

Original Sponsor: Health,  
Welfare & Education Committee

Offered: 2/2/70  
Referred: Rules

SB

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 240

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the purchase of services for  
7 persons for whom the state has assumed responsibility,"

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 \* Section 1. AS 47 is amended by adding a new chapter to read:

10 CHAPTER 40. PURCHASE OF SERVICES FROM FOSTER PARENTS, CHILD CARE  
11 AND NURSING HOME INSTITUTIONS AND AGENCIES.

12 Sec. 47.40.010. PURCHASE OF SERVICES. When the Department of  
13 Health and Welfare purchases services from foster parents, child care  
14 and nursing home institutions and agencies for persons for whom the  
15 state has assumed responsibility under the laws of the state, the de-  
16 partment shall pay the full cost of the services at a level of care  
17 established by regulations adopted by the department.

18 Sec. 47.40.020. REQUIRED ACCOUNTING PROCEDURES. Foster homes,  
19 child care and nursing home institutions and agencies which receive  
20 funds from the Department of Health and Welfare for the cost of ser-  
21 vices provided under this chapter shall record and report to the de-  
22 partment their financial activities according to instructions issued  
23 by the department in advance of scheduled meetings provided for under  
24 AS 47.05.010(14).

25 Sec. 47.40.030. DETERMINATION OF FULL COST OF SERVICES. (a) In  
26 this chapter, "full cost" of services is all expenses related directly  
27 to providing the services determined to be required for a person by  
28 the Department of Health and Welfare under the regulations adopted by  
29 the department. Placement of persons shall be made by the department

1 in accordance with the various levels of care necessary under the  
2 classification standards and regulations adopted by the department.  
3 Full cost shall be determined by the per-person, per-day cost incurred  
4 in the preceding fiscal year plus a proportionate share of anticipated  
5 cost of living, salary and other increases for the fiscal year for  
6 which the full cost of services, determined to be necessary by the  
7 department, is being determined. Child care costs for foster homes  
8 shall be computed in the same manner as for child care and nursing home  
9 institutions and agencies except that no salary costs may be con-  
10 sidered.

11 (b) Full cost of services does not include the following:

- 12 (1) expenses, including salaries and fees, incurred in  
13 raising funds;
- 14 (2) funds expended for construction, major equipment and  
15 other capital expenditures;
- 16 (3) depreciation and replacement costs of, and costs of  
17 additions to, major property and equipment;
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- 19 (4) religious training and education; and
- 20 (5) services provided which are determined by the department  
21 to be above a reasonable and necessary level of care.
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