

Introduced: 1/16/86
Referred: Health, Education &
Social Services

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

1 IN THE HOUSE

2 HOUSE JOINT RESOLUTION NO. 59

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 Urging the United States Congress to
6 pass an amended form of H.R. 1279 (99th
7 Congress), the AFDC Error Reduction and
8 Quality Control Act, or substantially
9 similar legislation.

10 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 WHEREAS the Aid to Families with Dependent Children (AFDC) program is
12 an integral part of the social programs of the United States and critical
13 to the health and welfare of the children who live in poverty in the United
14 States; and

15 WHEREAS Alaska supports a system of quality control of the AFDC pro-
16 gram if the system is equitable and cost-effective, review is timely,
17 fiscal sanctions are reasonable, and incentives are included; and

18 WHEREAS the quality control programs instituted by the states and
19 territories of the United States and monitored by the federal government
20 have reduced the national rate of error on the payment of AFDC benefits by
21 one-half during the last decade; and

22 WHEREAS experience with the quality control program for AFDC shows
23 that many errors are based on errors in paperwork or on client errors that
24 the states and territories cannot control and that are not necessarily
25 related to misspent funds; and

26 WHEREAS the states and territories of the United States are facing 1.3
27 billion dollars in fiscal sanctions for exceeding federally determined
28 error tolerance levels; and

29 WHEREAS the states and territories of the United States are faced with

1 the necessity of either reducing the administration of their social pro-
2 grams and thereby risking higher rates of error, or reducing benefits to
3 clients to compensate for the fiscal sanctions imposed by the federal
4 government; and

5 WHEREAS all programs for low income people, including the food stamp
6 and Medicaid programs, are inextricably linked to each other, and reduc-
7 tions or changes in one program affect the benefits available in other
8 programs; and

9 WHEREAS all federal programs for low income persons have separate
10 quality control and fiscal sanction components, thereby amassing billions
11 of dollars in potential fiscal sanctions for the states and territories of
12 the United States;

13 BE IT RESOLVED by the Alaska State Legislature that the United States
14 Congress is respectfully urged to support the passage of legislation that
15 incorporates the substance of the AFDC Error Reduction and Quality Control
16 Act (H.R. 1279, 99th Congress), amended to cover the Food Stamp and Medi-
17 caid Programs as well as the AFDC program; and be it

18 FURTHER RESOLVED that this legislation should require that

19 (1) each state or territory of the United States shall prelim-
20 inarily determine and recommend to the United States Department of Health
21 and Human Services (DHHS) the error rate for that state or territory for
22 each fiscal year based on statistical sampling, and a plan for the state or
23 territory to reduce the error rate;

24 (2) within six months after each state or territory submits a
25 plan, DHHS shall review the plan and establish the error rate and error
26 rate reduction plan for the state or territory;

27 (3) DHHS shall disregard errors that have no fiscal impact when
28 determining error rates;

29 (4) there shall be established a national error rate of four

1 percent that allows a higher error rate on a state-by-state or territory-
2 by-territory basis under appropriate conditions;

3 (5) DHHS shall provide positive financial incentives to states
4 and territories with error rates of less than four percent; the incentives
5 shall include retention of a percentage of the federal AFDC, Medicaid, and
6 food stamp payments; and

7 (6) DHHS shall waive all or part of the fiscal sanctions if the
8 secretary of the DHHS determines that a noncomplying state or territory has
9 made a good faith effort to comply but has experienced circumstances beyond
10 its control that make it impossible for the state or territory to comply.

11 COPIES of this resolution shall be sent to the Honorable Ronald
12 Reagan, President of the United States; the Honorable Dr. Otis Bowen,
13 Secretary of the U.S. Department of Health and Human Services; the
14 Honorable George Bush, Vice-President of the United States and President of
15 the U.S. Senate; the Honorable Thomas P. O'Neill, Jr., Speaker of the U.S.
16 House of Representatives; and to the Honorable Ted Stevens and the
17 Honorable Frank Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
18 Representative, members of the Alaska delegation in Congress.