

Introduced: 1/14/76
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 488

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to purchase of health and social
7 services."

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

9 * Section 1. AS 47.40.010 is repealed and re-enacted to read:

10 Sec. 47.40.010. PURCHASE OF SERVICES. (a) When the department
11 purchases services for persons for whom the state has assumed responsi-
12 bility under the laws of the state, the department shall either

13 (1) pay all expenses related directly to the full cost of
14 services at the levels of care required; or

15 (2) prepare annual contracts for the purchase of services.

16 (b) If services are paid for on the basis of cost-of-care, the
17 department shall

18 (1) adopt regulations establishing the levels of care to be
19 provided;

20 (2) determine the rates of payment for the full cost of
21 services required;

22 (3) make the placement of persons in accordance with the
23 levels of care provided in the regulations.

24 (c) If services are paid for on the basis of an annual contract

25 (1) the provisions of the contract remain binding until its
26 termination; payment shall be based upon

27 (A) a fixed annual amount for delivery of a pre-
28 determined service; or

29 (B) a per diem per client rate;

1 (2) payment may not be made on a cost-of-care basis for any
2 portion of the year in which the contract is in effect.

3 (d) Services of jails and other penal institutions may not be
4 included in services purchased by the state under this chapter.

5 * Sec. 2. AS 47.40.040(a) is amended to read:

6 (a) In this chapter, "full cost" of services shall be determined
7 by the per person, per day allowable cost [IN THE PRECEDING FISCAL
8 YEAR PLUS A PROPORTIONATE SHARE OF ANTICIPATED COST OF LIVING AND
9 STAFF SALARY INCREMENT INCREASES FOR THE FISCAL YEAR FOR WHICH THE
10 FULL COST OF SERVICES,] determined to be necessary by the department,
11 or a cost factor estimated on an 80 per cent occupancy factor of the
12 department-approved capacity will be paid [IS BEING DETERMINED].

13 Child care costs for foster homes shall be computed in the same manner
14 as for child care and nursing home institutions except that no salary
15 costs may be considered.