

**CONFERENCE CS FOR HOUSE BILL NO. 285**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**THIRTIETH LEGISLATURE - SECOND SESSION**

**BY THE CONFERENCE COMMITTEE**

**Offered: 5/10/18**

**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 \* **Section 1.** The following appropriation items are for operating expenditures from the  
 2 general fund or other funds as set out in section 2 of this Act to the agencies named for the  
 3 purposes expressed for the fiscal year beginning July 1, 2018 and ending June 30, 2019,  
 4 unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated  
 5 reduction set out in this section may be allocated among the appropriations made in this  
 6 section to that department, agency, or branch.

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	*****
***** <b>Department of Administration</b> *****			
	*****	*****	
<b>Legal and Advocacy Services</b>		<b>2,414,500</b>	<b>2,134,000</b>
Office of Public Advocacy	2,039,800		
Public Defender Agency	374,700		
	*****	*****	
***** <b>Department of Corrections</b> *****			
	*****	*****	
<b>Population Management</b>		<b>1,000,000</b>	<b>1,000,000</b>
It is the intent of the legislature that the Commissioner of the Department of Corrections will			
prioritize funding and implement solutions, that may include, but not be limited to transitional			
housing and diversion programs, that reduce the disparity in Alaska Native incarceration			
throughout the state.			
Community Residential	1,000,000		
Centers			
<b>Health and Rehabilitation Services</b>		<b>9,242,400</b>	<b>8,854,500</b>
Behavioral Health Care	6,620,000		
Substance Abuse Treatment	2,622,400		
Program			
	*****	*****	
***** <b>Department of Education and Early Development</b> *****			
	*****	*****	

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

<b>3</b>	<b>Education Support and Admin Services</b>	<b>427,800</b>	<b>377,800</b>	<b>50,000</b>
4	Student and School	427,800		
5	Achievement			

6	* * * * *	* * * * *		
7	* * * * *	<b>Department of Health and Social Services</b>	* * * * *	
8	* * * * *	* * * * *		

9 It is the intent of the legislature that the department review fund sources in all allocations and  
10 reduce excess receipt authority where the department believes the collection of receipts is not  
11 achievable.

12 It is the intent of the legislature that the Department of Health and Social Services submit a  
13 report to the co-chairs of the Finance Committees and the Legislative Finance Division by  
14 November 15 of 2019 and 2020 on 1) disbursement and use of federal Disproportionate Share  
15 Hospital (DSH) dollars by community and regional hospitals, 2) the annual amount of federal  
16 DSH funds which the state is not claiming, and 3) future strategies for claiming those funds,  
17 including the possibility of hospitals matching those funds, to improve outcomes for patients,  
18 providers and the public.

<b>19</b>	<b>Alaska Pioneer Homes</b>	<b>16,386,200</b>	<b>16,386,200</b>	
20	Pioneer Homes	16,386,200		

21 The amount allocated for Pioneer Homes includes the unexpended and unobligated balance  
22 on June 30, 2018, of the Department of Health and Social Services, Pioneer Homes care and  
23 support receipts under AS 47.55.030.

<b>24</b>	<b>Behavioral Health</b>	<b>81,411,800</b>	<b>79,857,500</b>	<b>1,554,300</b>
25	Behavioral Health Treatment	54,260,200		
26	and Recovery Grants			
27	Alcohol Safety Action	1,479,700		
28	Program (ASAP)			
29	Behavioral Health	5,675,600		
30	Administration			
31	Behavioral Health	5,915,100		
32	Prevention and Early			
33	Intervention Grants			

		<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	3,794,800		
4	Treatment			
5	Alaska Psychiatric	6,468,100		
6	Institute			
7	Alaska Mental Health Board	903,300		
8	and Advisory Board on			
9	Alcohol and Drug Abuse			
10	Suicide Prevention Council	657,700		
11	Residential Child Care	2,257,300		
12	<b>Children's Services</b>		<b>2,191,900</b>	<b>2,191,900</b>
13	Children's Services	69,500		
14	Management			
15	Front Line Social Workers	148,500		
16	Family Preservation	726,000		
17	Foster Care Augmented Rate	500,000		
18	Foster Care Special Need	747,900		
19	<b>Health Care Services</b>		<b>424,500</b>	<b>132,300</b>
20	Residential Licensing	132,300		
21	Medical Assistance	292,200		
22	Administration			
23	<b>Juvenile Justice</b>		<b>1,438,000</b>	<b>1,271,500</b>
24	McLaughlin Youth Center	746,600		
25	Fairbanks Youth Facility	117,300		
26	Bethel Youth Facility	64,300		
27	Probation Services	509,800		
28	<b>Public Assistance</b>		<b>13,200</b>	<b>13,200</b>
29	Public Assistance	13,200		
30	Administration			
31	<b>Public Health</b>		<b>2,029,600</b>	<b>1,779,600</b>
32	Nursing	98,200		
33	Women, Children and Family	798,100		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
1			
2			
3	Health		
4	Public Health	319,100	
5	Administrative Services		
6	Emergency Programs	764,200	
7	Chronic Disease Prevention	10,000	
8	and Health Promotion		
9	Bureau of Vital Statistics	40,000	
10	<b>Senior and Disabilities Services</b>	<b>13,339,800</b>	<b>12,147,100</b>
11	Senior and Disabilities	1,180,600	
12	Community Based Grants		
13	Early Intervention/Infant	7,424,500	
14	Learning Programs		
15	Senior and Disabilities	3,471,300	
16	Services Administration		
17	It is the intent of the legislature that the Department of Health & Social Services re-examine		
18	service delivery models to ensure eligible senior and disabled populations receive appropriate		
19	services irrespective of where they live in Alaska. The Department of Health and Social		
20	Services shall submit a report to co-chairs of the Finance Committees and the Legislative		
21	Finance Division on the status of the service no later than February 15, 2019.		
22	It is the intent of the legislature that the State of Alaska proceed expeditiously to establish		
23	companion services under Section 1915(c) of the Social Security Act to complement and		
24	support the services provided through the Medicare/Medicaid waiver programs. The		
25	Department of Health and Social Services shall submit a report to co-chairs of the Finance		
26	Committees and the Legislative Finance Division on the status of the service no later than		
27	January 31, 2019.		
28	It is the intent of the legislature that funding for day habilitation be sufficient to provide up to		
29	624 hours annually per recipient. The request for additional day habilitation over the annual		
30	"soft cap" of 624 hours may be approved to avoid institutional care or for the safety of		
31	Medicaid recipients.		
32	General Relief/Temporary	740,300	
33	Assisted Living		

	<b>Appropriation</b>	<b>General</b>	<b>Other</b>
	<b>Allocations</b>	<b>Funds</b>	<b>Funds</b>
	<b>Items</b>		
1			
2			
3	Commission on Aging	119,600	
4	Governor's Council on	403,500	
5	Disabilities and Special		
6	Education		
7	<b>Departmental Support Services</b>	<b>552,300</b>	<b>552,300</b>
8	Commissioner's Office	202,300	
9	It is the intent of the legislature that the department work with Tribal Health Organizations for		
10	care coordination agreements with non-tribal providers in order to increase valid referrals for		
11	Indian Health Service eligible recipients to maximize the 100% FMAP. It is further the intent		
12	of the legislature that the department clearly outline requirements for 100% FMAP for		
13	services provided to an IHS beneficiary receiving Medicaid benefits thereby reducing general		
14	fund dependency by approximately \$30 million.		
15	HSS State Facilities Rent	350,000	
16	<b>Medicaid Services</b>	<b>84,649,300</b>	<b>82,155,800</b>
17	It is the intent of the legislature that the department work with the Legislative Finance		
18	Division to prepare a template for reports to be delivered to the co-chairs of the finance		
19	committees and the Legislative Finance Division related to actual Medicaid expenditures and		
20	projections for the remainder of FY19 on October 15th, January 15th, March 15th, and June		
21	15th. It is further the intent that the template provide FY20 expenditure projections.		
22	It is the intent of the legislature that the department significantly increase its efforts to reduce		
23	the state share of Medicaid service costs by managing Medicaid utilization to index with the		
24	national average per enrollee cost. In doing so, the department should take into consideration		
25	a multiplier to the national average to account for a reasonably higher cost of health care in		
26	Alaska.		
27	Behavioral Health Medicaid	84,646,800	
28	Services		
29	Health Care Medicaid	2,500	
30	Services		
31	* * * * *	* * * * *	
32	<b>* * * * * Department of Labor and Workforce Development * * * * *</b>		
33	* * * * *	* * * * *	

	Appropriation	General	Other
	Allocations	Funds	Funds
	Items		
1			
2			
3	<b>Commissioner and Administrative</b>	<b>79,000</b>	<b>79,000</b>
4	<b>Services</b>		
5	Labor Market Information	79,000	
6	<b>Employment and Training Services</b>	<b>125,500</b>	<b>125,500</b>
7	Workforce Services	125,500	
8	*****	*****	
9	***** <b>Department of Law</b> *****		
10	*****	*****	
11	<b>Civil Division</b>	<b>100,200</b>	<b>100,200</b>
12	Human Services	100,200	
13	*****	*****	
14	***** <b>Department of Natural Resources</b> *****		
15	*****	*****	
16	<b>Administration &amp; Support Services</b>	<b>4,539,200</b>	<b>4,539,200</b>
17	Mental Health Trust Lands	4,539,200	
18	Administration		
19	*****	*****	
20	***** <b>Department of Public Safety</b> *****		
21	*****	*****	
22	<b>Council on Domestic Violence and</b>	<b>2,000,000</b>	<b>2,000,000</b>
23	<b>Sexual Assault</b>		
24	Council on Domestic	2,000,000	
25	Violence and Sexual Assault		
26	*****	*****	
27	***** <b>Department of Revenue</b> *****		
28	*****	*****	
29	<b>Alaska Mental Health Trust Authority</b>	<b>5,136,100</b>	<b>1,000,800</b>
30	Mental Health Trust	4,635,300	<b>4,135,300</b>
31	Operations		
32	Long Term Care Ombudsman	500,800	
33	Office		

	Appropriation	General	Other
	Allocations	Items	Funds
	*****	*****	
	***** <b>University of Alaska</b> *****		
	*****	*****	
6	<b>University of Alaska</b>	<b>2,483,400</b>	<b>805,800</b>
7	Anchorage Campus	2,433,400	
8	Fairbanks Campus	50,000	
9	*****	*****	
10	***** <b>Judiciary</b> *****		
11	*****	*****	
12	<b>Alaska Court System</b>	<b>227,000</b>	<b>227,000</b>
13	Trial Courts	227,000	
14	<b>Therapeutic Courts</b>	<b>3,156,200</b>	<b>2,936,800</b>
15	Therapeutic Courts	3,156,200	<b>219,400</b>
16	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)		

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	2,134,000
6	1092 Mental Health Trust Authority Authorized Receipts	280,500
7	*** Total Agency Funding ***	2,414,500
8	<b>Department of Corrections</b>	
9	1037 General Fund / Mental Health	7,854,500
10	1092 Mental Health Trust Authority Authorized Receipts	387,900
11	1246 Recidivism Reduction Fund	2,000,000
12	*** Total Agency Funding ***	10,242,400
13	<b>Department of Education and Early Development</b>	
14	1037 General Fund / Mental Health	377,800
15	1092 Mental Health Trust Authority Authorized Receipts	50,000
16	*** Total Agency Funding ***	427,800
17	<b>Department of Health and Social Services</b>	
18	1037 General Fund / Mental Health	170,862,900
19	1092 Mental Health Trust Authority Authorized Receipts	5,949,200
20	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	22,124,500
21	1246 Recidivism Reduction Fund	3,500,000
22	*** Total Agency Funding ***	202,436,600
23	<b>Department of Labor and Workforce Development</b>	
24	1092 Mental Health Trust Authority Authorized Receipts	204,500
25	*** Total Agency Funding ***	204,500
26	<b>Department of Law</b>	
27	1037 General Fund / Mental Health	100,200
28	*** Total Agency Funding ***	100,200
29	<b>Department of Natural Resources</b>	
30	1092 Mental Health Trust Authority Authorized Receipts	4,539,200
31	*** Total Agency Funding ***	4,539,200

1	<b>Department of Public Safety</b>	
2	1246 Recidivism Reduction Fund	2,000,000
3	*** Total Agency Funding ***	2,000,000
4	<b>Department of Revenue</b>	
5	1037 General Fund / Mental Health	500,800
6	1094 Mental Health Trust Administration	4,135,300
7	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	500,000
8	*** Total Agency Funding ***	5,136,100
9	<b>University of Alaska</b>	
10	1037 General Fund / Mental Health	805,800
11	1092 Mental Health Trust Authority Authorized Receipts	1,677,600
12	*** Total Agency Funding ***	2,483,400
13	<b>Judiciary</b>	
14	1037 General Fund / Mental Health	2,645,800
15	1092 Mental Health Trust Authority Authorized Receipts	219,400
16	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
17	*** Total Agency Funding ***	3,383,200
18	<b>* * * * * Total Budget * * * * *</b>	<b>233,367,900</b>
19	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

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>Unrestricted General</b>	
5	1037 General Fund / Mental Health	185,281,800
6	*** Total Unrestricted General ***	185,281,800
7	<b>Designated General</b>	
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	23,142,500
9	1246 Recidivism Reduction Fund	7,500,000
10	*** Total Designated General ***	30,642,500
11	<b>Other Non-Duplicated</b>	
12	1092 Mental Health Trust Authority Authorized Receipts	13,308,300
13	1094 Mental Health Trust Administration	4,135,300
14	*** Total Other Non-Duplicated ***	17,443,600

15 (SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 \* **Sec. 7. PURPOSE.** In accordance with AS 37.14.003 and 37.14.005, the appropriations  
2 made in 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 in 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 used as the basis of the  
9 appropriation, the 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 2019, of the following collective bargaining agreements:

15 (1) Alaska State Employees Association, for the general government unit;

16 (2) Alaska Vocational Technical Center Teachers' Association, National  
17 Education Association, representing the employees of the Alaska Vocational Technical  
18 Center;

19 (3) Confidential Employees Association, representing the confidential unit;

20 (4) Public Safety Employees Association, representing the regularly  
21 commissioned public safety officers unit;

22 (5) Public Employees Local 71, for the labor, trades, and crafts unit;

23 (6) Alaska Public Employees Association, for the supervisory unit.

24 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include  
25 amounts for salary and benefit adjustments for the fiscal year ending June 30, 2019, for  
26 university employees who are not members of a collective bargaining unit and to implement  
27 the terms for the fiscal year ending June 30, 2019, of the following collective bargaining  
28 agreements:

29 (1) University of Alaska Federation of Teachers (UAFT);

30 (2) Alaska Higher Education Crafts and Trades Employees, Local 6070;

31 (3) Fairbanks Firefighters Union, IAFF Local 1324;

1           (4) United Academic - Adjuncts - American Association of University  
2 Professors, American Federation of Teachers;

3           (5) United Academics - American Association of University Professors,  
4 American Federation of Teachers.

5           (c) If a collective bargaining agreement listed in (a) of this section is not ratified by  
6 the membership of the respective collective bargaining unit, the appropriations made in this  
7 Act applicable to the collective bargaining unit's agreement are adjusted proportionately by  
8 the amount for that collective bargaining agreement, and the corresponding funding source  
9 amounts are adjusted accordingly.

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

16          (e) 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  
19 noncovered employees or every collective bargaining unit listed in (a) and (b) of this section.

20       \* **Sec. 10.** This Act takes effect July 1, 2018.