

COMMITTEE REPORT

HOUSE

427

FURTHER: FINANCE

3/25/81

(5)

Date: May 26, 1981

Mr. Speaker:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had HB 393

"An Act related to state aid for health facility construction; and providing for an effective date."

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

[Signature]

Terry Martin

Bette Oates

Mike Keim

MEMBERS HAVING
OTHER RECOMMENDATIONS:

[Signature]
CHAIRMAN

Version #1
Cook
12-0369

Introduced: 3/25/81
Referred: Health, Education &
Social Services and Finance

1 IN THE HOUSE

BY MILLER

2 HOUSE BILL NO. 393

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act related to state aid for health facility
7 construction; and providing for an effective date."

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

9 * Section 1. AS 29.90.010 is amended to read:

10 Sec. 29.90.010. STATE AID FOR HOSPITAL AND HEALTH FACILITY
11 CONSTRUCTION. If construction of a hospital began after January 1,
12 1968, or if construction of a health facility began after January 1,
13 1968, and before July 1, 1980, and state matching aid for construction
14 approved for payment to the municipality or other hospital or health
15 facility sponsor constitutes less than 25 percent of the total project
16 cost, the department shall pay to the municipality or other hospital
17 or health facility sponsor each fiscal year \$2,500 a bed for the
18 maximum number of beds provided for in the construction design of the
19 hospital or health facility or five percent of the total project cost,
20 whichever is greater. State aid provided for in this section shall
21 continue until the municipality or other hospital or health facility
22 sponsor has received an amount which, combined with state matching
23 money for construction of the hospital or health facility, equals 25
24 percent of the total project cost. Money received for construction may
25 not be used for any other purpose except that money received after all
26 construction costs have been paid by the municipality or sponsor may be
27 retained and spent for operating costs of the hospital or health facili-
28 ty.

29 * Sec. 2. AS 29.90.010 is amended to read:

HB 393

1 Sec. 29.90.020. HOSPITAL AND HEALTH FACILITY CONSTRUCTION ASSIS-
2 TANCE ACCOUNT. The hospital and health facility construction assis-
3 tance account is established. Money to carry out the provisions of
4 this chapter shall be allocated by the department to the account in
5 accordance with AS 29.95.010. If amounts in the account are insuffi-
6 cient to pay each recipient's share authorized under this chapter, the
7 amounts which are available shall be distributed pro rata among eligi-
8 ble recipients.

9 * Sec. 3. AS 29.90.030 is amended by adding a new paragraph to read:

10 (4) "health facility"

11 (A) means a facility which is licensed, when required,
12 by the state under AS 18.20.010 - 18.20.130 and which is owned or
13 operated or both by a municipality or by a nonprofit corporation
14 or other nonprofit sponsor;

15 (B) includes a public health center, maternity home,
16 community mental health center, facility for the mentally or
17 physically handicapped, nursing home, or convalescent center;

18 (C) excludes a facility operated or wholly supported by
19 the state or the federal government.

20 * Sec. 4. This Act takes effect July 1, 1981.
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ALASKA STATE LEGISLATURE

TWELFTH Legislature FIRST... Session

HOUSE BILL..... NO. 393.

By MILLER.....

"An Act related to state aid for health facility construction; and providing for an effective date."

State aid/health facility construction

Introduced in the House .3/25...., 19..81

HISTORY IN THE HOUSE

19 81	Read first time and referred to Committee on HESS and Finance																												
Mar 25	Reported back with recommendation that																												
	Read second time and																												
	Read third time and																												
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HISTORY IN THE SENATE

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HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting: VOTE
	Failed to concur in Senate amendment; asked Senate to recede VOTE
	Senate receded from amendment VOTE
	Senate failed to recede from amendment VOTE
	CC appointed by House
	CC appointed by Senate
	CC adopted by House VOTE
	CC adopted by Senate VOTE
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 393

Title An Act relating to aid for health facility construction.

Requested by Miller

Date June 2, 1981

II. FISCAL DETAIL

Agency Affected Department of Community and Regional Affairs

Program Category Affected Development

BRU, Program, or Subprogram(s) Affected Local Government Assistance

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		-0-	-0-	-0-	-0-	
200 TRAVEL		-0-	-0-	-0-	-0-	
300 CONTRACTUAL		-0-	-0-	-0-	-0-	
400 COMMODITIES		-0-	-0-	-0-	-0-	
500 EQUIPMENT		-0-	-0-	-0-	-0-	
600 LAND & STRUCTURES		-0-	-0-	-0-	-0-	
700 GRANTS, CLAIMS, ETC.		41.6	41.6	41.6	40.6	
TOTAL		41.6	41.6	41.6	40.6	

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND		41.6	41.6	41.6	40.6	
FEDERAL FUNDS		-0-	-0-	-0-	-0-	
OTHER (Specify Fund Source)		-0-	-0-	-0-	-0-	

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME		-0-	-0-	-0-	-0-	
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

If HB 393 is enacted three additional health facilities will be eligible to receive construction aid funding. Funding for these new facilities would come from Chapter 90 which is already funded for the purpose of paying for construction cost of hospitals. Additional funding is necessary if the definition of a facility eligible of construction cost reimbursement is expanded. The following is a list of the facilities that would benefit from this legislation showing the amount of funding that they could receive if Chapter 90 of the State Revenue Sharing Program is adequately funded:

	FY 82	FY 83	FY 84	FY 85
SE Detoxification (Juneau)	\$38,763	38,763	38,763	38,763
Akiachak Health Clinic	1,851	1,851	1,851	1,851
Napaskiak	1,000	1,000	1,000	-0-

IV. DATE June 2, 1981

PREPARED BY Doug Griffin

AGENCY Community & Regional Affairs/LGAD

PHONE 465-4736

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named)

Introduced: 3/25/81
Referred: Health, Education &
Social Services and Finance

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"An act related to state aid for health facility construction; and providing for an effective date."

House Bill 393 proposes to include the cost of constructing certain health facilities constructed after January 1, 1968, and before July 1, 1980, as eligible costs for reimbursement under AS 29.90.010. Following conversations with the Department of Community and Regional Affairs it is the understanding of the Department of Health and Social Services (DHSS) that HB 393 would affect only three health care facilities: Juneau Alcoholism/Substance Abuse Detoxification and Rehabilitation Facility, Akiachak Health Clinic and Napaskiak Health Clinic.

The greatest impact would be upon the Juneau Alcoholism/Substance Abuse Detoxification and Rehabilitation Facility. This facility had been constructed with the anticipation of receiving a total of \$193,815 over a five year period under AS 43.18.010(j). One payment in the amount of \$38,763 was made to the City and Borough of Juneau before the municipal revenue sharing formula was recodified under Title 29 in 1980. The remaining four payments were not received by the City and Borough of Juneau since the Bill which recodified AS 43.18.010 also restricted reimbursement of health care facility construction costs to licensed hospitals, determined by DHSS to be general hospitals.

The effect of HB 393 would be to "reinstate" the Juneau Alcoholism/Substance Abuse Detoxification and Rehabilitation Facility, Akiachak Health Clinic, and Napaskiak Health Clinic as eligible facilities for the purposes of revenue sharing under AS 29.90.010. According to the Department of Community and Regional Affairs these facilities would receive the following funds over the next four years:

	<u>FY '82</u>	<u>FY '83</u>	<u>FY '84</u>	<u>FY '85</u>
Juneau Alcoholism/ Substance Abuse Detoxification	\$38,763	\$38,763	\$38,763	\$38,763
Akiachak	1,851	1,851	1,851	1,851
Napaskiak	1,000	1,000	1,000	-0-
Total	\$41,614	\$41,614	\$41,614	\$40,614

Position Paper
on
House Bill 393

DHSS believes it would not be unreasonable to continue the anticipated payments to these facilities.

Recommended by: Phoebe A. Lindsey
Phoebe A. Lindsey, Director
Division of State Health
Planning and Development

Date: April 22, 1981

Approved by: Helen D. Beirne
Helen D. Beirne
Commissioner
Department of Health &
Social Services

Date: 4/27/81

THE LEGISLATURE OF THE STATE OF ALASKA
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 393

Title "An Act related to state aid for health facility construction; and providing *
Requested by Miller Date 3/25/81

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II. FISCAL DETAIL

Agency Affected Health and Social Services

Program Category Affected Health

BRU, Program, or Subprogram(s) Affected _____

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
100 PERSONAL SERVICES		0				
200 TRAVEL		0				
300 CONTRACTUAL		0				
400 COMMODITIES		0				
500 EQUIPMENT		0				
600 LAND & STRUCTURES		0				
700 GRANTS, CLAIMS, ETC.		0				
TOTAL		0				

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS		0				
OTHER (Specify Fund Source)		0				
		0				

POSITIONS

FULL TIME		0				
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

IV. DATE April 22, 1981

PREPARED BY Phoebe A. Lindsey

AGENCY DHSS

PHONE 3038

Original: Legislative Finance

cc: Budget and Management

Prime Sponsor (First Legislator Named) M&B Approval Michael...

Date 4/20/81