

**CS FOR HOUSE BILL NO. 366(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - SECOND SESSION

**BY THE HOUSE FINANCE COMMITTEE**

**Offered: 3/24/06**

**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 increases in operating expenditures from the general fund or other funds as set out in section 2 of this Act to the agencies named for the fiscal year ending June 30, 2006.

	Appropriation	General	Other
	Allocations	Funds	Funds
	*****	*****	
	***** <b>Department of Administration</b> *****		
	*****	*****	
<b>Legal and Advocacy Services</b>	<b>1,811,400</b>	<b>1,705,300</b>	<b>106,100</b>
Office of Public Advocacy	1,554,700		
Public Defender Agency	256,700		
	*****	*****	
	***** <b>Department of Corrections</b> *****		
	*****	*****	
It is the intent of the legislature that the Department of Corrections actively participate in the development and growth of Alaska's therapeutic courts.			
<b>Administration and Support</b>	<b>46,000</b>		<b>46,000</b>
Offender Habilitation Programs	46,000		
<b>Inmate Health Care</b>	<b>5,835,300</b>	<b>5,600,300</b>	<b>235,000</b>
Inmate Health Care	5,835,300		
	*****	*****	
	***** <b>Department of Education and Early Development</b> *****		
	*****	*****	
<b>Teaching and Learning Support</b>	<b>344,300</b>	<b>119,300</b>	<b>225,000</b>
Student and School Achievement	344,300		
	*****	*****	
	***** <b>Department of Health and Social Services</b> *****		
	*****	*****	

No money appropriated in this appropriation may be expended for an abortion that is not a

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

3 mandatory service required under AS 47.07.030(a). The money appropriated for Health and  
 4 Social Services may be expended only for mandatory services required under Title XIX of the  
 5 Social Security Act and for optional services offered by the state under the state plan for  
 6 medical assistance that has been approved by the United States Department of Health and  
 7 Human Services. This statement is a statement of the purpose of the appropriation and is  
 8 neither merely descriptive language nor a statement of legislative intent.

9 It is the intent of the legislature that the Department continues to aggressively pursue  
 10 Medicaid cost containment initiatives. Efforts should continue where the Department  
 11 believes additional cost containment is possible including further efforts to contain travel  
 12 expenses. The Department must continue efforts imposing regulations controlling and  
 13 materially reducing the cost of Personal Care Attendant (PCA) services. Efforts must be  
 14 initiated utilizing existing resources to impose regulations screening applicants for Residential  
 15 Psychiatric Treatment Center (RPTC) services, especially for out-of-state services. The  
 16 department must address the entire matrix of optional Medicaid services, reimbursement rates  
 17 and eligibility requirements that are the basis of the Medicaid growth algorithm. This work is  
 18 to utilize the results of the Medicaid Assessment and Planning analysis. The legislature  
 19 requests that by January 2007 the Department be prepared to present projections of future  
 20 Medicaid funding requirements under our existing statute and regulations and be prepared to  
 21 present and evaluate the consequences of viable policy alternatives that could be implemented  
 22 to lower growth rates and reducing projections of future costs.

23 It is the intent of the legislature that the Department of Health and Social Services actively  
 24 participate in the development and growth of Alaska's therapeutic courts.

<b>25 Alaskan Pioneer Homes</b>	<b>12,559,200</b>	<b>12,559,200</b>
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26 It is the intent of the legislature that the Department establishes regulations requiring all  
 27 residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state  
 28 subsidy being provided for their care from the State Payment Assistance program.

29 It is the intent of the legislature that all pioneers' homes and veterans' homes applicants shall  
 30 complete any forms to determine eligibility for supplemental program funding, such as  
 31 Medicaid, Medicare, SSI, and other benefits as part of the application process. If an applicant  
 32 is not able to complete the forms him/herself, or if relatives or guardians of the applicant are  
 33 not able to complete the forms, Department of Health and Social Services staff may complete

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
	<b>Funds</b>	<b>Funds</b>	<b>Funds</b>
the forms for him/her, obtain the individuals' or designee's signature and submit for eligibility per AS 47.25.120.			
It is the intent of the legislature that the Pioneers' Home program administration review the actual full cost of care for services provided at the Pioneers' Homes and develop a proposal to increase rates to reflect the system wide average of full cost of care at the three different care levels. In order to maximize Medicaid recovery, a proposed rate increase should be considered for implementation July 1, 2007.			
Alaska Pioneer Homes	64,300		
Management			
Pioneer Homes	12,494,900		
<b>Behavioral Health</b>		<b>86,227,100</b>	<b>61,425,200</b>
Alcohol Safety Action	105,000		
Program (ASAP)			
Behavioral Health Medicaid	32,289,200		
Services			
Behavioral Health Grants	16,873,500		
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.			
Behavioral Health	2,329,700		
Administration			
Community Action Prevention	958,100		
& Intervention Grants			
Rural Services and Suicide	2,115,200		
Prevention			
Psychiatric Emergency	6,153,400		
Services			
Services to the Seriously	9,837,900		
Mentally Ill			

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Designated Evaluation and	1,211,900	
4	Treatment		
5	Services for Severely	6,526,200	
6	Emotionally Disturbed Youth		
7	Alaska Psychiatric Institute	7,827,000	
8	<b>Children's Services</b>	<b>11,488,700</b>	<b>11,488,700</b>
9	Children's Medicaid Services	3,830,000	
10	Children's Services	4,200	
11	Management		
12	Front Line Social Workers	148,600	
13	Foster Care Augmented Rate	500,000	
14	Foster Care Special Need	747,900	
15	Residential Child Care	1,956,300	
16	Infant Learning Program	4,301,700	
17	Grants		
18	<b>Juvenile Justice</b>	<b>310,200</b>	<b>310,200</b>
19	McLaughlin Youth Center	159,500	
20	Fairbanks Youth Facility	95,000	
21	Bethel Youth Facility	55,700	
22	<b>Public Health</b>	<b>217,000</b>	<b>217,000</b>
23	Certification and Licensing	118,700	
24	Community Health Grants	98,300	
25	<b>Senior and Disabilities</b>	<b>14,011,700</b>	<b>13,033,900</b>
26	<b>Services</b>		<b>977,800</b>

27 It is the intent of the legislature that the department examine their procedure for maintaining  
28 the disabilities waitlist to assure that criteria for listing are consistent, objective and  
29 meaningful, that the list is accurately maintained without unnecessary action by individuals on  
30 the list, that the list identify services already being received by those on the list and that the  
31 list be managed to promote parity in the provision of services through out the social services  
32 system.

33 It is the intent of the legislature that the department utilize funds referenced as available to

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>	<b></b>	<b></b>
begin the Inventory of Client and Agency Planning (ICAP) process as recommended in the			
Ad Hoc Committee on the Developmental Disability Waitlist Recommendations for Change			
report. It is further the intent of the legislature that the Department move forward with			
implementation of the report recommendations as appropriate and submit a progress report to			
the Legislature by January 15, 2007, which includes information regarding the number of			
individuals on the waiting list that have had an ICAP completed as well as the Department's			
recommended action for those recommendations contained in the Ad Hoc report with which			
they may disagree			
Senior and Disabilities	2,272,200		
Services Administration			
Protection and Community	740,300		
Services			
Senior Community Based	3,024,400		
Grants			
Community Developmental	7,974,800		
Disabilities Grants			
<b>Departmental Support Services</b>		<b>1,426,400</b>	<b>1,334,300</b>
Agency-wide Unallocated	-187,000		
Reduction			
Administrative Support	394,300		
Services			
Health Planning and	50,000		
Infrastructure			
Information Technology	819,100		
Services			
HSS State Facilities Rent	350,000		
<b>Boards and Commissions</b>		<b>1,284,900</b>	<b>590,800</b>
AK Mental Health & Alcohol	809,200		
& Drug Abuse Boards			
Commission on Aging	120,000		
Governor's Council on	230,000		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
		<b>Items</b>	
1			
2			
3	Disabilities and Special		
4	Education		
5	Suicide Prevention Council	125,700	
6	*****	*****	
7	***** <b>Department of Law</b> *****		
8	*****	*****	
9	<b>Civil Division</b>	<b>76,900</b>	<b>76,900</b>
10	Human Services Section	76,900	
11	*****	*****	
12	***** <b>Department of Natural Resources</b> *****		
13	*****	*****	
14	<b>Resource Development</b>	<b>1,443,900</b>	<b>1,443,900</b>
15	Mental Health Trust Lands	1,443,900	
16	Administration		
17	*****	*****	
18	***** <b>Department of Revenue</b> *****		
19	*****	*****	
20	<b>Alaska Mental Health Trust</b>	<b>1,738,100</b>	<b>1,738,100</b>
21	<b>Authority</b>		
22	Mental Health Trust	1,738,100	
23	Operations		
24	*****	*****	
25	***** <b>University of Alaska</b> *****		
26	*****	*****	
27	<b>University of Alaska</b>	<b>1,025,800</b>	<b>200,800</b>
28	Budget Reductions/Additions	45,000	
29	- Systemwide		
30	Statewide Services	100,000	
31	Anchorage Campus	488,500	
32	Fairbanks Campus	287,300	
33	Juneau Campus	105,000	

1		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2		<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
3		*****	*****	
4		***** <b>Alaska Court System</b> *****		
5		*****	*****	
6	<b>Alaska Court System</b>	<b>693,100</b>	<b>227,800</b>	<b>465,300</b>
7	Budget requests from agencies of the Judicial Branch are transmitted as requested.			
8	Trial Courts	693,100		
9	(SECTION 2 OF THIS ACT BEGINS ON PAGE 9)			

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
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4 **Department of Administration**

5 1037 General Fund / Mental Health	1,705,300
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6 1092 Mental Health Trust Authority Authorized	106,100
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7 Receipts

8 *** Total Agency Funding ***	\$1,811,400
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9 **Department of Corrections**

10 1037 General Fund / Mental Health	5,600,300
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11 1092 Mental Health Trust Authority Authorized	281,000
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12 Receipts

13 *** Total Agency Funding ***	\$5,881,300
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14 **Department of Education and Early Development**

15 1037 General Fund / Mental Health	119,300
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16 1092 Mental Health Trust Authority Authorized	225,000
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17 Receipts

18 *** Total Agency Funding ***	\$344,300
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19 **Department of Health and Social Services**

20 1037 General Fund / Mental Health	100,959,300
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21 1092 Mental Health Trust Authority Authorized	7,673,200
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22 Receipts

23 1180 Alcohol and Other Drug Abuse Treatment &	18,892,700
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24 Prevention Fund

25 *** Total Agency Funding ***	\$127,525,200
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26 **Department of Law**

27 1037 General Fund / Mental Health	76,900
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28 *** Total Agency Funding ***	\$76,900
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29 **Department of Natural Resources**

30 1092 Mental Health Trust Authority Authorized	1,443,900
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31 Receipts

1	*** Total Agency Funding ***	\$1,443,900
2	<b>Department of Revenue</b>	
3	1094 Mental Health Trust Administration	1,738,100
4	*** Total Agency Funding ***	\$1,738,100
5	<b>University of Alaska</b>	
6	1037 General Fund / Mental Health	200,800
7	1092 Mental Health Trust Authority Authorized	825,000
8	Receipts	
9	*** Total Agency Funding ***	\$1,025,800
10	<b>Alaska Court System</b>	
11	1037 General Fund / Mental Health	227,800
12	1092 Mental Health Trust Authority Authorized	465,300
13	Receipts	
14	*** Total Agency Funding ***	\$693,100
15	* * * * * Total Budget * * * * *	\$140,540,000
16	(SECTION 3 OF THIS ACT BEGINS ON PAGE 11)	

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	<b>General Funds</b>	
5	1037 General Fund / Mental Health	108,889,700
6	***Total General Funds***	\$108,889,700
7	<b>Federal Funds</b>	
8	***Total Federal Funds***	\$0
9	<b>Other Non-Duplicated Funds</b>	
10	1092 Mental Health Trust Authority Authorized	11,019,500
11	Receipts	
12	1094 Mental Health Trust Administration	1,738,100
13	1180 Alcohol and Other Drug Abuse Treatment &	18,892,700
14	Prevention Fund	
15	***Total Other Non-Duplicated Funds***	\$31,650,300
16	<b>Duplicated Funds</b>	
17	***Total Duplicated Funds***	\$0

18 (SECTION 4 OF THIS ACT BEGINS ON PAGE 12)

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

	*****	*****	
	***** <b>Department of Health and Social Services</b> *****		
	*****	*****	

10 Alaska Psychiatric	3,000,000	3,000,000	
11 Institute Asbestos			
12 Abatement (HD 17-32)			

13 This appropriation is for costs associated with fulfilling the obligation of the State of Alaska  
 14 related to the demolition and asbestos abatement of the old Alaska Psychiatric Institute.

15 Cost Share Match for Bring	5,000,000	5,000,000	
16 the Kids Home (HD 1-40)			
17 Home and Community-Based	400,000		400,000
18 Group Home Development (HD			
19 1-40)			
20 Home Modification and	200,000		200,000
21 Design Upgrades (HD 1-40)			
22 Transitional Housing for	1,200,000		1,200,000
23 Substance Abuse (HD 1-40)			

	*****	*****	
	***** <b>Department of Natural Resources</b> *****		
	*****	*****	

27 Mental Health Trust Land	350,000		350,000
28 Facilities Maintenance (HD			
29 1-40)			

1	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
3	*****	*****	
4	***** <b>Department of Revenue</b> *****		
5	*****	*****	
6	<b>Alaska Housing Finance</b>		
7	<b>Corporation</b>		
8	AHFC Beneficiary and	1,750,000	1,750,000
9	Special Needs Housing (HD		
10	1-40)		
11	AHFC Homeless Assistance	2,000,000	2,000,000
12	Program (HD 1-40)		
13	*****	*****	
14	***** <b>Department of Transportation/Public Facilities</b> *****		
15	*****	*****	
16	Coordinated Transportation	400,000	400,000
17	and Vehicles (HD 1-40)		
18	(SECTION 5 OF THIS ACT BEGINS ON PAGE 14)		

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	<b>Department of Health and Social Services</b>	
5	1037 General Fund / Mental Health	8,000,000
6	1092 Mental Health Trust Authority Authorized Receipts	350,000
7	1139 Alaska Housing Finance Corporation Dividend	250,000
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	1,200,000
9	*** Total Agency Funding ***	\$9,800,000
10	<b>Department of Natural Resources</b>	
11	1092 Mental Health Trust Authority Authorized Receipts	350,000
12	*** Total Agency Funding ***	\$350,000
13	<b>Department of Revenue</b>	
14	1092 Mental Health Trust Authority Authorized Receipts	1,000,000
15	1139 Alaska Housing Finance Corporation Dividend	2,750,000
16	*** Total Agency Funding ***	\$3,750,000
17	<b>Department of Transportation/Public Facilities</b>	
18	1092 Mental Health Trust Authority Authorized Receipts	400,000
19	*** Total Agency Funding ***	\$400,000
20	* * * * * Total Budget * * * * *	\$14,300,000

21 (SECTION 6 OF THIS ACT BEGINS ON PAGE 15)

1 \* **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of  
2 this Act.

3	Funding Source	Amount
4	<b>General Funds</b>	
5	1037 General Fund / Mental Health	8,000,000
6	***Total General Funds***	\$8,000,000
7	<b>Federal Funds</b>	
8	***Total Federal Funds***	\$0
9	<b>Other Non-Duplicated Funds</b>	
10	1092 Mental Health Trust Authority Authorized	2,100,000
11	Receipts	
12	1139 Alaska Housing Finance Corporation Dividend	3,000,000
13	1180 Alcohol and Other Drug Abuse Treatment &	1,200,000
14	Prevention Fund	
15	***Total Other Non-Duplicated Funds***	\$6,300,000
16	<b>Duplicated Funds</b>	
17	***Total Duplicated Funds***	\$0

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

1     \* **Sec. 7.** In accordance with AS 37.14.003 and 37.14.005, the appropriations made by this  
2 Act are for the state's integrated comprehensive mental health program.

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

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

10    \* **Sec. 9.** This Act takes effect July 1, 2006.