355,800</b>	<b>210,600</b>
4	Certification and Licensing	257,500		
5	Community Health Grants	98,300		
6	<b>Senior and Disabilities</b>		<b>13,743,800</b>	<b>12,814,800</b>
7	<b>Services</b>			<b>929,000</b>
8	It is the intent of the legislature that the department examine their procedure for maintaining			
9	the disabilities waitlist to assure that criteria for listing are consistent, objective and			
10	meaningful, that the list is accurately maintained without unnecessary action by individuals on			
11	the list, that the list identify services already being received by those on the list and that the			
12	list be managed to promote parity in the provision of services through out the social services			
13	system.			
14	Senior and Disabilities	2,179,300		
15	Services Administration			
16	Protection and Community	740,300		
17	Services			
18	Senior Community Based	2,849,400		
19	Grants			
20	Community Developmental	7,974,800		
21	Disabilities Grants			
22	<b>Departmental Support Services</b>		<b>1,220,700</b>	<b>1,170,500</b>
23	Administrative Support	375,600		
24	Services			
25	Health Planning and	50,200		
26	Infrastructure			
27	Information Technology	794,900		
28	Services			
29	<b>Boards and Commissions</b>		<b>1,231,000</b>	<b>525,500</b>
30	AK Mental Health & Alcohol	671,200		
31	& Drug Abuse Boards			
32	Commission on Aging	108,000		
33	Governor's Council on	331,400		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
1			
2			
3	Disabilities and Special		
4	Education		
5	Suicide Prevention Council	120,400	
6	* * * * *	* * * * *	
7	* * * * * <b>Department of Law</b> * * * * *		
8	* * * * *	* * * * *	
9	It is the intent of the legislature that the Department of Law's FY06 expansion of its Rural		
10	Prosecution and Statewide Sexual Assault Program be exclusively funded with U.S.		
11	Department of Justice grants. If federal funding is unavailable to fully sustain these programs		
12	in the future, state general fund revenue is not assured.		
13	<b>Criminal Division</b>	<b>12,500</b>	<b>12,500</b>
14	Criminal Justice Litigation	12,500	
15	<b>Civil Division</b>	<b>69,600</b>	<b>69,600</b>
16	Human Services Section	69,600	
17	* * * * *	* * * * *	
18	* * * * * <b>Department of Natural Resources</b> * * * * *		
19	* * * * *	* * * * *	
20	<b>Resource Development</b>	<b>1,249,400</b>	<b>1,249,400</b>
21	Mental Health Trust Lands	1,249,400	
22	Administration		
23	* * * * *	* * * * *	
24	* * * * * <b>Department of Revenue</b> * * * * *		
25	* * * * *	* * * * *	
26	<b>Taxation and Treasury</b>	<b>15,000</b>	<b>15,000</b>
27	Treasury Division	15,000	
28	<b>Alaska Mental Health Trust</b>	<b>1,544,900</b>	<b>1,544,900</b>
29	<b>Authority</b>		
30	Mental Health Trust	1,544,900	
31	Operations		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	*****	*****	
	***** <b>University of Alaska</b> *****		
	*****	*****	
6	<b>University of Alaska</b>	<b>880,800</b>	<b>200,800</b>
7	Budget Reductions/Additions	630,000	
8	- Systemwide		
9	Anchorage Campus	250,800	
10	*****	*****	
11	***** <b>Alaska Court System</b> *****		
12	*****	*****	
13	It is the intent of the legislature that all agencies of the Judicial Branch work with the Office		
14	of Management and Budget in order to bring their Missions and Measures into compliance		
15	with the philosophy and format recommended by OMB.		
16	<b>Alaska Court System</b>	<b>718,400</b>	<b>227,800</b>
17	Trial Courts	718,400	
18	(SECTION 2 OF THIS ACT BEGINS ON PAGE 9)		

1 \* **Sec. 2** The following appropriation items are for operating expenditures from the general  
 2 fund or other funds as set out in the fiscal year 2006 budget summary by funding source to the  
 3 state agencies named and for the purposes set out in the new legislation for the fiscal year  
 4 beginning July 1, 2005 and ending June 30, 2006. The appropriation items contain funding  
 5 for legislation assumed to have passed during the first session of the twenty-fourth legislature  
 6 and are to be considered part of the agency operating budget. Should a measure listed in this  
 7 section either fail to pass, its substance fail to be incorporated in some other measure, or be  
 8 vetoed by the governor, the appropriation for that measure shall lapse. A department-wide,  
 9 agency-wide, or branch-wide unallocated reduction or increase set out in the New Legislation  
 10 section may be allocated among the appropriations made in this section to that department,  
 11 agency, or branch.

12	Appropriation	General	Other
13	Items	Funds	Funds
14	HB 98 Nonunion Public Employee Salary &	340,500	213,800
15	Benefit appropriated to Office of the Governor		126,700

16 (SECTION 3 OF THIS ACT BEGINS ON PAGE 10)

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

Funding Source	Operating	New Legislation	Total
<b>Department of Administration</b>			
1037 General Fund / Mental Health	1,625,100	0	1,625,100
1092 Mental Health Trust Authority	118,700	0	118,700
Authorized Receipts			
*** Total Agency Funding ***	\$1,743,800	\$0	\$1,743,800
<b>Department of Corrections</b>			
1037 General Fund / Mental Health	5,091,400	0	5,091,400
1092 Mental Health Trust Authority	244,600	0	244,600
Authorized Receipts			
*** Total Agency Funding ***	\$5,336,000	\$0	\$5,336,000
<b>Department of Education and Early Development</b>			
1037 General Fund / Mental Health	116,100	0	116,100
1092 Mental Health Trust Authority	250,000	0	250,000
Authorized Receipts			
*** Total Agency Funding ***	\$366,100	\$0	\$366,100
<b>Office of the Governor</b>			
1037 General Fund / Mental Health	0	213,800	213,800
1092 Mental Health Trust Authority	0	57,300	57,300
Authorized Receipts			
1094 Mental Health Trust Administration	0	68,800	68,800
1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	0	600	600
*** Total Agency Funding ***	\$0	\$340,500	\$340,500
<b>Department of Health and Social Services</b>			
1037 General Fund / Mental Health	89,915,100	0	89,915,100
1092 Mental Health Trust Authority	6,960,400	0	6,960,400

			New	
	<b>Funding Source</b>	<b>Operating</b>	<b>Legislation</b>	<b>Total</b>
1				
2				
3	Authorized Receipts			
4	1180 Alcohol and Other Drug Abuse	17,191,700	0	17,191,700
5	Treatment & Prevention Fund			
6	*** Total Agency Funding ***	\$114,067,200	\$0	\$114,067,200
7	<b>Department of Law</b>			
8	1037 General Fund / Mental Health	69,600	0	69,600
9	1092 Mental Health Trust Authority	12,500	0	12,500
10	Authorized Receipts			
11	*** Total Agency Funding ***	\$82,100	\$0	\$82,100
12	<b>Department of Natural Resources</b>			
13	1092 Mental Health Trust Authority	1,249,400	0	1,249,400
14	Authorized Receipts			
15	*** Total Agency Funding ***	\$1,249,400	\$0	\$1,249,400
16	<b>Department of Revenue</b>			
17	1094 Mental Health Trust	1,559,900	0	1,559,900
18	Administration			
19	*** Total Agency Funding ***	\$1,559,900	\$0	\$1,559,900
20	<b>University of Alaska</b>			
21	1037 General Fund / Mental Health	200,800	0	200,800
22	1092 Mental Health Trust Authority	680,000	0	680,000
23	Authorized Receipts			
24	*** Total Agency Funding ***	\$880,800	\$0	\$880,800
25	<b>Alaska Court System</b>			
26	1037 General Fund / Mental Health	227,800	0	227,800
27	1092 Mental Health Trust Authority	490,600	0	490,600
28	Authorized Receipts			
29	*** Total Agency Funding ***	\$718,400	\$0	\$718,400
30	* * * * * Total Budget * * * * *	\$126,003,700	\$340,500	\$126,344,200
31				

(SECTION 4 OF THIS ACT BEGINS ON PAGE 12)

1 \* **Sec. 4.** The following sets out the statewide funding for the appropriations made in sec. 1  
 2 and sec. 2 of this Act.

3		New	
4	Funding Source	Operating	Legislation
5			Total
6	<b>General Funds</b>		
7	1037 General Fund / Mental Health	97,245,900	213,800
8	***Total General Funds***	\$97,245,900	\$213,800
9			\$97,459,700
10	<b>Federal Funds</b>		
11	***Total Federal Funds***	\$0	\$0
12			\$0
13	<b>Other Non-Duplicated Funds</b>		
14	1092 Mental Health Trust Authority	10,006,200	57,300
15	Authorized Receipts		10,063,500
16	1094 Mental Health Trust	1,559,900	68,800
17	Administration		1,628,700
18	1180 Alcohol and Other Drug Abuse	17,191,700	600
19	Treatment & Prevention Fund		17,192,300
20	***Total Other Non-Duplicated Funds***	\$28,757,800	\$126,700
			\$28,884,500
	<b>Duplicated Funds</b>		
	***Total Duplicated Funds***	\$0	\$0

(SECTION 5 OF THIS ACT BEGINS ON PAGE 13)

\* **Section 5.** The following appropriation items are for capital projects and grants from the general fund or other funds as set out in section 6 of this Act by funding source to the agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise noted.

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
	*****	*****	
	***** <b>Department of Health and Social Services</b> *****		
	*****	*****	
MH Emergency Assistance (HD 1-40)	200,000	100,000	100,000
MH: Alaska Psychiatric Institute Automation Project (HD 17-32)	674,200	674,200	
MH: Alaska Psychiatric Institute Move (HD 17-32)	250,000	250,000	
MH: Crisis Treatment Facility - Phase 2 (HD 17-32)	2,500,000		2,500,000
MH: Deferred Maintenance and Accessibility Improvements (HD 1-40)	500,000	150,000	350,000
MH: Essential Program Equipment Grants to Service Providers (HD 1-40)	575,000	225,000	350,000
MH: Group Home Development (HD 1-40)	400,000	250,000	150,000
MH: Home Modification and Design Upgrades (HD 1-40)	300,000	100,000	200,000
MH: Therapeutic Foster Home (HD 1-40)	200,000		200,000

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
1			
2			
3	MH: Transitional Housing	100,000	100,000
4	for Substance Abuse (HD		
5	1-40)		
6	* * * * *	* * * * *	
7	* * * * * <b>Department of Natural Resources</b> * * * * *		
8	* * * * *	* * * * *	
9	Mental Health Trust Land	650,000	650,000
10	Development (HD 1-40)		
11	Mental Health Trust Land	100,000	100,000
12	Facilities Maintenance (HD		
13	1-40)		
14	* * * * *	* * * * *	
15	* * * * * <b>Department of Revenue</b> * * * * *		
16	* * * * *	* * * * *	
17	<b>Alaska Housing Finance</b>		
18	<b>  Corporation</b>		
19	AHFC Beneficiary and	1,200,000	1,200,000
20	Special Needs Housing (HD		
21	1-40)		
22	AHFC Homeless Assistance	1,000,000	500,000
23	Program (HD 1-40)		500,000
24	* * * * *	* * * * *	
25	* * * * * <b>Department of Transportation/Public Facilities</b> * * * * *		
26	* * * * *	* * * * *	
27	Coordinated Transportation	500,000	100,000
28	and Vehicles (HD 1-40)		400,000
29	(SECTION 6 OF THIS ACT BEGINS ON PAGE 15)		

1 \* **Sec. 6.** The following sets out the funding by agency for the appropriations made in sec. 5 of  
2 this Act.

3	Funding Source	Amount
4	<b>Department of Health and Social Services</b>	
5	1037 General Fund / Mental Health	1,749,200
6	1092 Mental Health Trust Authority Authorized Receipts	1,450,000
7	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	2,500,000
8	*** Total Agency Funding ***	\$5,699,200
9	<b>Department of Natural Resources</b>	
10	1092 Mental Health Trust Authority Authorized Receipts	750,000
11	*** Total Agency Funding ***	\$750,000
12	<b>Department of Revenue</b>	
13	1037 General Fund / Mental Health	1,700,000
14	1092 Mental Health Trust Authority Authorized Receipts	500,000
15	*** Total Agency Funding ***	\$2,200,000
16	<b>Department of Transportation/Public Facilities</b>	
17	1037 General Fund / Mental Health	100,000
18	1092 Mental Health Trust Authority Authorized Receipts	400,000
19	*** Total Agency Funding ***	\$500,000
20	* * * * * Total Budget * * * * *	\$9,149,200

21 (SECTION 7 OF THIS ACT BEGINS ON PAGE 16)

1     \* **Sec. 7.** 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. 8.** 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. 9.** 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. 10.** LAPSE OF APPROPRIATION. The appropriation made by sec. 8 of this Act is  
15 for a capital project and lapses under AS 37.25.020.

16     \* **Sec. 11.** This Act takes effect July 1, 2005.