

COMMITTEE REPORT

SENATE

5/11/81

FURTHER: None

Date: May 15, 1981

Mr. President:

The Committee on FINANCE has had CSRB 358(Fin) making supplemental appropriations to the Dept. of Health & Social Services and Dept. of Labor and amending 1980-1981 general appropriations Act

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- [ ] do pass [ ] do not pass
[ ] do pass with attached amendments(s)
[XX] replace with CS for Senate CSRB 358 (Finance) [X] new title
and recommends Individual Recommendations
[ ] AND attaches a "Letter of Intent" [ ] New Fiscal Note
[ ] reports it back without recommendation
[ ] referred to the Committee

MEMBERS SIGNING DO PASS

Handwritten signatures on lines for members signing do pass.

MEMBERS HAVING OTHER RECOMMENDATIONS:

Blank lines for members having other recommendations.

CHAIRMAN

Delivered to  
legis affairs  
10:30 am  
5/15/81

Original sponsor: Rules/Governor

Offered: 4/29/81  
Referred: Rules

Funding Information

General Fund \$ -0-  
Other Funds: ~~773,100~~  
~~3773,100~~  
917,600

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 358 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Department of Health and Social Services and the  
8 **TITLE** Department of Labor and amending the 1980-1981 general  
9 **CHANGE** appropriations Act (ch. 120, SLA 1980); and providing  
10 for an effective date."

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

12 \* Section 1. (a) Section 51, ch. 120, SLA 1980, page 26, line 6 is  
13 amended to read:

14	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
15		ITEMS	FUND	FUNDS
16	Public assistance eligibility	<u>5,602,400</u>	<u>3,743,300</u>	1,859,100
17		[4,717,800]	[2,858,700]	

18 (b) Section 51, ch. 120, SLA 1980, page 26, line 7 is amended to read:

19 Eligibility deter-

20 mination (137

21 positions) 5,462,400

22 [4,577,800]

23 (c) Section 51, ch. 120, SLA 1980, page 26, line 5 is amended to read:

24 Energy assistance program

25 (8 positions) 7,183,800 [183,800] 7,183,800

26 [7,367,600]

27 (d) Section 51, ch. 120, SLA 1980, page 35, line 9 is amended to read:

28 General relief medical 11,467,500 11,467,500

29 [12,168,300] [12,168,300]

1 (e) Section 51, ch. 120, SLA 1980, page 35, line 10 is amended to  
2 read:

3 Hospitals 5,755,000  
4 [6,455,800]

5 \* Sec. 2. The sum of \$573,100 is appropriated as federal receipts to the  
6 Department of Health and Social Services, public assistance to match general  
7 funds in secs. 1(a) and (b) of this Act.

8 \* Sec. 3. (a) Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13  
9 are amended to read:

10	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
11		ITEMS	FUND	FUNDS
12	Assistance payments	<u>33,929,300</u>	<u>19,881,000</u>	14,048,300
13		[33,729,300]	[19,681,000]	
14	AFDC	<u>28,296,700</u>		
15		[28,096,700]		

16 (b) Section 51, ch. 120, SLA 1980, page 28, line 18 is amended to  
17 read:

18	Old age assistance			
19	payments	<u>4,279,500</u>	<u>4,279,500</u>	
20		[4,479,500]	[4,479,500]	

21 \* Sec. 4. The sum of \$200,000 is appropriated as federal receipts to the  
22 Department of Health and Social Services, assistance payments, to match  
23 general funds in sec. 3(a) of this Act.

24 \* Sec. 5. (a) Section 51, ch. 120, SLA 1980, page 29, line 16 is amended  
25 to read:

26	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
27		ITEMS	FUND	FUNDS
28	Employment security	<u>26,137,800</u>	<u>619,100</u>	<u>25,518,700</u>
29		[24,457,300]	[204,600]	[24,252,700]

1 (b) Section 51, ch. 120, SLA 1980, page 29 is amended by adding the  
2 following after line 16:

3 WIN 1,680,500

4 (c) Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

5 ~~\* Sec. 6. The unexpended and unobligated portions of the appropriations~~  
6 ~~made by this Act lapse into the funds from which appropriated on June 30,~~  
7 ~~1981.~~

8 ~~\* Sec. 7. This Act takes effect immediately in accordance with AS 01.10.~~  
9 ~~070(e).~~

- 10 \* Sec. 6. ADD SECTION 1. FROM SB 413.
- 11 \* Sec. 7. ADD SECTION 2. FROM SB 413.
- 12 \* Sec. 8. ADD LANGUAGE FROM DELETED SECTION 6. ABOVE.
- 13 \* Sec. 9. ADD ATTACHED AMENDMENT.
- 14 \* Sec. 10. ADD LANGUAGE FROM DELETED SECTION 7. ABOVE.

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A M E N D M E N T

OFFERED IN THE SENATE:

By: Senate Finance Committee

To: CS for SENATE BILL No. \_\_\_\_\_

HOUSE BILL No. 358 (Finance)

PAGE: 3

LINE: Between  
lines 7 & 8

ADD A NEW SECTION 7 TO READ:

\*Sec. 7. The unexpended and unobligated portions of the allocation for Senate Research, as shown on page 65, line 13, ch. 120, SLA 1980 within the appropriation to the Legislative Council made by Sec. 51, ch. 120, SLA 1980, and any amounts transferred from other allocations for Senate Research within the appropriation to the Legislative Council made by Sec. 51, ch. 120, SLA 1980, shall lapse into the General Fund on June 30, 1982.

> opposite?

TITLE CHANGE: AFTER "ch. 120, SLA 1980," INSERT:

"and extending a lapse date in that appropriations act"

(THEN CONTINUE WITH EFFECTIVE DATE CLAUSE)

Funding Information  
General Fund \$144,500  
Other Funds -0-  
\$144,500

Introduced: 4/10/81  
Referred: Community & Regional  
Affairs and Finance

1 IN THE SENATE

BY STIMSON, FISCHER, STURGULEWSKI  
AND RODEY

2 SENATE BILL NO. 413.

3 .IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the  
7 Municipality of Anchorage for transportation for the  
8 elderly and handicapped; and providing for an effec-  
9 tive date."

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

11 \* Section 1. The sum of \$144,500 is appropriated from the general fund  
12 for payment as a grant to the Municipality of Anchorage for expenses of  
13 local transportation for the elderly and handicapped, ~~for the fiscal year~~  
14 ~~ending June 30, 1981.~~

15 \* Sec. 2. The appropriation made by this Act shall be disbursed in  
16 accordance with AS 37.05.315.

17 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
18 070(c).

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Rec'd 6/12/81  
Bill already passed  
from S.F.C.

POSITION PAPER  
SENATE COMMITTEE SUBSTITUTE FOR  
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 358 (FINANCE)

Requested by the Rules Committee  
By Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance; and providing for an effective date."

Sections 1 and 2 (Public Assistance Add and Delete Supplemental)

The sum of \$884,600 in general funds is to be deleted from the GR Medical and Energy Assistance BRUs and reappropriated to the Department of Health and Social Services, Division of Public Assistance, to pay additional FY81 operating costs for field offices. These funds will earn an additional \$573,100 in federal money.

These sections provide a total of \$1,457,700 to the Division of Public Assistance in FY81 to fund 56.5 FTE new positions and related costs to handle 1) a substantial increase in public assistance workload, particularly in the food stamp program; 2) an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and 3) positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

Sections 3 and 4 (AFDC Add and Delete Supplemental)

The purpose of this adjustment is to cover a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHB-968 in 1980, by moving \$200,000 excess state general funds from the Old Age Assistance Program (OAA). The projected surplus balance in OAA is a result of both caseload and average monthly payments being slightly less than originally projected. The general fund increase in AFDC will be matched by \$200,000 in federal receipts, adding a total of \$400,000 to the AFDC FY81 appropriation.

Department Position

The appropriations referred to above are FY81 supplementals required by the Department of Health and Social Services, and are strongly supported by the Department.

Recommended by:

*Rod Betit*

Rod Betit, Director  
Division of Public Assistance

Date:

*June 5, 1981*

Approved by:

*Helen D. Beirne*

Helen D. Beirne  
Commissioner

Date:

*6/8/81*

Original sponsor: Rules/Governor

Offered: 5/15/81

Referred: Rules

Funding Information

General Fund	\$144,500
Other Funds	773,100
	<u>\$917,600</u>

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2

SENATE CS FOR CS FOR HOUSE BILL NO. 358 (Finance)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TWELFTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act making supplemental appropriations to the Department of Health and Social Services and the Department of Labor; amending the 1980-1981 general appropriations Act (ch. 120, SLA 1980); making a supplemental appropriation to the Municipality of Anchorage for transportation of the elderly and handicapped; extending lapse dates on appropriation allocations for senate research; and providing for an effective date."

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

15

\* Section 1. (a) Section 51, ch. 120, SLA 1980, page 26, line 6 is amended to read:

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ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
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ITEMS	FUND	FUNDS
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19

Public assistance eligibility	<u>5,602,400</u>	<u>3,743,300</u>	1,859,100
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[4,717,800]	[2,858,700]
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(b) Section 51, ch. 120, SLA 1980, page 26, line 7 is amended to read:

22

Eligibility deter-

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mination (137

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positions) 5,462,400

25

[4,577,800]

26

(c) Section 51, ch. 120, SLA 1980, page 26, line 5 is amended to read:

27

Energy assistance program

28

(8 positions)	<u>7,183,800</u>	[183,800]	7,183,800
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[7,367,600]

1 (d) Section 51, ch. 120, SLA 1980, page 35, line 9 is amended to read:

2 General relief medical 11,467,500 11,467,500  
3 [12,168,300] [12,168,300]

4 (e) Section 51, ch. 120, SLA 1980, page 35, line 10 is amended to  
5 read:

6 Hospitals 5,755,000  
7 [6,455,800]

8 \* Sec. 2. The sum of \$573,100 is appropriated as federal receipts to the  
9 Department of Health and Social Services, public assistance, to match  
10 general funds in sec. 1(a) and (b) of this Act.

11 \* Sec. 3. (a) Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13  
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16		[33,729,300]	[19,681,000]	
17	AFDC	<u>28,296,700</u>		
18		[28,096,700]		

19 (b) Section 51, ch. 120, SLA 1980, page 28, line 18 is amended to  
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21 Old age assistance  
22 payments 4,279,500 4,279,500  
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24 \* Sec. 4. The sum of \$200,000 is appropriated as federal receipts to the  
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29 ALLOCATIONS APPROPRIATION GENERAL OTHER

	ITEMS	FUND	FUNDS
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3		[24,457,300]	[204,600] [24,252,700]

4 (b) Section 51, ch. 120, SLA 1980, page 29 is amended by adding the  
5 following after line 16:

6 WIN 1,680,500

7 (c) Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

8 \* Sec. 6. The sum of \$144,500 is appropriated from the general fund for  
9 payment as a grant to the Municipality of Anchorage for expenses of local  
10 transportation for the elderly and handicapped.

11 \* Sec. 7. The unexpended and unobligated portion of the allocation for  
12 senate research, sec. 51, ch. 120, SLA 1980, at page 65, line 13, in the  
13 appropriation to the Legislative Council made by sec. 51, ch. 120, SLA 1980,  
14 and the unexpended and unobligated portions of any amounts transferred to  
15 senate research from other allocations within the appropriation to the  
16 Legislative Council made by sec. 51, ch. 120, SLA 1980, lapse into the  
17 general fund on June 30, 1982.

18 \* Sec. 8. The appropriation made by sec. 6 of this Act shall be disbursed  
19 in accordance with AS 37.05.315.

20 \* Sec. 9. The unexpended and unobligated portions of the appropriations  
21 in secs. 1 - 5 of this Act lapse into the funds from which appropriated on  
22 June 30, 1981.

23 \* Sec. 10. This Act takes effect immediately in accordance with AS 01.-  
24 10.070(c).

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Funding Information  
General Fund \$144,500  
Other Funds -0-  
\$144,500

Introduced: 4/10/81  
Referred: Community & Regional  
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BY STIMSON, FISCHER, STURGULEWSKI  
AND RODEY

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SENATE BILL NO. 413

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TWELFTH LEGISLATURE - FIRST SESSION

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A BILL

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Original sponsor: Rules/Governor

Offered: 4/29/81

Referred: Rules

Funding Information

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Other Funds	773,100
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6 made by this Act lapse into the funds from which appropriated on June 30,  
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# STATE OF ALASKA

## THE LEGISLATURE

BUDGET AND AUDIT COMMITTEE

FINANCE DIVISION  
POUCH WF-STATE CAPITOL  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-3795

May 12, 1981

### MEMORANDUM

TO: Don Bennett, Co-Chairman  
Senate Finance Committee

FROM: Jerry Schilz, Fiscal Analyst  
Legislative Finance Division

SUBJECT: CSHB 358 (Finance)

Basically this is an appropriation transfer to increase the Public Assistance Eligibility appropriation by \$1457.7.

- Sec. 1(a) Increases Public Assistance appropriation by \$884.6.
- Sec. 1(b) Increases the Public Assistance Eligibility allocation by the same amount.
- Sec. 1(c) Reduces Energy Assistance appropriation by (\$183.8).
- Sec. 1(d) Reduces the General Relief Medical appropriation by (\$700.8).
- Sec. 1(e) Reduces the specific allocation Hospitals by the same amount.

#### Net Effect 0

- Sec. 2. Since we have increased Public Assistance Eligibility in Sec. 1(a), it will match with \$573.1 federal funds, so Section 2 authorizes the federal funds.

(Appropriates \$573.1 additional federal funds)

The net effect of Sections 1 and 2 is to increase Public Assistance Eligibility by \$884.6 general funds and \$573.1 federal funds to cover supplemental of \$1437.7.

Sec. 3(a) Increase Aid to Families with dependent Children program by \$200.0.

Sec. 3(b) Decreases Old Age Assistance payments by \$200.0.

(Net Effect of Section 3 is 0)

Sec. 4 Since we have increased the Aid to Families with Dependent Children program \$200.0, the additional funding provides a match to generate the additional federal funds (\$200.0) appropriated in this section.

(Appropriates \$200.0 additional federal funds)

Sec. 5(a) Combines funding appropriated for the WIN Program with the appropriation for Employment Security appropriation.

Sec. 5(b) Sets out WIN funding as an allocation of the Employment Security appropriation.

Sec. 5(c) Deletes the funding for WIN originally made as a separate appropriation.

(Net Effect of Sec. 5 is 0)

KEY EVENTS LEADING TO FY81 SUPPLEMENTAL  
IN DIVISION OF PUBLIC ASSISTANCE ELIGIBILITY DETERMINATION BRU

Tab Reference

- A (1) DHSS requested 42 positions to meet FY81 predicted caseloads. Denied by BRC in policy budget phase.
- B (2) DPA submitted rebuttal to BRC decision on October 31, 1979. BRC denied rebuttal.
- C (3) Need for 42 positions carried into final FY81 Governor's Budget Narrative but new positions were not requested.
- D (4) July 1980 - predicted caseload increases occurred causing decision slow-down and violence - Fairbanks the worst at 42 days.
- E (5) July 21, 1980 - DHSS submitted request for 24 positions and guard service in Anchorage/Fairbanks to BRC - BRC approval received.
- F (6) September 1980 - Field Offices continued to lose ground. DPA solicited statewide AFDC management review in September 1980. Severe staff shortfalls cited in final AFDC Management Report. Comparisons made to Oregon staffing levels.
- G (7) Between July 1977 and September 1980 a 121% increase in caseload had occurred with an 18% increase in field staff.
- H (8) Director DPA conducted on-site review of Anchorage/Fairbanks on November 20-21 and filed 11/26 memo to Deputy Commissioner Korhonen reporting that Anchorage needed an additional 15 positions and Fairbanks 10 positions to contain current workloads.
- I (9) November 1980 - Alaska Legal Services filed suit in Fairbanks against DHSS. Anchorage ALS on verge of filing suit as well.
- J (10) November 1980 DHSS learned that FNS is considering joining ALS suit against the State of Alaska.
- K (11) By 12/1/80 - decision timeframes were up to 60 days in Anchorage and 74 days in Fairbanks - redeterminations and changes were piling up.
- L (12) Briefed Governor Hammond on December 3, 1981 at which time he approved the addition of 25 positions for Anchorage and Fairbanks.
- M (13) On December 11, 1980 three additional positions were authorized for Wasilla and 5 positions for Kenai.
- N (14) DPA implemented massive effort to hire/train new employees, and bring field offices back into normal decision times as quickly as possible.
- O (15) March 1, 1981 - Decision timeframes within 30 days in all offices with Foodstamp emergency cases handled within 48 hours. Decision timeframes remain within 30 days ~~at this time,~~

By:

Rod Betit  
Rod Betit, Director  
Division of Public Assistance

Date:

April 28, 1981

5. The BRC feels that the Alcoholism and Drug Abuse Program needs to develop some program strategies which will emphasize the role of the clients' individual responsibility to meet his own needs. The ADA programs represent one of the areas in human services in which Governor Hammond's cost-causer cost-payer philosophy needs to be translated into direct service terms. For instance, in what ways can the State create a contract relationship between itself and individual clients? What actions or results can we request from the client, either as an indication of good faith, or of individual rehabilitation, which will justify the investment of further state services in the particular individual? Is it feasible to identify certain kinds of individual client performance within the ADA programs as a prerequisite for other state services such as General Relief or Food Stamps? Since state resources are not adequate to meet the needs of all of the clients of these programs, we need to find some method of determining where our investment will have the biggest return, a method identifying which clients can be successfully served.
6. The BRC assumes that the current practice of sending certain mentally disordered offenders to Atascadero State Hospital in California will continue.
7. The Budget Review Committee was pleased with several portions of the Public Health Policy Budget in that information was presented in a fashion which contributed to a clear understanding of the program environment.
8. In the area of Social Economic Assistance to the General Population, the BRC has not approved increments for new positions for Eligibility Determination based on the assumption that the existing problems with the data processing system will be resolved prior to submission of the detailed budgets. A meeting with the BRC and pertinent individuals will be held in October.
9. In the area of Administration and Support, the BRC wishes to encourage the Department's continuing to develop and use its centralized fiscal control and monitoring capability.
10. The BRC agrees with the Department that deinstitutionalization of clients whenever possible is the preferred program option. However, deinstitutionalization must be cost-effective in order for the State to pursue it aggressively. It is recognized that the emphasis on institutionalization in the FY 81 policy budget is a result of the effect of federal funds in state operated programs. The BRC feels strongly, however, that federal funding must not act as a driving force in service delivery, especially where it serves to inhibit Governor Hammond's policies in this area from being carried out. Consequently, the BRC asks that the Department of Health and Social Services work with the Governor's Office to find ways to reduce the cost of state institutions and to implement the intent of deinstitutionalization so that Governor Hammond's policies may be implemented more fully in the FY 82 budget.

The BRC also acknowledges that Governor Hammond's policies address only the "out" phase of deinstitutionalization. If we are to carry through effectively

TO: Catherine M. Lloyd  
Deputy Commissioner  
Dept. of Health & Social Services

DATE: October 31, 1979

FILE NO:

TELEPHONE NO:

FROM: *R. Betit*  
Rod Betit, Director  
Division of Public Assistance

SUBJECT: Rebuttal of FY81 Eligibility  
Determination Budget

The Division recently submitted a Situation Report to the Governor's Office of Management and Budget describing the results to date of a Departmental effort to upgrade computer support for the Food Stamp Program. The report's clear message is that no staff savings have been shown to date in the Division, and none are expected in the immediate future.

There is no question in my mind that staff savings are possible through further improvement of the Division's computer support systems. The greatest potential for not only increased staff efficiency, but greater accountability and wider policy options exists in integrating the Division's several data systems into a single, more sophisticated data system. This approach is presented in the Division's FY81 Capital Budget for Eligibility Determination.

However, even if we are successful in securing funding for the Capital Budget, there will be unavoidable problems in FY81, for the following reasons, if new positions are not funded.

- (1) There is no evidence to suggest that public assistance case-loads will fall below the levels predicted for FY81. The Division's required field staff level for FY81 will be 127.0 EWs using the staff formula presented in the Division's Eligibility Determination budget. Our authorized staffing level will be 85 EWs, representing a shortfall of 42 EWs or 33%.
- (2) A critical balance exists between staffing levels and case-loads, and whenever this balance is significantly disrupted, tremendous service delivery problems result. This has not been a problem in the last few years because there has been authorized staff sufficient to meet actual caseloads.
- (3) If problems with putting the current Food Stamp system on-line are resolved prior to FY81, we will not achieve anywhere near 33% time-savings. This system fails to currently capture much of the data necessary for it to handle more of the eligibility determination burden, and because of this has a very limited potential for improving work efficiency. Although limited, this on-line effort is no question a step in the right direction, but represents an insignificant impact on work output.

- (4) The Capital Budget for FY81 has the greatest potential for increasing work efficiency in FY81 but not to the extent of replacing 1 out of every 3 Eligibility Worker positions. This integrated system will eliminate duplication of effort required to support several current data systems, will keep a tight rein on local office accountability, and will permit the State to exercise management options which are currently having positive impact in other states. Reduction of error rates, greater accountability of funds, avoidance of fiscal penalties and better management data are collectively ample reason to install this integrated data base. The further benefit of increased work efficiency in local offices is also a "significant" selling point; however there is no firm basis from which to project increased efficiency for FY81. Further, the full benefits of the integrated data base will not be available until its start-up in FY82.
- (5) In view of the above, the Division only requested 16 new positions for FY81, rather than the 42 shown in the operating budget's analytical statement. Even if these 16 positions were authorized, the Division would still have a shortfall of 26 positions.
- (6) And finally, the need to forecast adequate staff to meet public demand is more critical now than ever before. Use of temporary hires as a last resort to deal with sudden staff/caseload imbalance will effectively end on December 31, 1979. If permanent positions are not adequate to meet demand in FY81, it is certain that the Department will experience difficult times before the budget machinery can react to the emergent situation which will result.

BRC reconsideration of the FY81 Eligibility Determination request for 16 new positions is respectfully requested.

RB:as

cc: Randy Moore  
Eric Hansen

program categories will be 23,548 cases monthly, with the following distribution.

Food Stamp Program	10,600 cases	Aid to Families with Dependent Children	7,564 cases
Old Age Assistance	2,266 cases	Medicaid (Foster Children & In-patient Mental Health)	1,000 cases
Aid to Blind	63 cases		
Aid to Disabled	2,055 cases		

Though recent department data indicates a monthly average of .61 actions per case, the current staffing formula provides for an average of .53 eligibility actions per month. It follows, therefore, that 23,548 cases should generate 12,480 actions each month during FY81 for formula budgeting purposes at the .53 rate.

B. GR and GRM Programs

Due to the nature of these two (2) emergency programs, each GR and GRM case is in effect one complete action. It is anticipated that there will be 1000 General Relief and General Relief Medical cases during each month in FY81. This must be considered as 1000 additional actions for which staffing must be available.

C. Total Actions Anticipated and Man Days Requested in FY81

Combining the action totals for all eight (8) programs reveals that the Division of Public Assistance can expect to handle 13,480 (12,480 + 1000) major eligibility actions in FY81.

Using the staffing formula agreed upon by the Department and Mr. Milt Barker of Legislative Affairs, the following FY81 staffing needs result.

Staffing Formula:  $13,480 \text{ actions} \div 117 \text{ actions per PFT worker} = 115.0 \text{ Eligibility Workers} \div 0.9$   
(10% vacancy factor) = 127.0 PFT Eligibility Workers needed by FY81.

D. Analysis of Authorized FY80 Staffing Strength and FY81 Maintenance Staffing Strength

1. FY80 Current Authorized PFT strength for EWI, EWII, and EWIII = 85.0 PFT Equivalents
2. FY81 Maintenance PFT strength for EWI, EWII, and EWIII = 127.0 PFT Equivalents
3. Shortfall of EWI, EWII, and EW III PFT's in FY81 = 42.0 PFT Equivalents

AGENCY Health & Social Services

PROGRAM AREA Soc & Econ Assist Prog for Gen Pop

BRU Eligibility Determination

FY 81

2

ANALYTIC STATEMENT

Page 4 of 5

REVISED  
DATE

000394

OPERATIONS:

WEEK BEGINNING: July 14

SPEED OF SERVICE

Office Location	AFDC Date	# of Days	FS Date	# of Days	Backlog # of apps, including new, recert., and reviews/changes	Dates of Changes
Anchorage Maint.	6/6	39	6/6	39	FS ADC } 3,875 Other }	
Field	6/16	29	6/16	29	FS ADC } 1,148 Other }	
APA	5/6	69	5/1	74	697	
Kenai	6/12	33	6/11	34	FS ADC } 463 Other }	
Bethel	7/7	8	7/3	12	FS 46 ADC 41 Other 20	
Aniak	7/10	5	7/8	4	FS 30 ADC 1 Other 1	
Fairbanks.	6/25	20	6/3	42	FS 583 ADC 294 Other 205	
Ft. Yukon	-	-	-	-	FS ADC Other	
Juneau	6/17	28	6/17	28	FS ADC Other	
Ketchikan	6/17	28	6/16	29	FS ADC Other	
Kotzebue	6/24	21	6/27	18	FS 48 ADC 10 Other 50	
Nome	7/14	1	7/11	4	FS ADC Other	

# MEMORANDUM


State of Alaska

TO: Jerry Reinwand  
Executive Assistant to the Governor  
Office of the Governor

DATE: July 30, 1980

FILE NO:

TELEPHONE NO:

FROM:   
Allen Korhonen  
Deputy Commissioner  
Department of Health & Social Services

SUBJECT: FY 81 Supplemental  
Request - Division of  
Public Assistance

This is to confirm the decisions reached during the BRC meeting held in your office on Tuesday, July 22, concerning this agency's July 21, 1980 FY 81 supplemental request for the Division of Public Assistance:

- (1) The Department will submit for BRC consideration by October 15, 1980 a report describing alternate program strategies and associated costs for meeting the food needs of low income Alaskans. As noted during our conversation, we are all increasingly concerned with USDA's concept of "expedited delivery" and the undue administrative burden it imposes on the State of Alaska. We intend to explore our policy options fully between now and October 15.
- (2) The Department's request for 24 positions (16 full time plus 8 seasonals) was approved representing an additional 256 man months in FY 81 at a cost of \$474.3 in personal services based on current GGU salary schedules.
- (3) The Department's request for an additional \$40.0 in contractual funds to purchase uniformed guard services in Anchorage and Fairbanks was also approved.

Once again, I want to express our appreciation for the opportunity to present our staffing problem to the full BRC on such short notice, and for the BRC's quick resolution of this issue.

The Department has already requested registers to fill the 8 seasonal positions for which PCNs are established, and will do likewise with the remaining 16 as soon as the Department receives formal notification that the PCNs have been established by the Governor's Office.

cc: Fran Ulmer  
Ron Lehr  
Don Argetsinger

# MEMORANDUM

State of Alaska

TO: Jerry Reinwand  
Executive Assistant to the Governor  
Office of the Governor

DATE: JUL 21 1980

FILE NO:

TELEPHONE NO:

*Helen D. Beirne*

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

SUBJECT: Public Assistance  
Staff Supplemental

This supplemental request is submitted for immediate consideration. It is necessary due to the current inability of existing staff to further absorb work increases, particularly in Anchorage and Fairbanks.

The resources requested in this supplemental include eight new PFT Eligibility Workers; eight new clerical positions; contractual funds for security guard service for the Anchorage and Fairbanks lobbies; and continuing funding for the eight seasonal eligibility staff, to be used if workloads reach unexpected levels again this year; for a total of \$514,300.

The events that led to this critical staff shortage are as follows:

- 1) the Division of Public Assistance submitted staff increments in the FY 81 policy budget, which were placed high in the Department's prioritizations for funding (Attachment A).
- 2) these increments were all disallowed by the BRC on "the assumption that the existing problems with the data processing system will be resolved..." and additional staff would not be necessary. (Attachment B).
- 3) this decision was rebutted by the Division Director, Mr. Rod Betit, via memo dated October 31, 1979 (Attachment C).
- 4) the seriousness of the BRC's decision not to allow additional staff was further addressed in the detail budget for Eligibility Determination (Attachment D).

Hence, the agency made every effort through the budget process to obtain adequate staff increases for FY 81, all of which were unsuccessful.

The results of this decision, as predicted in general terms in the budget, have materialized and are becoming increasingly serious. Caseloads have grown not only to match our expectations, but in some cases gone beyond; federally mandated program changes have complicated the work environment and increased administrative requirements; the limited and still trouble-prone computer program for Food Stamps has been a continuing source of additional work for staff, and as a result, service levels in our largest offices are no longer within reasonable, or legal, time limits.

The data provided below illustrates the growing divergence of work and available staff.

STAFF/WORKLOAD ANALYSIS

ANCHORAGE REGION

<u>Caseloads:</u>	<u>May '79</u>	<u>May '80</u>
Cash Programs	4,650	5,250
Food Stamps	3,570	7,200
<u>Staffing</u>	<u>FY '80</u>	<u>FY '81</u>
(EW & Clerical)	49.5	48.5*

\*Loss of 3 seasonals due to funding. Two new positions provided by legislative action. In addition, applications are up 103% from last May.

FAIRBANKS REGION

<u>Caseloads:</u>	<u>May '79</u>	<u>May '80</u>
Cash Programs	1,700	1,800
Food Stamps	1,860	3,544
<u>Staffing</u>	<u>FY '80</u>	<u>FY '81</u>
	22	20*

\*Loss of 2 seasonals

JUNEAU REGION

<u>Caseloads:</u>	<u>May '79</u>	<u>May '80</u>
Cash Programs	990	1,050
Food Stamps	1,000	1,510
<u>Staffing</u>	<u>FY '80</u>	<u>FY '81</u>
	17	16*

\*Loss of 2 seasonals, 1 new position provided by legislative action.

BETHEL REGION

<u>Caseloads:</u>	<u>May '79</u>	<u>May '80</u>
Cash Programs	1,650	1,580
Food Stamps	790	910
<u>Staffing</u>	<u>FY '80</u>	<u>FY '81</u>
	13	13

KOTZEBUE REGION

<u>Caseloads:</u>	<u>May '79</u>	<u>May '80</u>
Cash Programs	910	930
Food Stamps	420	732
<u>Staffing</u>	<u>FY '80</u>	<u>FY '81</u>
	8	8

NUMBER OF DAYS - APPLICATION TO DECISION

STAFFING

<u>Office</u>	<u>FSP Expedited</u>	<u>FSP Normal</u>	<u>ADC</u>	<u>Current EW's On Staff</u>	<u>EW's Needed By Formula</u>	<u>Difference</u>
Anchorage	3	36	36	34.5	54.0	(19.5)
Kenai	2	31	30	4.0	8.0	(4.0)
Fairbanks	8	39	17	15.5	25.0	(9.5)
Ft. Yukon	1	1	1	1.0	2.0	(1.0)
Juneau	2	23	26	9.0	8.0	1.0
Ketchikan	2	26	26	4.0	5.0	(1.0)
Bethel	2	6	5	8.0	10.0	(2.0)
Aniak	1	4	5	1.5	2.0	(0.5)
Kotzebue	2	10	14	3.5	5.0	(1.5)
Nome	1	4	3	2.0	3.0	(1.0)

Statewide Shortfall =

39 Eligibility Workers

The impact in administrative terms is at a critical point in several areas including:

- 1) Expedited service requirements for unemployed food stamp applicants are not being met in Anchorage or Fairbanks. This constitutes illegal operation and subjects the State to imminent federal withholding of food stamp funding. While we are allowed 48 hours, it takes 7 days in Fairbanks and 3 days in Anchorage to provide this service.
- 2) Benefit decision and delivery timeframes are not being met for regular food stamp cases which further subjects the State to imminent federal funding sanctions.
- 3) Our quality surveillance effort, involving 4 full-time equivalent staff has been instrumental in containing errors, but pressure is building to put them back in the line to help relieve workloads. This would constitute a major setback in our efforts to control Alaska's error rates and program losses.
- 4) Several administrative requirements are not being met including timely accounting reports, claim determinations on overpayments to clients, and notices of closure, all of which subject the State to fiscal sanctions based on non-compliance.

Though no office is current on all casework, and all have some backlog, several offices are operating within reasonable and legal timeframes. These are generally the smaller rural offices where caseloads are more stable, much business is done by mail, and the number of programs utilized is lower. However, if we were to strip these offices of some of their staff, they would not be capable of sustaining their relatively good position, and would rapidly fall below acceptable service levels themselves.

Although the staff shortage's most visible impact is in the area of non-compliance on client service timeframes, other problems exist, some examples of which follow:

- 1) Working conditions, primarily client pressures and growing backlogs, are cited as the reason for increased sick leave in Anchorage (200 hours per month more than in the same period last year).
- 2) 5,800 actions and applications are backlogged in Anchorage; 743 actions and applications are backlogged in Fairbanks; and even with the use of mandatory overtime in June, the Anchorage backlog increased by 300 actions and applications in that month.

As a result, 164 people per day (up from 100 per day in the previous month) are coming into the Anchorage office, or calling in, to complain about the lack of service and to obtain action on their case. This ties up line staff, disrupts productivity, and results in ever higher backlogs.

This cycle must be broken. To allow it to continue invites higher error rates with substantial dollar loss, increased violence and serious morale problems.

3) Client violence has been at a dangerous level for months, with multiple police calls and related incidents in the lobbies of the Anchorage and Fairbanks offices (caused largely by slow service to Food Stamp and General Relief clients). A uniformed guard was employed with immediate beneficial results in Anchorage for three weeks (funding was unavailable for a longer period). Clients became quieter and more orderly, verbal abuse of staff was curtailed, and violence was almost eliminated as a result of security guard service.

Basically, the Division of Public Assistance has attempted to absorb a 39% increase in cases, with a net loss of 4 line eligibility workers (through non-funded seasonals) for FY 81. By the legislative staffing formula, the agency is now short some 39 workers.

The effects of this staff shortage as described above will result in lawsuits in the immediate future. In the longer view, Federal withholding of funds, particularly in the food stamp program, would probably not occur for 90-120 days; also, we cannot reasonably expect to continue to avoid physical injury to clients, their children and our staff, given the frequency and level of frustration and violence. With existing delays in the state personnel system, it will be September before new positions can be established and filled. Training will require an additional 3-4 weeks, minimum, so the effect of this supplemental would not be felt until mid-fall.

Accordingly, the Department requests immediate approval of the attached supplemental. The positions and support costs involved in this request are not inclusive of the total staffing needs for Public Assistance, but are adequate to prevent continued illegal operations, and should allow for containment of the problems mentioned above.

A F D C

Management  
and  
Administrative  
Review

A I a S K a

September 1980

Region X



MANAGEMENT AND ADMINISTRATIVE REVIEW

OF THE

ALASKA AID TO FAMILIES WITH DEPENDENT CHILDREN PROGRAM

DIVISION OF PUBLIC ASSISTANCE

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

Conducted September 15-26, 1980

by the Region X

Family Assistance Office

Social Security Administration

U.S. Department of Health and Human Services

## FOREWORD

At the request of the State of Alaska, and in keeping with the goal of the Region X Family Assistance Office to undertake periodic reviews of the public assistance program in Region X States, a program administrative and management review of AFDC was conducted statewide in the State of Alaska between September 15, 1980 and September 26, 1980.

The review team consisted of:

Rose Inouye, Senior State Program Specialist-Alaska, Review Coordinator,  
Region X Family Assistance Office, Social Security Administration

Louis E. Weissman, Deputy Assistant Regional Commissioner for  
Family Assistance, Region X, Social Security Administration

Kim Scranton, Manager, Field Operations Section, Department of  
Human Resources, State of Oregon - Special Management Consultant

Glen Sandahl, Senior State Program Specialist-Washington, Region X  
Family Assistance Office, Social Security Administration

Joseph Aspitarté, Staff Accountant, Region X Family Assistance Office,  
Social Security Administration

Marilyn Devaney, Senior State Program Specialist-Oregon,  
Region X Family Assistance Office, Social Security Administration

Ronald Speck, Financial Management Specialist, Region X Family  
Assistance Office, Social Security Administration

A total of 58 person days was devoted to the review on-site. In addition, preparation for the review and write up encompassed approximately 30 additional person days.

The purpose of the review was twofold. First to examine a random sample of AFDC cases selected from the June, 1980 warrant roll to determine the extent of payment and eligibility errors and procedural defects. This case review was neither analogous to nor a repetition of AFDC quality control. The case review was undertaken to measure the State's relative adherence to the Federal eligibility requirements for AFDC. Thus, the case review findings are not intended for the purpose of raising formal compliance questions. They are, rather, for the purpose of identifying deficiencies in the eligibility area and are to be used as a basis for assisting the State to develop appropriate corrective actions to cure these deficiencies.

The second, and more important purpose, was to analyze and make qualitative judgments regarding the management of the AFDC program on a site-by-site and statewide basis. In order to facilitate this effort, the Region contracted, under the auspices of the Welfare Management Institute, for the services of Mr. Kim Scranton, Manager of Field Operations, Adult and

Family Services, Department of Human Resources, State of Oregon. Mr. Scranton has wide experience in Public Welfare and is responsible for the management of all public assistance field offices in the State of Oregon. It was felt that Mr. Scranton's daily involvement in the management of offices in the State of Oregon, which are comparable in size and complexity to any found in the State of Alaska, uniquely qualified him to undertake the major management review activity in several offices in Alaska where management problems are most in need of analysis. Mr. Scranton reviewed the offices in Anchorage, Bethel, Fairbanks, and Kenai. While it is recognized the major problems are in Anchorage and Fairbanks, the other offices were included to provide Mr. Scranton with a 'flavor' for other areas of the State.

It is to be noted that while Mr. Scranton's agency was reimbursed for his salary and expenses for the time spent on the review, he received no other compensation. His participation, as noted earlier, was made possible by the Family Assistance Welfare Management Institute under their Transfer Technology Program. Mr. Scranton identified some Alaska practices he intends to utilize in the State of Oregon and has already begun to use the Terminal Mail Box Service.

Mr. Scranton's management reviews are presented as a separate section of the review. His general findings and recommendations are commingled with those of Region X staff. His findings and recommendations specific to the sites he reviewed and analyzed are presented separately on a site-by-site basis in Section IV of the review.

Fourteen sites were reviewed around the State. The sites represented every regional office and several sub-offices. The sites reviewed were: Ketchikan, Juneau, Sitka, Anchorage, Bethel, Wasilla, Fairbanks, Aniak, Kodiak, Ft. Yukon, Dillingham, Kenai, Nome, and Kotzebue. Cases were read in all decision-making offices and there was a management review conducted at all sites except Aniak.

As a result of the management review, findings are presented along with recommendations regarding each of the findings. The findings and recommendations are presented in two general categories:

1. Statewide Findings and Recommendations

- a) Staffing
- b) Procedures
- c) Communications
- d) Training
- e) Financial Management and Budgeting
- f) Space and Equipment
- g) Random Moment Time Study
- h) Uncashed Warrants

2. Site by Site Findings and Recommendations

These include findings and recommendations specific to individual sites reviewed and many include some recommendations similar to those presented as statewide findings.

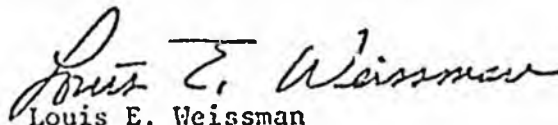
In all, 109 findings and 146 recommendations are presented. It is recognized that the State may not agree with all findings or undertake to carry out all recommendations. Nevertheless, they are presented as the best result of the review team's collective efforts and it is felt that acceptance of many of the suggested changes would result in a vastly improved system of management and service delivery in the State's AFDC program.

The Regional staff, under the coordination of Ms. Rose Inouye, Senior State Program Specialist for Alaska stands prepared to provide the State with whatever technical assistance is needed to implement the various recommendations.

Mr. Scranton has consented to continue his consultation regarding his major contribution to this effort on a fee free, telephone basis and may be reached in Salem, Oregon at (503) 378-3755.

The review team appreciates the excellent cooperation provided by the Alaska central office staff. Special thanks are due to Eric Hansen and Gordon Landes who participated on site in several areas.

Very special thanks are due to the many regional managers, office managers, supervisors, eligibility workers, technicians, and clerks for their gracious hospitality and patient endurance as we invaded their offices and made large and frequently inconvenient demands on their time.



Louis E. Weissman  
Deputy Assistant Regional Commissioner  
for Family Assistance, Region X

## Executive Summary

The AFDC program in Alaska was examined in considerable detail. The review was essentially twofold. First, a statistically valid sample of cases in fourteen sites was reviewed to determine adherence to both Federal and State requirements. Second, and more important, an analysis was conducted of the management of the overall program at each site. These reviews resulted in 109 findings and 146 recommendations covering general and statewide, areas as well as specific sites. These fall into eight major areas:

1. Staffing
2. Procedures
3. Communications
4. Training
5. Financial Management and Budgeting
6. Space and equipment
7. Random Moment Time Study
8. Uncashed Warrants

The overall picture is that of a program fraught with difficulties in the area of management and program implementation in the field. It was determined that most of these problems are attributable to attempting to meet the demands of a rapidly expanding program (which has increased in size by approximately fifty percent in the last three years) with severely limited dollars and personnel resources. This, coupled with generally inadequate field facilities and equipment as well as a grossly inadequate automated data system, has created major management problems that simply cannot be rectified without a significant infusion of staffing and monetary resources.

The most critical weaknesses were in the areas of staffing, inadequate delegation of budgeting responsibilities to field management staff, generally poor workload processing, inadequate training at all levels but especially in the training of management staff, weak field operations, inadequate communication channels, and a general orientation statewide of "management by crisis".

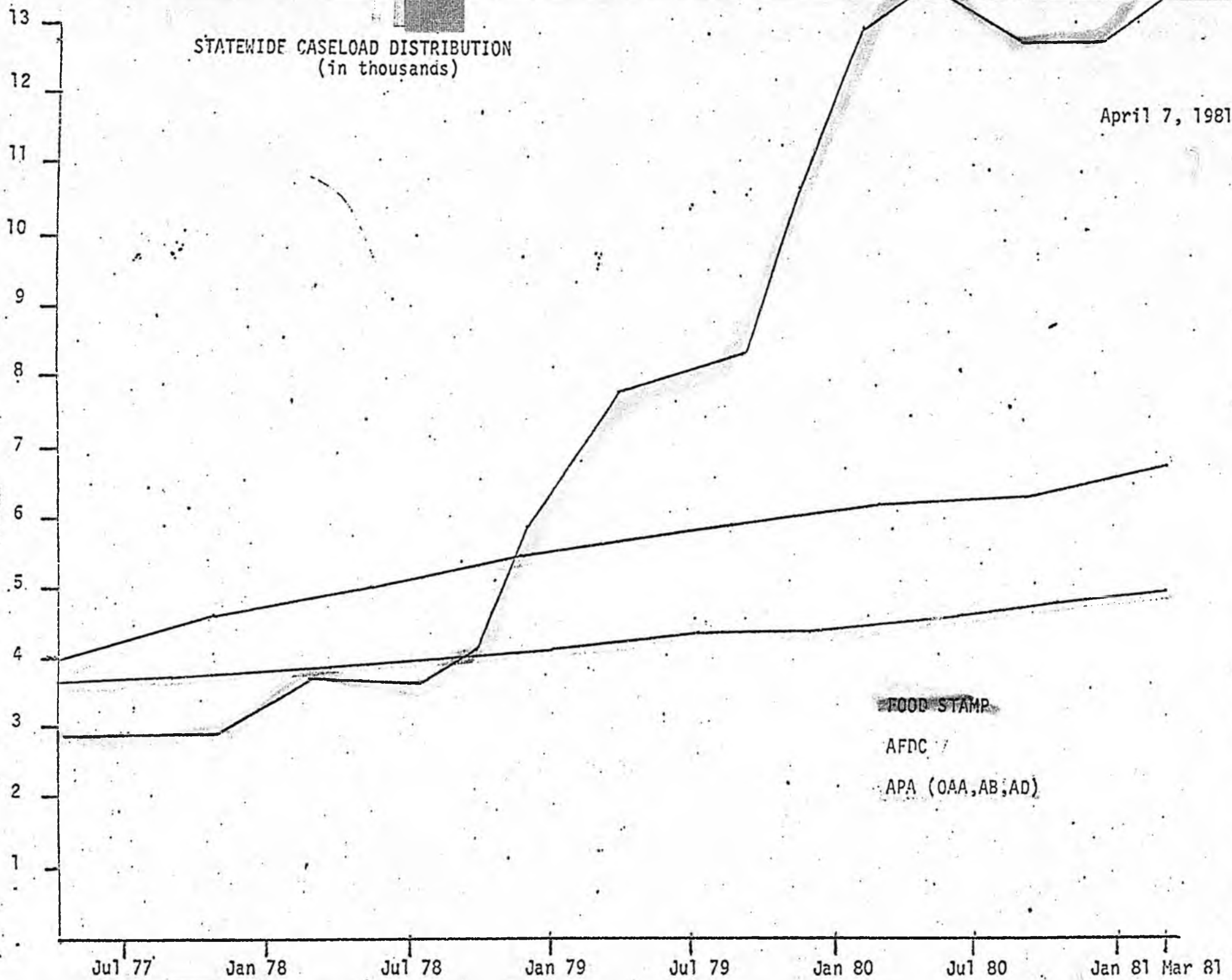
Strengths are noted in the open and willing attitude of staff in the face of overwhelming workloads; in the responsible and positive attitude of staff statewide toward the provision of service to clients; and in general, in the willingness of most managerial staff to respond to change in a positive manner.

While no compliance questions have been raised, the Regional Family Assistance staff will closely monitor those items identified as in need of immediate corrective action.

Careful planning and implementation of the recommendations, where possible, will result in significant improvement of the Alaska AFDC program.

STATEWIDE CASELOAD DISTRIBUTION  
(in thousands)

April 7, 1981



VI. ANALYSIS OF INCREASES BETWEEN FY81 AND FY82 ADMINISTRATIVE BUDGETS

BRU/Comp.	FY81 FCC	FY82 Req.	FY82 SGF	Analysis of FY82 Request Levels				
				FY82 Base	FY81/82 Sal Inc	Infla- tion	Less Adjust <sup>1</sup>	New Staff
Elig Det	4577.8	6677.0	4039.5	4577.8	953.9 <sup>2</sup>	182.2	(359.2)	1322.3
Staff Dev	140.0	160.8	82.1	140.0	14.4	6.4	-0-	-0-
Qual Cont	549.0	629.8	314.9	549.0	82.3	18.3	(19.8)	-0-
Energy	367.6	426.7	213.3	367.6	72.8	12.6	(26.3)	-0-
PA Admin	1828.0	1953.8	1180.5	1828.0	134.9	90.0	(210.7)	111.6
Collections	47.4	52.0	30.7	47.4	5.1	.6	(1.1)	-0-
	7509.8	9900.1	5861.0	7509.8	1263.4	310.1	(617.1)	1433.9

NOTES: 1 - Deletion of one-time items (HB-60 & equipment) and less transfer to Dept. of Admin. consolidation of lease and ASAA payments

2 - ED FY81/82 salary increase (\$612.0) + classification upgrade (\$341.9)

The combined FY82 administrative budget requested for actual operation of these nine programs is \$9,900.1 or 6.2% of projected FY82 program expenditures. This represents an increase of \$2,086.6 in administrative costs over FY81 after adjustment for one-time items and salary increase, or a 27% growth. The major administrative functions performed with these funds include: 1) Central Office/Contract Administration, 2) Field Operations and 3) Quality Control. Field Operations costs (Eligibility Determination BRU and Energy Assistance BRU) represent \$7,103.7 or 72% of the Division's total administrative budget. Total contract administration costs planned in FY82 amount to \$1,000.0 or 10% of the total Division administrative budget.

VII. PA Eligibility BRU

A. REQUEST FOR ADDITIONAL FIELD STAFF - 49.0 POSITIONS

Securing adequate field staff is the highest Division priority in FY82. Although the Division received funding for the complete redesign of its data processing systems in FY81, daily business around the State will simply not be met in reasonable timeframes during FY82 without an infusion of additional field staff. In FY81 the Division was initially looking at a 39% increase in cases with a net loss of 4 line workers. Looking further back and comparing July 1977 caseloads and field staff levels to those for June 1980 disclosed a 121% increase in caseload versus an 18% increase in field staff. The Foodstamp Program exerted the single biggest influence on caseloads as a result of a 359% increase during this 3 year period.

<u>Program</u>	<u>July 1977 Caseload</u>	<u>June 1980 Caseload</u>	<u>% Increase</u>
AFDC	4361	6340	45%
OAA	1820	2137	17%
ABL	64	63	-
APD	1562	1811	16%
Foodstamps	2894	13287	359%
<b>TOTAL</b>	<b>10701</b>	<b>23638</b>	<b>121%</b>
<b>Field Staff</b>	<b>72.0 FTE</b>	<b>85.0 FTE</b>	<b>18%</b>

# MEMORANDUM


State of Alaska

TO: Allen Korhonen, Deputy Commissioner  
for Administrative Management  
Department of Health & Social Services

DATE: November 26, 1980

FILE NO:

TELEPHONE NO:

FROM:  Rod Betit, Director  
Division of Public Assistance  
Department of Health & Social Services

SUBJECT: Foodstamp Backlog

## I. Statement of Problem

The Department continues to be faced with severe backlogs in Foodstamp application processing. New applicants in Anchorage and Fairbanks must wait an average of 50 days for a foodstamp decision. In Anchorage periodic redeterminations of ongoing Foodstamp cases are also behind. For example, cases due to expire at the end of October would normally be reviewed and reactivated if still eligible no later than the 1st of November. However, Anchorage's October 1980 Foodstamp redeterminations were not completed until November 21, three full weeks behind schedule.

Although similar backlogs also exist for Anchorage and Fairbanks AFDC cases, the Foodstamp caseload is most severely affected for the following reasons:

- (1) There are only 6100 AFDC cases compared to 12,000 Foodstamp cases and the AFDC caseload generally has less turnover in it than Foodstamps.
- (2) The AFDC program is designed to react within a 30-45 day timeframe rather than on an emergency basis within 48 hours as exists with Foodstamps. Under current expedited delivery definitions, 50% of all Foodstamp applicants expect to receive benefits within 48 hours rather than 30 days.
- (3) Agency failure to complete a timely review of an AFDC case does not result in a termination of program benefits as it does with Foodstamp cases. This results because AFDC and Foodstamps are two separate data systems and the Foodstamp system was designed to terminate a case automatically at the end of a review period unless reactivated by an Eligibility Technician.

This situation is not expected to improve. Given this prognosis, Alaska Legal Services has filed a complaint in Fairbanks (Soutter v. Beirne) and is considering filing a complaint in Anchorage.

## II. Discussion

Having learned some time ago that Oregon went through a caseload growth problem similar to Alaska's six years ago, I asked federal AFDC officials to arrange a statewide review of DPA field operations and to have a member of the Oregon state agency on the review team. This review

was in fact completed and the review team's findings presented to the State two weeks ago. Those findings point to inadequate staffing levels as the principal contributor to our backlogs. The report pointed out repeatedly that Oregon's field offices have twice as many staff than Alaska's field offices for the same size caseload. This information is not new, but rather serves as validation of Division staffing assessments made during the last three budget cycles.

Although I personally feel that Oregon enjoys a greater staffing complement than the workload demands, it is clear that Alaska cannot get the job done without additional staff, primarily clerical. Oregon enjoys a one to one ratio of clerks to Eligibility Technicians. Alaska is attempting to drive its public assistance programs with a ratio of one clerk to every four Eligibility Technicians (ET). The result is that Alaska ETs spend an inordinate amount of time on clerical activities and less on actual eligibility determination duties.

I spent November 20 and 21 reviewing eligibility operations in Anchorage, while two members of my staff did a similar review in Fairbanks. This review encompassed a section by section analysis of current caseloads and staffing levels, as well as an evaluation of office wide intake/ interview procedures. Participation by the supervisory staff was excellent. Once stimulated they responded quickly to the challenge of identifying specific recommendations for improvement of the office's operations.

### III. Conclusions

Although my detailed observations are listed in Sections I-VII attached, the major actions which should be taken to resolve the current situation are as follows:

- (1) Eligibility Technician strength in Anchorage and Fairbanks is very close to adequate. Although the staffing formula shows they need 16 ET positions given current caseloads, I believe these two offices can manage with only five additional ET positions if the needed clerical staff is authorized.
- (2) Clerical support levels in both offices are appalling. ETs are losing 30-40% of their productive time to routine clerical functions. For example, of the case changes I reviewed on one ET's desk, 80% of the work could have been performed by a clerical level employee without involvement by the ET. Clerical levels should be brought to 1 clerk for every two ETs. This would call for an increase of 20 clerks (12 in Anchorage and 8 in Fairbanks).
- (3) Redetermination interviews for General Assistance should be discontinued. Of the 184 GA cases approved in October 1980, 144 were repeaters with no change in circumstances. We should move to quarterly redeterminations instead of monthly.
- (4) Redetermination interviews for Foodstamps should also be discontinued. Although federal policy calls for an interview, Oregon and other states are not doing it. They handle all redeterminations by mail and Alaska should follow suit. This would reduce Foodstamp intake by at least 60% monthly.

# See many of Costs To Resolve Arch/Plat Problem

Effective  
Dec 15

COLUMN - WRITE

	Position	Loc.	Salary
1	New ET I	Arch	1761
2	New ET I	Arch	1761
3	New ET I	Arch	1761
4	New ET I	FBK	1775
5	New ET I	FBK	1775
6	New ① Clerk III	Arch	1393
7	②		
8	③		
9	④		
10	⑤		
11	⑥		
12	⑦		
13	⑧		
14	⑨		
15	⑩		
16	⑪		
17	⑫		
18	⑬	FBK	1564
19	⑭		
20	⑮		
21	⑯		
22	⑰		
23	⑱		
24	⑲		
25	⑳		
26			33,501 monthly salary
27		Benefit 17%	6,579
28		Fica 26.1%	2,360
29		25% 13%	3,250
30			50,110 monthly
31	effective Dec 15		x 6.5 months
32			329,615
33			+ 150.0 Fed
34			359.6 Staff Costs
35			+ 25.0 Quarters
36			+ 10.0 Travel
37			364.6
38			145.8 Federal Funds
39			218.8 State Funds

R. Bell

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION I - OFFICEWIDE OBSERVATIONS

- (1) Office staffing is inadequate with respect to Eligibility Technicians and Clerical. Supervisory staff is adequate.

Unit	Current Staff			Needed Staff			Difference		
	C1k.	ET	Supv.	C1k.	ET	Supv.	C1k.	ET	Supv.
Reg. Mgr.	1.0	1.0	2.0	1.0	1.0	2.0	-0-	-0-	-0-
Cler. Unit	7.0	-0-	1.0	3.0	-0-	1.0	(4.0)	-0-	-0-
AFDC Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
FSP/GR Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
APA/XIX	1.0	6.0	1.0	5.0	9.0	1.0	2.0	3.0	-0-
Field	1.0	4.0	1.0	2.0	4.0	1.0	1.0	-0-	-0-
QA	-0-	2.0	-0-	.5	2.0	-0-	.5	-0-	-0-
TOTALS	12.0	37.0	7.0	23.5	40.0	7.0	11.5	3.0	-0-

Total additional staff needed in the Anchorage office is 3.0 Eligibility Technicians and 11.5 Clerk IIIs.

- (2) Individual caseloads need to be assigned to ETs and files physically moved to control of each ET. Net effect of this change would be a 4 person reduction in central clerical unit. This will improve office/ET efficiency and help offset additional clerks needed elsewhere.
- (3) All units need to transfer non-ET type duties to clerical level staff to free up ET time for true eligibility duties. (See individual units for details).
- (4) Each eligibility unit needs to designate team leaders who will actually carry a caseload of their own, but who will also field policy questions from other ETs in their team. Current class specs permit this and would compensate these employees as ET III (R14) rather than ET II (R13). This would free up ET IV (R15) time to actually manage their units.
- (5) New ET series minimum qualifications (MQs) are eliminating many people who were previously qualified for eligibility jobs. The Department should immediately request the Department of Administration to evaluate the effect of these new MQs.
- (6) Training continues to be inadequate. The Division should definitely relocate the training position to Anchorage early next year as planned.

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION II - FOODSTAMP/GR & GRM UNIT OBSERVATIONS

- (1) Face-to-face interviewing of Foodstamp families at time of case review should be discontinued. 75% of October 1980 Foodstamp appointments were redetermination interviews. Although federal regulations require such an interview be done, Oregon is not complying and Alaska should do likewise. This will greatly relieve intake pressures. All redeterminations should be done by mail.
- (2) Monthly redetermination of eligibility for General Assistance should be discontinued. Of 184 cases found eligible for GA in October 1980, 140 were repeaters. These cases should be certified on a quarterly basis rather than monthly. The individual would still have to notify the office monthly to issue rent or utility payment, but this would be handled by a clerk rather than an ET.
- (3) Complete redesign of the State GR program is in order.
- (4) A substantial shift of functions should be made away from ETs to Clerk IIIs including the following duties:
  - Completing FSAF (computer input document)
  - Notice of Action to client
  - ATP, GR field warrants
  - Pre-application screening
  - changes such as address changes, and household membership changes on no income cases
  - Case file maintenance
  - Monitoring of Foodstamp redetermination and mailing of review applications

SECTION III -- APA/MEDICAID UNIT OBSERVATIONS

- (1) Each APA applicant is usually eligible for at least 3 Division programs. This is probably the most complicated caseload, caused in part by the absence of both an APA manual and a Medicaid manual. The APA manual is still pending approval of the Division's APA regulations by the Department of Law (it's now been 18 months). The Medicaid manual is still pending approval by federal Region X officials.
- (2) The unit needs 3 additional ETs and 4 additional clerks. This is the only unit which was found to be understaffed with respect to ETs.
- (3) With addition of the Clerks, transfer of the following duties should be made from the ETs to the clerks:
  - completion of BAF
  - completion of notice of action
  - case file maintenance
  - processing of non-eligible changes
  - monitoring of annual reviews and mailing of review applications
  - pre-application screening on new cases
  - monitoring of SOX, BENDEX, etc.

Transfer of these duties should free up 30% of each ETs time for true eligibility duties.

Date: November 20-21, 1980

SECTION IV - AFDC/AFDC & FSP UNIT OBSERVATIONS

- (1) This unit has adequate ETs for the caseload they are carrying, but they need five additional clerks.
- (2) A transfer of duties from ETs to clerks should be made when the new clerks are added. The clerks can handle the same duties listed under the APA Unit's observations.
- (3) Assuming 75% of all AFDC cases have a Foodstamp case attached to it, each ET is currently handling a caseload of 290 cases. This would be manageable with the new clerks.

Date: November 20-21, 1980

SECTION V - QUALITY ASSURANCE UNIT OBSERVATIONS

- (1) QA findings are not adequately or timely dealt with by Anchorage management. Transfer of DPA training position to Anchorage would help relieve this problem. This transfer is scheduled for April 1981.
- (2) QA is reviewing ET case decisions prior to implementation rather than after the fact. After much discussion, I came to the conclusion that this approach is OK provided QA routinely releases case decisions within 24 hours, even if they have not had time to complete the review.
- (3) Most of QA's emphasis has been on reviewing all case decisions for new ETs. This tends to color their findings and not give an accurate picture of officewide performance or unit performance. QA should shift responsibility for monitoring all case decisions for new ETs back to unit supervisors where it belongs. QA should then pull an equal sample of cases for all ETs on a monthly basis (approximately 17 cases/ET).
- (4) QA should conduct a quarterly onsite review of case decisions made in Kenai and Wasilla.
- (5) QA should continue to devote 10% of their review effort to home visits.
- (6) QA needs a part time clerk.

Date: November 20-21, 1980

SECTION VI -- FIELD UNIT OBSERVATIONS

- (1) This unit makes eligibility decisions on all applications coming in from Kodiak, Valdez, Dillingham, Aleutian Chain, Tyonek and McGrath. (Wasilla becomes a full decision office on November 28). Because of the number of ETs in the Anchorage office, it is appropriate that Anchorage continue to operate a Field Unit as such to reduce the number of ETs which field staff and Fee Agents must relate to.
- (2) This unit has adequate ETs for their caseload but needs 1 additional clerk.
- (3) Due to staff turnover, this unit is highly susceptible to increases in decision times if not watched closely by office management. Management should develop a plan to deal effectively with the occurrence of staff turnover.
- (4) Foodstamp sales activities currently being performed by this unit should be examined carefully to determine if adequate use is being made of Loomis and USPS sales potential. Actual sales activity should be placed in the hands of clerical staff rather than ETs.

Date: November 20-21, 1980

SECTION VII - OFFICEWIDE ADMINISTRATIVE SUPPORT UNIT OBSERVATIONS

(1) Office staff performs the following functions currently:

- 1 Clerk V - Supervisor
- 1 Clerk - Communications
- 2 Clerks - Issuance of ATPs and Field Warrants
- 1 Clerk - Receptionist
- 1 Clerk - Switchboard
- 2 Clerks - Central File Room

(2) With elimination of Central File Room and assumption of ATP/Field Warrant issuance by line unit's clerks, this unit can be reduced by 4 clerks.

(3) Management must carefully break out officewide administrative/clerical responsibilities versus individual unit responsibilities.

(4) Clerk V's will assume a very significant training role on an ongoing basis if 12 clerks are added to the office. Standardization of clerical tasks must be done from unit to unit wherever possible.

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
FOURTH JUDICIAL DISTRICT

KATHLEEN SOUTTER, CHRIS )  
BOLINGER, VALERIE ANDERSON, )  
RICHARD GOLDEN AND JANET )  
WILLIS, individually and on )  
behalf of all those similarly )  
situated, )

Plaintiffs, )

vs. )

HELEN BEIRNE, Commissioner, )  
Department of Health and )  
Social Services, ROD BETT, )  
Director, Division of Public )  
Assistance, JUDIE WALKER, )  
Chief of Field Operations, )  
Division of Public Assistance, )  
and MARY RIDDLE, Eligibility )  
Worker, Supervisor Food Stamp )  
Program, Northern Regional )  
Office, individually and in )  
their official capacities, )

Defendants. )

NOV 25 1980

FOURTH JUDICIAL DISTRICT  
STATE OF ALASKA

No. 47A-80-1906

MOTION TO FORESHORTEN TIME

COMES NOW the plaintiffs, by and through their counsel, Alaska Legal Services Corporation, and move this Court for an Order setting the hearings on their Motion for Class Certification and Motion for Preliminary Injunction, on shortened time.

The reasons for this motion are more fully set out in the attached affidavits of Chris Bolinger and Richard Golden and Counsel.

DATED this 25th day of November, 1980, at Fairbanks, Alaska.

ALASKA LEGAL SERVICES CORPORATION  
Attorneys for plaintiffs

BY: *Daniel L. Callahan*  
Daniel L. Callahan

LAW OFFICES OF  
ALASKA LEGAL SERVICES CORPORATION  
763 SEVENTH AVENUE  
FAIRBANKS, ALASKA 99701  
(907) 456-5401

NOV 28 1980

WFN-100:Leg. 1-1 AK

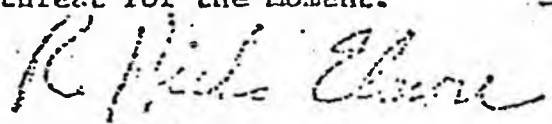
Alaska Lawsuit - Expedited Service

ALBERTA PROST DEPUTY ADMINISTRATOR  
FAMILY NUTRITION PROGRAMS

THRU: ANDREW P EORNSBY JR DEPUTY ADMINISTRATOR  
REGIONAL OPERATIONS

Attached is a copy of a class action suit filed in Alaska, alleging that the Fairbanks office has failed to provide expedited service in accordance with the regulations. We have been aware for almost a year of serious problems with meeting processing standards in both Anchorage and Fairbanks, have discussed the situation with State officials on numerous occasions, and were assured that additional staff was in place by Mid-October. However, we were not aware that, as the suit alleges, the Fairbanks office was applying their own additional criteria for determining eligibility for expedited service (i.e., client had to be disabled or have children). We recommend that we consider entering the case on behalf of the plaintiff. The State has not been particularly responsive to more informal means of persuasion, and removal of administrative funds through the warning process might be counterproductive. The temporary restraining order requested was denied and the State is now considering their response, due at the end of December.

The State had also advised us that a suit was expected to be filed in Anchorage on failure to provide timely recertification and continuation of benefits. However, a meeting with Alaska Legal Services and emergency action by the Anchorage office to clear the backlog have averted that threat for the moment.

  
R. HICKS ELMORE  
Regional Administrator  
Western Region

FNS:WRO:MILLER:wd 11/25/80 POS

WEEKLY SUMMARY REPORT

WEEK ENDING 12/4/88

OFFICE	OLDEST APPLICATIONS (number of days old)			
	FSP	ADC	APA	OTHER
1 Aniak	22	0	2	2
2 Bethel	24	3	5	4
3 Nome	0	0	0	0
4 Kotzebue	3	0	2	0
5 Ketchikan	20	20	0	2
6 Juneau	34	34	15	22
7 Fairbanks	74	21	19	21
8 Anchorage Field	62	61	-	65
9 Kenai	25	8	7	10
10 Anchorage	58	60	48	34
11 Wasilla	39	39	24	41

TOTAL APPLICATIONS			
FSP	ADC	APA	OTHER
13	0	1	1
119	3	2	1
0	0	0	0
5	0	1	0
17	9	0	4
138	45	9	30
456	89	40	293
238	89	-	54
197	30	4	14
308	75	73	72
273	163	13	75

12. TOTAL REGION BACKLOG: SERO 456 NRO 844 NWRO 102 SCRO 6000 SWRO 4  
 (changes, reviews, suspense, pending, recerts)

WORK DAYS AUTHORIZED      ACTUAL WORK DAYS

13. SERO	<u>48</u>	*****	<u>35</u>
14. NRO	<u>646</u>	*****	<u>556</u>
15. NWRO	<u>27.5</u>	*****	<u>19.27</u>
16. SWRO	<u>358</u>	*****	<u>325</u>
17. SCRO	*****		

COMMENTS: Wasilla state may not be  
totally accurate due to their  
bring in "business" only one week

Submitted by JW  
 Date 12/4/88

# MEMORANDUM

# State of Alaska

TO The Honorable Jay S. Hammond  
Governor

DATE: December 3, 1980

FILE NO:

TELEPHONE NO:

SUBJECT: Food Stamp Program

FROM: Carolc *Carole Burger*  
Special Assistant

*Note:  
Approved by the  
Governor on 12/3/80.  
R. S. L.*

The Department of Health & Social Services is requesting your approval of 25 additional positions, 5 eligibility technicians and 20 clerks, to restore the current backlogs in the Anchorage and Fairbanks Public Assistance offices.

Even after your authorization of additional positions a few months ago, the Department continues to be faced with severe backlogs in food stamp application processing. New applicants in Anchorage and Fairbanks must wait approximately 50 days. Ongoing food stamp cases are also three to four weeks behind. "Catching up" without additional resources would mean constant overtime and pulling workers from all other assistance areas, AFDC, GR., etc. The cases are many and complex, but can for the most part be attributed to increasingly complex and burdensome federal regulations requiring undue administrative resources, and a change in the purpose of the program from a supplemental nutrition program to a primary food source designed to serve more people in unrealistically short time frames.

1. Under the broad regulations, over 50% of all food stamp applicants must receive service within 48 hours.
2. Face to face redetermination interviews are required even though nothing has changed in the case.
3. Under increasingly liberal definitions of eligibles and a mandated outreach program, caseloads are increasing at a staggering rate.

The State is currently being sued by Alaska Legal Services in Fairbanks over non-compliance, and a suit is expected momentarily in Anchorage. There is no question that people with legitimate needs are not able to receive service. The long term solution requires program restructuring at the federal level, and we have an excellent chance of accomplishing this. However, in the short term, additional staff is necessary if the program is to function at even a minimally satisfactory level.

MEMORANDUM

HAND DELIVERED

State of Alaska

RECEIVED  
DEC 12 1980

TO: Jerry Reinwand  
Executive Assistant  
Office of the Governor

DATE: December 11, 1980

FILE NO:

GOVERNOR'S OFFICE

TELEPHONE NO:

*Helen D. Beirne*

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

SUBJECT: Additional Kenai Staff  
Eligibility Determination  
BRU

Per our conversation, an analysis of the current public assistance case-loads for the Kenai area supports the need for 2 additional Clerk IIIs (Range 8) and 2.5 additional Eligibility Technician IIs (Range 13) for the Kenai Public Assistance office. Our analysis is as follows:

I. ANALYSIS:

Service Category	Number Of Cases	Acceptable Cases/ET	Needed ET Strength	Needed Clerk III Strength-Ratio 1/2
AFDC	328	260/ET	1.3 ET	.7 Clerk
APA	264	200/ET	1.3 ET	.7 Clerk
FSP	868	300/ET	2.9 ET	1.5 Clerk
TOTAL			5.5 ET	3.0 Clerk

II. OFFICEWIDE SUMMARY:

Current Staff			Needed Staff			Difference		
Clerk	ET	Supv.	Clerk	ET	Supv.	Clerk	ET	Supv.
1.0	3.0	1.0	3.0	5.5	1.0	2.0	2.5	-0-

III. RECOMMENDATION:

The Department of Health and Social Services recommends the addition of 2 Clerk IIIs and 2.5 Eligibility Technician IIs to the Kenai Public Assistance Office.

Approved: \_\_\_\_\_

*Jerry Reinwand*

Disapproved: \_\_\_\_\_

MEMORANDUM State of Alaska

RECEIVED  
DEC 12 1980

TO: Jerry Reinwand  
Executive Assistant  
Office of the Governor

GOVERNOR'S OFFICE

DATE: December 11, 1980

FILE NO:

TELEPHONE NO:

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

SUBJECT: Additional Wasilla Staff  
Eligibility Determination  
BRU

*Helen D. Beirne*  
HAND DELIVERED

Per our conversation, an analysis of the current public assistance case-loads for the Wasilla/Valdez area supports the need for 2 additional Clerk IIIs (Range 8) and 1 additional Eligibility Technician II (Range 13) for the Wasilla Public Assistance office. Our analysis is as follows:

I. ANALYSIS:

Service Category	Number Of Cases	Acceptable Cases/ET	Needed ET Strength	Needed Clerk III Strength-Ratio 1/2
AFDC	306	260/ET	1.2 ET	.5 Clerk
APA	202	200/ET	1.0 ET	.5 Clerk
FSP	599	300/ET	2.0 ET	1.0 Clerk
Foodstamp Sales	599	---	N/A	1.0 Clerk
TOTAL			4.2 ET	3.0 Clerk

II. OFFICEWIDE SUMMARY:

Current Staff			Needed Staff			Difference		
Clerk	ET	Supv.	Clerk	ET	Supv.	Clerk	ET	Supv.
1.0	3.5	1.0	3.0	4.5	1.0	2.0	1.0	-0-

III. RECOMMENDATION:

The Department of Health and Social Services recommends the addition of 2 Clerk IIIs and 1 Eligibility Technician II to the Wasilla Public Assistance Office.

Approved: \_\_\_\_\_

*Jerry Reinwand*

Disapproved: \_\_\_\_\_

# MEMORANDUM

State of Alaska

TO: Judie Walker, Chief  
Field Operations  
Division of Public Assistance  
Department of Health & Social Services

DATE: December 5, 1980

FILE NO:

TELEPHONE NO:

FROM: *R. Betit*  
Rod Betit, Director  
Division of Public Assistance  
Department of Health & Social Services

SUBJECT: Anchorage/Fairbanks  
Service Levels

With the establishment of 15 new positions for Anchorage and 10 new positions for Fairbanks, there should be adequate staff to come into compliance with both expedited delivery and 30 day decision requirements in Foodstamps as well as AFDC. By Wednesday of next week (December 10) Bill Williams and Richard Dykema should have registers for all 25 positions. Recruitment and filling of the vacant positions should be completed by December 31, 1980.

With that in mind, I am looking for both Fairbanks and Anchorage to be within required federal decision timeframes by February 1, 1981 (30 calendar days for non-expedited applications and 48 hours for expedited FSP cases).

As confirmation of the conversation we had with Bill and Richard yesterday I also want to reiterate the following agreements which were reached:

- (1) Implementation plans will proceed exactly as detailed in my memo of November 26, 1980 to Allen Korhonen. Fully independent line units will be established in Anchorage and Fairbanks such that each unit supervisor controls all factors critical to reaching a decision and delivering benefits.
- (2) Duties will be divided in such a way that unit clerks will assume a significant share of work currently being performed by ETs. The attached P402 dated December 5 defines the duties to be performed by a typical unit clerk.
- (3) To relieve some of the pressures on current unit supervisors (ET IVs), team leaders will be designated and classified from ET IIs to ET IIIs. Each ET III will be responsible for approximately 3-4 ET IIs and 1-2 Clerk IIIs. ET IIIs will be expected to carry a normal caseload in addition to their team leader duties.
- (4) Personal interviews for GA and Foodstamp redeterminations shall be discontinued in Fairbanks and Anchorage no later than December 15.
- (5) The central file system in Anchorage will be dismantled and individual caseload assignments made.

- (6) A clerical manual will be created next week. Training of new clerical staff will be completed in both Anchorage and Fairbanks by December 31 if not earlier.

Finally, I made the commitment to both Bill Williams and Richard Dykema that they were free to use whatever overtime was needed between now and February 1, 1981 to gain complete control of their respective office's decision timeframes. In addition I will commit whatever training or technical resources they feel are needed to implement their respective plans.

The bottom line is that Bill and Richard as well as their individual line supervisors now have the staff resources to fully correct the existing backlog problems in those two offices as well as a sound management plan to significantly modify how they conduct day-to-day business. My conclusion is validated by their own judgments as well as their individual supervisors. I am excited by the potential Bill and Richard have to demonstrate how well they can operate their offices given adequate resources for the job at hand.

cc: Richard Dykema  
Bill Williams

OFFICE	OLDEST APPLICATIONS (number of days old)			
	FSP	ADC	APA	OTHER
1. Aniak	0	5	2	0
2. Bethel	4	9	4	4
3. Nome	17	0	0	8
4. Kotzebue	15	7	11	0
5. Ketchikan	30	27	20	10
6. Juneau	16	10	8	8
7. Fairbanks	25	28	22	19
8(a) Anchorage FSP/OR	14	-	-	15
8(b) Anchorage ADC	19	26	-	-
8(c) Anchorage APA	22	31	35	5
9. Anchorage Fld.	17	13	-	13
10. Kenai	17	0	8	11
11. Wasilla	1	3	3	1

TOTAL CASES BACKLOG (changes, suspense, reviews)				
FSP	ADC	APA	OTHER	
0	6	1	0	
17	2	2	3	
10	1	0	0	
10	2	0	0	
10	8	2	2	
45	13	3	7	
49	34	35	26	
116	-	-	75	
17	17	-	-	
16	4	30	25	
47	17	-	6	
90	0	6	29	
37	19	1	1	

TOTAL REGION BACKLOG: SERO 260 NRO 575 NWRO - SCRO 2725 SWRO 218  
 (Changes, reviews, suspense, pending, recerts)

	WORK DAYS AUTHORIZED	ACTUAL WORK DAYS
13	SERO <u>37</u>	<u>29</u>
14	NRO <u>770.0</u>	<u>639.0</u>
15	NWRO <u>-</u>	<u>-</u>
16	SWRO <u>377</u>	<u>276.5</u>
17	SCRO <u>284.6</u>	<u>236.9</u>

*J. Walker*  
 DATE 3/11

jitters, though, clearly comes with monetary policy, or at least with M1-B. Deficits are inflationary to the extent the Federal Reserve covers them by creating new money. If the Fed kept monetary policy tight, the deficit would crowd out private investment and to that extent jeopardize future growth. But if the Fed monetizes the deficit, it lays the base for future inflation, which is even worse.

The surge in M1-B, currently considered the best measure of "the money supply," is being read as evidence that the Fed will monetize the deficit after all. M1-B shot up at a rate of 18.8% in the most recently reported four weeks, from well below to over

frequent borrowers of reserves, a step toward establishing enough rate penalty so banks can't borrow at the discount window and relend at a profit.

Significantly, both monetarist and central banker agree that the cure for the current market jitters is tighter monetary policy. The administration's supply-siders, who don't believe tight money hurts the real economy, would surely join the consensus. What the markets seem to be saying is that they want to see monetary restraint, that given the past record they are not going to be easy to persuade and that any indicator suggesting monetary ease is going to set off a widening spiral of worries.

CSAB358(Fin)

Article from

Mid May

Wall Street Journal

## Budget Flimflam

As the House gets ready for its much-touted vote on the budget resolution, we need to remember the history of budget resolutions. The resolution being voted on is at best only the opening gun in the budget battle and, at worst, a flimflam.

The Budget Act of 1974, was supposed to provide Congress with a structure for responsible fiscal activity. To that end, it must pass a resolution by May 15 which sets forth spending targets: These targets are then turned over to the various committees which, over the summer, authorize and appropriate funds for specific programs. On September 15, there comes a second budget resolution reflecting the committees' deliberations. This resolve sets spending ceilings which theoretically are binding over the fiscal year beginning October 1.

Thus, Congress could pass a reasonable first resolution, say, targeting outlays at \$532 billion, but, after a hot summer's work, mandate a higher ceiling, say, an increase of \$15.6 billion. That's what happened in preparation for fiscal 1980. But even the second resolution fell way short of the mark. After supplemental appropriations were totted up, actual spending for fiscal 1980 came out to \$579 billion, \$47 billion over the original target. The same thing is happening in fiscal 1981, which is running about the same amount over target.

Obviously, what happens in committees and on the floor of Congress over the summer and during the fiscal year is the true determinant of how much the government will spend and how big a deficit it will run. And what already is happening in committees is pretty much business as usual.

Take, for example, agriculture.

The aim of the administration's proposals is plain: Cut subsidies. But even though the administration beat back a scheduled April 1 increase in dairy price supports, both the Senate and House agriculture committees overrode a Reagan plan to cut the dairy support level to 70% from 80% of parity, ending up with a compromise at 75%. Similarly, the Senate and House committees boosted a proposed \$3.20 administration target price on wheat loans to \$3.60 and \$3.55 respectively. And just yesterday, the House committee threw out a Reagan plan to reduce peanut price supports in preparation for writing a more liberal plan of its own. Because of these and other changes, proposed outlays for agriculture supports, which the Reaganites had hoped to hold to some \$4 billion, are already up \$1 billion to \$2 billion.

The game doesn't end in September either. Rather than face up to the tough compromises then, the budget committees simply underestimate "entitlement" spending in order to get below the targeted ceiling, knowing full well that when these programs run out of money Congress will come under heavy pressure to pass supplemental appropriations to resupply them. Otherwise, there will be headline stories in the press about the poor being denied food stamps or Medicaid.

Two years of this is enough to make everyone a bit cynical. And the trouble Mr. Reagan is having getting co-operation from the House and Senate on even the first resolution doesn't help. It will be interesting who wins in the House this week and the Senate next week, but the real test will be what the fiscal 1982 budget looks like next September 15.

program makes its way through Congress.

But silence surrounds the biggest loan guarantee program of all: the coverage of bank liabilities by the Federal Deposit Insurance Corp. That is regrettable, for in recent years the FDIC has quietly and significantly enlarged its mandate. It no longer restricts its protection to small depositors; indeed, coverage now extends beyond the legal limit of \$100,000 per account to all bank liabilities. Presumably the FDIC has acted on the notion that if some deposit insurance is good, then more is better, and complete insurance of all liabilities is best.

Bank deposit insurance is a comforting if unusual undertaking by the government; unusual because the government doesn't insure any other component of personal wealth. A federal agency might, for example, insure lenders against your defaulting on mortgage payments, but if a drive-in

Why, cause u might ta that all start a would c verely d of cours sion. In 1 1930s ex panics: loss, the others.

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## Don't Tell Me the

By KERR R. KNOX

Washington Island, Wisc.

This article was written on an electric typewriter powered by the spring winds off the northern stretches of Lake Michigan, and it warms my soul to think that no fossil fuels are being consumed in the process. But if I had known a year ago what the hidden costs of "free" windmill energy were going to be, I would be sitting here on Washington Island writing with a lead pencil, carboniferous microflora be damned.

The story of Washington Island's only wind generator begins and ends on paper. According to the specifications sent me last spring by a dealer in wind generators, the high cost of electricity on the island, the strong winds and the good federal and state tax incentives would make it possible for a unit to pay for itself in three years. Whatever was produced during the rest of the generator's projected 20-year life would be profit. The wind figures came from a University of Wisconsin study, which cost many thousands of tax dollars. The study concluded that, yes, wind generation would benefit the islanders.

With present equipment, only about 10% of the continental United States has enough wind to make this type of generation practical. Even if you are fortunate enough to live in these areas, you have to put your rotor 40 feet above anything that would obstruct the wind. To produce electricity on

windless an elabo erator U power gr more de

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## Notable & Quot

Richard W. Jencks, formerly general counsel of CBS and president of the CBS Broadcast Group, in a contribution to the book "Network Television and the Public Interest" (D.C. Heath & Co., 1980):

No conceivable structural change or possible qualitative upgrading of television offers a real answer to those critics who are concerned, not with the quality of television programming in any specific sense, but with television itself.

For those who decry the effects of television as an enveloping semantic system, for those who are concerned that it is a

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STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

March 18, 1981

The Honorable Jim Duncan  
Speaker of the House  
Alaska State Legislature  
Pouch V Juneau, AK 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill making supplemental appropriations to the Department of Health & Social Services (H&SS), and amending ch. 120 SLA 1980 by reallocating money appropriated to H&SS last year.

The appropriation in sec. 1 of the bill (\$1,273,900) pays additional FY 81 program costs of the division of public assistance. Some of the additional costs are the result of 56 1/2 new positions, which I recently authorized, and position reclassification required in the most recent APEA contract. Other additional costs are related to public assistance program delivery for Kotzebue. H&SS is providing services for this program until an agreement with Mauneluk Association to provide these services is made final.

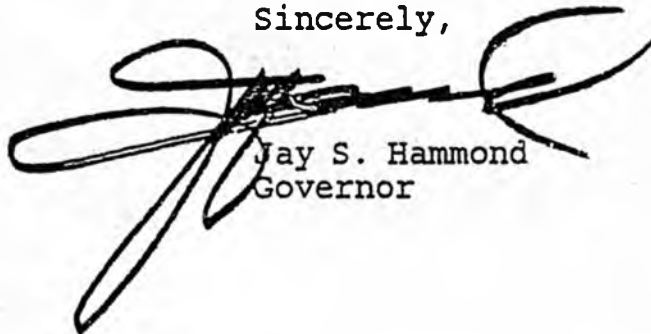
The appropriation in sec. 2 of the bill (\$69,500) pays the costs of social services program delivery in the Kotzebue area. It was intended that an appropriation in that amount be made last year to provide for the Mauneluk Association to implement this program, while reducing the appropriation which would have provided for H&SS to deliver those services itself. However, due to an oversight, the appropriation for the Mauneluk arrangement was inadvertently left out of the appropriation bill. This supplemental appropriation will allow continued program delivery by H&SS through the remainder of FY 81.

Sections 3 and 4 of the bill amend ch. 120 SLA 1980 by transferring \$183,800 from the H&SS energy assistance program to H&SS public assistance eligibility. Section 5 of the bill then allocates the \$183,800 to eligibility determination. Matching funds from the state general

175 22 2

fund for the energy assistance program were required by the federal government at the time of the 1980 appropriation. Matching funds are no longer required, and the \$183,800 no longer needed for the energy assistance program would be transferred to public assistance eligibility determination, to fund new positions and reclassified positions.

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read "Jay S. Hammond". The signature is written over the typed name and title.

Jay S. Hammond  
Governor

POSITION PAPER/Department of Health & Social Services

POSITION PAPER  
on  
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 358 (FINANCE)

Requested by the Rules Committee  
By Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance; and providing for an effective date."

Sections 1 and 2 (Public Assistance Add and Delete Supplemental)

The sum of \$884,600 in general funds is to be deleted from the GR Medical and Energy Assistance BRUs and reappropriated to the Department of Health and Social Services, Division of Public Assistance, to pay additional FY 81 operating costs for field offices. These funds will earn an additional \$573,100 in federal money.

These sections provide a total of \$1,457,700 to the Division of Public Assistance in FY 81 to fund 56.5 FTE new positions and related costs to handle 1) a substantial increase in public assistance workload, particularly in the food stamp program; 2) an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and 3) positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

Sections 3 and 4 (AFDC Add and Delete Supplemental)

The purpose of this adjustment is to cover a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHB 968 in 1980, by moving \$200,000 excess state general funds from the Old Age Assistance Program (OAA). The projected surplus balance in OAA is a result of both caseload and average monthly payments being slightly less than originally projected. The general fund increase in AFDC will be matched by \$200,000 in federal receipts, adding a total of \$400,000 to the AFDC FY 81 appropriation.

Department Position

The appropriations referred to above are FY 81 supplementals required by the Department of Health and Social Services, and are strongly supported by the Department.

Recommended by: Rod Betit  
Rod Betit, Director  
Division of Public Assistance

Date: May 5, 1981

Approved by: Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date: 5/8/81

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making supplemental appro. to Department of Health & Social Services..."  
 Requested by The Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected PA Eligibility, Eligibility Determination  
 (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	1298.9					
200 TRAVEL	12.0					
300 CONTRACTUAL	120.6					
400 COMMODITIES	1.2					
500 EQUIPMENT	25.0					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1457.7</b>					

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	884.6					
FEDERAL FUNDS	573.1					
OTHER (Specify Fund Source)						

POSITIONS

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
FULL TIME	52					
PART TIME	9					
TEMPORARY						

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

Funds personal services cost for 56.5 FTE positions and Eligibility Worker series re-classification (1298.9); travel for new position training (12.0); guard services in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental transfers 884.6 General Fund that is applied to the FY 81 Eligibility Determination supplemental need. The net "additional" appropriation of 573.1 is Federal match funding.

IV. DATE May 4, 1981

PREPARED BY Marsha Hubbard, Director  
 AGENCY Div. Mgmt. & Bdgt., Health and Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, or Subprogram(s) Affected General Relief Medical - Hospitals  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(700.8)					
<b>TOTAL</b>	<b>(700.8)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(700.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

To reduce General Relief Medical - Hospitals by 700.8 in order to fund an increase in Eligibility Determination.

FY 81 AUTH.		FY 81 PROJ. EXPEND.		FY 81 LAPSE	
6,455.8	-	3,716.5	=	2,739.3	

(see attachment)

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director  
 AGENCY Div. of Mgmt. & Bdgt. Health and Social Services  
 Original: Legislative Finance PHONE 465-3331  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

	<u>FY79 ACTUAL</u>	<u>FY80 ACTUAL</u>	<u>FY81 w/Recon as of 3/31/81</u>	<u>FY81 PROJECTED</u>	<u>FY81 AUTH</u>	<u>FY81 BALANCE</u>	<u>FY82 FACTOR</u>	<u>* FY82 REVISED REQUEST</u>	<u>FY82 INITIAL REQUEST</u>	<u>FY82 CHG</u>
<u>MEDICAID BRU</u>										
HOSPITAL	5982.3	7773.6	5349.0	10260.4	10132.3	(128.1)	17%	10354.5	11826.7	(1472.2)
PHYSICIAN	2937.7	3704.1	2194.5	4591.1	4669.9	78.8	17%	5052.3	6415.2	(1362.9)
OTHER SERVICES	848.7	1095.9	630.8	1392.3	1410.6	18.3	17%	1552.0	1752.6	(200.6)
EPSDT	1632.3	1825.7	1133.5	2322.3	2826.6	504.3	17%	2717.1	3455.5	(738.4)
NURSING HOME	<u>12947.8</u>	<u>14331.7</u>	<u>11332.8</u>	<u>16800.0</u>	<u>19419.6</u>	<u>2619.6</u>	<u>17%</u>	<u>19656.0</u>	<u>21521.0</u>	<u>(1865.0)</u>
SUB-TOTAL	24348.8	28731.0	20640.6	35366.1	38459.0	3092.9	17%	39331.9	44978.0	(5646.1)
INDIAN HLTH	<u>1445.9</u>	<u>1161.3</u>	<u>456.2</u>	<u>2000.0</u>	<u>7239.1</u>	<u>5239.1</u>		<u>3410.8</u>	<u>3410.8</u>	<u>-0-</u>
TOTAL	25794.7	29895.1	21095.8	37366.1	45698.1			42742.7	48388.8	(5646.1)
<u>GENERAL RELIEF BRU</u>										
HOSPITAL	4052.1	4591.4	1611.3	3716.5	6455.8	2739.3	8%	3789.4	7102.7	(3313.3)
PHYSICIAN	1658.1	1685.7	588.1	1437.1	2610.9	1173.8	8%	1528.2	2954.6	(1426.4)
OTHER SERVICES	1350.0	1695.4	1064.7	2225.0	1580.3	(644.7)	8%	2399.5	2600.4	(200.9)
NURSING HOME	328.8	216.5	350.6	526.0	449.9	(76.1)	8%	556.1	265.0	291.1
CATASTROPHIC ILL	597.7	530.4	160.8	620.0	905.0	285.0	8%	669.6	980.2	(310.6)
RESIDENTIAL CARE				-0-	166.4	166.4		166.4	189.7	(23.3)
TOTAL	8002.7	8719.4	3775.7	8524.6	12168.3	3643.7		9121.2	14133.5	(5012.3)

\* The FY81 Projected (above) includes PY Recon claims paid in FY81. However, all FY81 Recon expenditures are backed out prior to calculating the FY82 Revised Request (FY81 Projected minus PY Recon = FY81 "Regular")

FY82 REVISED REQUEST = FY81 "Regular" X FY82 Factor

April 7, 1981

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
Program Category Affected Social Services  
BRU, Program, or Subprogram(s) Affected Energy Assistance Program  
(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(183.8)					
TOTAL	(183.8)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(183.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1981 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director  
AGENCY Div. of Mgmt. & Bdgt., Health and Social Services  
Original: Legislative Finance PHONE 465-3331  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social and Economic Assistance for the General Population  
 BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	400.0					
<b>TOTAL</b>	<b>400.0</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	200.0					
FEDERAL FUNDS	200.0					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

Summary of FY 81 AFDC:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	6835	342.56	12	28,096.7
SCSCSHB 968	6835	49.35	12	4,047.3
FY 81 Actual July 80-Feb. 81	6438	390.39	8	(20,106.7)
FY 81 Proj. March 81-June 30	6925	449.00	4	(12,437.3)
FY 81 Projected Shortfall				(400.0)

The actual FY 81 AFDC caseload has continued to increase each month beginning July, 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400,000 is attributed to insufficient funding for the AFDC grant in-

(continued)

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director  
 AGENCY Div. of Mgmt. & Bdgt., Health & Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

crease legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "add & delete" supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Old Age 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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(200.0)					
<b>TOTAL</b>	<b>(200.0)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(200.0)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

Summary of FY 81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY 81 FCC Authorization	2266	164.73	12	4,479.5
HB 60 Funding				44.1
FY 81 Actual July 80-Feb. 81	2192	150.08	8	(2,635.4)
FY 81 Proj. March 81-June 81	2241	154.10	4	(1,381.4)
FY 81 Projected Surplus				+ 506.8

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

A FY 81 "Add & Delete" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component. Marsha Hubbard

IV. DATE May 4, 1981 PREPARED BY AGENCY Department of Health and Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

STATEWIDE CASELOAD DISTRIBUTION  
(in thousands)

April 7, 1981

①

②

③

① FOOD STAMP

② AFDC

③ APA (GAA, AB, AD)

1 A 7

Jul 77

Jan 78

Jul 78

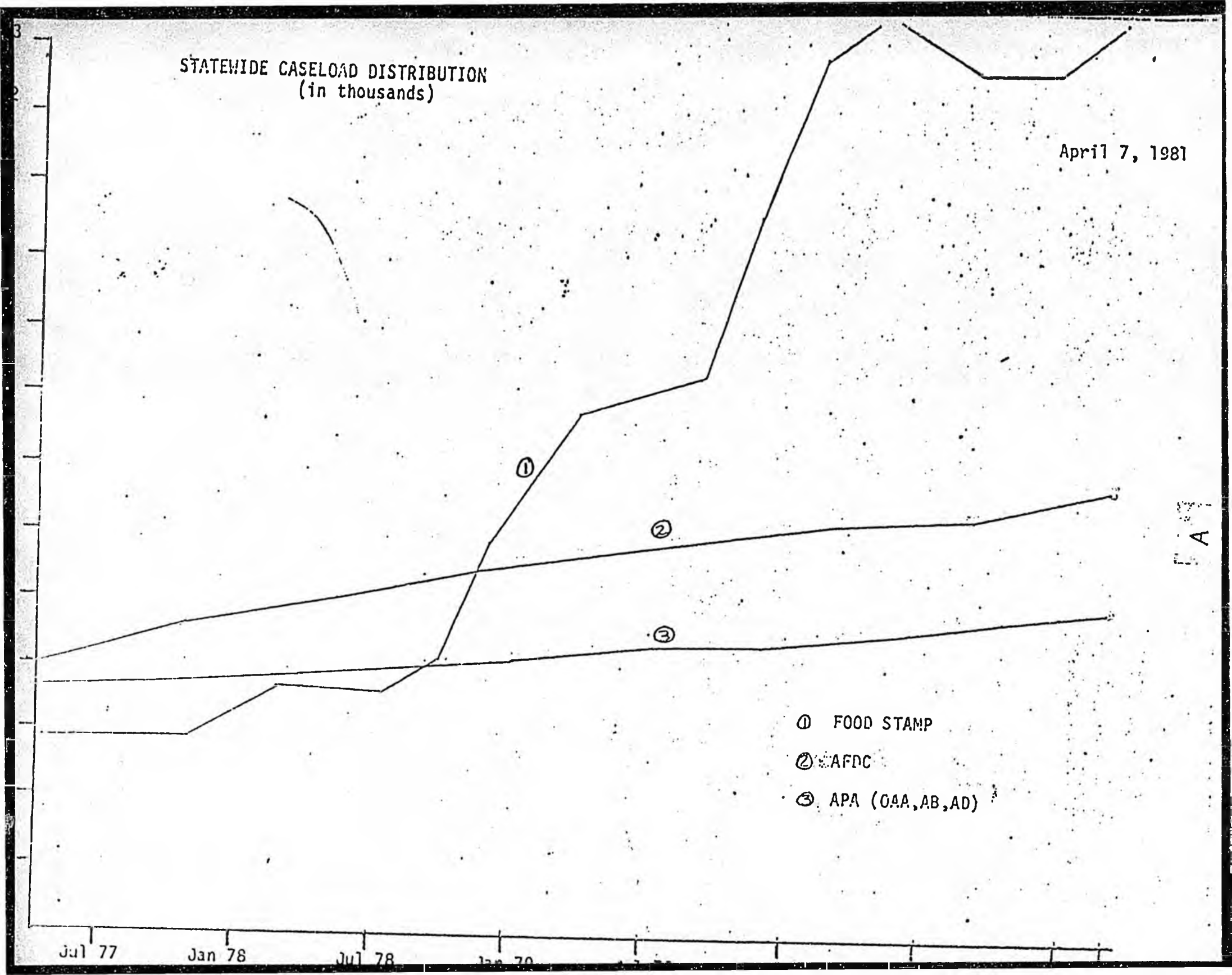
Jan 79

Jul 79

Jan 80

Jul 80

Jan 81



ELIGIBILITY DETERMINATION BRU

DISTRIBUTION OF FY81 AUTHORIZED STAFFING

	No. of ET I,II,III			No. of Supervisors/Adm.			No. of Clerical			TOTAL
	FCC	Supp	Total	FCC	Supp	Total	FCC	Supp	Total	
CENTRAL OFFICE	1	1	2	6	0	6	3	1	4	12
Deauville	7	0	7	2	0	2	2	0	2	11
Alaska	1	0	1	0	0	0	0	0	0	1
Chickalaska	4	.5	4.5	0	0	0	1	0	1	5.5
Chickalaska	.5	0	.5	0	0	0	0	0	0	.5
Chickalaska	1	0	1	0	0	0	0	0	0	1
SOUTHEAST	13.5	.5	14	2	0	2	3	0	3	19
Chickalaska	30	10.5	40.5	6	0	6	10	16	26	72.5
Chickalaska	.5	0	.5	0	0	0	0	0	0	.5
Chickalaska	1	0	1	0	0	0	0	0	0	1
Chickalaska	4	1	5	0	0	0	0	3	3	8
Chickalaska	1	1	2	0	0	0	.5	0	.5	2.5
Chickalaska	4	2.5	6.5	0	0	0	1	2	3	9.5
SOUTHCENTRAL	40.5	15	55.5	6	0	6	11.5	21	32.5	94
Chickalaska	15	5	20	3	0	3	3	10	13	36
Chickalaska	.5	0	.5	0	0	0	0	0	0	.5
Chickalaska	1	0	1	0	0	0	1	0	1	2
NORTHERN	16.5	5	21.5	3	0	3	4	10	14	38.5
Chickalaska	8	0	8	3	0	3	3	0	3	14
Chickalaska	1.5	0	1.5	0	0	0	0	0	0	1.5
SOUTHWEST	9.5	0	9.5	3	0	3	3	0	3	15.5
Chickalaska	1.5	2	3.5	1	0	1	1	1	2	6.5
Chickalaska	2	0	2	0	0	0	0	0	0	2
Chickalaska	.5	0	.5	0	0	0	0	0	0	.5
SOUTHWEST	4	2	6	1	0	1	1	1	2	9
REGIONAL TOTALS	85	23.5	108.5	21	0	21	25.5	33	58.5	188

SUMMARY (shown as full time equivalents)

	PFT	PPE	SEAS	TOTAL
July 1	126	5.5		131.5
July 1 SUPP(Mauneluk)	4			4
July 22 SUPP(BRC)	16		4	20
Dec 3 SUPP(BRC)	25			25
Dec 10 SUPP(BRC)	7	.5		7.5
	178	6	4	188

# MEMORANDUM

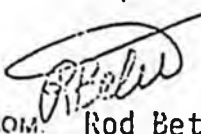
State of Alaska

TO: Allen Korhonen, Deputy Commissioner  
for Administrative Management  
Department of Health & Social Services

DATE: November 26, 1980

FILE NO:

TELEPHONE NO:

FROM:  Rod Betit, Director  
Division of Public Assistance  
Department of Health & Social Services

SUBJECT: Foodstamp Backlog

## I. Statement of Problem

The Department continues to be faced with severe backlogs in Foodstamp application processing. New applicants in Anchorage and Fairbanks must wait an average of 50 days for a foodstamp decision. In Anchorage periodic redeterminations of ongoing Foodstamp cases are also behind. For example, cases due to expire at the end of October would normally be reviewed and reactivated if still eligible no later than the 1st of November. However, Anchorage's October 1980 Foodstamp redeterminations were not completed until November 21, three full weeks behind schedule.

Although similar backlogs also exist for Anchorage and Fairbanks AFDC cases, the Foodstamp caseload is most severely affected for the following reasons:

- (1) There are only 6100 AFDC cases compared to 12,000 Foodstamp cases and the AFDC caseload generally has less turnover in it than Foodstamps.
- (2) The AFDC program is designed to react within a 30-45 day timeframe rather than on an emergency basis within 48 hours as exists with Foodstamps. Under current expedited delivery definitions, 50% of all Foodstamp applicants expect to receive benefits within 48 hours rather than 30 days.
- (3) Agency failure to complete a timely review of an AFDC case does not result in a termination of program benefits as it does with Foodstamp cases. This results because AFDC and Foodstamps are two separate data systems and the Foodstamp system was designed to terminate a case automatically at the end of a review period unless reactivated by an Eligibility Technician.

This situation is not expected to improve. Given this prognosis, Alaska Legal Services has filed a complaint in Fairbanks (Soutter v. Beirne) and is considering filing a complaint in Anchorage.

## II. Discussion

Having learned some time ago that Oregon went through a caseload growth problem similar to Alaska's six years ago, I asked federal AFDC officials to arrange a statewide review of DPA field operations and to have a member of the Oregon state agency on the review team. This review

was in fact completed and the review team's findings presented to the State two weeks ago. Those findings point to inadequate staffing levels as the principal contributor to our backlogs. The report pointed out repeatedly that Oregon's field offices have twice as many staff than Alaska's field offices for the same size caseload. This information is not new, but rather serves as validation of Division staffing assessments made during the last three budget cycles.

Although I personally feel that Oregon enjoys a greater staffing complement than the workload demands, it is clear that Alaska cannot get the job done without additional staff, primarily clerical. Oregon enjoys a one to one ratio of clerks to Eligibility Technicians. Alaska is attempting to drive its public assistance programs with a ratio of one clerk to every four Eligibility Technicians (ET). The result is that Alaska ETs spend an inordinate amount of time on clerical activities and less on actual eligibility determination duties.

I spent November 20 and 21 reviewing eligibility operations in Anchorage, while two members of my staff did a similar review in Fairbanks. This review encompassed a section by section analysis of current caseloads and staffing levels, as well as an evaluation of office wide intake/interview procedures. Participation by the supervisory staff was excellent. Once stimulated they responded quickly to the challenge of identifying specific recommendations for improvement of the office's operations.

### III. Conclusions

Although my detailed observations are listed in Sections I-VII attached, the major actions which should be taken to resolve the current situation are as follows:

- (1) Eligibility Technician strength in Anchorage and Fairbanks is very close to adequate. Although the staffing formula shows they need 16 ET positions given current caseloads, I believe these two offices can manage with only five additional ET positions if the needed clerical staff is authorized.
- (2) Clerical support levels in both offices are appalling. ETs are losing 30-40% of their productive time to routine clerical functions. For example, of the case changes I reviewed on one ET's desk, 80% of the work could have been performed by a clerical level employee without involvement by the ET. Clerical levels should be brought to 1 clerk for every two ETs. This would call for an increase of 20 clerks (12 in Anchorage and 8 in Fairbanks).
- (3) Redetermination interviews for General Assistance should be discontinued. Of the 184 GA cases approved in October 1980, 144 were repeaters with no change in circumstances. We should move to quarterly redeterminations instead of monthly.
- (4) Redetermination interviews for Foodstamps should also be discontinued. Although federal policy calls for an interview, Oregon and other states are not doing it. They handle all redeterminations by mail and Alaska should follow suit. This would reduce Foodstamp intake by at least 60% monthly.

Summary of COSTS to Executive Staff / Post Positions

Effective  
Dec 15

Column	Row	Position	Loc	Salary
1	New	ET I	ANCL	1761
2	New	ET I	ANCL	1761
3	New	ET I	ANCL	1761
4	New	ET I	FBX	1795
5	New	ET I	FBX	1795
6	New	① Clk III	ANCL	1393
7		②		
8		③		
9		④		
10		⑤		
11		⑥		
12		⑦		
13		⑧		
14		⑨		
15		⑩		
16		⑪		
17		⑫		
18		⑬	FBX	1564
19		⑭		
20		⑮		
21		⑯		
22		⑰		
23		⑱		
24		⑲		
25		⑳		

38 501 month salary

Base 1714  
FICA 2613  
25 x 13.2 = 3250

6599  
2360  
3250

5670 month  
x 6.5 months

329615

50.0 Fee

329.6 Savings  
+ 25.0 Quarters  
+ 10.0 Travel

364.6

145.8 Federal Funds  
218.8 State Funds

J.P. Peltier

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION I - OFFICEWIDE OBSERVATIONS

- (1) Office staffing is inadequate with respect to Eligibility Technicians and Clerical. Supervisory staff is adequate.

Unit	Current Staff			Needed Staff			Difference		
	Clk.	ET	Supv.	Clk.	ET	Supv.	Clk.	ET	Supv.
Reg. Mgr.	1.0	1.0	2.0	1.0	1.0	2.0	-0-	-0-	-0-
Cler. Unit	7.0	-0-	1.0	3.0	-0-	1.0	(4.0)	-0-	-0-
AFDC Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
FSP/GR Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
APA/XIX	1.0	6.0	1.0	5.0	9.0	1.0	4.0	3.0	-0-
Field	1.0	4.0	1.0	2.0	4.0	1.0	1.0	-0-	-0-
QA	-0-	2.0	-0-	.5	2.0	-0-	.5	-0-	-0-
TOTALS	12.0	37.0	7.0	23.5	40.0	7.0	11.5	3.0	-0-

Total additional staff needed in the Anchorage office is 3.0 Eligibility Technicians and 11.5 Clerk IIIs.

- (2) Individual caseloads need to be assigned to ETs and files physically moved to control of each ET. Net effect of this change would be a 4 person reduction in central clerical unit. This will improve office/ET efficiency and help offset additional clerks needed elsewhere.
- (3) All units need to transfer non-ET type duties to clerical level staff to free up ET time for true eligibility duties. (See individual units for details).
- (4) Each eligibility unit needs to designate team leaders who will actually carry a caseload of their own, but who will also field policy questions from other ETs in their team. Current class specs permit this and would compensate these employees as ET III (R14) rather than ET II (R13). This would free up ET IV (R15) time to actually manage their units.
- (5) New ET series minimum qualifications (MQs) are eliminating many people who were previously qualified for eligibility jobs. The Department should immediately request the Department of Administration to evaluate the effect of these new MQs.
- (6) Training continues to be inadequate. The Division should definitely relocate the training position to Anchorage early next year as planned.

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION II - FOODSTAMP/GR & GRM UNIT OBSERVATIONS

- (1) Face-to-face interviewing of Foodstamp families at time of case : review should be discontinued. 75% of October 1980 Foodstamp appointments were redetermination interviews. Although federal regulations require such an interview be done, Oregon is not complying and Alaska should do likewise. This will greatly relieve intake pressures. All redeterminations should be done by mail.
- (2) Monthly redetermination of eligibility for General Assistance should be discontinued. Of 184 cases found eligible for GA in October 1980, 140 were repeaters. These cases should be certified on a quarterly basis rather than monthly. The individual would still have to notify the office monthly to issue rent or utility payment, but this would be handled by a clerk rather than an ET.
- (3) Complete redesign of the State GR program is in order.
- (4) A substantial shift of functions should be made away from ETs to Clerk IIIs including the following duties:
  - Completing FSAF (computer input document)
  - Notice of Action to client
  - ATP, GR field warrants
  - Pre-application screening
  - changes such as address changes, and household membership changes on no income cases
  - Case file maintenance
  - Monitoring of Foodstamp redetermination and mailing of review applications

Date: November 20-21, 1980

SECTION III - APA/MEDICAID UNIT OBSERVATIONS

- (1) Each APA applicant is usually eligible for at least 3 Division programs. This is probably the most complicated caseload, caused in part by the absence of both an APA manual and a Medicaid manual. The APA manual is still pending approval of the Division's APA regulations by the Department of Law (it's now been 18 months). The Medicaid manual is still pending approval by federal Region X officials.
- (2) The unit needs 3 additional ETs and 4 additional clerks. This is the only unit which was found to be understaffed with respect to ETs.
- (3) With addition of the Clerks, transfer of the following duties should be made from the ETs to the clerks:
  - completion of BAF
  - completion of notice of action
  - case file maintenance
  - processing of non-eligible changes
  - monitoring of annual reviews and mailing of review applications
  - pre-application screening on new cases
  - monitoring of SOX, BENDEX, etc.

Transfer of these duties should free up 30% of each ETs time for true eligibility duties.

Date: November 20-21, 1980

SECTION IV - AFDC/AFDC & FSP UNIT OBSERVATIONS

- (1) This unit has adequate ETs for the caseload they are carrying, but they need five additional clerks.
- (2) A transfer of duties from ETs to clerks should be made when the new clerks are added. The clerks can handle the same duties listed under the APA Unit's observations.
- (3) Assuming 75% of all AFDC cases have a Foodstamp case attached to it, each ET is currently handling a caseload of 290 cases. This would be manageable with the new clerks.

Date: November 20-21, 1980

SECTION V - QUALITY ASSURANCE UNIT OBSERVATIONS

- (1) QA findings are not adequately or timely dealt with by Anchorage management. Transfer of DPA training position to Anchorage would help relieve this problem. This transfer is scheduled for April 1981.
- (2) QA is reviewing ET case decisions prior to implementation rather than after the fact. After much discussion, I came to the conclusion that this approach is OK provided QA routinely releases case decisions within 24 hours, even if they have not had time to complete the review.
- (3) Most of QA's emphasis has been on reviewing all case decisions for new ETs. This tends to color their findings and not give an accurate picture of officewide performance or unit performance. QA should shift responsibility for monitoring all case decisions for new ETs back to unit supervisors where it belongs. QA should then pull an equal sample of cases for all ETs on a monthly basis (approximately 17 cases/ET).
- (4) QA should conduct a quarterly onsite review of case decisions made in Kenai and Wasilla.
- (5) QA should continue to devote 10% of their review effort to home visits.
- (6) QA needs a part time clerk.

Date: November 20-21, 1980

SECTION VI - FIELD UNIT OBSERVATIONS

- (1) This unit makes eligibility decisions on all applications coming in from Kodiak, Valdez, Dillingham, Aleutian Chain, Tyonek and McGrath. (Wasilla becomes a full decision office on November 28). Because of the number of ETs in the Anchorage office, it is appropriate that Anchorage continue to operate a Field Unit as such to reduce the number of ETs which field staff and Fee Agents must relate to.
- (2) This unit has adequate ETs for their caseload but needs 1 additional clerk.
- (3) Due to staff turnover, this unit is highly susceptible to increases in decision times if not watched closely by office management. Management should develop a plan to deal effectively with the occurrence of staff turnover.
- (4) Foodstamp sales activities currently being performed by this unit should be examined carefully to determine if adequate use is being made of Loomis and USPS sales potential. Actual sales activity should be placed in the hands of clerical staff rather than ETs.

Date: November 20-21, 1980

SECTION VII - OFFICEWIDE ADMINISTRATIVE SUPPORT UNIT OBSERVATIONS

- (1) Office staff performs the following functions currently:
  - 1 Clerk V - Supervisor
  - 1 Clerk - Communications
  - 2 Clerks - Issuance of ATPs and Field Warrants
  - 1 Clerk - Receptionist
  - 1 Clerk - Switchboard
  - 2 Clerks - Central File Room
- (2) With elimination of Central File Room and assumption of ATP/Field Warrant issuance by line unit's clerks, this unit can be reduced by 4 clerks.
- (3) Management must carefully break out officewide administrative/clerical responsibilities versus individual unit responsibilities.
- (4) Clerk V's will assume a very significant training role on an ongoing basis if 12 clerks are added to the office. Standardization of clerical tasks must be done from unit to unit wherever possible.

## 7. Caseloads

Caseloads are distributed by program. Units are set up by program as well. The AFDC Unit is split into categories, those that are "earnings" cases and those that are "non-earnings" cases. The Food Stamp Unit is split into those that are non-assistance food stamp households and those that are General Relief Assistance (GRA) and General Relief Medical (GRM). Caseloads are extremely high. To further complicate the fact, adequate clerical support does not exist. Caseload is one of the big problems in the office, as the following series of examples illustrates. One worker has a 190 case backlog on the basic action form (BAF) changes. The oldest one that the individual had was for June, 1980 and the date this was determined was in late September. In Food Stamps, on the 24th of September, there were 48 people waiting to be seen as "stand-bys". That number had increased to something like 75 by the end of the day. One worker in the client services unit said that about 40% of the clients coming to the Client Services Unit do not need to be there, if appropriate action is taken in a timely manner on the BAF's. In one of the public assistance units, primarily the AFDC Units caseloads in the earned income cases tended to be around 250 and around 300 per worker in the non-earned income cases. The food stamp eligibility workers had equally heavy caseloads. Following is a comparison of Alaska's staffing compared to that which would be required in Oregon based on the identical caseloads. Caseloads vary substantially between offices.

### AFDC Staff Comparisons Based on Caseload of 2,258

Alaska		Oregon
12	Eligibility Workers	19
1	Supervisors	2
1	Clerks	14
0	Unit Clerks	2
0	Aides	2
14	TOTAL	39

## 8. Supervision

Workers are assigned to supervisors based on the specialty of that particular unit. The office has one AFDC supervisor, one non-assistance food stamp supervisor, and one supervisor responsible for the field unit which includes both food stamps and AFDC cases in the outlying areas. Supervisory absences are covered by a lead worker within the unit. There are no special supervisory expectations established in the local office. Supervisors do maintain spot checks on various records and they sometimes monitor the interviews. The Quality Assurance Unit is the unit primarily responsible for the review of the case records however, they do not review 100% of

AFDC

Management  
and  
Administrative  
Review

Alaska

September 1980

Region X



POSITION PAPER  
ON WORKING DRAFT FOR  
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 358 (FINANCE)

Requested by the Rules Committee  
by Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance; and providing for an effective date."

Sections 1 and 2 (Public Assistance Add and Delete Supplemental)

The sum of \$884,600 in general funds is to be deleted from the GR Medical and Energy Assistance BRUs and re-appropriated to the Department of Health and Social Services, Division of Public Assistance, to pay additional FY81 operating costs for field offices. These funds will earn an additional \$573.1 in federal money.

These sections provide a total of \$1457.7 to the Division of Public Assistance in FY81 to fund 56.5 FTE new positions and related costs to handle 1) a substantial increase in public assistance workload, particularly in the food stamp program; 2) an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and 3) positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

Eligibility Determination's FY81 personal services line item balance as of 4/15/81 is 79.0. This balance is not sufficient to meet projected payroll expenditures after April 15, 1981. Without the approval of this FY81 supplemental request, the Department cannot meet the May 15 payroll scheduled to run the night of May 21, 1981.

Sections 3 and 4 (AFDC Add and Delete Supplemental)

The purpose of this adjustment is to cover a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHB 968 in 1980, by moving \$200.0 excess state general funds from the Old Age Assistance Program (OAA). The projected surplus balance in OAA is a result of both caseload and average monthly payments being slightly less than originally projected. The general fund increase in AFDC will be matched by \$200,000 in federal receipts, adding a total of \$400.0 to the AFDC FY81 appropriation.

Department Position

The appropriations referred to above are FY81 supplementals required by the Department of Health and Social Services, and are strongly supported by the Department.

Recommended by:

Rod Betit

Rod Betit, Director  
Division of Public Assistance

Date:

April 27, 1981

Approved by:

Helen D. Beirne  
Helen D. Beirne, Commissioner  
Department of Health and  
Social Services

Date:

4-27-81

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental appro. to the Department of Health and Soc. Svcs..."  
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected PA Eligibility, Eligibility Determination  
 (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	1298.9					
200 TRAVEL	12.0					
300 CONTRACTUAL	120.6					
400 COMMODITIES	1.2					
500 EQUIPMENT	25.0					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1457.7</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	884.6					
FEDERAL FUNDS	573.1					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	52					
PART TIME	9					
TEMPORARY						

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

Funds personal service cost for 56.5 FTE positions and Eligibility Worker series reclassification (1298.9); travel for new position training (12.0); guard service in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental transfers 884.6 General fund that is applied to the FY81 Eligibility Determination supplemental need. The net "additional" appropriation of 573.1 is Federal match funding.

IV. DATE April 3, 1981 PREPARED BY *Mason Anderson*  
 AGENCY Department of Health and Social Services  
 PHONE 465-3331  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental appro. to the Dept. of Health and Social Services."  
 Requested by Rules Committee by Request of the Governor Date 3/18/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, or Subprogram(s) Affected General Relief Medical - Hospitals  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(700.8)					
<b>TOTAL</b>	<b>(700.8)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(700.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

To reduce General Relief Medical - Hospitals by 700.8 in order to fund and increase in Eligibility Determination.

$$\begin{array}{rcl}
 & & \text{FY 81} \\
 \text{FY 81} & & \text{PROJ.} \\
 \text{AUTH.} & & \text{EXPEND.} \\
 6,455.8 & - & 3,716.5 = 2,739.3 \\
 & & \text{FY 81} \\
 & & \text{LAPSE}
 \end{array}$$

(see attachment)

IV. DATE April 7, 1981 PREPARED BY Mason Anderson  
 AGENCY Health and Social Services  
 Original: Legislative Finance PHONE 465-3331  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named) M&B Approval M. Hubbard Date 4/8/81

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
Bill/Resolution No. House Bill No. 358  
Title "An Act making a supplemental approl. to the Department of Health and Soc. Svcs."  
Requested by Rules Committee by request of the Governor Date 4/3/81

II. FISCAL DETAIL  
Agency Affected Department of Health and Social Services  
Program Category Affected Social Services  
BRU, Program, or Subprogram(s) Affected Energy Assistance Program  
(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(183.8)					
TOTAL	(183.8)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(183.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

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

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE April 3, 1981 PREPARED BY *Mason Anderson*  
AGENCY Department of Health and Social Services  
PHONE 465-3331  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named) *M. Hubbard 4/6/81*

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."  
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social and Economic Assistance for the General Population  
 BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	400.0					
TOTAL	400.0					

FUNDING (Thousands of Dollars)

	FY 81	FY 82	FY 83	FY 84	FY 85	FY 86
GENERAL FUND	200.0					
FEDERAL FUNDS	200.0					
OTHER (Specify Fund Source)						

POSITIONS

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

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

Summary of FY 81 AFDC:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	6835	342.56	12	28,095.7
SCSCSHB 968	6835	49.35	12	4,047.3
FY 81 Actual July 80-Feb. 81	6433	390.39	8	(20,106.7)
FY 81 Proj. March 81-June 30	6925	449.00	4	(12,437.3)
FY 81 Projected Shortfall				(400.0)

The actual FY 81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson  
 AGENCY Department of Health and Social Services  
 Original: Legislative Finance PHONE 465-3331  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

*M. Habberd*  
4/6/81

HOUSE BILL 358 CONTINUATION SHEET

shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "delete and add" Supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."  
Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
Program Category Affected Social Services  
BRU, Program, or Subprogram(s) Affected Old Age 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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(200.0)					
TOTAL	(200.0)					

FUNDING (Thousands of Dollars)

GENERAL FUND	(200.0)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

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

Summary of FY 81 OAA:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	2266	164.73	12	4,479.5
HB 60 Funding				44.1
FY 81 Actual July 80-Feb. 81	2192	150.08	8	(2,635.4)
FY 81 Proj. March 81-June 81	2241	154.10	4	(1,381.4)
FT 81 Projected Surplus				+ 506.8

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly pay- (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson  
AGENCY Department of Health and Social Services  
PHONE 465-3331  
Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named) *M. Hubbard 7/6/81*

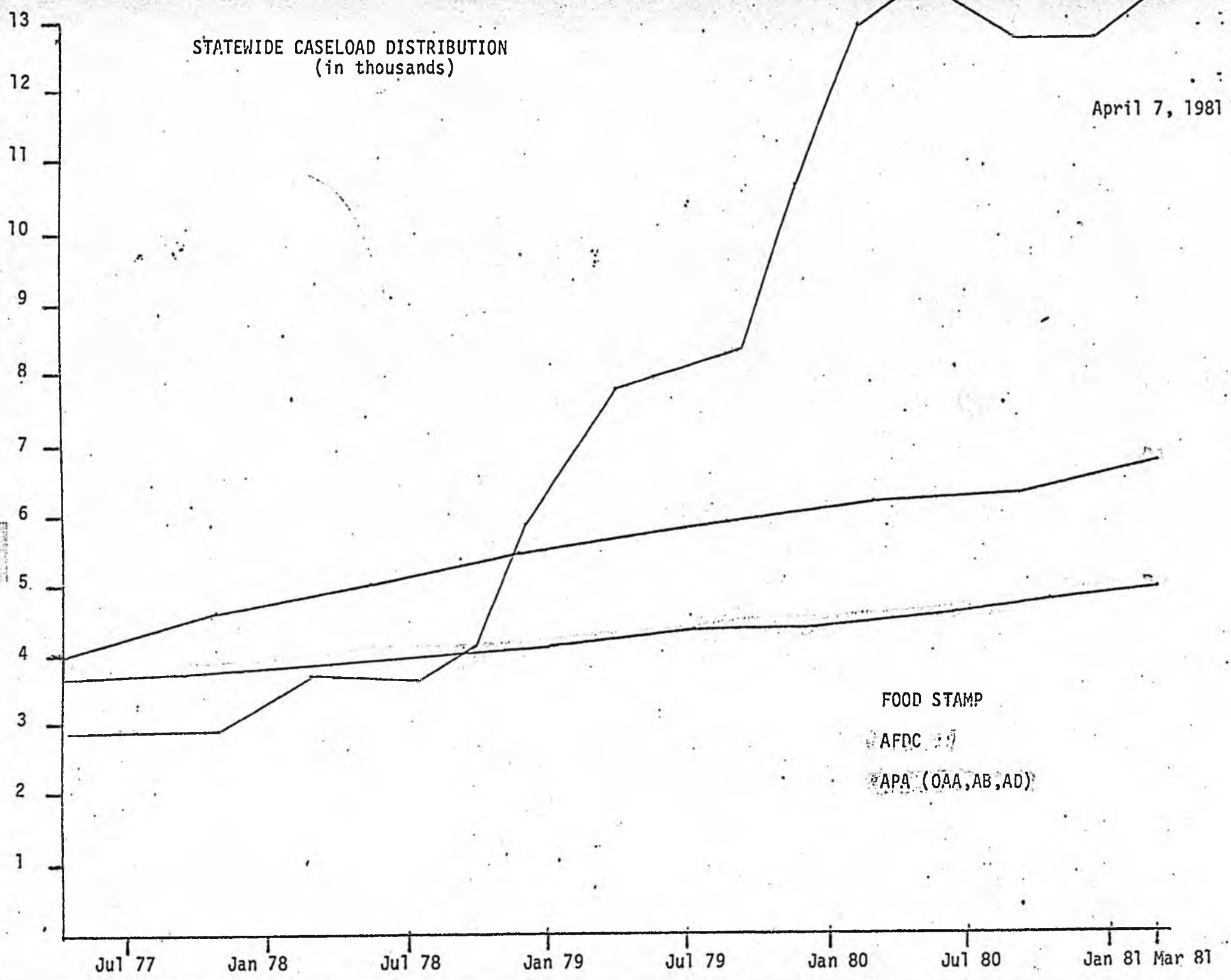
HOUSE BILL NO. 358 CONTINUATION SHEET

ments being slightly less than originally budgeted.

A FY 81 "delete & add" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component.

STATEWIDE CASELOAD DISTRIBUTION  
(in thousands)

April 7, 1981



ELIGIBILITY DETERMINATION BRU

DISTRIBUTION OF FY81 AUTHORIZED STAFFING

	No. of ET I,II,III			No. of Supervisors/Adm.			No. of Clerical			TOTAL
	FCC	Supp	Total	FCC	Supp	Total	FCC	Supp	Total	
CENTRAL OFFICE	1	1	2	6	0	6	3	1	4	12
uneau	7	0	7	2	0	2	2	0	2	11
itka	1	0	1	0	0	0	0	0	0	1
etchikan	4	.5	4.5	0	0	0	1	0	1	5.5
etersburg	.5	0	.5	0	0	0	0	0	0	.5
rangel	1	0	1	0	0	0	0	0	0	1
SOUTHEAST	13.5	.5	14	2	0	2	3	0	3	19
nchorage	30	10.5	40.5	6	0	6	10	16	26	72.5
aldez	.5	0	.5	0	0	0	0	0	0	.5
illingham	1	0	1	0	0	0	0	0	0	1
asilla	4	1	5	0	0	0	0	3	3	8
odiak	1	1	2	0	0	0	.5	0	.5	2.5
enai	4	2.5	6.5	0	0	0	1	2	3	9.5
SOUTHCENTRAL	40.5	15	55.5	6	0	6	11.5	21	32.5	94
airbanks	15	5	20	3	0	3	3	10	13	36
Alena	.5	0	.5	0	0	0	0	0	0	.5
t. Yukon	1	0	1	0	0	0	1	0	1	2
NORTHERN	16.5	5	21.5	3	0	3	4	10	14	38.5
ethel	8	0	8	3	0	3	3	0	3	14
niak	1.5	0	1.5	0	0	0	0	0	0	1.5
SOUTHWEST	9.5	0	9.5	3	0	3	3	0	3	15.5
otzebue	1.5	2	3.5	1	0	1	1	1	2	6.5
ome	2	0	2	0	0	0	0	0	0	2
nalakleet	.5	0	.5	0	0	0	0	0	0	.5
NORTHWEST	4	2	6	1	0	1	1	1	2	9
REGIONAL TOTALS	85	23.5	108.5	21	0	21	25.5	33	58.5	188

SUMMARY (shown as full time equivalents)

	PFT	PPT	SEAS	TOTAL
July 1	126	5.5		131.5
July 1 SUPP(Mauneluk)	4			4
July 22 SUPP(BRC)	16		4	20
Dec 3 SUPP(BRC)	25			25
Dec 10 SUPP(BRC)	7	.5		7.5
	178	6	4	188

# MEMORANDUM

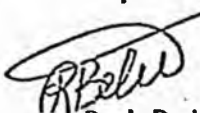
State of Alaska

TO: Allen Korhonen, Deputy Commissioner  
for Administrative Management  
Department of Health & Social Services

DATE: November 26, 1980

FILE NO:

TELEPHONE NO:

  
FROM: Rod Betit, Director  
Division of Public Assistance  
Department of Health & Social Services

SUBJECT: Foodstamp Backlog

## I. Statement of Problem

The Department continues to be faced with severe backlogs in Foodstamp application processing. New applicants in Anchorage and Fairbanks must wait an average of 50 days for a foodstamp decision. In Anchorage periodic redeterminations of ongoing Foodstamp cases are also behind. For example, cases due to expire at the end of October would normally be reviewed and reactivated if still eligible no later than the 1st of November. However, Anchorage's October 1980 Foodstamp redeterminations were not completed until November 21, three full weeks behind schedule.

Although similar backlogs also exist for Anchorage and Fairbanks AFDC cases, the Foodstamp caseload is most severely affected for the following reasons:

- (1) There are only 6100 AFDC cases compared to 12,000 Foodstamp cases and the AFDC caseload generally has less turnover in it than Foodstamps.
- (2) The AFDC program is designed to react within a 30-45 day timeframe rather than on an emergency basis within 48 hours as exists with Foodstamps. Under current expedited delivery definitions, 50% of all Foodstamp applicants expect to receive benefits within 48 hours rather than 30 days.
- (3) Agency failure to complete a timely review of an AFDC case does not result in a termination of program benefits as it does with Foodstamp cases. This results because AFDC and Foodstamps are two separate data systems and the Foodstamp system was designed to terminate a case automatically at the end of a review period unless reactivated by an Eligibility Technician.

This situation is not expected to improve. Given this prognosis, Alaska Legal Services has filed a complaint in Fairbanks (Soutter v. Beirne) and is considering filing a complaint in Anchorage.

## II. Discussion

Having learned some time ago that Oregon went through a caseload growth problem similar to Alaska's six years ago, I asked federal AFDC officials to arrange a statewide review of DPA field operations and to have a member of the Oregon state agency on the review team. This review

was in fact completed and the review team's findings presented to the State two weeks ago. Those findings point to inadequate staffing levels as the principal contributor to our backlogs. The report pointed out repeatedly that Oregon's field offices have twice as many staff than Alaska's field offices for the same size caseload. This information is not new, but rather serves as validation of Division staffing assessments made during the last three budget cycles.

Although I personally feel that Oregon enjoys a greater staffing complement than the workload demands, it is clear that Alaska cannot get the job done without additional staff, primarily clerical. Oregon enjoys a one to one ratio of clerks to Eligibility Technicians. Alaska is attempting to drive its public assistance programs with a ratio of one clerk to every four Eligibility Technicians (ET). The result is that Alaska ETs spend an inordinate amount of time on clerical activities and less on actual eligibility determination duties.

I spent November 20 and 21 reviewing eligibility operations in Anchorage, while two members of my staff did a similar review in Fairbanks. This review encompassed a section by section analysis of current caseloads and staffing levels, as well as an evaluation of office wide intake/ interview procedures. Participation by the supervisory staff was excellent. Once stimulated they responded quickly to the challenge of identifying specific recommendations for improvement of the office's operations.

### III. Conclusions

Although my detailed observations are listed in Sections I-VII attached, the major actions which should be taken to resolve the current situation are as follows:

- (1) Eligibility Technician strength in Anchorage and Fairbanks is very close to adequate. Although the staffing formula shows they need 16 ET positions given current caseloads, I believe these two offices can manage with only five additional ET positions if the needed clerical staff is authorized.
- (2) Clerical support levels in both offices are appalling. ETs are losing 30-40% of their productive time to routine clerical functions. For example, of the case changes I reviewed on one ETs desk, 80% of the work could have been performed by a clerical level employee without involvement by the ET. Clerical levels should be brought to 1 clerk for every two ETs. This would call for an increase of 20 clerks (12 in Anchorage and 8 in Fairbanks).
- (3) Redetermination interviews for General Assistance should be discontinued. Of the 184 GA cases approved in October 1980, 144 were repeaters with no change in circumstances. We should move to quarterly redeterminations instead of monthly.
- (4) Redetermination interviews for Foodstamps should also be discontinued. Although federal policy calls for an interview, Oregon and other states are not doing it. They handle all redeterminations by mail and Alaska should follow suit. This would reduce Foodstamp intake by at least 60% monthly.

# Summary of Costs To Resolve Arch/Fax Problem

Effective  
Dec 16

COLUMN - WRITE

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	
Position		Loc	Salary																																					
1	New	ET I	ANCH	1761																																				
2	New	ET I	ANCH	1761																																				
3	New	ET I	ANCH	1761																																				
4	New	ET I	FBX	1995																																				
5	New	ET I	FBX	1995																																				
6	New	① Clerk III	ANCH	1393																																				
7		②																																						
8		③																																						
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33501 monthl salary  
 Benefit 714  
 FICA 2613  
 25 x 130 = 3250

5071.0 month  
 x 6.5 months

32961.5

+ 150.0 Fed

329.6 STATE COST  
 + 25.0 Overtime  
 + 10.0 Travel

364.6

145.8 Federal Funds  
 218.8 State Funds

*(Signature)*

ANCHORAGE DPA FIELD OFFICESECTION I - OFFICEWIDE OBSERVATIONS

- (1) Office staffing is inadequate with respect to Eligibility Technicians and Clerical. Supervisory staff is adequate.

OFFICEWIDE STAFFING SUMMARY									
Unit	Current Staff			Needed Staff			Difference		
	Clk.	ET	Supv.	Clk.	ET	Supv.	Clk.	ET	Supv.
Reg. Mgr.	1.0	1.0	2.0	1.0	1.0	2.0	-0-	-0-	-0-
Cler. Unit	7.0	-0-	1.0	3.0	-0-	1.0	(4.0)	-0-	-0-
AFDC Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
FSP/GR Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
APA/XIX	1.0	6.0	1.0	5.0	9.0	1.0	4.0	3.0	-0-
Field	1.0	4.0	1.0	2.0	4.0	1.0	1.0	-0-	-0-
QA	-0-	2.0	-0-	.5	2.0	-0-	.5	-0-	-0-
TOTALS	12.0	37.0	7.0	23.5	40.0	7.0	11.5	3.0	-0-

Total additional staff needed in the Anchorage office is 3.0 Eligibility Technicians and 11.5 Clerk IIIs.

- (2) Individual caseloads need to be assigned to ETs and files physically moved to control of each ET. Net effect of this change would be a 4 person reduction in central clerical unit. This will improve office/ET efficiency and help offset additional clerks needed elsewhere.
- (3) All units need to transfer non-ET type duties to clerical level staff to free up ET time for true eligibility duties. (See individual units for details).
- (4) Each eligibility unit needs to designate team leaders who will actually carry a caseload of their own, but who will also field policy questions from other ETs in their team. Current class specs permit this and would compensate these employees as ET III (R14) rather than ET II (R13). This would free up ET IV (R15) time to actually manage their units.
- (5) New ET series minimum qualifications (MQs) are eliminating many people who were previously qualified for eligibility jobs. The Department should immediately request the Department of Administration to evaluate the effect of these new MQs.
- (6) Training continues to be inadequate. The Division should definitely relocate the training position to Anchorage early next year as planned.

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION II - FOODSTAMP/GR & GRM UNIT OBSERVATIONS

- (1) Face-to-face interviewing of Foodstamp families at time of case review should be discontinued. 75% of October 1980 Foodstamp appointments were redetermination interviews. Although federal regulations require such an interview be done, Oregon is not complying and Alaska should do likewise. This will greatly relieve intake pressures. All redeterminations should be done by mail.
- (2) Monthly redetermination of eligibility for General Assistance should be discontinued. Of 184 cases found eligible for GA in October 1980, 140 were repeaters. These cases should be certified on a quarterly basis rather than monthly. The individual would still have to notify the office monthly to issue rent or utility payment, but this would be handled by a clerk rather than an ET.
- (3) Complete redesign of the State GR program is in order.
- (4) A substantial shift of functions should be made away from ETs to Clerk IIIs including the following duties:
  - Completing FSAF (computer input document)
  - Notice of Action to client
  - ATP, GR field warrants
  - Pre-application screening
  - changes such as address changes, and household membership changes on no income cases
  - Case file maintenance
  - Monitoring of Foodstamp redetermination and mailing of review applications

### SECTION III - APA/MEDICAID UNIT OBSERVATIONS

- (1) Each APA applicant is usually eligible for at least 3 Division programs. This is probably the most complicated caseload, caused in part by the absence of both an APA manual and a Medicaid manual. The APA manual is still pending approval of the Division's APA regulations by the Department of Law (it's now been 18 months). The Medicaid manual is still pending approval by federal Region X officials.
- (2) The unit needs 3 additional ETs and 4 additional clerks. This is the only unit which was found to be understaffed with respect to ETs.
- (3) With addition of the Clerks, transfer of the following duties should be made from the ETs to the clerks:
  - completion of BAF
  - completion of notice of action
  - case file maintenance
  - processing of non-eligible changes
  - monitoring of annual reviews and mailing of review applications
  - pre-application screening on new cases
  - monitoring of SOX, BENDEX, etc.

Transfer of these duties should free up 30% of each ETs time for true eligibility duties.

Date: November 20-21, 1980

SECTION IV - AFDC/AFDC & FSP UNIT OBSERVATIONS

- (1) This unit has adequate ETs for the caseload they are carrying, but they need five additional clerks.
- (2) A transfer of duties from ETs to clerks should be made when the new clerks are added. The clerks can handle the same duties listed under the APA Unit's observations.
- (3) Assuming 75% of all AFDC cases have a Foodstamp case attached to it, each ET is currently handling a caseload of 290 cases. This would be manageable with the new clerks.

Date: November 20-21, 1980

SECTION V - QUALITY ASSURANCE UNIT OBSERVATIONS

- (1) QA findings are not adequately or timely dealt with by Anchorage management. Transfer of DPA training position to Anchorage would help relieve this problem. This transfer is scheduled for April, 1981.
- (2) QA is reviewing ET case decisions prior to implementation rather than after the fact. After much discussion, I came to the conclusion that this approach is OK provided QA routinely releases case decisions within 24 hours, even if they have not had time to complete the review.
- (3) Most of QA's emphasis has been on reviewing all case decisions for new ETs. This tends to color their findings and not give an accurate picture of officewide performance or unit performance. QA should shift responsibility for monitoring all case decisions for new ETs back to unit supervisors where it belongs. QA should then pull an equal sample of cases for all ETs on a monthly basis (approximately 17 cases/ET).
- (4) QA should conduct a quarterly onsite review of case decisions made in Kenai and Wasilla.
- (5) QA should continue to devote 10% of their review effort to home visits.
- (6) QA needs a part time clerk.

Date: ..November 20-21, 1980

SECTION VI - FIELD UNIT OBSERVATIONS

- (1) This unit makes eligibility decisions on all applications coming in from Kodiak, Valdez, Dillingham, Aleutian Chain, Tyonek and McGrath. (Wasilla becomes a full decision office on November 28). Because of the number of ETs in the Anchorage office, it is appropriate that Anchorage continue to operate a Field Unit as such to reduce the number of ETs which field staff and Fee Agents must relate to.
- (2) This unit has adequate ETs for their caseload but needs 1 additional clerk.
- (3) Due to staff turnover, this unit is highly susceptible to increases in decision times if not watched closely by office management. Management should develop a plan to deal effectively with the occurrence of staff turnover.
- (4) Foodstamp sales activities currently being performed by this unit should be examined carefully to determine if adequate use is being made of Loomis and USPS sales potential. Actual sales activity should be placed in the hands of clerical staff rather than ETs.

Date: November 20-21, 1980

SECTION VII - OFFICEWIDE ADMINISTRATIVE SUPPORT UNIT OBSERVATIONS

(1) Office staff performs the following functions currently:

- 1 Clerk V - Supervisor
- 1 Clerk - Communications
- 2 Clerks - Issuance of ATPs and Field Warrants
- 1 Clerk - Receptionist
- 1 Clerk - Switchboard
- 2 Clerks - Central File Room

- (2) With elimination of Central File Room and assumption of ATP/Field Warrant issuance by line unit's clerks, this unit can be reduced by 4 clerks.
- (3) Management must carefully break out officewide administrative/clerical responsibilities versus individual unit responsibilities.
- (4) Clerk V's will assume a very significant training role on an ongoing basis if 12 clerks are added to the office. Standardization of clerical tasks must be done from unit to unit wherever possible.

7. Caseloads

Caseloads are distributed by program. Units are set up by program as well. The AFDC Unit is split into categories, those that are "earnings" cases and those that are "non-earnings" cases. The Food Stamp Unit is split into those that are non-assistance food stamp households and those that are General Relief Assistance (GRA) and General Relief Medical (GRM). Caseloads are extremely high. To further complicate the fact, adequate clerical support does not exist. Caseload is one of the big problems in the office, as the following series of examples illustrates. One worker has a 190 case backlog on the basic action form (BAF) changes. The oldest one that the individual had was for June, 1980 and the date this was determined was in late September. In Food Stamps, on the 24th of September, there were 48 people waiting to be seen as "stand-bys". That number had increased to something like 75 by the end of the day. One worker in the client services unit said that about 40% of the clients coming to the Client Services Unit do not need to be there, if appropriate action is taken in a timely manner on the BAF's. In one of the public assistance units, primarily the AFDC Units caseloads in the earned income cases tended to be around 250 and around 300 per worker in the non-earned income cases. The food stamp eligibility workers had equally heavy caseloads. Following is a comparison of Alaska's staffing compared to that which would be required in Oregon based on the identical caseloads. Caseloads vary substantially between offices.

AFDC Staff Comparisons  
Based on Caseload of 2,258

Alaska		Oregon
12	Eligibility Workers	19
1	Supervisors	2
1	Clerks	14
0	Unit Clerks	2
0	Aides	2
14	TOTAL	39

8. Supervision

Workers are assigned to supervisors based on the specialty of that particular unit. The office has one AFDC supervisor, one non-assistance food stamp supervisor, and one supervisor responsible for the field unit which includes both food stamps and AFDC cases in the outlying areas. Supervisory absences are covered by a lead worker within the unit. There are no special supervisory expectations established in the local office. Supervisors do maintain spot checks on various records and they sometimes monitor the interviews. The Quality Assurance Unit is the unit primarily responsible for the review of the case records however, they do not review 100% of

ROD BETT

# AFDC

Management  
and  
Administrative  
Review

# Alaska

September 1980

Region X



POSITION PAPER

HOUSE BILL NO. 358

Requested by the Rules Committee  
by Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance and Division of Social Services; amending ch. 120 SLA 1980; and providing for an effective date."

\* Section 1. The sum of \$1,273,900 is appropriated to the Department of Health and Social Services, division of public assistance, to pay additional FY 81 program costs, from the following sources:

General Fund	\$700,800
Other Funds	573,100

This section appropriates \$1,273,900 to the Division of Public Assistance for a FY 81 supplemental budget request to fund 56.5 FTE new positions and related costs to handle a substantial increase in public assistance workload, particularly in the food stamp program; an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

\* Sec. 2. The sum of \$69,500 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to pay the costs of social services programs in the Kotzebue area.

Projections as of February 28 indicate that social services can continue to be provided throughout the region with existing funds. This is possible because it was necessary to hold several positions vacant for seven months due to underfunding, and by transferring 6.0 from contractual and commodities to travel by a revised program which was previously submitted, but is still pending. Services to the Kotzebue area were continued on an itinerant basis out of the Nome office until vacancies no longer were necessary. This supplemental is not required and should be withdrawn.

\* Sec. 3. Section 51, ch. 120 SLA 1980, page 26, line 5 is amended to read:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Energy assistance program (8 positions)	<u>7,183,800</u> [7,367,600]	[183,800]	7,183,800

This section reduces the appropriation for the Energy Assistance program by 183.8 general funds. This amount was budgeted in order to provide a required general fund match for receipt of federal funds. This matching requirement was later waived by the Federal Department of Health and Human Services.

\* Sec. 4. Section 51, ch. 120 SLA 1980, page 26, line 6, is amended to read:

	APPROPRIATION ITEMS	GENERAL FUND	OTHER FUNDS
Public assistance eligibility	4,901,600	[4,717,800] 3,042,500	[2,858,700] 1,859,100

\* Sec. 5. Section 51, ch. 120 SLA 1980, page 26, line 7, is amended to read:

	<u>ALLOCATIONS</u>
Eligibility Determination (137 positions)	<u>4,761,600</u> [4,577,800]

Sections 4 and 5 appropriate the 183.8 reduced by Section 3 to the appropriation for Public Assistance Eligibility and allocation for Eligibility Determination to provide additional funds required for the purpose in Section 1.

New Section Required

Section 51, ch. 120 SLA 1980, should be amended as follows:

Category: Social Services; Page 25, Line 12

	<u>Allocations</u>	<u>Appropriations</u>	<u>G.F.</u>	<u>Other</u>
Asst. Pmts.	34,129,300	[33,729,300]	19,881,000	14,248,300
			[19,681,000]	[14,048,300]

AFDC

28,496,700 [29,096,700]

Category: Social Services; Page 28, Line 18

Old Age Asst. Pmts. 4,279,500 [4,479,500] 4,279,500 [4,479,500]

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHR 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

Summary

The effect of this bill is as follows:

<u>BRII</u>	<u>COMPONENTS</u>	<u>IMPACT FY 81</u>
Elig. Deter.	Elig. Deter.	1,457.7 increase
Energy Asst.	Energy Asst.	183.8 decrease
Asst. Pmnts.	AFDC	400.0 increase
Old Age Asst.	Old Age Asst.	200.0 decrease

The letter dated March 27 from the Office of the Governor included increases of 400,000 and 1,331,000 as new sections for HB 358. The 1,331,000 referred to in this letter is unnecessary.

Department Position

The appropriations referred to above are FY 81 supplementals required by the Department of Health and Social Services.

Recommended by: Rod Betit  
Rod Betit, Director  
Division of Public Assistance

Date: April 6, 1981

Approved By: Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date: 4/7/81

# MEMORANDUM

# State of Alaska

TO: Ron Lehr, Director  
Division of Budget and Management  
Office of Governor

DATE:

FILE NO:

TELEPHONE NO:

FROM: *Helen D. Beirne*  
Helen D. Beirne, Commissioner  
Department of Health & Social Services

SUBJECT: FY81 Supplemental Request  
PA Eligibility BRU  
Eligibility Determination  
Allocation

The Department of Health & Social Services requests an FY81 supplemental appropriation for the Division of Public Assistance's Eligibility Determination component in the amount of \$1457.7 of which \$884.6 is state general funds and \$573.1 is federal funds. This supplemental request involves five separate under-funding issues: 1) funding for 24.0 new positions; 2) eligibility worker series classification upgrade; 3) replacement of deleted funds for FY81 Mauneluk contract; 4) funding for 32.5 new positions; and 5) U.S. Post Office contract underfunding and additional office space in Anchorage.

1) On July 22 the Department met with the BRC to consider a supplemental request for eight new PFT eligibility workers, eight new clerical positions, contractual funds for security guard service for the Anchorage and Fairbanks lobbies, and continuing funding for the eight seasonal eligibility staff. The Department's request for 24 positions (16 full-time plus 8 seasonals) was approved representing an additional 256 man months in FY81 at a cost of \$474.3 in personal services, and 40.0 in contractual for the security guard services. (Attachment #1)

2) On February 15, 1980, representatives of the State of Alaska and the Alaska Public Employees Association signed a Letter of Agreement to the General Government Unit contract which stipulated in part that a classification study of the Eligibility Worker series would be completed by September 16, 1980. In response to this agreement, a comprehensive classification and salary review was performed by the Division of Personnel, Department of Administration. The specific recommendations resulting from this classification review are summarized below:

<u>Abolish</u>		<u>Establish</u>	
<u>Title</u>	<u>Range</u>	<u>Title</u>	<u>Range</u>
Eligibility Worker I	9	Eligibility Technician I	12
Eligibility Worker II	11	Eligibility Technician II	13
Eligibility Worker III	12	Eligibility Technician III	14
Eligibility Worker IV	14	Eligibility Technician IV	15
Eligibility Work Mgr.	16		

These recommended changes are effective October 16, 1980. The supplemental resources to fund this series upgrade for the period October 16 through June 30, 1981 is \$265.3. (See attachment #2)

3) With the 1980 Legislature's creation of the Mauneluk BRU, the Division of Public Assistance lost funding for the four positions connected with its Kotzebue operation, and associated support funding. This requests funding for personal service and support costs for providing continued services in the Kotzebue region while the FY81 Mauneluk contract is negotiated. Supplemental funding of 137.0 represents the resources required for a full 12 months of service in FY81.

4) On December 3 the Department met with the BRC to review a supplemental request for five new PFT Eligibility Technicians I-II (FS), twenty new Clerk III positions, and support funding for travel and equipment. The Department's request for these 25.0 positions was approved representing an additional 162.5 man months in FY81 at a cost of \$329.6 in personal services, 10.0 for travel, and 25.0 for support equipment. Subsequent to the December 3 meeting, a staffing level analysis of the Wasilla and Kenai district offices resulted in the request for an additional 7.5 positions (3.0 Wasilla, 4.5 Kenai). Supplemental position funding for these positions, approval effective December 22, is 108.4. Authority to establish these new positions enables the Department to implement substantial changes in the configuration of eligibility workflow operations in Public Assistance's Anchorage, Fairbanks, and Wasilla offices. (See attachment #4)

5a) The Division of Public Assistance has held a contract with the U.S. Postal Service for the sale of food stamps (redeeming ATP transaction) in Anchorage, Fairbanks, Juneau, and Ketchikan. The contract documents are negotiated nationally between the U.S. Postal Service and the Department of Agriculture on behalf of all states. In March 1980 a new contract from the U.S.P.S. adjusted the consideration per ATP transaction from \$1.10 to \$1.42. (See attachment #5.) This 30% rate increase was not anticipated, nor budgeted for in FY81 but is the rate charged effective June 1, 1980. Additionally, the actual number of clients using the above mentioned Post Office locations to redeem their monthly Food Stamp Authorization card (ATP) exceed the FY81 budgeted authorization.

	<u>Trans-</u>	<u>Price per</u>	<u>Months</u>		
	<u>actions</u>	<u>Transaction</u>			
FY81 Current Authorization	7000	x \$1.10	x 12	=	92.4
FY81 Revised need	8125	x 1.42	x 12	=	<u>138.5</u>
FY81 Shortfall					46.1

5b) Office space in Anchorage for district and regional staff is not adequate. In order to allow sufficient office space for client in-take and staff work area, an additional 2200 sq. ft. is required.

FY81 Revised Need 2200 sq. ft. x \$2.00/sq. ft. x 5 months = 22.0

A supplemental request of 68.1, to fund the above shortfall (46.1 + 22.0), is required to continue vital contractual service and to provide adequate office space in Anchorage.

FY81 Supplemental Request is summarized as follows:

	<u>TOTAL</u>	<u>GF</u>	<u>FEDERAL</u>
(1) 24.0 new position funding (July 1)	514.3	313.8	200.5
(2) EW reclassification upgrade	265.3	160.5	104.8
(3) FY81 Supplemental for Kotzebue staff	137.0	82.9	54.1
(4) 32.5 new position funding (Dec. 15)	473.0	286.2	186.8
(5) U.S.P.O. contract and new space	<u>68.1</u>	<u>41.2</u>	<u>26.9</u>
<b>TOTAL</b>	<b>1457.7</b>	<b>884.6</b>	<b>573.1</b>

The Department requests that the 183.8 general funds included in the FY81 Energy Assistance Program (EAP) appropriation be directly applied to the FY81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY81 would be shared between federal (50%) and state (50%). Consequently, the FY81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required. (See attachment #3)

This request amends and adjusts appropriations as follows:

	<u>Appropriation</u>	<u>General Fund</u>	<u>Other Funds (Federal)</u>
Energy Assistance Program BRU	7367.6	183.8	7183.8
Delete GF and transfer to ED		<u>(183.8)</u>	<u>183.8</u>
EAP FY81 Revised	7367.6	- 0 -	7367.6

	<u>Appropriation</u>	<u>General Fund</u>	<u>Other Funds (Federal)</u>
Eligibility Determination Allocation	4577.8	2789.6	1788.2
Transfer GF from EAP	183.8	183.8	
FY81 Supplemental (less EAP add)	<u>1273.9</u>	<u>700.8</u>	<u>573.1</u>
ED FY81 Revised	6035.5	3674.2	2361.3

Eligibility Determination's FY81 personal services line item balance as of 12/15/80 is \$2004.7. This balance is sufficient funding to meet projected payroll expenditures through April 15, 1981. After the April 15 payroll distribution the current personal services authorization will be exhausted. Any payroll obligation beyond this deadline cannot be met without the approval of this FY81 supplemental request.

Attachments

**FY 81** REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

FY 81

CATEGORY	Social Services
COVER PROGRAM	Spec. Fee Assisted Prog. In Gen Pop
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	Public Assistance
BUDGET REQUEST UNIT	PA Eligibility
BUDGET COMPONENT	Eligibility & Termination
APPROPRIATION	
ALLOCATION	

BUDGET STRUCTURE \_\_\_\_\_  
COLLOCATION CODE(S) \_\_\_\_\_

APPROVED DATE \_\_\_\_\_ APPROVED DATE \_\_\_\_\_ APPROVED DATE \_\_\_\_\_ APPROVED DATE \_\_\_\_\_

	FCC	GOV. VETO	INITIAL AUTH.	FY 81 SUPPLEMENTAL REQUEST				BALANCE ACT II	LOG NO. RP VO.	BAL
				24.9 New Positions	ED Recls Ungranted	New H.P.	30.5 New Positions			
000 UNALLOCATED										
01 PERSONAL SERVICES	3419.5		3419.5	474.3	265.3	121.3	438.0	4718.4		
02 TRAVEL	71.5		71.5			2.0	10.0	81.5		
03 CONTRACTUAL	966.7		966.7	40.0		12.5		1087.3		
04 COMMODITIES	36.6		36.6			1.2		37.8		
05 EQUIPMENT	14.4		14.4				25.0	39.4		
06 LANDS, BUILDINGS	69.1		69.1					69.1		
07 GRANTS, CLAIMS										
08 MISCELLANEOUS										
<b>TOTAL</b>	<b>4577.9</b>		<b>4577.8</b>	<b>514.3</b>	<b>265.3</b>	<b>137.0</b>	<b>473.0</b>	<b>6035.5</b>		
725 FEDERAL Fed. Stamps	731.9		731.7	82.2	42.9	22.1	93.4	985.8		
726 FEDERAL T. 1/2 U.A.	1022.1		1022.1	114.3	59.8	22.1	35.9	1366.6		
727 FEDERAL T. 1/2 XTR	34.1		34.4	4.0	2.1	9.9	7.5	58.9		
FEDERAL										
FEDERAL										
FEDERAL										
FEDERAL										
1002 FEDERAL TOTAL	1789.2		1788.2	200.5	104.8	54.1	186.9	2361.3		
1003 G/F MATCH	1789.2		1788.2	200.5	104.8	54.1	186.9	2361.3		
1004 GENERAL FUND	1001.4		1001.4	113.3	55.7	28.8	99.4	1312.9		
1005 I/A RECEIPTS										
DEFERRED REVENUE										
G/F RESTRICTED										
15 FULL TIME	126		126	16		4	32			
16 PART TIME/SEAS.	11		11	8			1			
17 NONPERMANENT										
18 MONTHS	1578		1578	256		48	211.3			



# MEMORANDUM

State of Alaska

TO: Ron Lehr, Director  
 Division of Budget & Management  
 Office of the Governor

DATE:

FILE NO:

TELEPHONE NO:

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

SUBJECT: "Delete and Add" FY81  
 Assistance Payments BRU,  
 AFDC Allocation  
 Old Age Assistance

The Department of Health and Social Services requests an FY81 "delete and add" supplemental appropriation for the Division of Public Assistance.

This "delete and add" request is identified as follows:

<u>BRU</u>	<u>Allocation</u>	<u>Appropriation</u>	<u>General Fund</u>	<u>Other Funds (Federal)</u>
Old Age Assistance	Old Age Assistance	4479.5	4479.5	0
Delete GF and Add to AFDC		(200.0)	(200.0)	
FY81 OAA Amended		4279.5	4279.5	
Assistance Payments	AFDC	32144.0	16072.0	16072.0
Add 200.0 GF and 200.0 FED		400.0	200.0	200.0
FY81 AFDC Amended		32544.0	16272.0	16272.0

AFDC and OAA are identified as nondiscretionary funded programs. The legislative intent directs the Department to operate these programs at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

Summary of FY81 AFDC:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 FCC Authorization	6835	342.56	12	28096.7
SCSCSHB-968	6835	49.35	12	4047.3
FY81 Actual July 80-Feb. 81	6438	390.39	8	(20106.7)
FY81 Proj. March 81-June 30	6925	449.00	4	(12437.3)
FY81 Projected Shortfall				(400.0)

The actual FY81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB-968. SCSCSHB-968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB-968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

Summary of FY81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 FCC Authorization	2266	164.73	12	4479.5
HB-60 Funding				44.1
FY81 Actual July 80-Feb. 81	2192	150.08	8	(2635.4)
FY81 Proj. March 81-June 81	2241	154.10	4	(1381.4)
FY81 Projected Surplus				<u>+ 506.8</u>

The actual FY81 OAA expenditure will be less than funded in the FY81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

FY 81

REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT.

81  
FY

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOC. & ECON ASSIST FOR THE GEN POP.
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	ASSISTANCE PAYMENTS
ALLOCATION	AFDC

BUDGET STRUCTURE 02-21-01-01  
COLLOCATION CODE(S) 06-21-6-010

06-21-66  
JV 811654  
8/21/80

APPROVED DATE 7-17-80

APPROVED DATE 8/27/80

FY81 SUPP ADD  
APPROVED DATE \_\_\_\_\_

APPROVED DATE \_\_\_\_\_

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO. <u>14</u> RP _____ VO. <u>310375</u>	BALANCE	LOG NO. <u>68</u> RP _____ VO. <u>811084</u>	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	<u>28096.7</u>		<u>28096.7</u>	<u>4047.3</u>	<u>32144.0</u>		<u>32144.0</u>	<u>400.0</u>	<u>32514.0</u>		
08 MISCELLANEOUS											
TOTAL	<u>28096.7</u>		<u>28096.7</u>	<u>4047.3</u>	<u>32144.0</u>		<u>32144.0</u>	<u>400.0</u>	<u>32514.0</u>		
<u>9.26</u> FEDERAL TITLE TV <u>FF-14018.3</u>			<u>14048.3</u>	<u>2023.6</u>	<u>2023.6</u>	<u>1</u>	<u>2023.7</u>	<u>200.0</u>	<u>16271.9</u>		
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL	<u>14048.3</u>		<u>14048.3</u>	<u>2023.6</u>	<u>16071.9</u>		<u>16071.9</u>	<u>200.0</u>	<u>16271.9</u>		
1003 G/F MATCH	<u>14018.4</u>		<u>14018.4</u>	<u>2023.7</u>	<u>16072.1</u>		<u>16072.1</u>	<u>200.0</u>	<u>16272.1</u>		
1004 GENERAL FUND											
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

Pg. 426  
ABR 8/11/80

Pg 476  
9/1/80

FY 81

REVISED PROGRAM SUMMARY

by  
BUDGET COMPONENT

BUDGET STRUCTURE 02-22-18-02-00  
COLLOCATION CODE(S) 06-22-0-028

FY 81

CATEGORY	Special + Professional Services
COVER PROGRAM	Special + Professional Services
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	Public Assistance
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	Ch Soc Serv for Sec 113
ALLOCATION	Old Age Assistance - FY 1981

FY 81 APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO.	BALANCE	LOG NO.	BALANCE	LOG NO.	BALANCE	LOG NO.	BALANCE
				RP		RP		RP		RP	
				VO.		VO.		VO.		VO.	
00 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS			44.1								
08 MISCELLANEOUS											
TOTAL			44.1								
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL											
1003 G/F MATCH											
1004 GENERAL FUND			44.1								
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

FY 81

REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOCIAL + ECON ASSIST AGED
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	OLD AGE ASSISTANCE PAYMENTS
ALLOCATION	

BUDGET STRUCTURE 02-22-18-01  
ALLOCATION CODE(S) 06-22-6-020

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO. _____ RP _____ VO. _____	BALANCE	LOG NO. _____ RP FY 81 VO Social. Sect.	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE
UNALLOCATED											
PERSONAL SERVICES											
TRAVEL											
CONTRACTUAL											
COMMODITIES											
EQUIPMENT											
LANDS, BUILDINGS											
GRANTS, CLAIMS	4479.5		4479.5		4479.5	<200.0>	4279.5				
MISCELLANEOUS											
TOTAL	4479.5		4479.5		4479.5	<200.0>	4279.5				
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL TOTAL											
G/F MATCH											
GENERAL FUND	4479.5		4479.5		4479.5	<200.9>	4279.5				
I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
FULL TIME											
PART TIME/SEAS.											
NONPERMANENT											
MONTHS											

# STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2211

March 27, 1981

Honorable Sam Cotten  
Chairman, House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Amendment to HB 358  
Various Appropriation Adjustments  
Department of Health and Social  
Services & Department of Labor  
For Additional Program Costs

Dear Representative Cotten:

Please revise HB 358 to include the following adjustments:

1. Delete Section 2 an appropriation for \$69,500 general funds to the Department of Health and Social Services, Division of Social Services, to pay additional FY 81 program costs in the Kotzebue area. The Department has advised that Social Services can continue to be provided throughout the region with existing funds.
2. Chapter 120, SLA 80, section 51 should be amended as follows:

Category: Social Services; Page 25, Line 12

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Assist. Pmts.	<u>34,129,300</u> [33,729,300]	<u>19,881,000</u> [19,681,000]	<u>14,248,300</u> [14,048,300]

AFDC

28,496,700 [28,096,700]

Category: Social Services; Page 28, Line 18

Old Age Assist. Pmts.	<u>4,279,500</u> [4,479,500]	<u>4,279,500</u> [4,479,500]
-----------------------	------------------------------	------------------------------

RECEIVED  
MAR 31 1981

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislative in SCSCSHB 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

Budget Section

3. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services; Page 29, Line 16

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Emplo. Secur.	<u>26,137,800</u> [24,457,300]	<u>619,100</u> [204,600]	<u>25,518,700</u> [24,252,700]
WIN	<u>1,680,500</u>		

Category: Social Services; Page 29, Line 25

WIN	<u>0</u> [1,680,500]	<u>0</u> [414,500]	<u>0</u> [1,266,000]
-----	----------------------	--------------------	----------------------

The purpose of this adjustment is to simplify the procedures required to charge the Employment Security and WIN program for costs incurred by each program where a transfer of appropriation would be necessary to reimburse the program for those costs. The Departments FY 82 budget will also be structured in this manner. The transfer will also streamline federal accounting and reporting requirements.

4. Please add a new section to read as follows:

The sum of 1,331,000 of which 665,500 is federal funds and 665,500 is from general funds is appropriated to the Division of Public Assistance to fund a project shortfall attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB 968 in 1980.

5. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services, Page 29, Line 16

	<u>Appropriation</u>	<u>GF</u>	<u>Other</u>
Employ. Secur.	24,457,300	<u>452,600</u> [204,600]	<u>24,004,700</u> [24,252,700]

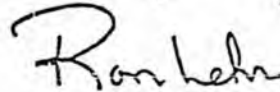
The purpose of this amendment is to replace federal funds with general funds in the Unemployment Insurance component stemming from a reduction in federal monies available for additional computer and equipment lease cost during the transition period of converting to Departments new IBM 370/140 computer.

6. Please add a new section appropriating \$237,000 general funds as a replacement for federal funds originally authorized on RP #80-282 and RPL #81-60 for the Department of Labor, Unemployment Insurance

Honorable Sam Cotten  
March 27, 1981  
Page 3

System Redesign capital project. The shortfall in federal receipts on this project is due to a decision made by the U.S. Department of Labor to not fund a third party computer operations contract made by the Alaska Department of Labor in order to meet a legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance law. That contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Sincerely,



Dr. Ronald D. Lehr  
Director

cc: Jay Hogan, Legislative Finance  
Keith Specking, Office of the Governor  
Jalmar Kerttula, President of the Senate  
Jim Duncan, Speaker of the House  
Donald Clocksin, Chairman, Health, Education and Social Services  
Honorable Don Bennett and Ed Dankworth, Co-Chairmen, Senate  
Finance Committee

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358

Title "An Act making a supplemental appro. to the Department of Health and Soc. Svcs..."

Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected PA Eligibility. Eligibility Determination

(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	1298.9					
200 TRAVEL	12.0					
300 CONTRACTUAL	120.6					
400 COMMODITIES	1.2					
500 EQUIPMENT	25.0					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1457.7</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	884.6					
FEDERAL FUNDS	573.1					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	52					
PART TIME	9					
TEMPORARY						

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

Funds personal service cost for 56.5 FTE positions and Eligibility Worker series reclassification (1298.9); travel for new position training (12.0); guard service in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental of 183.8 general fund is directly applied to the FY 81 supplemental need resulting in the "net additional" appropriation funding required of 1273.9.

IV. DATE April 3, 1981

PREPARED BY Mason Anderson

AGENCY Department of Health and Social Services

Original: Legislative Finance

PHONE 465-3331

cc: Budget and Management

Prime Sponsor (First Legislator Named)

*M. Anderson* 4/10/81

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358

Title "An Act making a supplemental approl. to the Department of Health and Soc. Svcs..."

Requested by Rules Committee by request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected Energy Assistance Program

(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(183.8)					
<b>TOTAL</b>	<b>(183.8)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(183.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

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

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE April 3, 1981

PREPARED BY Mason Anderson

AGENCY Department of Health and Social Services

Original: Legislative Finance

PHONE 465-3331

cc: Budget and Management

Prime Sponsor (First Legislator Named)

*M. Hubbard 4/6/81*

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358

Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."

Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Social and Economic Assistance for the General Population

BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC

(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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	400.0					
<b>TOTAL</b>	<b>400.0</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	200.0					
FEDERAL FUNDS	200.0					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

Summary of FY 81 AFDC:

	Caseload	Average Payment	Months	Total
FY 81 FCC Authorization	6835	342.56	12	23,096.7
SCSCSHB 968	6835	49.35	12	4,047.3
FY 81 Actual July 80-Feb. 81	6438	390.39	8	(20,106.7)
FY 81 Proj. March 81-June 30	6925	449.00	4	(12,437.3)
FY 81 Projected Shortfall				(400.0)

The actual FY 81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC

(continued)

IV. DATE April 3, 1981

PREPARED BY Mason Anderson

AGENCY Department of Health and Social Services

Original: Legislative Finance

PHONE 465-3331

cc: Budget and Management

Prime Sponsor (First Legislator Named)

*M. Hubbard*  
4/6/81

shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "delete and add" Supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

- FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."  
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Old Age 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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(200.0)					
<b>TOTAL</b>	<b>(200.0)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(200.0)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	-0-					
PART TIME						
TEMPORARY						

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

Summary of FY 81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY 81 FCC Authorization	2266	164.73	12	4,479.5
HB 60 Funding				44.1
FY 81 Actual July 80-Feb. 81	2192	150.08	8	(2,635.4)
FY 81 Proj. March 81-June 81	2241	154.10	4	(1,381.4)
FT 81 Projected Surplus				+ 506.8

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly pay- (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson  
 AGENCY Department of Health and Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

*M. Hubbard 7/6/81*

ments being slightly less than originally budgeted.

A FY 81 "delete & add" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component.

# STATE OF ALASKA

## OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2211

HB 358

March 27, 1981

Honorable Sam Cotten  
Chairman, House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Amendment to HB 358  
Various Appropriation Adjustments  
Department of Health and Social  
Services & Department of Labor  
For Additional Program Costs

Dear Representative Cotten:

Please revise HB 358 to include the following adjustments:

1. Delete Section 2 an appropriation for \$69,500 general funds to the Department of Health and Social Services, Division of Social Services, to pay additional FY 81 program costs in the Kotzebue area. The Department has advised that Social Services can continue to be provided throughout the region with existing funds.
2. Chapter 120, SLA 80, section 51 should be amended as follows:

Category: Social Services; Page 25, Line 12

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Assist. Pmts.	<u>34,129,300</u> [33,729,300]	<u>19,881,000</u> [19,681,000]	<u>14,248,300</u> [14,048,300]
AFDC	<u>28,496,700</u> [28,096,700]		

Category: Social Services; Page 28, Line 18

Old Age Assist. Pmts.	<u>4,279,500</u> [4,479,500]	<u>4,279,500</u> [4,479,500]
-----------------------	------------------------------	------------------------------

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislative in SCSCSHB 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

Honorable Sam Cotten  
March 27, 1981  
Page 2

3. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services; Page 29, Line 16

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Emplo. Secur.	<u>26,137,800</u> [24,457,300]	<u>619,100</u> [204,600]	<u>25,518,700</u> [24,252,700]
WIN	<u>1,680,500</u>		

Category: Social Services; Page 29, Line 25

WIN	<u>0</u> [1,680,500]	<u>0</u> [414,500]	<u>0</u> [1,266,000]
-----	----------------------	--------------------	----------------------

The purpose of this adjustment is to simplify the procedures required to charge the Employment Security and WIN program for costs incurred by each program where a transfer of appropriation would be necessary to reimburse the program for those costs. The Departments FY 82 budget will also be structured in this manner. The transfer will also streamline federal accounting and reporting requirements.

4. Please add a new section to read as follows:

The sum of 1,331,000 of which 665,500 is federal funds and 665,500 is from general funds is appropriated to the Division of Public Assistance to fund a project shortfall attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB 968 in 1980.

5. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services, Page 29, Line 16

	<u>Appropriation</u>	<u>GF</u>	<u>Other</u>
Employ. Secur.	24,457,300	<u>452,600</u> [204,600]	<u>24,004,700</u> [24,252,700]

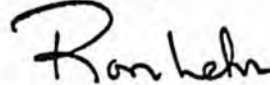
The purpose of this amendment is to replace federal funds with general funds in the Unemployment Insurance component stemming from a reduction in federal monies available for additional computer and equipment lease cost during the transition period of converting to Departments new IBM 370/140 computer.

6. Please add a new section appropriating \$237,000 general funds as a replacement for federal funds originally authorized on RP #80-282 and RPL #81-60 for the Department of Labor, Unemployment Insurance

Honorable Sam Cotten  
March 27, 1981  
Page 3

System Redesign capital project. The shortfall in federal receipts on this project is due to a decision made by the U.S. Department of Labor to not fund a third party computer operations contract made by the Alaska Department of Labor in order to meet a legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance law. That contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Sincerely,



Dr. Ronald D. Lehr  
Director

cc: Jay Hogan, Legislative Finance  
Keith Specking, Office of the Governor  
JaImar Kerttula, President of the Senate  
Jim Duncan, Speaker of the House  
Donald Clocksin, Chairman, Health, Education and Social Services  
Honorable Don Bennett and Ed Dankworth, Co-Chairmen, Senate  
Finance Committee

MEMORANDUM

State of Alaska

TO: Ron Lehr, Director  
Division of Budget and Management  
Office of Governor

DATE: 12/8/80 sent to B+H  
RECEIVED

FILE NO: MAR 26 1981  
5030611  
TELEPHONE NO: BUDGET AND MANAGEMENT

FROM: *Helen D. Beirne*  
Helen D. Beirne, Commissioner  
Department of Health & Social Services

SUBJECT: FY81 Supplemental Request  
Appropriation Assistance  
Payments, AFDC Allocation

The Department of Health and Social Services requests a FY81 Supplemental Appropriation for the Assistance Payments Program in the amount of 1331.0 of which 665.5 is state general fund and 665.5 is federal funds.

AFDC has been identified as a non-discretionary funded program. The legislative intent directs the Department to operate the program at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

The current projected AFDC shortfall of \$1331.0 is attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB968. SCSCSHB968 authorization includes the cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. The need for these funds was identified in the Department's fiscal note for HB968. These funds were apparently not appropriated due to oversight.

A summary of the FY81 AFDC authorization:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 Initial Request	7564	x \$343.00	x 12	= 31133.1
FY81 Budget Amendment	( 729)			( 3000.0)
FY81 Revised Request	6835	343.00	12	28133.1
FY81 FCC Authorization	6835	342.56	12	28096.7

SCSCSHB968

1. Cost of July 1, 1980 COLA increase:

\$343.00 average payment x 1.143% (COLA increase) = 343.00 + 49.05

COLA COST ESTIMATE	6835	49.05	12	4023.1
SCSCSHB968 AUTHORIZATION	6835	49.345	12	4047.3

2. Cost of January 1, 1981 base increase: 3740.0

Summary

FY81 FCC + SCSCSHB968 Auth.	6835	\$391.90*	12	32144.0
Current FY81 Projected Need	<u>6660</u>	<u>418.86</u>	12	<u>33475.0</u>
Shortfall/Supplemental Need ( 175)		26.96		( 1331.0)

\*342.56 + 49.345 (FCC Auth.) (14.3% COLA)

The "current" FY81 AFDC projection continues to forecast caseload increases each month; but at a slightly reduced 12 month average total (6660 vs. 6835). However, this reduced caseload average does not offset the under-funding condition of the SCSCSHB968 appropriation which neglected the cost associated with the January 1, 1981 base increase.



RECEIVED

MEMORANDUM MAR 13 1981 State of Alaska

BUDGET AND MANAGEMENT

TO: Ron Lehr, Director  
Division of Budget & Management  
Office of the Governor

DATE: March 11, 1981

FILE NO: 257

*Helen D. Beirne*

TELEPHONE NO:

FROM: Helen D. Beirne, Commissioner  
Department of Health & Social Services

SUBJECT: FY 81 Supplemental Budget  
Request - Social Services  
BRU, Northwestern Region

On December 15 a supplemental budget request for \$69.5 was submitted for funding which was inadvertently not appropriated for contracting with Mauneluk, but which had been removed from the Northwestern Region Component of the Social Services BRU. We are at this time withdrawing that supplemental request.

Projections as of February 28 indicate that social services can continue to be provided throughout the region with existing funds. This is possible because it was necessary to hold several positions vacant for seven months due to underfunding; and by transferring \$6.0 from contractual and commodities to travel by a revised program which was previously submitted, but is still pending. Services to the Kotzebue area were continued on an itinerant basis out of the Nome office until vacancies no longer were necessary.

If the supplemental funding were to be approved now, the funds would lapse at the end of the fiscal year.

cc: Family & Youth Services

# MEMORANDUM

# State of Alaska

TO: Ron Lehr, Director  
Division of Budget & Management

DATE: March 17, 1981

Thru: *Ed Orbeck*  
Edmund N. Orbeck, Commissioner  
Department of Labor

FILE NO: FM 3-3

*5030708 248.0*  
*5030709 237.0*  
*485.0*

TELEPHONE NO: 465-2720

FROM: *John E. Post*  
John E. Post, Director  
Administrative Services Division  
Department of Labor

SUBJECT: Unemployment Insurance  
FY 81 Operating and Capital  
Project Supplementals

Attached are the necessary forms and back-up documentation for supplemental budget requests to increase both the Unemployment Insurance (UI) FY 81 Operating Budget and the UI Systems Redesign Capital Project. The total need in General Funds is \$485,000. As the authorization was originally approved as federal funds, this request can be implemented as a "funding change" only.

The shortfall in the operating budget of <sup>10</sup>\$248,000 is directly related to the additional computer and equipment lease costs for dual operations of our IBM 360/40 and the IBM 370/148 computers for the period October, 1980 through May, 1981. Dual running of the computers is necessary until all DOS Data Processing programs from the "old" computer are converted to the new computer's OS language. The shortfall in the capital project of \$237,000 is due to the federal underfunding of a third party computer operations contract. In order to meet the legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance Law, the agency had to contract with a third party, Martin Marietta, for computer services as the new computer was not yet operational. This contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Funds!

### Requested Action

We request the Budget Review Committee approval of these Supplemental requests. We would be pleased to meet with you to discuss this transmittal or to provide further information.

### Background

During the 1979/1980 Alaska legislative session, a comprehensive revision to the Alaska Unemployment Insurance law was passed. The Alaska law was in desperate need of revision to meet state needs for tax equitability, and fund solvency, and to approach national guidelines for benefit adequacy. The law change resulted after years of work by Alaska and federal regional office Employment and Training Administration (ETA) staffs. During the same period, there was a concerted effort to upgrade the Alaska agency computer capability. We were literally in the computer "dark ages." We had an IBM 360/40 which was long overdue for replacement.

RECEIVED

MAR 17 1981

BUDGET AND MANAGEMENT

*Edmund*  
*- 5,000 million off*  
*for project*  
*- 100 million off*  
*50000000*

*- 50000000 off to get money from*  
*state*

When the new Alaska Unemployment Insurance Program was signed into law in March 15, 1980, an extremely tight timetable was established for implementation.

Comprehensive Benefits System Redesign	by October 1, 1980
Comprehensive Tax System redesign	by April 1, 1981

To make matters more complex, after months of effort to effect a consolidation of ESD's Data Processing with the Department of Administration's Division of Data Processing, we were notified by Commissioner William Hudson that the consolidation plans would be deferred. An IBM 370/148 had to be immediately purchased on the open market and installed to accommodate the new Benefits System. The pressure on the Alaska agency was tremendous. To our knowledge, such a timetable had never before been achieved by any state for new tax and benefit programs along with the installation of a new computer system. To date, progress has been excellent. Benefits were paid on schedule October 1, 1980. The new computer was installed and the new Benefits System was operational on it by December 1, 1980. Our schedule shows that we will accomplish the tax revisions on schedule. Management had to act decisively to meet these deadlines. It was recognized that costs for a short period would be high but necessary to meet objectives. At the same time, during FY '81, the Alaska agency was caught in a cost squeeze due to federal formula reduction to Administrative, Staff and Technical (AS&T) funding. Simply not enough federal money was made available to cover necessary costs.

Following are background facts on our Supplemental Budget Requests:

1. Alaska has documented this funding need to the federal regional office (ETA) through correspondence and Supplemental Budget Requests. Specific needs have not been individually addressed. What we have received is a bottom line which is financially impossible to live with.
2. Alaska used any and all available program resources, including its federal anti-recessional program fund allocation to offset these costs. In order to stay within the very limited budget the agency has taken all possible steps to control costs in the ETA programs. Travel, equipment purchases, and new staff hires have all been restricted to keep the agency cost overrun to a minimum.
3. The costs of law changes and computer conversion, while high for the year of implementation, were reasonable and proper, and probably lower than if the implementation was made over a longer time period.

4. It was necessary to contract with a data service company to handle the interim system and processing work. Martin Marietta Data Systems in Florida was selected to provide resource time for "hands on" user training and to allow for the interim payment of benefits from October 1, 1980 to December 1, 1980, at which time our 370/148 computer was operational.
5. The U.S. Employment and Training Administration (ETA) implemented a new funding formula for Administrative Services support functions nationwide. In the new formula Alaska was limited to a 2% increase over its previous year allocation in Administrative Services funding. With a conservative 11% inflation factor, our agency took an effective 9% funding cut in a year when our costs were extra high.

For both supplemental requests all alternatives have been pursued in trying to obtain federal funding. The final refusal for additional funding from Region X was received on February 19, 1981.

Attachments

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

FY '81

REVISED PROGRAM SUMMARY

CATEGORY	Social Services
COVER PROGRAM	Employment Stabilization
AGENCY	Labor
DIVISION	Employment Security
BUDGET REQUEST UNIT	Employment Security
APPROPRIATION	
ALLOCATION	

BRU COMPONENTS	FCC	Salary	WIN RP	This	RP	RP	RP	RP	AMENDED AUTHORIZATION
	INITIAL AUTHORIZATION	Increase RP		Request RP					
Employment									
Services	8,906.6	673.5							9,580.1
Unemployment									
Insurance	11,071.7	867.8							11,939.5
Fraud Invest.	462.0	45.5							507.5
CETA Services	1,283.6								1,283.6
ESD Director's Office	334.6	34.6							369.2
DP Applications	1,432.3	117.7							1,550.0
DP Operations	966.5	61.1							1,027.6
WIN	-0-		1,738.3						1,738.3
TOTAL	24,457.3	1,800.2	1,738.3	-0-					27,995.8
FEDERAL RECEIPT	19,831.5	1,563.8	1,309.1	<248.0>					22,456.4
G/F MATCH			145.5						145.5
GENERAL FUND	204.6	16.7	283.7	248.0					753.0
I/A RECEIPTS	3,521.7	204.0							3,725.7
PROGRAM RECEIPT	668.6								668.6
T & B	230.9	15.7							246.6
FULL TIME	405.0		20.0						425.0
PART TIME	124.0		2.0						126.0
TEMPORARY	8.0								8.0
MAN-MONTHS	5,950.0		260.0						6,210.0

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

REVISED PROGRAM SUMMARY  
BY  
BUDGET COMPONENT

CATEGORY	Social Services
COVER PROGRAM	Employment Stabilization
AGENCY	Labor
DIVISION	Employment Security
BUDGET REQUEST UNIT	Employment Security
BUDGET COMPONENT	Unemployment Insurance
APPROPRIATION	Employment Security
ALLOCATION	Unemployment Insurance

	07 25 6 210 INITIAL AUTHORIZATION	Salary Increase RP	This Request RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01 Personal Services	6,753.4	673.2							7,426.6
02 Travel	148.0								148.0
03 Contractual	3,844.5	194.6							4,039.1
04 Commodities	157.3								157.3
05 Equipment	73.4								73.4
06 Lands, Buildings	95.1								95.1
07 Grants, Claims									
08 Miscellaneous									
<b>TOTAL</b>	<b>11,071.7</b>	<b>867.8</b>	<b>0</b>						<b>11,939.5</b>
1002 Federal Receipt	11,071.7	867.8	<248.0>						11,691.5
1003 G/F Match									
1004 General Fund			248.0						248.0
1005 I/A Receipts									
1028 Program Receipt									
15 Full Time	164.0								164.0
16 Part Time	103.0								103.0
17 Temporary	8.0								8.0
18 Man-Months	2,874.0								2,874.0

01-1041 (Revised March, 1979) (Action #210-2)



STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

FY '81

Capital Project

REVISED PROGRAM SUMMARY  
BY  
BUDGET COMPONENT

CATEGORY	Social Services
COVER PROGRAM	Employment Stabilization
AGENCY	Labor
DIVISION	Employment Security
BUDGET REQUEST UNIT	UI Systems Redesign
BUDGET COMPONENT	
APPROPRIATION	UI Systems Redesign
ALLOCATION	

RP 80-282 RPL 81-69 This

	INITIAL AUTHORIZATION	RP	Request RP	RP	RP	RP	RP	RP	AMENDED AUTHORIZATION
01Personal Services									
02Travel		3.2							3.2
03Contractual	689.5	823.9							1,513.4
04Commodities	123.8	<50.8>							73.0
05Equipment	430.0	<219.6>							210.4
06Lands, Buildings									
07Grants, Claims									
08Miscellaneous									
TOTAL	1,243.3	556.7	-0-						1,800.0
1002Federal Receipt	1,243.3	556.7	<237.0>						1,563.0
1003G/F Match									
1004General Fund			237.0						237.0
1005I/A Receipts									
1028Program Receipt									
15Full Time									
16Part Time									
17Temporary									
18Man-Months									

01-1041 (Revised March, 1979)

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

	FY 79 ACTUAL	FY 80 FINAL AUTH.	FY 80 ACTUAL	FY 81 GOV. BUDGET	FY 81 INITIAL AUTH.	FY 81 CURRENT AUTH.	FY 81 EXPENDITURES + ENCUMBRANCES 7/1 to 2/28	FY 81 OTHER OBLIGATIONS 7/1 to 2/28	FY 81 PROJECTED EXPENDITURES + ENCUMBRANCES 3/1 to 6/30	FY 81 (DEFICIT) OR EXCESS	FY 82 CONTINUATION GOVERNOR'S
PERSONAL SERVICES	5,989.8	6,535.4	5,746.1	6,753.4	6,753.4	7,426.6	3,971.1	297.4	3,158.1		7,246.2
TRAVEL	112.0	141.7	146.6	148.0	148.0	148.0	93.7	11.7	42.6		223.1
CONTRACTUAL SERVICES	2,470.3	3,406.5	3,211.2	3,844.5	3,844.5	4,039.2	3,294.9	438.5	305.8		3,781.5
COMMODITIES	134.7	164.6	153.2	157.3	157.3	157.3	88.3	11.0	58.0		176.3
EQUIPMENT	20.4	84.1	83.7	73.4	73.4	73.4	41.4	5.2	26.8		159.2
LANDS, BLDG...	45.6	103.3	103.3	95.1	95.1	95.1	81.7	-0-	13.4		-0-
GRANTS, CLAIMS...											
MISCELLANEOUS			.1								
TOTAL	8,772.8	10,435.6	9,444.2	11,071.7	11,071.7	11,939.6	7,571.1	763.8	3,604.7	-0-	11,586.3
FEDERAL RECEIPTS	8,772.8	10,433.1	9,442.2	11,071.7	11,071.7	11,939.6	7,571.1	763.8	3,356.7	<248.0>	11,586.3
REQUIRED GF MATCHING											
OTHER GENERAL FUND					-0-	-0-	-0-	-0-	-0-	248.0	
INTER-AGENCY RECEIPTS		2.5	2.0								

AGENCY: Labor BRU: Employment Security COMPONENT: Unemployment Security REVISED: \_\_\_\_\_

(Action #210-2)

# MEMORANDUM

# State of Alaska

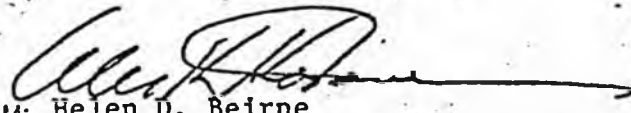
TO: Ron Lehr, Director  
 Division of Budget & Management  
 Office of the Governor

DATE: March 13, 1981

FILE NO:

5030607

TELEPHONE NO:

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

SUBJECT: "Delete and Add" FY81  
 Assistance Payments BRU,  
 AFDC Allocation  
 Old Age Assistance

The Department of Health and Social Services requests an FY81 "delete and add" supplemental appropriation for the Division of Public Assistance.

This "delete and add" request is identified as follows:

BRU	Allocation	Appropriation	General Fund	Other Funds (Federal)
Old Age Assistance	Old Age Assistance	4479.5	4479.5	0
Delete GF and Add to FY81 OAA Amended		(200.0)	(200.0)	
		4279.5	4279.5	
Assistance Payments	AFDC	32144.0	16072.0	16072.0
Add 200.0 GF and 200.0 FED FY81 AFDC Amended		400.0	200.0	200.0
		32544.0	16272.0	16272.0

AFDC and OAA are identified as nondiscretionary funded programs. The legislative intent directs the Department to operate these programs at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

Summary of FY81 AFDC:

	Caseload	Average Payment	Months	Total
FY81 FCC Authorization	6835	342.56	12	23096.7
SCSCSHB-968	6835	49.35	12	4047.3
FY81 Actual July 80-Feb. 81	6438	390.39	8	(20106.7)
FY81 Proj. March 81-June 30	6925	449.00	4	(12437.3)
FY81 Projected Shortfall				(400.0)

The actual FY81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB-968. SCSCSHB-968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB-968 appropriation which neglected the cost associated with the January 1, 1981 base increase..

RECEIVED

MAR 13 1981

Summary of FY81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY81 FCC Authorization	2266	164.73	12	4479.5
HB-60 Funding				44.1
FY81 Actual July 80-Feb. 81	2192	150.08	8	(2635.4)
FY81 Proj. March 81-June 81	2241	154.10	4	(1381.4)
FY81 Projected Surplus				+ 506.8

The actual FY81 OAA expenditure will be less than funded in the FY81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

RECEIVED

MAR 13 1981

BUDGET AND MANAGEMENT

FY 81

REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT.

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	Soc. & ECON ASSIST FOR THE GEN POP
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	ASSISTANCE PAYMENTS
ALLOCATION	AFDC

BUDGET STRUCTURE 02-21-01-01  
COLLOCATION CODE(S) 06-21-6-010

06-81-66  
JV 811084  
8/27/80

APPROVED DATE 7-17-80

APPROVED DATE 8/27/80

FY81 SUPP ADD

APPROVED DATE \_\_\_\_\_

APPROVED DATE \_\_\_\_\_

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO. <u>14</u> RP _____ VO. <u>810275</u>	BALANCE	LOG NO. <u>68</u> RP _____ VO. <u>811084</u>	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE	LOG NO. _____ RP _____ VO. _____	BALANCE
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	<u>28096.7</u>		<u>28096.7</u>	<u>4047.3</u>	<u>32144.0</u>		<u>32144.0</u>	<u>400.0</u>	<u>32544.0</u>		
08 MISCELLANEOUS											
TOTAL	<u>28096.7</u>		<u>28096.7</u>	<u>4047.3</u>	<u>32144.0</u>		<u>32144.0</u>	<u>400.0</u>	<u>32544.0</u>		
726 FEDERAL TITLE IV A	<u>14048.3</u>		<u>14048.3</u>	<u>2023.6</u>	<u>16071.9</u>		<u>16071.9</u>	<u>200.0</u>	<u>16271.9</u>		
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL	<u>14048.3</u>		<u>14048.3</u>	<u>2023.6</u>	<u>16071.9</u>		<u>16071.9</u>	<u>200.0</u>	<u>16271.9</u>		
1003 G/F MATCH	<u>14048.4</u>		<u>14048.4</u>	<u>2023.7</u>	<u>16072.1</u>		<u>16072.1</u>	<u>200.0</u>	<u>16272.1</u>		
1004 GENERAL FUND											
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

Pg. 426  
# BR 8/31/80

Pg 476  
9/30

81

REVISED PROGRAM SUMMARY.

by  
BUDGET COMPONENT

BUDGET STRUCTURE 02-22-18-02-00  
COLLOCATION CODE(S) 06-22-6-028

FY 81

CATEGORY	Social Services
COVER PROGRAM	Social + Economic Assistance
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	Public Assistance
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	Ch 50519 PU Sec 113
ALLOCATION	Old Age Assistance - FY 81/82

*FY 2018* APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

	FCC	GOV. VETO	INITIAL AUTH.	LOG NO. RP VO	BALANCE	LOG NO. RP VO	BALANCE	LOG NO. RP VO	BALANCE	LOG NO. RP VO	BALANCE
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS			4.4.1								
08 MISCELLANEOUS											
TOTAL			4.4.1								
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL											
1003 G/F MATCH											
1004 GENERAL FUND			4.4.1								
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

**FY 81**

REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

BUDGET STRUCTURE 02-22-18-01  
COLLOCATION CODE(S) 06-22-6-020

FY 81

CATEGORY	SOCIAL SERVICES
COVER PROGRAM	SOCIAL + ECON ASSIST AGED
AGENCY	DEPARTMENT OF HEALTH & SOCIAL SERVICES
DIVISION	PUBLIC ASSISTANCE
BUDGET REQUEST UNIT	
BUDGET COMPONENT	
APPROPRIATION	OLD AGE ASSISTANCE PAYMENTS
ALLOCATION	

	FCC	GOV. VETO	INITIAL AUTH.	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE	APPROVED DATE _____	BALANCE
				LOG NO. _____ RP _____ VO. _____		LOG NO. _____ RP FY 81 VO. Suppl. Delet		LOG NO. _____ RP _____ VO. _____			
000 UNALLOCATED											
01 PERSONAL SERVICES											
02 TRAVEL											
03 CONTRACTUAL											
04 COMMODITIES											
05 EQUIPMENT											
06 LANDS, BUILDINGS											
07 GRANTS, CLAIMS	4479.5		4479.5		4479.5	<200.0>	4279.5				
08 MISCELLANEOUS											
TOTAL	4479.5		4479.5		4479.5	<200.0>	4279.5				
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
FEDERAL											
1002 FEDERAL TOTAL											
1003 G/F MATCH											
1004 GENERAL FUND	4479.5		4479.5		4479.5	<200.0>	4279.5				
1005 I/A RECEIPTS											
DEFERRED REVENUE											
G/F RESTRICTED											
15 FULL TIME											
16 PART TIME/SEAS.											
17 NONPERMANENT											
18 MONTHS											

pg. 453  
ABR 2/3/80  
07 454



March 27, 1981

Honorable Sam Cotten  
Chairman, House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Amendment to HB 358  
Various Appropriation Adjustments  
Department of Health and Social  
Services & Department of Labor  
For Additional Program Costs

Dear Representative Cotten:

Please revise HB 358 to include the following adjustments:

1. Delete Section 2 an appropriation for \$69,500 general funds to the Department of Health and Social Services, Division of Social Services, to pay additional FY 81 program costs in the Kotzebue area. The Department has advised that Social Services can continue to be provided throughout the region with existing funds.
2. Chapter 120, SLA 80, section 51 should be amended as follows:

Category: Social Services; Page 25, Line 12

503 0601

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Assist. Pmts.	<u>34,129,300</u> [33,729,300]	<u>19,881,000</u> [19,681,000]	<u>14,248,300</u> [14,048,300]

AFDC

28,496,700 [28,096,700]

Category: Social Services; Page 28, Line 18

Old Age Assist. Pmts.	<u>4,279,500</u> [4,479,500]	<u>4,279,500</u> [4,479,500]
-----------------------	------------------------------	------------------------------

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislative in SCSCSHB 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

*Lab*

3. Chapter 120, SLA 80, Section 51 should be amended as follows:  
Category: Social Services; Page 29, Line 16

<u>Allocations</u>	<u>Appropriations</u>	<u>GF</u>	<u>Other</u>
Emplo. Secur.	<u>26,137,800</u> [24,457,300]	<u>619,100</u> [204,600]	<u>25,518,700</u> [24,252,700]
WIN	<u>1,680,500</u>		

*5030706*

- Category: Social Services; Page 29, Line 25

WIN	<u>0</u> [1,680,500]	<u>0</u> [414,500]	<u>0</u> [1,266,000]
-----	----------------------	--------------------	----------------------

The purpose of this adjustment is to simplify the procedures required to charge the Employment Security and WIN program for costs incurred by each program where a transfer of appropriation would be necessary to reimburse the program for those costs. The Departments FY 82 budget will also be structured in this manner. The transfer will also streamline federal accounting and reporting requirements.

4. Please add a new section to read as follows:

The sum of 1,331,000 of which 665,500 is federal funds and 665,500 is from general funds is appropriated to the Division of Public Assistance to fund a project shortfall attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB 968 in 1980.

*Delete  
See Ap. 3  
letter*

5. Chapter 120, SLA 80, Section 51 should be amended as follows:  
Category: Social Services, Page 29, Line 16

*LABOR  
5030708*

	<u>Appropriation</u>	<u>GF</u>	<u>Other</u>
Employ. Secur.	24,457,300	<u>452,600</u> [204,600]	<u>24,004,700</u> [24,252,700]

The purpose of this amendment is to replace federal funds with general funds in the Unemployment Insurance component stemming from a reduction in federal monies available for additional computer and equipment lease cost during the transition period of converting to Departments new IBM 370/140 computer. *See next page for summary of changes.*

*LABOR  
5030709*

6. Please add a new section appropriating \$237,000 general funds as a replacement for federal funds originally authorized on RP #80-282 and RPL #81-60 for the Department of Labor, Unemployment Insurance

Honorable Sam Cotten  
 March 27, 1981  
 Page 3

System Redesign capital project. The shortfall in federal receipts on this project is due to a decision made by the U.S. Department of Labor to not fund a third party computer operations contract made by the Alaska Department of Labor in order to meet a legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance law. That contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Sincerely,

*Ron Lehr*

Dr. Ronald D. Lehr  
 Director

cc: Jay Hogan, Legislative Finance  
 Keith Specking, Office of the Governor  
 Jalmar Kerttula, President of the Senate  
 Jim Duncan, Speaker of the House  
 Donald Clocksin, Chairman, Health, Education and Social Services  
 Honorable Don Bennett and Ed Dankworth, Co-Chairmen, Senate  
 Finance Committee

	<u>Appropriation</u>	<u>GF</u>	<u>Other</u>
Employment Security			
- Original Balance FCC	24,457,300	209,600	24,252,700
Supplemental changes	1,680,500	419,500	1,266,000
1) WIO component (8)		298,000	<248,000>
2) Fed funding placement (5)			
Final FY 81 BRU total	<u>26,137,800</u>	<u>867,100</u>	<u>25,270,700</u>

POSITION PAPER  
on  
COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 358 (FINANC.)

Requested by the Rules Committee  
By Request of the Governor

"An Act making supplemental appropriations to the Department of Health and Social Services, Division of Public Assistance; and providing for an effective date."

Sections 1 and 2 (Public Assistance Add and Delete Supplemental)

The sum of \$884,600 in general funds is to be deleted from the GR Medical and Energy Assistance BRUs and reappropriated to the Department of Health and Social Services, Division of Public Assistance, to pay additional FY 81 operating costs for field offices. These funds will earn an additional \$573,100 in federal money.

These sections provide a total of \$1,457,700 to the Division of Public Assistance in FY 81 to fund 56.5 FTE new positions and related costs to handle 1) a substantial increase in public assistance workload, particularly in the food stamp program; 2) an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and 3) positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

Sections 3 and 4 (AFDC Add and Delete Supplemental)

The purpose of this adjustment is to cover a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHB 968 in 1980, by moving \$200,000 excess state general funds from the Old Age Assistance Program (OAA). The projected surplus balance in OAA is a result of both caseload and average monthly payments being slightly less than originally projected. The general fund increase in AFDC will be matched by \$200,000 in federal receipts, adding a total of \$400,000 to the AFDC FY 81 appropriation.

Department Position

The appropriations referred to above are FY 81 supplementals required by the Department of Health and Social Services, and are strongly supported by the Department.

Recommended by:

Rod Betit  
Rod Betit, Director  
Division of Public Assistance

Date:

May 5, 1981

Approved by:

Helen D. Beirne  
Helen D. Beirne  
Commissioner

Date

5/8/81

Rec'd 5/11  
after Bill  
R/O of HFC

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making supplemental appro. to Department of Health & Social Services..."  
 Requested by The Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected PA Eligibility, Eligibility Determination  
 (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	1298.9					
200 TRAVEL	12.0					
300 CONTRACTUAL	120.6					
400 COMMODITIES	1.2					
500 EQUIPMENT	25.0					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
<b>TOTAL</b>	<b>1457.7</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	884.6					
FEDERAL FUNDS	573.1					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	52					
PART TIME	9					
TEMPORARY						

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

Funds personal services cost for 56.5 FTE positions and Eligibility Worker series re-classification (1298.9); travel for new position training (12.0); guard services in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental transfers 884.6 General Fund that is applied to the FY 81 Eligibility Determination supplemental need. The net "additional" appropriation of 573.1 is Federal match funding.

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director *M. Hubbard*  
 AGENCY Div. Mgmt. & Bdgt., Health and Social Services  
 PHONE 465-3331  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Health  
 BRU, Program, or Subprogram(s) Affected General Relief Medical - Hospitals  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(700.8)					
<b>TOTAL</b>	<b>(700.8)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(700.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

To reduce General Relief Medical - Hospitals by 700.8 in order to fund an increase in Eligibility Determination.

	FY 81		
	PROJ.		
FY 81	EXPEND.	FY 81	
<u>AUTH.</u>		<u>LAPSE</u>	
6,455.8	- 3,716.5	=	2,739.3

(see attachment)

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director  
 AGENCY Div. of Mgmt. & Bdgt., Health and Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

	FY79 ACTUAL	FY80 ACTUAL	FY81 w/Recon as of 3/31/81	FY81 PROJECTED	FY81 AUTH	FY81 BALANCE	FY82 FACTOR	* FY82 REVISED REQUEST	FY82 INITIAL REQUEST	FY82 CHANGE
<u>MEDICAID BRU</u>										
HOSPITAL	5982.3	7773.6	5349.0	10260.4	10132.3	(128.1)	17%	10354.5	11826.7	(1472.2)
PHYSICIAN	2937.7	3704.1	2194.5	4591.1	4669.9	78.8	17%	5052.3	6415.2	(1362.9)
OTHER SERVICES	848.7	1095.9	630.8	1392.3	1410.6	18.3	17%	1552.0	1753.6	( 201.6)
EPSDT	1632.3	1825.7	1133.5	2322.3	2826.6	504.3	17%	2717.1	3455.5	( 738.4)
NURSING HOME	12947.8	14331.7	11332.8	16800.0	19419.6	2619.6	17%	19656.0	21521.0	(1865.0)
SUB-TOTAL	24348.8	28731.0	20640.6	35366.1	38459.0	3092.9	17%	39331.9	44978.0	(5646.1)
INDIAN HLTH	1445.9	1161.3	455.2	2000.0	7239.1	5239.1		3410.8	3410.8	-0-
TOTAL	25794.7	29895.1	21095.8	37366.1	45698.1			42742.7	48388.8	(5646.1)
<u>GENERAL RELIEF BRU</u>										
HOSPITAL	4058.1	4591.4	1611.3	3716.5	6455.8	2739.3	8%	3789.4	7102.7	(3313.3)
PHYSICIAN	1658.1	1685.7	588.1	1437.1	2610.9	1173.8	8%	1528.2	2954.6	(1426.4)
OTHER SERVICES	1350.0	1695.4	1064.7	2225.0	1580.3	(644.7)	8%	2399.5	2600.4	( 200.9)
NURSING HOME	328.8	216.5	350.8	526.0	449.9	( 76.1)	8%	568.1	305.9	262.2
CATASTROPHIC ILL	597.7	530.4	160.8	620.0	905.0	285.0	8%	669.6	980.2	( 310.6)
RESIDENTIAL CARE				-0-	166.4	166.4		166.4	189.7	( 23.3)
TOTAL	8002.7	8719.4	3775.7	8524.6	12168.3	3643.7		9121.2	14133.5	(5012.3)

\* The FY81 Projected (above) includes PY Recon claims paid in FY81. However, all FY81 Recon expenditures are backed out prior to calculating the FY82 Revised Request (FY81 Projected minus PY Recon = FY81 "Regular")

FY82 REVISED REQUEST = FY81 "Regular" X FY82 Factor

April 7, 1981

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Energy Assistance Program  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(183.8)					
<b>TOTAL</b>	<b>(183.8)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(183.8)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1981 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director  
 AGENCY Div. of Mgmt & Bdgt, Health and Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social and Economic Assistance for the General Population  
 BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC  
 (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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	400.0					
<b>TOTAL</b>	<b>400.0</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	200.0					
FEDERAL FUNDS	200.0					
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

Summary of FY 81 AFDC:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY 81 FCC Authorization	6835	342.56	12	28,096.7
SCSCSHB 968	6835	49.35	12	4,047.3
FY 81 Actual July 80-Feb. 81	6438	390.39	8	(20,106.7)
FY 81 Proj. March 81-June 30	6925	449.00	4	(12,437.3)
FY 81 Projected Shortfall				(400.0)

The actual FY 81 AFDC caseload has continued to increase each month beginning July, 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400,000 is attributed to insufficient funding for the AFDC grant in-

(continued)

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard, Director  
 AGENCY Div. of Mgmt. & Bdgt., Health & Social Services  
 PHONE 465-3331

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

CONTINUATION SHEET FOR COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 358 (FINANCE)

crease legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "add & delete" supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. Committee Substitute for House Bill No. 358 (Finance)  
 Title "An Act making a supplemental appro. to Department of Health & Social Services..."  
 Requested by Finance Committee Date 4/29/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Old Age 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						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	(200.0)					
<b>TOTAL</b>	<b>(200.0)</b>					

FUNDING (Thousands of Dollars)

GENERAL FUND	(200.0)					
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME	0					
PART TIME						
TEMPORARY						

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

Summary of FY 81 OAA:

	<u>Caseload</u>	<u>Average Payment</u>	<u>Months</u>	<u>Total</u>
FY 81 FCC Authorization	2266	164.73	12	4,479.5
HB 60 Funding				44.1
FY 81 Actual July 80-Feb. 81	2192	150.08	8	(2,635.4)
FY 81 Proj. March 81-June 81	2241	154.10	4	(1,381.4)
FY 81 Projected Surplus				+ 506.8

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

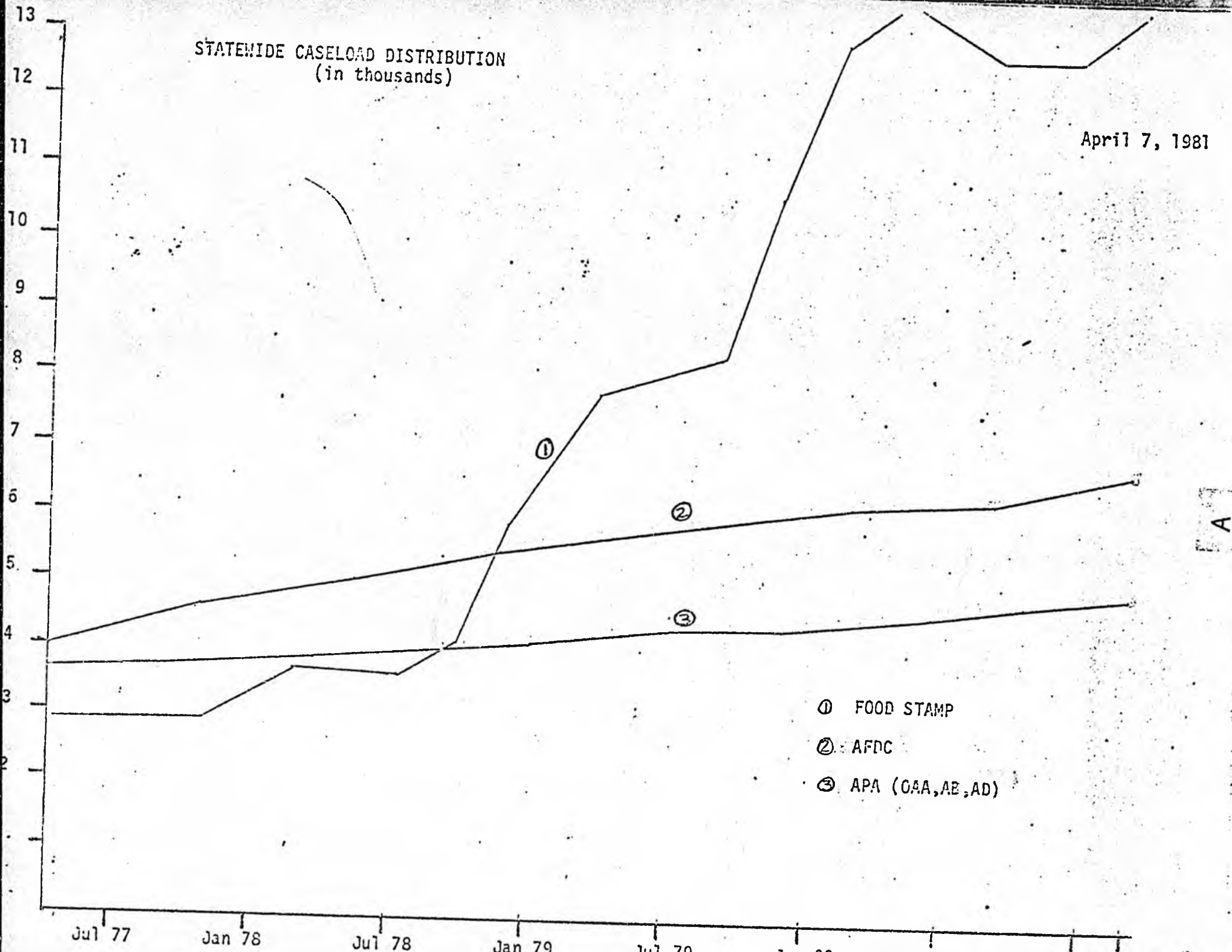
A FY 81 "Add & Delete" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component. Marsha Hubbard

IV. DATE May 4, 1981 PREPARED BY Marsha Hubbard  
 AGENCY Department of Health and Social Services  
 PHONE 465-3331  
 Original: Legislative Finance  
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STATEWIDE CASELOAD DISTRIBUTION  
(in thousands)

April 7, 1981

PA 7



ELIGIBILITY DETERMINATION BRU

DISTRIBUTION OF FY81 AUTHORIZED STAFFING

	No. of ET I,II,III			No. of Supervisors/Adm.			No. of Clerical			TOTAL
	FCC	Supp	Total	FCC	Supp	Total	FCC	Supp	Total	
CENTRAL OFFICE	1	1	2	6	0	6	3	1	4	12
Mauneluk	7	0	7	2	0	2	2	0	2	11
Chitka	1	0	1	0	0	0	0	0	0	1
Chetchikan	4	.5	4.5	0	0	0	1	0	1	5.5
Petersburg	.5	0	.5	0	0	0	0	0	0	.5
Changel	1	0	1	0	0	0	0	0	0	1
SOUTHEAST	13.5	.5	14	2	0	2	3	0	3	19
Chitka	30	10.5	40.5	6	0	6	10	16	26	72.5
Chitka	.5	0	.5	0	0	0	0	0	0	.5
Chitka	1	0	1	0	0	0	0	0	0	1
Chitka	4	1	5	0	0	0	0	3	3	8
Chitka	1	1	2	0	0	0	.5	0	.5	2.5
Chitka	4	2.5	6.5	0	0	0	1	2	3	9.5
SOUTHCENTRAL	40.5	15	55.5	6	0	6	11.5	21	32.5	94
Chitka	15	5	20	3	0	3	3	10	13	36
Chitka	.5	0	.5	0	0	0	0	0	0	.5
Chitka	1	0	1	0	0	0	1	0	1	2
NORTHERN	16.5	5	21.5	3	0	3	4	10	14	38.5
Chitka	8	0	8	3	0	3	3	0	3	14
Chitka	1.5	0	1.5	0	0	0	0	0	0	1.5
SOUTHWEST	9.5	0	9.5	3	0	3	3	0	3	15.5
Chitka	1.5	2	3.5	1	0	1	1	1	2	6.5
Chitka	2	0	2	0	0	0	0	0	0	2
Chitka	.5	0	.5	0	0	0	0	0	0	.5
NORTHWEST	4	2	6	1	0	1	1	1	2	9
REGIONAL TOTALS	85	23.5	108.5	21	0	21	25.5	33	58.5	188

SUMMARY (shown as full time equivalents)

	PFT	PPT.	SEAS	TOTAL
July 1	126	5.5		131.5
July 1 SUPP(Mauneluk)	4			4
July 22 SUPP(BRC)	16		4	20
Dec 3 SUPP(BRC)	25			25
Dec 10 SUPP(BRC)	7	.5		7.5
	178	6	4	188


# MEMORANDUM

# State of Alaska

TO: Allen Korhonen, Deputy Commissioner  
for Administrative Management  
Department of Health & Social Services FILE NO:

DATE: November 26, 1980

TELEPHONE NO:

  
FROM: Rod Betit, Director  
Division of Public Assistance  
Department of Health & Social Services

SUBJECT: Foodstamp Backlog

## I. Statement of Problem

The Department continues to be faced with severe backlogs in Foodstamp application processing. New applicants in Anchorage and Fairbanks must wait an average of 50 days for a foodstamp decision. In Anchorage periodic redeterminations of ongoing Foodstamp cases are also behind. For example, cases due to expire at the end of October would normally be reviewed and reactivated if still eligible no later than the 1st of November. However, Anchorage's October 1980 Foodstamp redeterminations were not completed until November 21, three full weeks behind schedule.

Although similar backlogs also exist for Anchorage and Fairbanks AFDC cases, the Foodstamp caseload is most severely affected for the following reasons:

- (1) There are only 6100 AFDC cases compared to 12,000 Foodstamp cases and the AFDC caseload generally has less turnover in it than Foodstamps.
- (2) The AFDC program is designed to react within a 30-45 day timeframe rather than on an emergency basis within 48 hours as exists with Foodstamps. Under current expedited delivery definitions, 50% of all Foodstamp applicants expect to receive benefits within 48 hours rather than 30 days.
- (3) Agency failure to complete a timely review of an AFDC case does not result in a termination of program benefits as it does with Foodstamp cases. This results because AFDC and Foodstamps are two separate data systems and the Foodstamp system was designed to terminate a case automatically at the end of a review period unless reactivated by an Eligibility Technician.

This situation is not expected to improve. Given this prognosis, Alaska Legal Services has filed a complaint in Fairbanks (Soutter v. Beirne) and is considering filing a complaint in Anchorage.

## II. Discussion

Having learned some time ago that Oregon went through a caseload growth problem similar to Alaska's six years ago, I asked federal AFDC officials to arrange a statewide review of DPA field operations and to have a member of the Oregon state agency on the review team. This review

was in fact completed and the review team's findings presented to the State two weeks ago. Those findings point to inadequate staffing levels as the principal contributor to our backlogs. The report pointed out repeatedly that Oregon's field offices have twice as many staff than Alaska's field offices for the same size caseload. This information is not new, but rather serves as validation of Division staffing assessments made during the last three budget cycles.

Although I personally feel that Oregon enjoys a greater staffing complement than the workload demands, it is clear that Alaska cannot get the job done without additional staff, primarily clerical. Oregon enjoys a one to one ratio of clerks to Eligibility Technicians. Alaska is attempting to drive its public assistance programs with a ratio of one clerk to every four Eligibility Technicians (ET). The result is that Alaska ETs spend an inordinate amount of time on clerical activities and less on actual eligibility determination duties.

I spent November 20 and 21 reviewing eligibility operations in Anchorage, while two members of my staff did a similar review in Fairbanks. This review encompassed a section by section analysis of current caseloads and staffing levels, as well as an evaluation of office wide intake/interview procedures. Participation by the supervisory staff was excellent. Once stimulated they responded quickly to the challenge of identifying specific recommendations for improvement of the office's operations.

### III. Conclusions

Although my detailed observations are listed in Sections I-VII attached, the major actions which should be taken to resolve the current situation are as follows:

- (1) Eligibility Technician strength in Anchorage and Fairbanks is very close to adequate. Although the staffing formula shows they need 16 ET positions given current caseloads, I believe these two offices can manage with only five additional ET positions if the needed clerical staff is authorized.
- (2) Clerical support levels in both offices are appalling. ETs are losing 30-40% of their productive time to routine clerical functions. For example, of the case changes I reviewed on one ET's desk, 80% of the work could have been performed by a clerical level employee without involvement by the ET. Clerical levels should be brought to 1 clerk for every two ETs. This would call for an increase of 20 clerks (12 in Anchorage and 8 in Fairbanks).
- (3) Redetermination interviews for General Assistance should be discontinued. Of the 184 GA cases approved in October 1980, 144 were repeaters with no change in circumstances. We should move to quarterly redeterminations instead of monthly.
- (4) Redetermination interviews for Foodstamps should also be discontinued. Although federal policy calls for an interview, Oregon and other states are not doing it. They handle all redeterminations by mail and Alaska should follow suit. This would reduce Foodstamp intake by at least 60% monthly.

# Summary of Costs To Resolve Arch/Fax Problems

Effective  
Dec 16

COLUMN - WRITE

	1	2	3	4	5	6
	Position	doc	Salary			
1	NEW ET I	ANCL	1761			
2	NEW ET I	ANCL	1761			
3	NEW ET I	ANCL	1761			
4	NEW ET I	FBX	1725			
5	NEW ET I	FBX	1995			
6	NEW (1) Clerk III	ANCL	1393			
7	(2)					
8	(3)					
9	(4)					
10	(5)					
11	(6)					
12	(7)					
13	(8)					
14	(9)					
15	(10)					
16	(11)					
17	(12)					
18	(1)	FBX	1564			
19	(2)					
20	(3)					
21	(4)					
22	(5)					
23	(6)					
24	(7)					
25	(8)					
26			38 501	monthly salary		
27		Benefit 17.4%	6599			
28		FICA 7.65%	2360			
29		25% 13.2%	3250			
30			50710	month		
31	effective Dec 16		x 6.5	months		
32			329615			
33				- \$50.00 fee		
34			329.6	Staff costs		
35			+ 25.0	Quarterm		
36			+ 10.0	travel		
37			364.6			
38				> 145.8	Federal Funds	
39				218.8	State Funds	
40						

R. P. [Signature]

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION I - OFFICEWIDE OBSERVATIONS

- (1) Office staffing is inadequate with respect to Eligibility Technicians and Clerical. Supervisory staff is adequate.

Unit	Current Staff			Needed Staff			Difference		
	C1k.	ET	Supv.	C1k.	ET	Supv.	C1k.	ET	Supv.
Reg. Mgr.	1.0	1.0	2.0	1.0	1.0	2.0	-0-	-0-	-0-
Cler. Unit	7.0	-0-	1.0	3.0	-0-	1.0	(4.0)	-0-	-0-
AFDC Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
FSP/GR Unit	1.0	12.0	1.0	6.0	12.0	1.0	5.0	-0-	-0-
APA/XIX	1.0	6.0	1.0	5.0	9.0	1.0	4.0	3.0	-0-
Field	1.0	4.0	1.0	2.0	4.0	1.0	1.0	-0-	-0-
QA	-0-	2.0	-0-	.5	2.0	-0-	.5	-0-	-0-
TOTALS	12.0	37.0	7.0	23.5	40.0	7.0	11.5	3.0	-0-

Total additional staff needed in the Anchorage office is 3.0 Eligibility Technicians and 11.5 Clerk IIIs.

- (2) Individual caseloads need to be assigned to ETs and files physically moved to control of each ET. Net effect of this change would be a 4 person reduction in central clerical unit. This will improve office/ET efficiency and help offset additional clerks needed elsewhere.
- (3) All units need to transfer non-ET type duties to clerical level staff to free up ET time for true eligibility duties. (See individual units for details).
- (4) Each eligibility unit needs to designate team leaders who will actually carry a caseload of their own, but who will also field policy questions from other ETs in their team. Current class specs permit this and would compensate these employees as ET III (R14) rather than ET II (R13). This would free up ET IV (R15) time to actually manage their units.
- (5) New ET series minimum qualifications (MQs) are eliminating many people who were previously qualified for eligibility jobs. The Department should immediately request the Department of Administration to evaluate the effect of these new MQs.
- (6) Training continues to be inadequate. The Division should definitely relocate the training position to Anchorage early next year as planned.

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION II - FOODSTAMP/GR & GRM UNIT OBSERVATIONS

- (1) Face-to-face interviewing of Foodstamp families at time of case review should be discontinued. 75% of October 1980 Foodstamp appointments were redetermination interviews. Although federal regulations require such an interview be done, Oregon is not complying and Alaska should do likewise. This will greatly relieve intake pressures. All redeterminations should be done by mail.
- (2) Monthly redetermination of eligibility for General Assistance should be discontinued. Of 184 cases found eligible for GA in October 1980, 140 were repeaters. These cases should be certified on a quarterly basis rather than monthly. The individual would still have to notify the office monthly to issue rent or utility payment, but this would be handled by a clerk rather than an ET.
- (3) Complete redesign of the State GR program is in order.
- (4) A substantial shift of functions should be made away from ETs to Clerk IIIs including the following duties:
  - Completing FSAF (computer input document)
  - Notice of Action to client
  - ATP, GR field warrants
  - Pre-application screening
  - changes such as address changes, and household membership changes on no income cases
  - Case file maintenance
  - Monitoring of Foodstamp redetermination and mailing of review applications

Date: November 20-21, 1980

SECTION III - APA/MEDICAID UNIT OBSERVATIONS

- (1) Each APA applicant is usually eligible for at least 3 Division programs. This is probably the most complicated caseload, caused in part by the absence of both an APA manual and a Medicaid manual. The APA manual is still pending approval of the Division's APA regulations by the Department of Law (it's now been 18 months). The Medicaid manual is still pending approval by federal Region X officials.
- (2) The unit needs 3 additional ETs and 4 additional clerks. This is the only unit which was found to be understaffed with respect to ETs.
- (3) With addition of the Clerks, transfer of the following duties should be made from the ETs to the clerks:
  - completion of BAF
  - completion of notice of action
  - case file maintenance
  - processing of non-eligible changes
  - monitoring of annual reviews and mailing of review applications
  - pre-application screening on new cases
  - monitoring of SOX, BENDEX, etc.

Transfer of these duties should free up 30% of each ETs time for true eligibility duties.

Date: November 20-21, 1980

SECTION IV - AFDC/AFDC & FSP UNIT OBSERVATIONS

- (1) This unit has adequate ETs for the caseload they are carrying, but they need five additional clerks.
- (2) A transfer of duties from ETs to clerks should be made when the new clerks are added. The clerks can handle the same duties listed under the APA Unit's observations.
- (3) Assuming 75% of all AFDC cases have a Foodstamp case attached to it, each ET is currently handling a caseload of 290 cases. This would be manageable with the new clerks.

Date: November 20-21, 1980

SECTION V - QUALITY ASSURANCE UNIT OBSERVATIONS

- (1) QA findings are not adequately or timely dealt with by Anchorage management. Transfer of DPA training position to Anchorage would help relieve this problem. This transfer is scheduled for April 1981.
- (2) QA is reviewing ET case decisions prior to implementation rather than after the fact. After much discussion, I came to the conclusion that this approach is OK provided QA routinely releases case decisions within 24 hours, even if they have not had time to complete the review.
- (3) Most of QA's emphasis has been on reviewing all case decisions for new ETs. This tends to color their findings and not give an accurate picture of officewide performance or unit performance. QA should shift responsibility for monitoring all case decisions for new ETs back to unit supervisors where it belongs. QA should then pull an equal sample of cases for all ETs on a monthly basis (approximately 17 cases/ET).
- (4) QA should conduct a quarterly onsite review of case decisions made in Kenai and Wasilla.
- (5) QA should continue to devote 10% of their review effort to home visits.
- (6) QA needs a part time clerk.

Date: November 20-21, 1980

SECTION VI - FIELD UNIT OBSERVATIONS

- (1) This unit makes eligibility decisions on all applications coming in from Kodiak, Valdez, Dillingham, Aleutian Chain, Tyonek and McGrath. (Wasilla becomes a full decision office on November 28). Because of the number of ETs in the Anchorage office, it is appropriate that Anchorage continue to operate a Field Unit as such to reduce the number of ETs which field staff and Fee Agents must relate to.
- (2) This unit has adequate ETs for their caseload but needs 1 additional clerk.
- (3) Due to staff turnover, this unit is highly susceptible to increases in decision times if not watched closely by office management. Management should develop a plan to deal effectively with the occurrence of staff turnover.
- (4) Foodstamp sales activities currently being performed by this unit should be examined carefully to determine if adequate use is being made of Loomis and USPS sales potential. Actual sales activity should be placed in the hands of clerical staff rather than ETs.

Date: November 20-21, 1980

SECTION VII - OFFICEWIDE ADMINISTRATIVE SUPPORT UNIT OBSERVATIONS

- (1) Office staff performs the following functions currently:
  - 1 Clerk V - Supervisor
  - 1 Clerk - Communications
  - 2 Clerks - Issuance of ATPs and Field Warrants
  - 1 Clerk - Receptionist
  - 1 Clerk - Switchboard
  - 2 Clerks - Central File Room
- (2) With elimination of Central File Room and assumption of ATP/Field Warrant issuance by line unit's clerks, this unit can be reduced by 4 clerks.
- (3) Management must carefully break out officewide administrative/clerical responsibilities versus individual unit responsibilities.
- (4) Clerk V's will assume a very significant training role on an ongoing basis if 12 clerks are added to the office. Standardization of clerical tasks must be done from unit to unit wherever possible.

7. Caseloads

Caseloads are distributed by program. Units are set up by program as well. The AFDC Unit is split into categories, those that are "earnings" cases and those that are "non-earnings" cases. The Food Stamp Unit is split into those that are non-assistance food stamp households and those that are General Relief Assistance (GRA) and General Relief Medical (GRM). Caseloads are extremely high. To further complicate the fact, adequate clerical support does not exist. Caseload is one of the big problems in the office, as the following series of examples illustrates. One worker has a 190 case backlog on the basic action form (BAF) changes. The oldest one that the individual had was for June, 1980 and the date this was determined was in late September. In Food Stamps, on the 24th of September, there were 48 people waiting to be seen as "stand-bys". That number had increased to something like 75 by the end of the day. One worker in the client services unit said that about 40% of the clients coming to the Client Services Unit do not need to be there, if appropriate action is taken in a timely manner on the BAF's. In one of the public assistance units, primarily the AFDC Units caseloads in the earned income cases tended to be around 250 and around 300 per worker in the non-earned income cases. The food stamp eligibility workers had equally heavy caseloads. Following is a comparison of Alaska's staffing compared to that which would be required in Oregon based on the identical caseloads. Caseloads vary substantially between offices.

AFDC Staff Comparisons  
Based on Caseload of 2,258

Alaska		Oregon
12	Eligibility Workers	19
1	Supervisors	2
1	Clerks	14
0	Unit Clerks	2
0	Aides	2
14	TOTAL	39

8. Supervision

Workers are assigned to supervisors based on the specialty of that particular unit. The office has one AFDC supervisor, one non-assistance food stamp supervisor, and one supervisor responsible for the field unit which includes both food stamps and AFDC cases in the outlying areas. Supervisory absences are covered by a lead worker within the unit. There are no special supervisory expectations established in the local office. Supervisors do maintain spot checks on various records and they sometimes monitor the interviews. The Quality Assurance Unit is the unit primarily responsible for the review of the case records however, they do not review 100% of

# AFDC

Management  
and  
Administrative  
Review

# Alaska

September 1960

Region X



Original sponsor: Rules/Governor

Offered: 4/29/81  
Referred: Rules

*Maisha*

*PTF*

*CRD - supply*  
*up*

Funding Information

General Fund \$ -0-  
Other Funds 773,100  
\$773,100

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 358 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making supplemental appropriations to the  
7 Department of Health and Social Services and the  
8 Department of Labor and amending the 1980-1981 general  
9 appropriations Act (ch. 120, SLA 1980); and providing  
10 for an effective date."

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

12 \* Section 1. (a) Section 51, ch. 120, SLA 1980, page 26, line 6 is  
13 amended to read:

14	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
15		ITEMS	FUND	FUNDS
16	Public assistance eligibility	<u>5,602,400</u>	<u>3,743,300</u>	1,859,100
17		[4,717,800]	[2,858,700]	

18 (b) Section 51, ch. 120, SLA 1980, page 26, line 7 is amended to read:

19 Eligibility deter-

20 mination (137

21 positions)

5,462,400

[4,577,800]

23 (c) Section 51, ch. 120, SLA 1980, page 26, line 5 is amended to read:

24 Energy assistance program

25 (8 positions)

7,183,800

[183,800]

7,183,800

[7,367,600]

27 (d) Section 51, ch. 120, SLA 1980, page 35, line 9 is amended to read:

28 General relief medical

11,467,500

11,467,500

[12,168,300]

[12,168,300]

1 (e) Section 51, ch. 120, SLA 1980, page 35, line 10 is amended to  
2 read:

3 Hospitals 5,755,000  
4 [6,455,800]

5 \* Sec. 2. The sum of \$573,100 is appropriated as federal receipts to the  
6 Department of Health and Social Services, public assistance to match general  
7 funds in secs. 1(a) and (b) of this Act.

8 \* Sec. 3. (a) Section 51, ch. 120, SLA 1980, page 25, lines 12 and 13  
9 are amended to read:

	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
		ITEMS	FUND	FUNDS
12	Assistance payments	<u>33,929,300</u>	<u>19,881,000</u>	14,048,300
13		[33,729,300]	[19,681,000]	
14	AFDC	<u>28,296,700</u>		
15		[28,096,700]		

16 (b) Section 51, ch. 120, SLA 1980, page 28, line 18 is amended to  
17 read:

18	Old age assistance			
19	payments	<u>4,279,500</u>	<u>4,279,500</u>	
20		[4,479,500]	[4,479,500]	

21 \* Sec. 4. The sum of \$200,000 is appropriated as federal receipts to the  
22 Department of Health and Social Services, assistance payments, to match  
23 general funds in sec. 3(a) of this Act.

24 \* Sec. 5. (a) Section 51, ch. 120, SLA 1980, page 29, line 16 is amended  
25 to read:

	ALLOCATIONS	APPROPRIATION	GENERAL	OTHER
		ITEMS	FUND	FUNDS
28	Employment security	<u>26,137,800</u>	<u>619,100</u>	<u>25,518,700</u>
29		[24,457,300]	[204,600]	[24,252,700]

1 (b) Section 51, ch. 120, SLA 1980, page 29 is amended by adding the  
2 following after line 16:

3 WIN 1,680,500

4 (c) Section 51, ch. 120, SLA 1980, page 29, line 25 is repealed.

5 \* Sec. 6. The unexpended and unobligated portions of the appropriations  
6 made by this Act lapse into the funds from which appropriated on June 30,  
7 1981.

8 \* Sec. 7. This Act takes effect immediately in accordance with AS 01.10.-  
9 070(c).

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