

COMMITTEE REPORT

1/26/76

SENATE

Mr. President:

Date _____

The Committee on FINANCE has had SB 532 supplemental appropriation to the Harborview Memorial Hospital under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:
 _____ recommends:

_____ Chairman

COMMITTEE REPORT

FINANCE

1/19/76

SENATE

Mr. President:

Date 1-23-76

HEALTH, EDUCATION

The Committee on AND SOCIAL SERVICES has had SB 532 supplemental appropriation to Harborview Memorial Hospital under consideration. A Majority of the members of the Committee

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- () reports it back WITHOUT RECOMMENDATION
- () "other"

Members signing the Majority report:

Seigerson _____

Colletta _____

Members NOT concurring in the Majority report:

Eric Chance recommends: no rec

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

Seigerson Chairman

532

Introduced: 1/19/76
Referred: Health, Education
and Social Services and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 532

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Health and Social Services, Harborview
8 Memorial Hospital; and providing for an effective
9 date."

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

11 * Section 1. The sum of \$89,400 is appropriated from the general fund
12 to the Department of Health and Social Services, Harborview Memorial Hospital,
13 for the purpose of paying the increased cost of heat, steam, and space
14 rental charges due the Department of Highways.

15 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
16 10.070(c).
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STATE
of ALASKA

MEMORANDUM

SB 532

TO:

FILE

DATE : January 6, 1976

FROM:

M. Orelove
Michael Orelove, Budget Analyst
Division of Budget and ManagementSUBJECT: Department of Health and Social
Services, Supplemental Request of
\$89.4 for Harborview Memorial
Hospital

In July 1975, the Department of Health and Social Services was informed by the Department of Highways that the cost to Harborview for utilities and space rental in the boiler plant building was going to be immediately increased. A review of their accounts indicated:

Steam and Heat*	\$281,400
Space Rental	22,000
Total	<u>303,400</u>
Appropriated	214,000
Short-fall payable to Dept. of Highways	<u>89,400</u>
Total Supplemental Request	\$ 89,400

*(Using average consumption of 3,310,830 gals. of steam condensate return @ .85¢ per gal.)

MO/lw

MEMORANDUM

TO: Francis S. L. Williamson
Commissioner
Department of Health and Social Services

DATE : November 26, 1975

Thru: Catherine Lloyd
Deputy Commissioner
Administrative Management

SUBJECT: Supplemental Request:
Division of Mental Health

From: Jerry L. Schrader, M.D.
Director
Division of Mental Health

The Division of Mental Health is facing budgetary short-falls in three areas as a result of a) legislative intent without funding; b) continued care of several more mentally disordered offenders for a longer period of time than expected during FY 1976 budget preparations at Atascadero State Hospital; c) increase in inter-agency charges at Harborview Memorial Hospital from the Department of Highways for heat and rent, effective July 1, 1975, without advance notice for budgetary preparation.

The Budget Request Units (BRU) and the amounts involved are summarized below:

A. Contract BRU

1. Mental Retardation Program:

The Legislature funded this BRU as requested at the Governor's original level. By legislative intent, they funded two programs not approved, but they did not add the funding stating that "the remaining funds (will be) allocated at the Department's discretion". At the present time, there are no funds available within the Department. These facilities meet full cost of care and intent is expressed as: "The . . . two identified programs are to be fully funded - at \$20,000 (for Fairbanks Rehabilitation Program) and \$45,000 (ARCA)".

\$65,000

2. Atascadero State Hospital

The number and severity of mentally disordered offenders has exceeded the budgeted amount in this BRU. The Division was budgeted for 9 patients for 3 months. At the present time, 14 patients have been committed to this program and several more are expected before the end of this fiscal year. 75% of these cases have committed murder and require long periods of treatment.

The construction of the psychiatric security unit at API has been delayed because of the unavailability of certain supplies. Completion of the unit is now expected by April 1, 1976. This small unit will not be able to provide care for all the mentally disordered offenders referred by the courts.

The referrals just for pre-trial psychiatric evaluation have increased from 8/month to 12/month and must be given priority for the beds in this unit. The Division plans to provide long term treatment on this unit for approximately 5 to 7 mentally disordered offenders. This will require a continuation of treatment services purchased at the Atascadero State Hospital in the foreseeable future.

November 26, 1975

Page 2

In addition to the large increase in clients in this program, the Atascadero State Hospital increased its charges 10% as of July 1, 1975. Based on our past experience with them, the Division expects another 10% increase in January 1976. The Atascadero cost allocation system is complex and these increases are reflected in a variety of specific charges. For example, the current room charge for patients on a regular ward was increased in July from \$33.20 to \$38.75. Similar increases have occurred in laboratory, physician, clinic, dental, radiology, and other services.

Assumptions and computations in determining Atascadero short-fall:

Budget authorization was for three months at \$900/pt/mo. average for 9 patients. As of September 30, 1975 we had 14 patients at an average cost of 1,272.43 for that month for estimated total of \$47,581.15.

We anticipate:

1. Due to delays in construction and equipping, we do not now expect the Security Unit at API to be available before April 1, 1976.
2. A 10% increase in cost of care effective January 1, 1976.
3. Continued patient census increase at Atascadero: November Add 1, December Add 2, January-April Add 1 each month.
4. Patient load should stabilize in February at 18. Patient returns will depend upon patient condition and when the security unit actually becomes physically operational, and our actual capacity to absorb the existing patients at Atascadero.

Budget Appropriation	\$24,300
Existing Appropriation:	
14 patients, end of September 1975	
Total expenditure	<u>47,521</u>
Existing shortage 9/30	<u>23,281</u>
October 1975 = at 14 patients	17,919.02
November 1975 = at 15 patients	19,086.45
December 1975 = at 17 patients	<u>21,631.31</u>
Sub Total	<u>58,536.78</u>
Total estimated short-fall, 6 mo.	81,818.

If 18 patients are hospitalized at Atascadero for the remaining 6 months, short-fall can be estimated at 10% increase per patient per month \$1,399.67.

Estimated total short-fall for Atascadero FY 76.	<u>\$151,164.36</u>
	232,982.36

B. Harborview Memorial Hospital

Interagency charges by Department of Highways for heat, steam and rent of space.

In July 1975, we were informed by the Department of Highways that the cost to Harborview for utilities and space rental in the boiler plant building was going to be immediately increased. A review of their accounts indicated:

November 26, 1975

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Space rental	<u>22,000</u>
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Appropriated	<u>214,000</u>
Short-fall Payable to Dept. of Highways	<u>89,400</u>
Total Supplemental Request:	<u>89,400</u>

*(Using average consumption of 3,310,830 gals. of steam condensate return
@ .085¢ per gal.)

JLS:CL:prv

STATE OF ALASKA
 Dept. of Administration
 Budget & Management Div.

REVISED PROGRAM
 COST ANALYSIS SUMMARY
 by BUDGET COMPONENT
 SUPPLEMENTAL

AGENCY	Health and Social Services	CATEGORY	03	Health
DIVISION	Mental Health	PROGRAM	32	Mental Health
		SUB-PROGRAM	01	Inst.
		ELEMENT	03	HMH
		SUB-ELEMENT		

CODE	EXPENDITURE BY OBJECT	PRESENT AUTHORIZATION	REVISION INCREASE, (DECREASE)	AMENDED AUTHORIZATION
100	PERSONAL SERVICES	2352.4		2352.4
200	TRAVEL	10.5		10.5
300	CONTRACTUAL SERVICES	576.6	89.4	666.0
400	COMMODITIES	331.0		331.0
500	EQUIPMENT	11.1		11.1
600	LANDS, BUILDINGS, NON-STRUCTURAL IMPROVEMENTS	3.0		3.0
700	GRANTS, CLAIMS, SHARED REVENUE	8.6		8.6
800	MISCELLANEOUS			
	INTER-AGENCY TRANSFERS (INCLUDED ABOVE)			
	TOTAL	3293.2	89.4	3382.6
NEW CODE	FEDERAL RECEIPTS			
	REQUIRED GENERAL FUND MATCHING			
	OTHER GENERAL FUND	2311.9	89.4	2401.3
	INTER-AGENCY TRANSFERS	878.4		878.4
	OTHER:	102.9		102.9
	TOTAL	3293.2	89.4	3382.6
	PERMANENT FULL-TIME POSITIONS	139.0		139.0
	PERMANENT PART-TIME POSITIONS			
	TEMPORARY (FULL-TIME EQUIVALENTS)			
	NUMBER OF MAN MONTHS	1870.3		1870.3

(CURRENT FY)
 ↓

	FY ____	FY ____	FY ____	FY ____	FY ____	FY ____
EXPENDITURES - TOTAL						
SOURCE OF FUNDS						
FEDERAL						
REQ. G.F. MATCH						
OTHER G. F.						
OTHER (SPECIFY)						

JAN 16 1976

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill making a supplemental appropriation to the Department of Health and Social Services, Harborview Memorial Hospital, for the purpose of paying the increased cost of heat, steam and space rental charges due the Department of Highways.

Sincerely,

Jay S. Hammond
Governor

ALASKA STATE LEGISLATURE

NINTH Legislature SECOND Session

SENATE BILL..... NO. 532....

By THE RULES COMMITTEE BY.....
REQUEST OF THE GOVERNOR

"An Act making a supplemental appropriation to the Department of Health and Social Services, Harborview Memorial Hospital; and providing for an effective date."

supp. approp. Harborview Memorial Hospital

Introduced in the Senate, 19⁷⁶....

HISTORY IN THE SENATE

19 76

Read first time and referred to Committee on

1 19

Health, Education and Social Services and Finance

Reported back with recommendation that

1 26

He
Sp. to Finance

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

Reported correctly enrolled

Sent to Governor

..... By Governor

Filed with Lt. Governor

Chapter No.

POSITION PAPER
SB 532

" An Act making a supplemental appropriation to the Department of Health and Social Services, Harborview Memorial Hospital; and providing for an effective date."


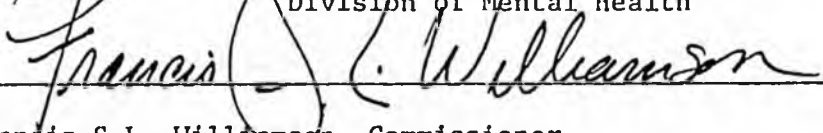
Effect of the Bill: It will increase the operating budget allocation for the Harborview Memorial Hospital by \$ 89,400. This amount will off-set the increased unit cost of steam purchased from the Department of Highways.

Discussion: The Fiscal Year 1976 budget for Harborview Memorial Hospital was funded to provide interagency payment for steam at a rate as projected by the supplying agency (the Department of Highways.) Subsequent to the funding of this budget, the supplying agency gave notice of unit cost increase which is projected to increase annual expense to Harborview Memorial Hospital by \$89,400.

No alternate source presently exists for this steam and the present operating budget is unable to support this increased expense.

A justification of this unit cost as supplied by the Department of Highways is attached.

Recommendation: Passage of Bill as introduced.

Recommended:		Thomas R. Branton, Assistant Director Division of Mental Health	1/23/1976 Date
Approved:		Francis S.L. Williamson, Commissioner	1/23/1976 Date

Introduced: 1/19/76
Referred: Health, Education
and Social Services and
Finance

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16 10.070(c).

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Valdez Steam Plant - FY76 Condensate Rate

Salaries

Five (5) firemen @ WG4:

Use 54C (8.27/hr)(5 men)(162 hr/mo)(12 mo/yr)	=	\$ 80,384
Subsistence (1.87/day)(5 steps)(5 men)(340 days/yr)	=	15,895
Overtime (5%)(Salary)	=	4,019
Benefits (18%)(Salary + Overtime)	=	15,192
Subtotal		<u>\$115,490</u>
FY76 Salary Increase (15%)(Subtotal)	=	17,324
Total for Firemen (FY76)		<u>\$132,814</u>

Foreman:

(5 men/13 men)* (10.67/hr)(162 hr/mo)(12 mo/yr)	=	\$7,978
(1.87)(5 steps)(340 days/yr)(5/13)	=	1,223
(18%)(Salary) = (.18)(7,978)	=	1,436
15% Salary Increase	=	1,596
Total for Foreman (FY76)		<u>\$ 12,232</u>

Total Salaries \$145,000

<u>Fuel Oil:</u> (FY75 = \$142,580)(20%)	=	\$171,100
<u>Telephone:</u> (FY75 = \$461)	=	500
<u>Electricity:</u> (FY75 = \$6,400)(20%)	=	7,700
<u>Misc. Supplies & Freight:</u> (FY75 = \$5,100)(15%)	=	5,900
<u>Water:</u> (FY75 = \$1,500)(15%)	=	1,700
<u>Fire Insurance:</u> (\$1,000,000 evaluation)(0.50/\$100) x 75% (Value of Boiler Area)	=	3,800
<u>Space Rental:</u> (4,377 s.f.) @ 0.47/s.f. x 12 mo/yr	=	<u>24,700</u>
Total		<u>\$360,400</u>

Total Condensate Returned:

Hospital	(FY75 = 3,495,650 gal)	FY76 = 3,500,000 gal
Highways	(FY75 = <u>893,530</u> gal)	FY76 = <u>900,000</u> gal
Total	(FY75 = 4,389,180 gal)	FY76 = 4,400,000 gal

Condensate Rate:

$$\frac{\text{Total Costs}}{\text{Total Condensate}} = \frac{\$360,400}{4,400,000 \text{ gal}} = 0.0819 \quad \underline{\underline{\text{Use 8.5c/gal}}}$$

*(5 of 13 man buildings crew directly responsible for boiler operation)

Introduced: 1/19/76
Referred: Health, Education
and Social Services and
Finance

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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NINTH LEGISLATURE - SECOND SESSION

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