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JAY S. HAMMOND, GOVERNOR

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

POUCH H 01
JUNEAU, ALASKA 99811
PHONE: 465-3030

June 10, 1981

Beverly A. Bennett
Chairman, Governor's Advisory
Board on Drug Abuse
Box 2801
Fairbanks, Alaska 99707

Dear Ms. Bennett:

I would like to thank you for your timely expression of concern about the Drug Abuse grant-in-aid budget.

As you may recall from the Human Services Advisory Council meeting of March 7, 1981, the administration's budget and planning cycles were explained in detail. Further, we discussed at length both the timing and the nature of assistance we hope to receive from all advisory boards.

I understand from the State Office staff that the Drug Abuse Advisory Board is planning to meet in Anchorage July 6 and 7th, specifically for the purpose of preparing Board advice to the Department on the FY '83 Drug Abuse budget.

The Governor's policy budget for FY '83 will be prepared by the Department during June and July. The final detailed budget preparation will occur between September and December. Therefore both your letter and the Board's FY '83 budget priority meeting are timely.

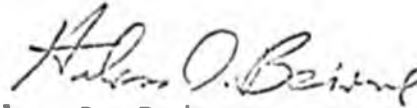
As the board deliberates its FY '83 budget recommendations in July, it would be particularly helpful if the board could address itself to the following issues:

1. What specific new Drug Abuse services are needed?
2. What evidence exists demonstrating the need?
3. Where are the new services needed?
4. What will the new services cost?
5. How should the proposed services be evaluated in terms of cost, effectiveness, and productivity?

June 10, 1981

Your continued interest and expression of concern on this matter is deeply appreciated.

Sincerely,

A handwritten signature in cursive script, appearing to read "Helen D. Beirne".

Helen D. Beirne
Commissioner

cc: Governor Jay Hammond
Alaska State Legislature
State Office of Alcoholism
and Drug Abuse

Copies members
SB 580

KILA, Inc.

Administration
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Fairbanks Education
Center
(907) 452-1841

Fairbanks Re-Entry
Center
(907) 456-3043

Fairbanks Treatment
Center
(907) 456-5715

Locally Controlled
Integrated and Coordinated
Human Services
3098 Airport Way
Fairbanks, Alaska 99701

June 13, 1981

TO: Members
Senate Finance Committee
Senate Health, Education & Social Services Committee

FROM: Frank J. Gold, M.D.
Executive Director & Staff Psychologist *FJG*

RE: SB 580

I am only too well aware of the lateness of the session to be making requests, but I am today pleading for consideration of SB 580. This bill (previously available in memo form only) has been floating about the two chambers for several years--with only positive comments being compiled among Legislators.

Now I am asking that the bill be passed by the Senate; if that is not possible, I am pleading that rapid committee passage be attempted; if that too is not possible, then I am begging for scheduled committee hearings on the bill during the recess period.

It is an idea which is in the best interest of the client, the service provider, and the taxpaying populace; unfortunately, it will be vigorously opposed by the bureaucracy. Please, it is time for this concept to be implemented.

POSITION PAPER

SENATE BILL 580

"An Act relating to the prevention and treatment of drug abuse."

The formerly separate Office of Alcoholism and Office of Drug Abuse were combined administratively in July, 1977 into the Office of Alcoholism and Drug Abuse. In July, 1980 the Legislature amended the Uniform Alcoholism and Intoxication Treatment Act by including Drug Abuse in Section 47.37.020. Office is established in the Department.....

Accordingly the main thrust or intent of Sections 1 and 2 of Senate Bill 580 are presently contained in existing law. To further clarify this drug abuse relationship however, consideration might be given to amending 47.37 030 powers of office, and 47.37.040 duties of office, to include drugs, drug abuse and drug addicts together with alcohol, alcohol abuse, and alcoholics in all applicable paragraphs of these two sections of A.S.47.37. (Attachment I).

Section 3 of Senate Bill 580 would limit administrative costs of the agency to no more than 10% of the total available alcoholism and drug abuse resources. The Office of Alcoholism and Drug Abuse is supportive of the concept to limit administrative costs to reasonable levels. The office would point out that a definition of administrative costs needs to be established since support services such as training, audit, research, prevention, and evaluation may appear in either the administrative or grant component of the budget. Attachment II indicates that in the FY 82 Governor's Request budget in general administration is 7.2%, while support services included in the administrative component is 6.2%, for a total of 13.4% of all available resources.

Finally to further weld the drug abuse and alcoholism administration in legislation the office would recommend merging the Governor's Advisory Board on Drug Abuse and the Review Board on Alcoholism as specified in HB 114 which was introduced earlier this session (Attachment III).

Recommended by: Robert L. Cole
Robert L. Cole, Coordinator
Office of Alcoholism and
Drug Abuse

Date: 6/17/81

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

Date: 6/17/81

ATTACHMENT I

Sec. 47.37:030. Powers of office. The office may

- (1) plan, establish, and maintain treatment programs as appropriate;
- (2) make contracts and award grants necessary or incidental to the performance of its duties and execution of its powers, including contracts with and grants to public and private agencies, organizations, and individuals, to pay them for services rendered or furnished to drug addicts, alcoholics or intoxicated persons; to the maximum extent possible, contracts and grants shall be for a period of two years;
- (3) solicit and accept for use a gift of money or property or a grant of money, services, or property from the federal government, the state, or a political subdivision of it or a private source, and do all things necessary to cooperate with the federal government or any of its agencies in making an application for a grant;
- (4) administer or supervise the administration of the provisions relating to drug addicts, alcoholics and intoxicated persons of any state plan submitted for federal funding under federal health, welfare, or treatment legislation;
- (5) coordinate its activities and cooperate its activities and cooperate with alcoholism and drug abuse programs in this and other states, and make contracts and other joint or cooperative arrangements with state, local, or private agencies for the treatment of drug addicts, alcoholics and intoxicated persons and for the common advancement of alcoholism and drug abuse programs in this and other states;
- (6) keep records and engage in research and the gathering of relevant statistics;
- (7) do other acts necessary to implement the authority expressly granted to it;
- (8) acquire, hold, or dispose of real property or any interest in it, and construct, lease, or otherwise provide treatment facilities for drug addicts, alcoholics and intoxicated persons; however, the office shall encourage local initiative, involvement and financial participation under grants in-aid whenever possible in preference to the construction or operation of facilities directly by the office. (§ 1 ch 207 SLA 1972; am § 1 ch 117 SLA 1978)

Sec. 47.37.040. Duties of office. The office shall

- (1) develop, encourage, and foster statewide, regional, and local plans and programs for the prevention of alcoholism, drug abuse and treatment of drug addicts, alcoholics and intoxicated persons in cooperation with public and private agencies, organizations, and individuals, and provide technical assistance and consultation services for these purposes;
- (2) coordinate the efforts and enlist the assistance of all public and private agencies, organizations, and individuals interested in prevention of alcoholism, drug abuse and treatment of drug addicts, alcoholics and intoxicated persons;
- (3) cooperate with the division of corrections in establishing and conducting programs to provide treatment for drug addicts, alco-

- holics and intoxicated persons in or on parole from penal institutions;
- (4) cooperate with the Department of Education, school boards, schools police departments, courts, and other public and private agencies, organizations and individuals in establishing programs for the prevention of alcoholism, drug abuse, and treatment of drug addicts, alcoholics and intoxicated persons, and preparing curriculum materials for use at all levels of school education;
 - (5) prepare, publish, evaluate, and disseminate educational material dealing with the nature and effects of drugs and alcohol;
 - (6) develop and implement, as an integral part of treatment programs, an educational program for use in the treatment of drug addicts, alcoholics and intoxicated persons which includes the dissemination of information concerning the nature and effects of drugs and alcohol;
 - (7) organize and foster training programs for all persons engaged in treatment of drug addicts, alcoholics and intoxicated persons and establish standards for training paraprofessional alcoholism workers;
 - (8) sponsor and encourage research into the causes and nature of drug addiction, alcoholism and treatment of alcoholics and intoxicated persons, and serve as a clearinghouse for information relating to alcoholism;
 - (9) specify uniform methods for keeping statistical information by public and private agencies, organizations, and individuals, and collect and make available relevant statistical information, including number of persons treated, frequency of admission and readmission, and frequency and duration of treatment;
 - (10) advise the governor in the preparation of a comprehensive plan for treatment of drug addicts, alcoholics and intoxicated persons;
 - (11) review all state health, welfare, and treatment plans to be submitted for federal funding, and advise the commissioner on provisions to be included relating to drug abuse, alcoholism and intoxicated persons;
 - (12) assist in the development of, and cooperate with, alcohol and drug education and treatment programs for employees of state and local governments and businesses and industries in the state;
 - (13) utilize the support and assistance of interested persons in the community, particularly recovered alcoholics, to encourage alcoholics to voluntarily undergo treatment;
 - (14) cooperate with the Department of Public Safety and the Department of Highways in establishing and conducting programs designed to deal with the problem of persons operating motor vehicles while intoxicated, or under the influence of other drugs;
 - (15) encourage hospitals and other appropriate health facilities to admit without discrimination drug addicts, alcoholics and intoxicated persons and to provide them with adequate and appropriate treatment;
 - (16) encourage all health and disability insurance programs to include alcoholism as covered illness;
 - (17) submit to the legislature an annual report covering the activities of the office;

- (18) develop and implement a training program on alcoholism and drug abuse for employees of state and municipal governments, and private institutions;
- (19) develop curriculum materials on drug and alcohol abuse for use in grades kindergarten through 12, as well as a course of instruction for teachers to be charged with presenting the curriculum. (§ 1 ch 207 SLA; am §§ 2, 4 ch 117 SLA 1978)

ATTACHMENT II

SOADA FY'82 BUDGET
(GOVERNOR'S REQUEST)

COMPONENTS:

Administration	2,426.4	(13.45%)
Alcohol Abuse Grants	14,309.6	(79.24%)
Drug Abuse Grants	1,299.6	(7.21%)
Total		18,035.6

ADMINISTRATION COMPONENT:

GENERAL ADMIN (7.19%)

Personal Services	915.7	
Board and Staff Travel	233.5	
Admin contractual	129.3	
Commodities	19.9	
Total		1,298.4

PROGRAM SUPPORT (6.25%)

Audit costs for grantees	90.0
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RESEARCH AND PLANNING:

Statewide Prevention Coordination	70.0
Occupational Alcohol & Drug Abuse Prog.	80.0
Alcohol Accident Prevention Program	58.0

CLIENT OUTCOME/PROGRAM IMPACT EVALUATION SYSTEMS:

Alcohol/Drug Abuse Program Criteria	150.0
Client follow-up Study	350.0
Data Collection/Management Information	280.0
Contingency (to cover changes in above systems)	30.0

Total	1,178.0
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FISCAL NOTE

I. REQUEST

Bill/Resolution No. Senate Bill No. 520
 Title "An Act relating to the prevention and treatment of drug abuse."
 Requested by Fahrskamp Date June 8, 1981

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services
 Program Category Affected Alcoholism and Drug Abuse
 BRU, Program, or Subprogram(s) Affected Administration
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

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

FUNDING (Thousands of Dollars)

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

POSITIONS

FULL TIME	-0-				
PART TIME	-0-				
TEMPORARY	-0-				

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

IV. DATE June 8, 1981 PREPARED BY Robert L. Cole
 AGENCY Alcoholism/Drug Abuse
 PHONE 546-6700
 Original: Legislative Finance
 cc: Budget and Management
 Public Services (First Legislative Counsel)

Robert L. Cole
Raymond M. Anderson
 6/8/81

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3098 Airport Way
Fairbanks, Alaska 99701

June 17, 1981

TO: Members
Senate Health, Education & Social Services Committee

FROM: Frank J. Gold, EdD
Executive Director & Staff Psychologist 

RE: SB 580

I want to express my appreciation to the members of this committee for allowing me the opportunity to provide testimony on SB 580. For the record (and to make an important point), it was approximately 24 hours ago that I was informed by each of the 3 Fairbanks senators of this hearing today; I left 2 H&SS auditors in my offices reviewing the microfilmed materials from FY'80 programs; and this evening, the KILA, INC. Board of Directors is having a meeting with me--a meeting which will now be conducted by telephone. I make reference to these events only to point out how strongly I and my organization feel about the concept embodied in SB 580.

The very essence of this proposed legislation is to tie program service delivery to bureaucratic administration in a new manner--a manner that requires the development and growth of service delivery before there is any growth in administration; a manner that provides incentive for the bureaucracy to attend to the provision of services as well as administrative demands; a manner which encourages the bureaucracy to seek increased budgets for the provision of services rather than self-serving salary/office expenditures.

Let me preface all that follows with the following comment: I am only talking about implementing SB 580 for the State Office of Alcoholism & Drug Abuse--an office involved in contracts compliance monitoring primarily, not an office involved in the pro-

viding of services to clients. What the office does and the expenditure involved is what led to the development of SB 580.

My relationship with the state's drug abuse office precedes the creation of the office in the Department of Health & Social Services in 1972; prior to that it was a desk in the Department of Education. During the intervening years, I have learned more than I ever wanted to know about bureaucratic priorities, political maneuvering, deals, lies, budget processes, and non-responsibility. I have listened to excuse after excuse--regardless of legislative intent and funding--on why no drug abuse coordinator could be hired; on why, although there were hefty increases in the cost of operating the office, less than cost-of-living increases could be secured for the delivery of client services; on why data accumulated by program delivery personnel never got to the legislature, and when it did infrequently arrive was in an unintelligible form; on why, in spite of consistent and annual rejection, the state office keeps pushing for the elimination of the drug abuse advisory board by combining it with the alcoholism board; on why, in memo after memo from the combined office, drugs are consistently ignored while alcohol is the item of tremendous interest; on why, after many years, there is still no individual in the office with experience in drug abuse to provide some state leadership in the field; etc. The list goes on and on, but the point is that drug abuse is clearly not a priority item in the State Office of Alcoholism & Drug Abuse! The ideas behind SB 580 originally were to just stop the state office from growing and making demands on service providers to an extent to which they simply could not respond; now it has become moreso a means of assuring drug abuse service providers an experienced drug abuse coordinator and office responsiveness.

Let me hasten to add that this situation is not seen to be the result of malicious intent; it is perceived to be the result of the bureaucratic system in operation. SOADA issues are dominated by the Commissioner, the Governor, etc.; program issues are created by a different clientele (e.g., drug abusing people). Budget preparation may be the best place to understand the divergent demands being placed on the SOADA: While the initial budget request may allow for anything--and the SOADA may request hefty increases in service delivery dollars--it is not long before the SOADA is told what the budget shall be by the Commissioner (who was told what the Department budget shall be by the Governor). Since the SOADA is the requesting agency, and they must request money for service delivery and themselves, guess where cuts are made. And guess too which aspect of the total SOADA budget will be modified upward following labor union negotiations; and following some behind the scenes lobbying by the SOADA. The point is that SOADA has a clear-cut conflict of interest in preparing the budget--and a quick review of previous SOADA budgets will show that while increases for the administration of the office have grown like Topsy, increases for

service delivery have not even kept pace with cost-of-living and inflation. If this picture is maintained for very much longer Alaska will have a huge SOADA with no drug programs to even worry about on a minimal basis.

Unlike Proposition 13, SB 580 will not simply demand a cut in expenditures; that is what went awry in California. SB 580 will not allow for the bureaucracy which does not provide services to continue securing funds unless the funds for services are first secured. SB 580 will turn the system on its head; it will force the bureaucracy to pay attention to the need for services, the need to secure new federal dollars and/or foundation dollars, etc. It will coerce the SOADA to pay careful attention to the budget for the provision of services to the citizens of the State of Alaska if they want to continue securing adequate funds for the SOADA itself. If, as with all bureaucratic agencies, SOADA should feel the need to grow a bit then it would be concomitant on SOADA to seek additional funds for direct service delivery in order to increase SOADA total dollars. If, in times of economic decline, funds for services were not readily available then the SOADA cost would likewise decrease.

The cost of monitoring contracts and grants cannot continue to increase without restraint; for each new administrative position a new demand is made on program delivery systems so that more and more of the limited program delivery system funds are spent on responses to SOADA requests rather than on the provision of services. Tie the two systems together and the result will be a single operation with clear-cut legislative control and SOADA/delivery system mutual concerns.

**Health, Education and
Social Services Committee**

Charlie Parr, Chairman
Terry Stimson, Vice-Chairman
Vic Fischer
Tim Kelly
Mike Colletta



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Alaska State Legislature

Senate

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State Capitol
Juneau, Alaska 99811
465-4907
465-4908

June 17, 1981

TO: MEMBERS OF SENATE HESS COMMITTEE
FROM: SANDRA STRINGER, ADMINISTRATIVE ASSISTANT

The following figures pertaining to consideration of SB 580 were obtained from Robert Cole, Office of Alcoholism and Drug Abuse Coordinator, this afternoon. Figures are for FY'82, proposed operating budget, and are in thousands of dollars. Operating budget is still open as of this afternoon.

Governor's proposal: Office of A & D A: 2426.4
Drug Abuse Grants: 1299.6
Alcohol Abuse Grants: 14309.6

House Proposal: Office of A & D A: 2426.4
Drug Abuse Grants: 1299.6
Alcohol Abuse Grants: 15709.6

Senate Proposal: Office of A & D A: 2426.4
Drug Abuse Grants: 1299.6
Alcohol Abuse Grants: 12539.0

**Health, Education and
Social Services Committee**

Charlie Parr, Chairman
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June 17, 1981

TO: MEMBERS OF SENATE HESS COMMITTEE
FROM: SANDRA STRINGER, ADMINISTRATIVE ASSISTANT

The following figures are the breakdown of estimated expenditures within the Office of Alcoholism and Drug Abuse, based on a proposed Office budget of 2426.4 for FY82. Figures were obtained from Robert Cole, Coordinator of the Office of Alcoholism and Drug Abuse.

Personal Services:	915.7
Travel:	233.5
Contractual:	1257.3
Commodities:	<u>19.9</u>
Total:	2426.4

