

**CONFERENCE CS FOR HOUSE BILL NO. 96**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIFTH LEGISLATURE - FIRST SESSION

BY THE CONFERENCE COMMITTEE

Offered: 5/16/07

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)



	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
			<b>Funds</b>
1			
2			
3	Achievement		
4	<b>Alaska Postsecondary</b>	<b>200,000</b>	<b>200,000</b>
5	<b>Education Commission</b>		
6	Program Administration &	200,000	
7	Operations		
8	*****	*****	
9	***** <b>Department of Health and Social Services</b> *****		
10	*****	*****	

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

18 It is the intent of the legislature that the Department continues to aggressively pursue  
19 Medicaid cost containment initiatives. Efforts should continue where the Department  
20 believes additional cost containment is possible including further efforts to contain travel  
21 expenses. The Department must continue efforts imposing regulations controlling and  
22 materially reducing the cost of Personal Care Attendant (PCA) services. Efforts must be  
23 continued utilizing existing resources to impose regulations screening applicants for  
24 Residential Psychiatric Treatment Center (RPTC) services, especially for out-of-state  
25 services. The department must address the entire matrix of optional Medicaid services,  
26 reimbursement rates and eligibility requirements that are the basis of the Medicaid growth  
27 algorithm. This work is to utilize the results of the Medicaid Assessment and Planning  
28 analysis. The legislature requests that by January 2008 the Department be prepared to present  
29 projections of future Medicaid funding requirements under our existing statute and regulations  
30 and be prepared to present and evaluate the consequences of viable policy alternatives that  
31 could be implemented to lower growth rates and reducing projections of future costs.

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

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

3 It is the intent of the legislature that the department evaluate establishing an asset test to be  
 4 incorporated in Denali KidCare and Child Care Benefits programs' eligibility determinations  
 5 that includes the value of assets leased and not owned by the applicant. The department  
 6 should report to the legislature, no later than January 15, 2008, possible asset test structures,  
 7 their projected consequences on program participants and any necessary changes to statute,  
 8 regulation or Alaska's Medicaid State Plan.

9	<b>Alaskan Pioneer Homes</b>	<b>12,511,600</b>		<b>12,511,600</b>
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10 It is the intent of the legislature that the Department maintain regulations requiring all  
 11 residents of the Pioneer Homes to apply for all appropriate benefit programs prior to a state  
 12 subsidy being provided for their care from the State Payment Assistance program.

13 It is the intent of the legislature that all pioneers' homes and veterans' homes applicants shall  
 14 complete any forms to determine eligibility for supplemental program funding, such as  
 15 Medicaid, Medicare, SSI, and other benefits as part of the application process. If an applicant  
 16 is not able to complete the forms him/herself, or if relatives or guardians of the applicant are  
 17 not able to complete the forms, Department of Health and Social Services staff may complete  
 18 the forms for him/her, obtain the individuals' or designee's signature and submit for eligibility  
 19 per AS 47.25.120.

20	Alaska Pioneer Homes	64,300		
21	Management			
22	Pioneer Homes	12,447,300		
23	<b>Behavioral Health</b>		<b>86,903,800</b>	<b>63,303,500</b>
24	Alcohol Safety Action	305,400		
25	Program (ASAP)			
26	Behavioral Health Medicaid	32,156,100		
27	Services			
28	Behavioral Health Grants	16,418,900		

29 It is the intent of the legislature that the department continue developing polices and  
 30 procedures surrounding the awarding of recurring grants to assure that applicants are regularly  
 31 evaluated on their performance in achieving outcomes consistent with the expectations and  
 32 missions of the Department related to their specific grant. The recipient's specific  
 33 performance should be measured and incorporated into the decision whether to continue

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
			<b>Funds</b>
1			
2			
3	awarding grants. Performance measurement should be standardized, accurate, objective and		
4	fair, recognizing and compensating for differences among grant recipients including acuity of		
5	services provided, client base, geographic location and other factors necessary and appropriate		
6	to reconcile and compare grant recipient performances across the array of providers and		
7	services involved.		
8	Behavioral Health	2,473,100	
9	Administration		
10	Community Action Prevention	958,100	
11	& Intervention Grants		
12	Rural Services and Suicide	2,115,200	
13	Prevention		
14	Psychiatric Emergency	6,103,400	
15	Services		
16	Services to the Seriously	9,399,300	
17	Mentally Ill		
18	It is the intent of the legislature that the department provide the legislature, no later than		
19	January 15, 2008, a report on the progress and funding to-date for the Bring the Kids Home		
20	initiative and a five-year projected plan of development and anticipated funding requirements		
21	including in-state infrastructure needs, care levels, in-state bed counts, out-of-state bed counts,		
22	waitlists, Mental Health Trust Authority participation and expected outcomes and		
23	improvements in the lives of clients expected to be achieved.		
24	Designated Evaluation and	1,211,900	
25	Treatment		
26	Services for Severely	8,600,200	
27	Emotionally Disturbed Youth		
28	Alaska Psychiatric Institute	7,162,200	
29	<b>Children's Services</b>	<b>11,728,600</b>	<b>11,548,600</b>
30	Children's Medicaid Services	3,830,000	
31	Children's Services	64,100	
32	Management		
33	Front Line Social Workers	148,600	

		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
			<b>Funds</b>	<b>Funds</b>
3	Foster Care Augmented Rate	500,000		
4	Foster Care Special Need	747,900		
5	Residential Child Care	1,956,300		
6	Infant Learning Program	4,481,700		
7	Grants			
8	<b>Adult Preventative Dental</b>		<b>1,425,000</b>	<b>1,425,000</b>
9	<b>Medicaid Services</b>			
10	Adult Preventative Dental	1,425,000		
11	Medicaid Services			
12	<b>Juvenile Justice</b>		<b>558,600</b>	<b>369,400</b>
13	McLaughlin Youth Center	348,400		
14	Fairbanks Youth Facility	94,700		
15	Bethel Youth Facility	55,700		
16	Probation Services	59,800		
17	<b>Public Health</b>		<b>716,600</b>	<b>466,600</b>
18	Women, Children and Family	500,000		
19	Health			
20	It is the intent of the legislature that the Department of Health and Social Services maintain			
21	fiscal accountability for Alaska's Breast and Cervical Cancer screening population by			
22	amending the age eligibility criteria based on the amount of federal resources appropriated on			
23	an annual basis. It is incumbent upon the Department of Health and Social Services to revise			
24	criteria appropriately to ensure that federal resources remain the sole source of financial			
25	support for this program.			
26	Certification and Licensing	118,300		
27	Community Health Grants	98,300		
28	<b>Senior and Disabilities</b>		<b>13,904,400</b>	<b>13,156,600</b>
29	<b>Services</b>			<b>747,800</b>
30	It is the intent of the legislature that the department continue improving procedures for			
31	maintaining the disabilities waitlist to assure that criteria for listing are consistent, objective			
32	and meaningful. The list should be accurately maintained without unnecessary action by			
33	individuals on the list, identify services already being received by those on the list and be			

	<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>

utilized to promote parity in the provision of service throughout the social services system.

It is the intent of the legislature that the department act expeditiously in the administrative processing of individuals on the waitlist so that they may begin receiving services as quickly as possible utilizing the funding increment initiated in the fiscal 2007 budget.

It is the intent of the legislature that regulations related to the General Relief / Temporary Assisted Living program be reviewed and revised as needed to minimize the length of time that the state provides housing alternatives and assure the services are provided only to intended beneficiaries who are actually experiencing harm, abuse or neglect. The department should educate care coordinators and direct service providers about who should be referred and when they are correctly referred to the program in order that referring agents correctly match consumer needs with the program services intended by the department.

It is the intent of the legislature that the department continues 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, 2008, 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.

22 Senior and Disabilities	2,294,900			
23 Services Administration				
24 Protection and Community	740,300			
25 Services				
26 Senior Community Based	2,944,400			
27 Grants				
28 Community Developmental	7,924,800			
29 Disabilities Grants				
30 <b>Departmental Support Services</b>		<b>1,739,000</b>	<b>1,659,000</b>	<b>80,000</b>
31 Office of Program Review	98,400			
32 Administrative Support	393,100			
33 Services				

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Health Planning and	80,000	
4	Infrastructure		
5	Information Technology	817,500	
6	Services		
7	HSS State Facilities Rent	350,000	
8	<b>Boards and Commissions</b>	<b>1,611,500</b>	<b>568,900</b>
9	AK Mental Health & Alcohol	819,400	
10	& Drug Abuse Boards		
11	Commission on Aging	130,600	
12	Governor's Council on	536,000	
13	Disabilities and Special		
14	Education		
15	Suicide Prevention Council	125,500	
16	*****	*****	
17	***** <b>Department of Law</b> *****		
18	*****	*****	
19	<b>Civil Division</b>	<b>76,700</b>	<b>76,700</b>
20	Human Services and Child	76,700	
21	Protection		
22	*****	*****	
23	***** <b>Department of Natural Resources</b> *****		
24	*****	*****	
25	<b>Resource Development</b>	<b>1,653,700</b>	<b>1,653,700</b>
26	Mental Health Trust Lands	1,653,700	
27	Administration		
28	*****	*****	
29	***** <b>Department of Revenue</b> *****		
30	*****	*****	
31	<b>Alaska Mental Health Trust</b>	<b>2,213,000</b>	<b>2,213,000</b>
32	<b>Authority</b>		
33	Mental Health Trust	2,213,000	

1		<b>Appropriation</b>	<b>General</b>	<b>Other</b>
2		<b>Allocations</b>	<b>Items</b>	<b>Funds</b>
3	Operations			<b>Funds</b>
4		*****	*****	
5		***** <b>University of Alaska</b> *****		
6		*****	*****	
7	<b>University of Alaska</b>		<b>1,285,800</b>	<b>200,800</b>
8	Statewide Services	300,000		<b>1,085,000</b>
9	Anchorage Campus	945,800		
10	Fairbanks Campus	40,000		
11		*****	*****	
12		***** <b>Alaska Court System</b> *****		
13		*****	*****	
14	<b>Alaska Court System</b>		<b>827,700</b>	<b>589,900</b>
15	Trial Courts	827,700		<b>237,800</b>
16		(SECTION 2 OF THIS ACT BEGINS ON PAGE 10)		

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	<b>Department of Administration</b>	
5	1037 General Fund / Mental Health	1,700,100
6	*** Total Agency Funding ***	\$1,700,100
7	<b>Department of Corrections</b>	
8	1037 General Fund / Mental Health	6,298,700
9	1092 Mental Health Trust Authority Authorized	210,000
10	Receipts	
11	*** Total Agency Funding ***	\$6,508,700
12	<b>Department of Education and Early Development</b>	
13	1037 General Fund / Mental Health	49,400
14	1092 Mental Health Trust Authority Authorized	500,000
15	Receipts	
16	*** Total Agency Funding ***	\$549,400
17	<b>Department of Health and Social Services</b>	
18	1037 General Fund / Mental Health	103,584,200
19	1092 Mental Health Trust Authority Authorized	8,622,200
20	Receipts	
21	1180 Alcohol and Other Drug Abuse Treatment &	18,892,700
22	Prevention Fund	
23	*** Total Agency Funding ***	\$131,099,100
24	<b>Department of Law</b>	
25	1037 General Fund / Mental Health	76,700
26	*** Total Agency Funding ***	\$76,700
27	<b>Department of Natural Resources</b>	
28	1092 Mental Health Trust Authority Authorized	1,653,700
29	Receipts	
30	*** Total Agency Funding ***	\$1,653,700
31	<b>Department of Revenue</b>	

1	1094 Mental Health Trust Administration	2,213,000
2	*** Total Agency Funding ***	\$2,213,000
3	<b>University of Alaska</b>	
4	1037 General Fund / Mental Health	200,800
5	1092 Mental Health Trust Authority Authorized	1,085,000
6	Receipts	
7	*** Total Agency Funding ***	\$1,285,800
8	<b>Alaska Court System</b>	
9	1037 General Fund / Mental Health	589,900
10	1092 Mental Health Trust Authority Authorized	237,800
11	Receipts	
12	*** Total Agency Funding ***	\$827,700
13	* * * * * Total Budget * * * * *	\$145,914,200
14	(SECTION 3 OF THIS ACT BEGINS ON PAGE 12)	

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	112,499,800
6	***Total General Funds***	\$112,499,800
7	<b>Federal Funds</b>	
8	***Total Federal Funds***	\$0
9	<b>Other Non-Duplicated Funds</b>	
10	1092 Mental Health Trust Authority Authorized	12,308,700
11	Receipts	
12	1094 Mental Health Trust Administration	2,213,000
13	1180 Alcohol and Other Drug Abuse Treatment &	18,892,700
14	Prevention Fund	
15	***Total Other Non-Duplicated Funds***	\$33,414,400
16	<b>Duplicated Funds</b>	
17	***Total Duplicated Funds***	\$0

18 (SECTION 4 OF THIS ACT BEGINS ON PAGE 13)

1 \* **Sec. 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	MH Southcentral Foundation	7,000,000	7,000,000
11	Eklutna Residential		
12	Psychiatric Treatment		
13	Center - Match for Bring		
14	the Kids Home (HD 13-16)		
15	MH Cost Share Match for	1,000,000	1,000,000
16	Bring the Kids Home (HD		
17	1-40)		
18	MH Treatment and Recovery	750,000	250,000
19	Based Special Needs Housing		500,000
20	(HD 1-40)		
21	MH Home Modification and	250,000	250,000
22	Upgrades to Retain Housing		
23	(HD 1-40)		
24	MH Deferred Maintenance and	2,000,000	2,000,000
25	Americans with Disabilities		
26	Act Improvement Grants to		
27	Service Providers and for		
28	Trust Beneficiaries (HD		
29	1-40)		
30	MH Essential Program	350,000	350,000
31	Equipment (HD 1-40)		

	Appropriation	General	Other
	Allocations	Items	Funds
1			
2			
3	*****	*****	
4	*****	<b>Department of Natural Resources</b>	*****
5	*****	*****	
6	Mental Health Trust Land	650,000	650,000
7	Development (HD 1-40)		
8	Mental Health Trust Land	350,000	350,000
9	Facilities Maintenance (HD		
10	1-40)		
11	*****	*****	
12	*****	<b>Department of Revenue</b>	*****
13	*****	*****	
14	<b>Alaska Housing Finance</b>		
15	<b>  Corporation</b>		
16	Beneficiary and Special	1,750,000	1,750,000
17	Needs Housing (HD 1-40)		
18	Emergency Assistance Grants	200,000	200,000
19	for Mental Health Trust		
20	Beneficiaries (HD 1-40)		
21	Homeless Assistance Program	1,500,000	1,500,000
22	(HD 1-40)		
23	*****	*****	
24	*****	<b>Department of Transportation/Public Facilities</b>	*****
25	*****	*****	
26	Coordinated Transportation	300,000	300,000
27	and Vehicles (HD 1-40)		
28			

(SECTION 5 OF THIS ACT BEGINS ON PAGE 15)

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	10,600,000
6	1092 Mental Health Trust Authority Authorized Receipts	500,000
7	1139 Alaska Housing Finance Corporation Dividend	250,000
8	*** Total Agency Funding ***	\$11,350,000
9	<b>Department of Natural Resources</b>	
10	1092 Mental Health Trust Authority Authorized Receipts	1,000,000
11	*** Total Agency Funding ***	\$1,000,000
12	<b>Department of Revenue</b>	
13	1092 Mental Health Trust Authority Authorized Receipts	700,000
14	1139 Alaska Housing Finance Corporation Dividend	2,750,000
15	*** Total Agency Funding ***	\$3,450,000
16	<b>Department of Transportation/Public Facilities</b>	
17	1092 Mental Health Trust Authority Authorized Receipts	300,000
18	*** Total Agency Funding ***	\$300,000
19	* * * * * Total Budget * * * * *	\$16,100,000

20 (SECTION 6 OF THIS ACT BEGINS ON PAGE 16)

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	10,600,000
6	***Total General Funds***	\$10,600,000
7	<b>Federal Funds</b>	
8	***Total Federal Funds***	\$0
9	<b>Other Non-Duplicated Funds</b>	
10	1092 Mental Health Trust Authority Authorized	2,500,000
11	Receipts	
12	1139 Alaska Housing Finance Corporation Dividend	3,000,000
13	***Total Other Non-Duplicated Funds***	\$5,500,000
14	<b>Duplicated Funds</b>	
15	***Total Duplicated Funds***	\$0

16 (SECTION 7 OF THIS ACT BEGINS ON PAGE 17)

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. 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. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.  
11 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,  
12 and employees of the executive branch, Alaska Court System employees, employees of the  
13 legislature, and legislators and to implement the terms for the fiscal year ending June 30,  
14 2008, of the following collective bargaining agreements:

- 15           (1) Alaska Public Employees Association, for the Confidential Unit;
- 16           (2) Alaska Public Employees Association, for the Supervisory Unit;
- 17           (3) Alaska State Employees Association, for the General Government Unit;
- 18           (4) Marine Engineers Beneficial Association, representing licensed engineers  
19 employed by the Alaska marine highway system;
- 20           (5) Public Employees Local 71, for the Labor, Trades and Crafts Unit;
- 21           (6) Inlandboatmen's Union of the Pacific, representing the unlicensed marine  
22 unit;
- 23           (7) International Organization of Masters, Mates, and Pilots, for the Masters,  
24 Mates, and Pilots Unit;
- 25           (8) Public Safety Employees Association, representing regularly  
26 commissioned public safety officers;
- 27           (9) Alaska Correctional Officers Association, representing correctional  
28 officers;
- 29           (10) Alaska Vocational Technical Center Teachers' Association - National  
30 Education Association, representing employees of the Alaska Vocational Technical Center;
- 31           (11) Teachers' Education Association of Mt. Edgecumbe.

1 (b) The operating budget appropriations made to the University of Alaska in sec. 1 of  
2 this Act include amounts for salary and benefit adjustments for the fiscal year ending June 30,  
3 2008, for university employees who are not members of a collective bargaining unit and for  
4 implementing the monetary terms of the collective bargaining agreements including the terms  
5 of the agreement providing for the health benefit plan for university employees represented by  
6 the following entities:

7 (1) Alaska Higher Education Crafts and Trades Employees;

8 (2) Alaska Community Colleges' Federation of Teachers;

9 (3) United Academics;

10 (4) United Academics-Adjuncts.

11 (c) If a collective bargaining agreement listed in (a) or (b) of this section is not ratified  
12 by the membership of the respective collective bargaining unit, the appropriations made by  
13 this Act that are applicable to that collective bargaining unit's agreement are reduced  
14 proportionately by the amount for that collective bargaining agreement, and the corresponding  
15 funding source amounts are reduced accordingly.

16 (d) Appropriations made in sec. 1 of this Act for salary and benefit adjustments as  
17 described in (a) and (b) of this section are for the benefit of the state's integrated  
18 comprehensive mental health program only and do not necessarily affect every group of non-  
19 covered employees or every collective bargaining unit listed in (a) and (b) of this section.

20 \* **Sec. 10.** This Act takes effect July 1, 2007.