

S B

158

(FILE 2)

POSITION PAPER

COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 158 (HESS)

Requested by the Health, Education and Social Services Committee

"An Act making reappropriations and transfers among appropriations and extending the lapse date of certain appropriations; and providing for an effective date."

* Sec. 5. Section 14, ch. 139, SLA 1982, page 14, lines 11-14, are amended to read:

| Appropriation Item | General Fund | Other Funds |
|--|----------------------------|-----------------------------------|
| SB 842 Providing for Permanent Fund Dividends -- Appropriated to the Department of Health & Social Services. | 10,965,300 [12,866,500] | 10,897,000 [12,798,200] 68,300 |

RECEIVED
MAY 13 1983
Josephson

This section deletes 1,901.2 in general funds from the Permanent Fund Dividend Hold Harmless program. Individuals found ineligible for public assistance because of federal law or regulations solely because of receiving the Dividend shall be eligible for assistance payment from the PFD Hold Harmless BRU for a period not to exceed four months. The projected surplus, which is deleted by this section, is attributed to the period of resource retention. The initial budget estimated 35% of the AFDC cases would be ineligible (in PFD hold harmless status) for a period of four months. Present caseload maintenance reports indicate that the actual number of AFDC cases remaining ineligible and in the PFD hold harmless status beyond the first month is less than budgeted. Families receiving their PFD's are quickly spending their resource, resulting in their quick return to federal program eligibility and removal from the hold harmless program.

* Section 15. The sum of \$305,900 is appropriated from the general fund to the Department of Health and Social Services to pay for Fiscal Year 83 increased staff support for the Alaska Psychiatric Institute.

This section provides funding to cover increased staffing costs associated with 10.5 FTE security staff and 7.0 FTE direct care staff for a total of 17.5 FTEs.

After an API patient killed four Anchorage teenagers last spring, the Office of the Governor appointed a task force to review operations at API. The task force produced a report making

several recommendations regarding the appropriateness of utilizing API as a facility for the care and treatment of individuals from the criminal justice system, and the status of security within the institution.

The task force noted that API has experienced a significant increase in the workload and in the type of patients served over the past year. The Alaska Psychiatric Institute is required by court order to house both criminally and civilly committed patients. Many of these patients are considered dangerous. Based on the type of patients being housed and the status of existing security, the API was instructed to take measures to increase internal security until these dangerous patients could be moved to a more secure setting.

Temporary security staff were added immediately at API in response to the task force's orders, and staff were detailed to provide 24 hour security "sally port" control over the two units where criminally committed patients are in treatment. This action increased the API staff by 10.5 FTE positions, putting API in an overexpenditure pattern in personal services.

In addition, the Department of Health and Social Services wants to bring attention to the fact that for quite some time the patient load at API has been running at or above licensed capacity. While the Division of Mental Health and Developmental Disabilities and this Department are taking every possible management action to reduce and stabilize the patient population, it is obvious that we will be forced to operate at overcapacity status until a major change can take place, such as the transfer out of an entire unit's population.

This overcrowding, coupled with the trend toward more-difficult-to-manage patients, causes serious hands-on patient care staff shortages. Current authorized staffing patterns do not provide for extra staff persons to be available at times of extra demand for services, e.g. as when a highly suicidal patient requires 24 hour one-to-one attention or when overcrowding results in beds being placed in a hallway area. The Department is therefore requesting sufficient funding for an additional 7.0 FTE direct care staff. These additional staff persons represent the minimum complement necessary to cope with the delivery of direct care to the current API census with a reasonable degree of safety for staff and patients.

* Sec. 16. The sum of \$205,900 is appropriated from the general fund to the Department of Health and Social Services to pay for Fiscal Year 83 costs of establishing the Department of Corrections.

This section provides necessary funding to the Department of Health and Social Services to establish a Department of Corrections. Departmentalization of Corrections would: (1) ensure

that Corrections is in fact a full partner in the criminal justice system; (2) enable the needs and problems of Corrections to be routinely presented to the Governor; (3) enable the agency to actively and effectively support its budget request throughout the administrative and legislative process; (4) provide continual professional guidance based on sound correctional experience, training, and management expertise in correctional systems from top departmental administrators; and (5) streamline the organizational structure for more effective correctional management.

* Sec. 22. The sum of \$139,000 is appropriated from the general fund to pay miscellaneous claims, stale-dated warrants, and Fiscal Year 82 obligations of the state, to be allocated as follows:

| | |
|--|-----------|
| Department of Health and Social Services | \$118,000 |
|--|-----------|

This section provides the Department with funds to pay prior year obligations for which the original appropriations have lapsed. Each bill was received too late to be paid out of the appropriate year's authorization and since these bills are more than two years old they are eligible for inclusion in the Department's miscellaneous claims request. The Department needs an additional \$10,150.54, for a total need of \$128,150.54, to be able to pay all the legitimate miscellaneous claims it has at the present time.

* Sec. 30. Section 14, ch. 139, SLA 1982, page 3, lines 14-23, is amended to read:

* Sec. 14. The following appropriation items...for the fiscal year beginning July 1, 1982 and ending June 30, 1983, except as otherwise noted in sec. 31 of this Act.
The appropriation items contain...

* Sec. 31. Chapter 139, SLA 1982 is amended by adding a new section to read:

* Sec. 31. (a) Of the \$6,188,200 appropriated in sec. 14 of this Act at page 10, line 21, \$6,026,500 are for capital expenditures and do not lapse under AS 37.25.010.

(b) Of the \$1,597,000 appropriated in sec. 14 of this Act at page 11, line 18, \$897,000 are for capital expenditures and do not lapse under AS 37.25.010.

(c) Of the \$336,700 appropriated in sec. 14 of this Act at page 12, line 1, \$276,000 are for capital expenditures and do not lapse under AS 37.25.010.

The Attorney General opinion 336-204-83, October 8, 1982, made it clear that, despite the fiscal note language attached to SB 190 (part (a) above), SB 535 (part (b) above), and SB 611 (part (c) above) which were all enacted last session, the language in the appropriation measure (CSSB 746 (Fin) Ch. 139, SLA 82) limits the use of the funds to the fiscal year beginning July 1, 1982 and ending June 30, 1983. Since the primary intent of the fiscal notes was to define the cost of additional prisoner housing requirements that would result from the three senate bills cited, and the capital improvements which will provide that housing must occur over a period of several fiscal years, it is necessary to amend the appropriation bill to extend the lapse date for the capital portion of the respective appropriations.

Section 30 provides the necessary language change which would allow for exceptions to the lapse date mentioned above. Section 31 establishes a new section and clearly defines which portion of the above mentioned fiscal notes are for capital improvements and should therefore not lapse under AS 37.25.010.

* Sec. 32. Section 79, ch. 101, SLA 1982, page 30, line 18, is amended to read:

| | Appropriation Item | General Fund | Other Funds |
|------------------------------|----------------------------|----------------------------|----------------------------|
| Public Assistance Service | 49,357,400 [55,677,800] | 31,572,400 [34,832,600] | 17,785,000 [20,845,200] |

* Sec. 33. Section 79, ch. 101, SLA 1982, page 30, line 19 is amended to read:

| ALLOCATIONS | |
|---|--------------------------------|
| Aid to Families with Dependent Children | <u>35,570,000</u> [41,690,400] |

*Sec. 34. Section 79, ch. 101, SLA 1982, page 30, line 22, is amended to read:

| ALLOCATIONS | |
|----------------|--------------------------|
| General Relief | <u>700,000</u> [900,000] |

Sections 32 through 34 reduce the Public Assistance Services appropriation by reducing both the Aid to Families with Dependent Children (AFDC) and the General Relief allocations. The FY 83 AFDC reduction resulted from a projected surplus balance of 6120.4 which will occur because actual monthly caseloads are lower than initially forecasted and budgeted.

It is believed the factors contributing to the lower caseload level are: 1) The Permanent Fund Dividend distribution program

which provided sufficient resources to delay the decision of potential clients to apply for AFDC benefits, 2) AFDC program changes implemented in October, 1981, and 3) the Division of Public Assistance's home visit program.

It is estimated that the demand for FY 83 General Relief Assistance (GRA) services will fall 200.0 below the authorized level of funding, making these funds available for deletion. The rather restrictive eligibility standards in the GRA program, combined with the \$80/person payment limit in the form of vendor payment, have caused static program expenditure patterns.

*Sec. 35. Section 79, ch. 101, SLA 1982, page 30, line 25, is amended to read:

| | APPROPRIATION ITEMS | GENERAL FUND | OTHER FUNDS |
|--------------------|----------------------------|----------------------------|----------------|
| Medical Assistance | 64,740,100 [61,479,900] | 37,334,700 [34,074,500] | 27,405,400 |

*Sec. 36. Section 79, ch. 101, SLA 1982, page 31, line 17, is amended to read:

| | ALLOCATIONS |
|--------------|------------------------------|
| Catastrophic | <u>5,418,600</u> [2,158,400] |

Sections 35 and 36 increase the funding for the Catastrophic Illness Program by 3,260.2. The Catastrophic Illness Program has exhausted its funding for the current fiscal year. This increase is necessary to fund Fiscal Year 83 pending applications.

*Sec. 38. The allocations made in sec. 79, ch. 101, SLA 1982, page 19, line 25, and page 32, line 19, lapse into the general fund June 30, 1984.

Section 38 extends the lapse date for juvenile custody foster care Fiscal Year 83 funding. The Department expects a significant lapse in the foster care component this year. Extending the lapse date for these funds will allow the Department to use the funds for a desperately needed full time Social Worker III for Prince of Wales Island and to launch an awareness and training program for Southeast Alaska dealing with child abuse prevention and treatment.

Communities in Southeastern Alaska have expressed their concern that the social worker who travels from Ketchikan to Prince of Wales Island has a caseload of 78 (including cases from Kasaan, Hydaburg, Craig, and Klawock). Prince of Wales has experienced

rapid growth within a relatively short period of time and the inhabitants are exhibiting corresponding stress due to the widespread economic difficulties experienced by the general populace. The agency in Ketchikan providing services to victims of domestic violence and sexual assault reports that they have received referrals from the Division of Family and Youth Services Ketchikan office on twenty-five incest clients within the last six months. The influx of people seeking nonexistent jobs and poorly adjusted families joining family members who are employed in construction on Prince of Wales have caused the Regional caseloads to increase in both numbers and severity. The caseloads have reached a crisis level which warrants immediate attention and intervention.

In addition, other rural Southeast communities are experiencing similar problems of family violence and child abuse and the Division does not have permanent positions available to provide sufficient coverage. A one time contract will focus on developing community awareness of the problems of child abuse/neglect and development of a network of persons presently living in these communities who will be trained to identify abuse and neglect and work with the Division of Family and Youth Services in providing community support for victims and their families.

Department Position

The supplemental appropriations and language amendments cited above are required. In addition, the Department of Health and Social Services Miscellaneous Claims supplemental in section 22 must be amended by adding \$10,150.54, for a total of \$128,150.54, for sufficient coverage of the legitimate claims upon the department at this time.

Recommended by:

Marsha Hubbard

Marsha Hubbard, Director
Division of Budget & Finance

Date:

May 10, 1983

Approved By:

Robert London Smith

Robert London Smith, Ph.D.
Commissioner
Department of Health & Social
Services

Date:

5/11/83

I. REQUEST
 Bill/Resolution No.: CS for SB 158
 Title: "An Act making reappropriations..."
 Sponsor: HESS Committee
 Requestor: _____

II. FISCAL DETAIL
 Agency Affected: Health & Social Services
 Program Category Affected: Various
 BRU, Program of Subprogram(s) Affected: Various

EXPENDITURES/REVENUES: (Thousands of Dollars)

| | FY 83 | FY 84 | FY 85 | FY 86 | FY 87 | FY 88 |
|-------------------------|---------|-------|-------|-------|-------|-------|
| OPERATING | | | | | | |
| 100 PERSONAL SERVICES | 412.1 | | | | | |
| 200 TRAVEL | 40.6 | | | | | |
| 300 CONTRACTUAL | 82.0 | | | | | |
| 400 COMMODITIES | 16.5 | | | | | |
| 500 EQUIPMENT | 8.9 | | | | | |
| 600 LAND & STRUCTURES | | | | | | |
| 700 GRANTS, CLAIMS, ETC | 4,891.5 | | | | | |
| TOTAL OPERATING | 4,331.6 | | | | | |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|------------------------|---------|--|--|--|--|--|
| GENERAL FUND | 1,271.4 | | | | | |
| FEDERAL FUNDS | 3,060.2 | | | | | |
| OTHER (Specify Source) | | | | | | |

POSITIONS:

| | | | | | | |
|-----------|------|--|--|--|--|--|
| FULL-TIME | 27.0 | | | | | |
| PART-TIME | 1.0 | | | | | |
| TEMPORARY | | | | | | |

III. SOURCE OF FUNDS TO OFFSET FISCAL IMPACT OF BILL:

See Sections 5, 32, 33, and 34.

IV. ANALYSIS: Attach a separate page for any Analysis

Prepared By: Marsha Hubbard, Director i.H
 Division: Budget and Finance Phone: 465-3082
 Approved by Commissioner: Robert London Smith, Ph.D. Date: _____
 Department: Health and Social Services Date: 5/11/83

Distribution:

- Original to Legislative Finance
- Copy to Office of Management and Budget (for Legislature introduced bills)
- Copy to Department (for Governor introduced bills)
- Copy to Sponsor
- Copy to Requestor (if different from Sponsor)

COMMITTEE SUBSTITUTE FOR SENATE BILL 158
SUMMARY OF FISCAL IMPACT
on
THE DEPARTMENT OF HEALTH & SOCIAL SERVICES
BY LINE ITEM

| LINE | (API) SECTION 15 | (CORRECTIONS) SECTION 16 | (MISC. CLAIMS) SECTION 22 | (<GR/AFDC>) SECTION 32-34 | (<PFD>) SECTION 5 | (CATASTROPHIC) SECTIONS 35-36 | LINE ITEM SUBTOTALS |
|----------------|---------------------|-----------------------------|------------------------------|------------------------------|----------------------|----------------------------------|------------------------|
| 100 | 305,900 | 106,200 | | | | | 412,100.00 |
| 200 | | 36,700 | 3,832.93 | | | | 40,532.93 |
| 300 | | 51,800 | 30,155.65 | | | | 81,955.65 |
| 400 | | 3,200 | 13,273.09 | | | | 16,473.09 |
| 500 | | 8,000 | 864.00 | | | | 8,864.00 |
| 700 | | | 69,874.33 | <6,320,400> | <1,901,200> | 3,260,200 | <4,891,525.67> |
| GRAND TOTAL | 305,900 | 205,900 | 118,000.00 | <6,320,400> | <1,901,200> | 3,260,200 | <4,331,600.00> |
| GF | 305,900 | 205,900 | 118,000.00 | <3,260,200> | <1,901,200> | 3,280,200 | |
| FED | | | | <3,060,200> | | | |
| OTHER | | | | | | | |
| POSITIONS: | | | | | | | |
| PFTs | 17.0 | 10.0 | | | | | 27.0 |
| PPTs | 1.0 | | | | | | 1.0 |

MEMORANDUM

State of Alaska

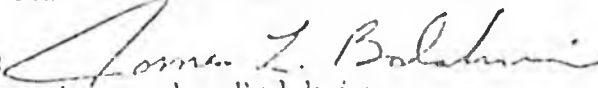
TO Hon. Helen D. Beirne, Commissioner DATE October 8, 1982
Department of Health &
Social Services

FILE NO 366-204-83

TELEPHONE NO 465-3600

FROM WILSON L. CONDON
ATTORNEY GENERAL

SUBJECT Use of "capital
appropriation"

By: 
James L. Baldwin
Assistant Attorney General

By memorandum dated October 4, 1982, you requested our opinion whether the Department of Health & Social Services may expend money to accommodate an overflowing prison population. The department proposes to contract with existing privately-owned facilities to provide the needed space rather than construct a public correctional institution. The department desires to expend the money under an appropriation of \$6,188,200, enacted by the Second Session of the Twelfth Alaska Legislature. This appropriation was conditioned upon the enactment of SB 190, which became chapter 45, SLA 1982. See sec. 14, ch. 139, SLA 1982.

The fiscal note which accompanied SB 190 provided that the cost to the state resulting from the enactment of SB 190 exceeded \$6 million. This cost was attributed to the need to construct facilities to house 79 inmates. Ex. 1. However, the appropriation enacted by the legislature provides:

* Sec. 14. The following appropriation items are for operating expenditures from the general fund or other funds as set out in the fiscal year 1983 budget summary by funding source to the state agencies named and for the purposes set out in the new legislation for the fiscal year beginning July 1, 1982 and ending June 30, 1983. The appropriation items contain funding for legislation assumed to have passed during the Second Session of the Twelfth Legislature and are to be considered part of the agency operating budget. Should a measure listed in this section either fail to pass, its substance fail to be incorporated in some other measure, or be vetoed by the governor, the appropriation for that measure shall lapse.

* * * *

| | | |
|---|-----------|-----------|
| SB 190 Drug Law Revisions and Amendments to Criminal Laws of the State - Appro- priated to the Department of Health and Social Services | 6,188,200 | 6,188,200 |
|---|-----------|-----------|

Hon. Helen D. Beirne, Commissioner
Department of Health & Social Services
366-204-83

October 8, 1982
Page #2

The appropriation clearly states that the money is considered to be a part of the department's operating budget. However, the fiscal note expresses a legislative intent that the money be expended to finance the construction of capital improvements. When detailed budget documents conflict with the provisions of the appropriation which they support, the provisions of the appropriation should be implemented absent some clear evidence that the wording of the appropriation was the result of a clerical error. D. Sands SUTHERLAND STATUTORY CONSTRUCTION (4th ed.) § 48.06; see also Informal Op. Atty. Gen., Sept. 17, 1980, AG file 366-201-81. We have not been presented with evidence that the legislature committed such an error.

Even if it could be proved that the legislature intended to enact a capital appropriation, there is an alternate basis for sustaining the use of this appropriation to procure contractual services. We have consistently advised state departments that appropriations in the "capital budget" need only be spent for purposes for which appropriated and are not limited to capital improvements. See Informal Opin. Atty. Gen., Feb. 17, 1981, AG file 366-515-81. The intent of the legislature was to offset the increased cost to the state which would be incurred by the necessity to confine persons convicted for violations of recently amended or enacted criminal laws. The means selected by the department to accomplish this intent is within the purpose of the appropriation. Over the years, the legislature has blurred the distinction between capital and operating appropriations. The distinction which remains is the lapse date of the appropriation. Under AS 37.25.020, an appropriation for a capital project is made for the life of the project. An operating appropriation is governed by AS 37.25.010 which provides that the appropriation lapses after one year unless otherwise provided by law.

You should note that, while we believe that you have the flexibility to spend a part of the appropriation to obtain contractual services to house inmates, the remaining \$5.5 million authorization lapses on June 30, 1982. Your department should take steps either to extend this lapse date to cover the completion of any capital project to be financed with it; or obligate the appropriation and record that obligation for the succeeding fiscal year as provided in AS 37.25.010(a).

JLB/pjg

PROPOSED AMENDMENTS FOR SB 158 IN THE HESS COMMITTEE

1. FROM THE DEPARTMENT OF LAW:

SECTION _____ THE APPROPRIATION MADE IN SECTION 35, CH. 101, SLA 1982 IS NOT A ONE YEAR APPROPRIATION AND DOES NOT LAPSE IN ACCORDANCE WITH AS 37.25.010, NOTWITHSTANDING THE TERMS OF SECTION 78, CH. 101, SLA 1982.

2. FROM SENATOR ELIASON:

SECTION _____. SECTION 30, CHAPTER 82, SLA 1981, PAGE 114, LINE 4, IS AMENDED TO READ:

| | | |
|--|------------------------------------|-----------------------------|
| MOSQUITO LAKE SCHOOL AND TEACHER HOUSING DESIGN AND CONSTRUCTION AND SCHOOL RENOVATION PROJECTS | APPROPRIATION ITEMS \$1,450,000 | GENERAL FUND \$1,450,000 |
|--|------------------------------------|-----------------------------|

3. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES:

SECTION _____. SEC. 79, CH. 101, SLA 1982, BETWEEN LINES 19 AND 20, IS AMENDED BY ADDING THE FOLLOWING:

THE APPROPRIATION OF \$4,586,500 FOR SOCIAL SERVICES, FOSTER CARE, WILL NOT LAPSE UNTIL JUNE 30, 1984.

4. FROM SENATOR MOSS:

DELETE EXISTING SECTION 2 AND SUBSTITUTE:

SECTION 2. THE SUM OF \$350,000 IS APPROPRIATED FROM THE GENERAL FUND TO THE DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT, AGRICULTURAL ACTION COUNCIL, TO SUPPLEMENT THE FISCAL YEAR 1982 APPROPRIATION FOR LIVESTOCK FACILITY LOANS.

5. DELETE SECTION 40 AND SUBSTITUTE:

SECTION 40. SEC. 80, CH. 101, SLA 1982, PAGE 107, LINE 19 IS AMENDED TO READ:

| | | |
|--|--------------------|--------------|
| COPPER VALLEY COMMUNITY [DAY CARE] CENTER | APPROPRIATION ITEM | GENERAL FUND |
|--|--------------------|--------------|

6. DELETE EXISTING SECTION 41 AND SUBSTITUTE:

| | | |
|---|--------------------------------|--------------------------|
| GLENALLEN - FIRE EQUIPMENT- PUMPER/TANKER [BULK FUEL STORAGE] | APPROPRIATION ITEM \$45,000 | GENERAL FUND \$45,000 |
|---|--------------------------------|--------------------------|

AMENDMENTS FOR SB 158 - PAGE 2

7. FROM THE MUNICIPALITY OF ANCHORAGE:

SECTION ____ . SECTION 30, CHAPTER 82, SLA 1981, LINES 18-21, IS AMENDED BY ADDING THE FOLLOWING:

| | APPROPRIATION ITEMS | GENERAL FUND |
|---|---------------------|--------------|
| ED 7-12 ANCHORAGE DOWNTOWN PARKING GARAGE (ED 7-12) [WITH 4TH AVENUE ON THE NORTH, 8TH AVENUE ON THE SOUTH, BARROW ON THE EAST AND D STREET ON THE WEST] | 10,000,000 | 10,000,000 |

8. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES:

SECTION ____ . SEC. 3, CHAPTER 138, SLA 1982, PAGE 373, LINES 1-2, IS AMENDED TO READ:

| | |
|--------------------------------|---------------|
| BETHEL RECEIVING HOME (BETHEL) | 95.00 [75.52] |
| BETHEL GROUP HOME (BETHEL) | 95.00 [59.06] |

9. SECTION ____ . SEC. 79, CH.101. SLA 1982, PAGE 30, LINE 25 IS AMENDED TO READ:

| | APPROPRIATION ITEMS | GENERAL FUND |
|--------------------|-------------------------|-------------------------|
| MEDICAL ASSISTANCE | 64,740,100 [61,479,900] | 37,334,700 [34,074,500] |

10. SECTION ____ . SEC. 79, CH. 101, SLA 1982, PAGE 31, LINE 17 IS AMENDED TO READ:

ALLOCATIONS

| | |
|--------------|-----------------------|
| CATASTROPHIC | 5,418,600 [2,158,400] |
|--------------|-----------------------|

THE APPROPRIATION OF 5,418,600 FOR CATASTROPHIC, MEDICAL ASSISTANCE WILL NOT LAPSE UNTIL JUNE 30, 1984.

AMENDMENT

Sen. Vic Fischer

after Sec. 52

CSSB 158 - Add new section to read:

* Section ___ The sum of \$130,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Alaska Consumer Advocacy Program.

~~* Sec 7 delete \$1,500,000 and
insert \$~~

* Sec 52 delete 1,078,000
insert 948,000

BETHEL GROUP HOME



P.O. BOX 385
BETHEL,
ALASKA 99559

Cost of Care Statement:

Cost of care is based upon the gross salaries involved, divided by units of service provided for a fiscal year.

The following figures for raising our present cost of care are as follows. All are based upon a gross salary (2 counselors) of \$60,000.00.

| <u>Basis for Rate</u> | <u>Occupancy*</u> | <u>Additional Needed</u> | <u>Total Rate</u> |
|--|-------------------|--------------------------|-------------------|
| Historical, 1978-82 | 75% | \$27.40 | \$86.46 |
| Full Occupancy | 100% | \$20.54 | \$79.64 |
| Past Years Census 7/1/81-6/30/82 | 58% | \$35.37 | \$94.43 |
| Based on Past 6 months 7/1/72-12/31/82 | 66% | \$31.25 | \$90.31 |
| Average of Figures | 75% | \$27.40 | \$86.46 |

*The capacity of the Bethel Group Home is 8 residents.

It is worth noting that our present cost of care, \$59.06, is the lowest of any facility in the State of Alaska providing residential treatment.

MEMORANDUM

State of Alaska

TO: Emil Notti, Legislative Assistant DATE: April 13, 1983
Office of the Governor

FILE NO:

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Litigation funding

By: Thomas M. Jahnke *Jm*
Assistant Attorney General
Governmental Affairs-Juneau

The Department of Law is currently defending a lawsuit challenging certain personnel practices of the Department of Health & Social Services and the Department of Administration. Potential liability is \$1-2 million immediately and \$750,000 every year thereafter.

In sec. 35, ch. 101, SLA 1982, the legislature appropriated \$75,000 to finance the defense of the suit. Since that time, the trial has been put off to a time beyond the June 30, 1983 lapse date for the appropriation. See sec. 78, ch. 101, SLA 1982. If the state is to successfully defend this suit and avoid very high liability, it is imperative that the lapse date be extended.

The following is suggested lapse date language for incorporation in an appropriation bill, perhaps SB 158, HB 309, or the budget bill:

Sec. ____ . The appropriation made in sec. 35, ch. 101, SLA 1982 is not a one-year appropriation and does not lapse in accordance with AS 37.25.-010, notwithstanding the terms of sec. 78, ch. 101, SLA 1982.

TMJ/pjg

Enc.

cc: Peter McDowell, Director
Office of Management & Budget
Office of the Governor

Gene Dusek, Associate Director
Division of Budget Review
Office of Management & Budget

MEMORANDUM

TO: JOE
FROM: NANCY
RE: SB 158

80 158

PROPOSED AMENDMENTS IN THE PACKET

1. FROM THE DEPARTMENT OF HEALTH AND SOCIAL SERVICES

TO CREATE A NEW POSITION OF A SOCIAL WORKER FOR CHILD ABUSE IN THE PRINCE OF WALES AREA WITH MONEY ANTICIPATED TO BE LEFT OVER IN THE FOSTER CARE BRU.

2. FROM SENATOR ELIASON

LANGUAGE CHANGE TO ALLOW HAINES SCHOOL DISTRICT TO BUILD TEACHER HOUSING AT THE MOSQUITO LAKE SCHOOL. (NO NEW FUNDS)

3. SENATOR FISHER WILL BRING HIS AMENDEMENT IN

CONCERNS:

SECTION 10 APPROPRIATS MONEY TO CREATE THE NEW DEPARTMENT OF CORRECTIONS - THAT MONEY IS INCLUDED IN THE FISCAL NOTE FOR HB 103.

SECTION 13 APPROPRIATES \$4.2 MILLION FOR THE UNIVERSITY LAND SETTLEMENT. THAT MONEY IS IN SB 40 (SENATOR FAHRENKAMP'S PRIORITY LEGISLATION) ESSENTIALLY IT SEEMS THAT THAT MONEY IS COMING OUT OF H&SS.

I THINK THAT MONEY COULD BE WELL SPENT IN THE CATASTROPHIC ILLNESS PROGRAM WHERE IT IS SORELY NEEDED. SENATOR FAHRENKAMP SUPPORTS THIS TOTALLY AND HAS RECEIVED CONFIRMATION FROM SENATORS BENNETT, RAY AND SACKETT THAT SB 40 WILL PASS THIS SESSION.

YOU MUST ASK JOHN PUGH ABOUT FINANCIAL OBLIGATIONS OF EITHER \$32,000 OR \$ 35,000 TO PRESBYTERIAN HOSPITALITY HOUSE IN FAIRBANKS. IT IS A HOME FOR JUVENILES IN CUSTODY OF THE STATE AND THEY ARE OWED MONY FROM AN AUDIT OF 1981 EXPENDITURES WHICH IS VALID AND THEY DESPERATELY NEED. JOHN REQUESTED THE GOV'S PERMISSION TO ASK US TO PUT THIS AMENDMENT IN BUT WAS REFUSED.

PROPOSED AMENDMENT TO SB 158
by Sen. Eliason

Add new section to read:

Section _____ . Section 30, chapter 82, SLA 1981, page 114, line 4,
is amended to read:

| Mosquito Lake School and teacher housing design and construction and school renovation projects | Appropriation Items \$1,450,000 | General Fund \$1,450,000 |
|--|--|-------------------------------------|
|--|--|-------------------------------------|

The original appropriation of \$1,450,000 was designated simply as "Mosquito Lake School". The school has been constructed and approximately \$130,000 is left over. The school district (Haines Borough) had originally intended that teacher housing be included as part of the project but the the language in the appropriation was too narrow to allow it. The Mosquito Lake School is located in a very isolated area approximately 30 miles from Haines so that construction of teacher housing at the school site is important not only for convenience of the teachers, but also for the security of the school.

The renovations for which this wording change would make money available are items which the Haines Borough School District submitted as requests to the Department of Education. However the items were not included in the Governor's FY '84 budget. They include:

| | |
|---|---------|
| High school open area renovation | 70,000 |
| Retubing boiler #1 | 16,000 |
| Complete installation of upside-down roof | 100,000 |

All three projects are district priorities and can be begun immediately upon notification of availability of funds.

This proposed change in the original school appropriation language would not enable the district to do all of the renovations and teacher housing, but would enable the district to pricritize the needs and build all or part of whichever projects are most urgent.

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES
OFFICE OF THE COMMISSIONER

BILL SHEFFIELD, GOVERNOR

POUCH H 01
JUNEAU, ALASKA 99811
PHONE:

Document Number 83-135

April 4, 1983

The Honorable Tony Vaska
Representative
Pouch V
Juneau, Alaska 99811

Dear Representative Vaska:

Re: Bethel Prematernal Home
Bethel Group Home
Bethel Model Clinic

You have asked for the funding status for the above named programs for last year and this year. In FY 82, the Bethel Prematernal Home received funds through the Division of Public Health under a contract in the amount of \$67,000. This year the funding for the program was in the form of a grant to the municipality of Bethel in the amount of \$78,000. The Department of Administration, which administers these grants, reported that the funds have been received by the Bethel Pre-Maternal Home.

The Bethel Model Clinic also received funding through the grants to municipalities program, in the amount of \$60,000. These funds have also been received by the Model Clinic. This is a new program which has become necessary due to IHS no longer providing medical services to non-beneficiaries.

The Bethel Group Home is funded on the basis of a daily rate per child, according to AS 47.40. Their per day cost is currently frozen at \$59.06/day while a study of residential child care costs is conducted. This rate is one of the lowest rates in the state: costs currently average \$110/ day statewide, with the range being from \$40.66/day to \$168.35/day.

The current rates for the Bethel Group Home were set based on misinformation provided to the Department and the Legislature last year. Having the rates frozen at this amount has created a hardship for the Bethel Group Home. The group Home relies on staffing by volunteers except for the paid Director. The youth needing placement at the Group Home are considerably more disturbed and older than they used to be when the Group Home was established. The Group Home needs to hire two counselors, for which the Director estimates the costs would run, for salary and benefits, approximately \$60,000. If this need were calculated into the daily rate, the rate would need to be raised to approximately \$95/day.

Honorable Tony Vaska

-2-

The amount the Division of Family and Youth Services paid the Bethel Group Home in FY82 was \$100,224.82 for 1,697 days of care, and in FY 83 (7/1/82--2/28/83) \$79,553.82 has been paid for 1,347 days of care.

I hope this information has been of help to you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Robert London Smith".

Robert London Smith, Ph. D.
Commissioner

SENATE AMENDMENT

By MOSS

To: _____ SENATE BILL No. 158

To: _____ HOUSE BILL No. _____

PAGE: 7 LINE: 26 - 29

Delete existing section 40 and replace with the following language:

Sec. 40. Sec. 80, ch. 101, SLA 1982, page 107, line 19 is amended to read:

| | |
|---------------|--------------|
| APPROPRIATION | GENERAL FUND |
| ITEMS | |

Copper Valley - Community

[DAY CARE] Center

Delete existing sec. 41 and replace with following language:

| | |
|---------------|--------------|
| APPROPRIATION | GENERAL FUND |
| ITEMS | |

| | | |
|--|--------|--------|
| Glennallen - <u>Fire equipment - pumper/</u> | 45,000 | 45,000 |
|--|--------|--------|

tanker [BULK FUEL STORAGE]

Add new section 42 to read:

Sec. 42. This Act takes effect immediately in accordance with AS 01.10.070(c).

SENATE AMENDMENT

By MOSS

To: _____ SENATE BILL No. 158

To: _____ HOUSE BILL No. _____

PAGE: 1 LINE: 12 - 14

Delete existing Section 2 and replace with following language:

Sec. 2. The sum of \$350,000 is appropriated from the general fund to the Department of Commerce and Economic Development, Agricultural Action Council, to supplement the fiscal year 1982 appropriation for livestock facility loans.

MEMORANDUM

State of Alaska

TO: Emil Notti, Legislative Assistant
Office of the Governor

DATE: April 13, 1983

FILE NO:

TELEPHONE NO: 465-3600

FROM: Norman C. Gorsuch
Attorney General

SUBJECT: Litigation funding

By: Thomas H. Jahnke
Assistant Attorney General
Governmental Affairs-Juneau

*DOL
amendment
SB 158*

The Department of Law is currently defending a lawsuit challenging certain personnel practices of the Department of Health & Social Services and the Department of Administration. Potential liability is \$1-2 million immediately and \$750,000 every year thereafter.

In sec. 35, ch. 101, SLA 1982, the legislature appropriated \$75,000 to finance the defense of the suit. Since that time, the trial has been put off to a time beyond the June 30, 1983 lapse date for the appropriation. See sec. 78, ch. 101, SLA 1982. If the state is to successfully defend this suit and avoid very high liability, it is imperative that the lapse date be extended.

The following is suggested lapse date language for incorporation in an appropriation bill, perhaps SB 158, HB 339, or the budget bill:

Sec. ____ . The appropriation made in sec. 35, ch. 101, SLA 1982 is not a one-year appropriation and does not lapse in accordance with AS 37.25.-010, notwithstanding the terms of sec. 78, ch. 101, SLA 1982.

TWJ/pjg

Enc.

cc: Peter McDowell, Director
Office of Management & Budget
Office of the Governor

Gene Dusck, Associate Director
Division of Budget Review
Office of Management & Budget

SB 158 AMENDMENT #1 By V. Fischer

Page 7, line 26 add new sections, renumber accordingly:

1. * Sec. _____. Section 270, Ch. 141, SLA 1982 is amended to read:

*Makes
Weatherization
Money Capital
(Non-Lapse)*

* Sec. 270. the appropriations made in Secs. 103, 127, 129, 137, 237, 238, 239, 241, 242, 246, 256, 258, 260(3), 261, and 262, of this Act are for capital projects and are subject to AS 37.25.020.

2. * Sec _____. Section 30, ch. 82, SLA 1981, page 159, line 17 is amended to read:

| | Appropriation Items | Appropriation fund sources | |
|--|------------------------|-------------------------------|-------------|
| | | General Fund | Other Funds |
| Fairview [LIBRARY/MUSIC ROOM] Community Center rehabilitation | 95,000 | 95,000 | |

3. * Sec. _____. Section 35, ch 90, SLA 1981 page 7, line 6 is amended to read:

*Dept.
Cut Program*

* Sec. 35 The sum of [\$10,000,000] \$5,000,000 is appropriated from the general fund to the Department of Commerce and Economic Development, Division of Energy and Power Development, for energy conservation refunds, grants, and residential energy audits.

4. * Sec. _____. Section 137, ch 141, SLA 1982, page 20, line 10 is amended to read:

*C7ED won't
let the contract*

* Sec. 137. The sum of \$200,000 is appropriated from the general fund to the Department of [COMMERCE AND ECONOMIC DEVELOPMENT] Community and Regional Affairs [DIVISION OF ENERGY AND POWER DEVELOPMENT] for design, construction, and testing of a three-kilowatt, free-piston Stirling engine generator for rural energy applications.

5. * Sec. _____. The sum of \$85,000 is appropriated to the Department of Administration for payments to cover relocation expenses incurred by organizations forced to move from the site of the proposed new Anchorage state office building.

6. * Sec. _____. The sum of \$3,000,000 is appropriated as a municipal grant to the Municipality of Anchorage for community services through non-profit agencies.

7. * Sec. _____. Section 286, ch 50, SLA 1980, page 55, line 19 is amended to read:

| | Appropriation Items | Appropriation Fund Sources | |
|-------------------------------------|------------------------|-------------------------------|--|
| | | General Fund | |
| Anchorage - Alaska Treatment Center | 180,000 [500,000] | 180,000 [500,000] | |

8. * Sec. _____. The sum of \$60,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Older Persons Action Group.
8. * Sec. _____. The Sum of \$600,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for construction of a sensory impairment center.
9. * Sec. _____. The sum of \$105,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Alpine Alternatives program.
10. * Sec. _____. The sum of \$102,000 is appropriated from the General Fund as a municipal grant to the Municipality of Anchorage for the Alaska Health Project for operating expenses.
11. * Sec. _____. The sum of \$72,000 is appropriated from the general fund as a municipal grant to the Municipality of Anchorage for for operating expenses of the Anchorage Neighborhood Health Center dental facility.
12. * Sec. _____. The sum of \$120,000 is appropriated from the general fund as a municipal grant to the Municipality of Anchorage for the Alaska Treatment Center for operating expenses.
13. * Sec. _____. The sum of \$1,176,000 is appropriated from the general fund as a municipal grant to the Municipality of Anchorage for the Anchorage School District for capital construction costs of phase I of an early childhood/Headstart facility.

alaska
state
hospital
association

319 Seward St., Juneau, Alaska 99801 • (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

Chairman of the Board
Ronald A. Pavellas
Humana Hospital Alaska
Anchorage

Chairman-Elect
Mark Hawkins
Sitka Community Hospital
Sitka

Immediate Past Chairman
Tom Mingen
Fairbanks Memorial
Hospital
Fairbanks

Secretary/Treasurer
Edward Zeine
Cordova Community
Hospital
Cordova

Delegate to the American
Hospital Association
Al M. Camosso
Providence Hospital
Anchorage

Alternate Delegate to the
American Hospital Assoc.
Michael Lockwood
Central Peninsula Hospital
Soldotna

Delegate to the American
Health Care Association
Jack Buck
St. Ann's Nursing Home
Juneau

Alternate Delegate to the
American Health Care
Association
Emma G. Ivy
Wrangell General Hospital
Wrangell

Delegate to the Association
of Western Hospitals
Michael Herring
South Peninsula Hospital
Homer

Alternate Delegate to the
Association of Western
Hospitals
Daniel Van Wieringen
Kodiak Island Hospital
Kodiak

Trustee Delegate to the
American Hospital Assoc.
Moe Kadish
Trustee, Providence
Hospital
Anchorage

Alternate Trustee Delegate
to American Hospital
Association
Robert Jensen
Central Peninsula Hospital
Soldotna

Physician Member of
the Board
Keith Brownsberger, M.D.
Anchorage

President
Dennis L. DeWitt
Juneau

March 23, 1983

The Honorable Joe Josephson
Senator
Pouch V
Juneau, Alaska 99811

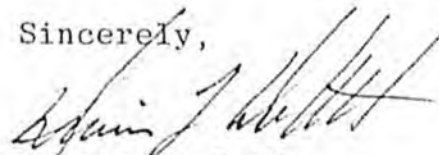
Dear Senator Josephson:

The Alaska State Hospital Association has reviewed SB 158 by the Rules Committee by request of the Governor and must inform you of our opposition.

While there are several meritorious sections, sections 25, 26, and 27 which transfers over \$8 million out of the Division of Public Assistance in the Department of Health & Social Services is unacceptable to us. That money should be applied to the needs already identified in the catastrophic illness program which is grossly underfunded for fiscal year 1983.

We will appreciate your consideration of our comments when the Senate Health Education & Social Services Committee reviews SB 158.

Sincerely,



Dennis L. DeWitt
President

DLD:hb

cc: Governor Bill Sheffield

MEMORANDUM

State of Alaska

TO: Robert London Smith, Ph.D.
Commissioner

attached
LR 3/7/83

DATE: March 7, 1983

FILE NO:

TELEPHONE NO:

FROM:

J.R. Pugh
John R. Pugh
Acting Deputy Commissioner
Social Services

SUBJECT:

Child Protective Services
for Rural Communities in
House District #2

On March 7, 1983 a meeting was held to discuss various budget mechanisms which could be utilized to address critical child protective service needs in House District 2. Rep. Peter Goll, Gene Dusek, Allen Blume, Marsha Hubbard, and John Pugh attended the meeting.

There was general agreement in the group that Rep. Goll's concerns for his district are legitimate. This has been confirmed by the Department as well as various non-profit agency providers in southeast Alaska.

The group focused on the mechanism for responding to this crisis. The group agreed to the following actions:

- 1) A Revised Program will be prepared by the Department requesting the movement of funds in the Juvenile Custody Budget Review Unit - Foster Care Component to create a Social Worker position for Prince of Wales Island and to provide the necessary funds to contract for a one time project which will develop community awareness to child abuse and neglect issues, train providers such as health aides, village to respond appropriately, public safety officers and school teachers and enhance community networks to deal with the problem.
- 2) The Department will prepare a letter to OMB requesting an amendment to SB 158 which would extend the appropriation end date for the Juvenile Custody BRU to June 30, 1984.

This is a fine opportunity to use funds, for DHSS purposes which would otherwise lapse, and be used by some other department for their purposes.

Marsha will have all the necessary documents ready for review by tonight.


MEMORANDUM

State of Alaska

TO: Gene Dusek, Assoc. Director
Office of Management & Budget
Office of the Governor

DATE: March 7, 1983

FILE NO: 006-3-14-2 (RR)



FROM: Robert London Smith, Ph.D.
Commissioner
Dept. of Health & Social Services

TELEPHONE NO: 3030

SUBJECT: Foster Care Line Item
Transfer \$214,000

Communities in Southeastern Alaska have expressed their concern that the social worker who travels from Ketchikan to Prince of Wales Island has a caseload of 78 (including cases from Kasaan, Hydaburg, Craig, and Klawock). Prince of Wales has experienced rapid growth within a relatively short period of time and the inhabitants are exhibiting corresponding stress due to the widespread economic difficulties experienced by the general populace. The agency in Ketchikan providing services to victims of domestic violence and sexual assault reports that they have received referrals from the Division of Family & Youth Services' Ketchikan office on twenty-five incest clients within the last six months. The influx of people seeking nonexistent jobs and poorly adjusted families joining family members who are employed in construction on Prince of Wales have caused the Regional caseloads to increase in both numbers and severity. The caseloads have reached a crisis level which warrants immediate attention and intervention.

In addition, other rural Southeast communities are experiencing similar problems of family violence and child abuse and the Division does not have permanent positions available to provide sufficient coverage. A one time contract is proposed which would focus on developing community awareness of the problems of child abuse/neglect and development of a network of persons presently living in these communities who will be trained to identify abuse and neglect and work with the Division of Family and Youth Services in providing community support for victims and their families.

This Revised Program Request for line item transfer of \$214,000 establishes a Social Worker III position in Craig to provide services to Prince of Wales Island for the Division of Family & Youth Services. It also allows contracting \$130,000 for a training program in Southeast Alaska dealing with the prevention and treatment of child abuse. This request provides funding for the 15 month period April 1, 1983 thru June 30, 1984 and is being submitted in conjunction with a suggested amendment to SB 183 extending the lapse date of the FY 83 Foster Care allocation to June 30, 1984. A currently projected lapse of \$297,200 for the Foster Care component allows us the freedom of requesting implementation of these needed services.

An expectation in change of output of the Foster Care component will be a decrease in foster care placements in Southeast Alaska starting in FY 84.

F Y 8 3 .REVISED PROGRAM SUMMARY
 BY
 BUDGET COMPONENT

F
 Y
 8
 3

| CATEGORY | SOCIAL SERVICES |
|---------------|---|
| COVER PROGRAM | SOCIAL & ECON ASSISTANCE TO THE GEN. POP. |
| AGENCY | DEPARTMENT OF HEALTH AND SOCIAL SERVICES |
| DIVISION | Family & Youth Services |
| APPROPRIATION | JUVENILE CUSTODY |
| ERU | JUVENILE CUSTODY |
| ALLOCATION | FOSTER CARE |
| COMPONENT | |

BUDGET STRUCTURE 02-21-32-01
 ALLOCATION CODE (S) 05-21-3-655

| | APPROVAL PATH | | | Log# 182 | | Log# 217 | | Log# | | Log# | |
|----------------|------------------------|---------------|------------------|-----------|---------|----------|---------|----------|---------|----------|---------|
| | SOS HB 148 (FIN) | GOV'S VETO | CH 101 SLA 82 | RP VOS | BALANCE | RP VO | BALANCE | RP VO | BALANCE | RP VO | BALANCE |
| UNALLOCATED | | | | | | | | | | | |
| SOCIAL SVCS. | | | | | | 51.0 | 51.0 | | | | |
| TOTAL | | | | | | 4.0 | 4.0 | | | | |
| CONTRACTUAL | | | | 27.0 | 27.0 | 145.0 | 172.0 | | | | |
| COMMODITIES | | | | | | .5 | .5 | | | | |
| EQUIPMENT | | | | | | 13.5 | 13.5 | | | | |
| EXP. BUDS. | | | | | | | | | | | |
| STATE CLAIMS | 4586.5 | | 4586.5 | <27.0> | 4559.5 | <214.0> | 4345.5 | | | | |
| ETC. | | | | | | | | | | | |
| TOTAL | 4586.5 | | 4586.5 | -0- | 4586.5 | -0- | 4586.5 | | | | |
| FEDERAL | | | | | | | | | | | |
| FEDERAL | | | | | | | | | | | |
| FEDERAL | | | | | | | | | | | |
| FEDERAL | | | | | | | | | | | |
| FEDERAL | | | | | | | | | | | |
| FEDERAL | | | | | | | | | | | |
| FEDERAL TOTAL | | | | | | | | | | | |
| STATE MATCH | | | | | | | | | | | |
| GENERAL FUND | 4586.5 | | 4586.5 | -0- | 4586.5 | -0- | 4586.5 | | | | |
| 1/A RECEIPTS | | | | | | | | | | | |
| DEFERRED REV. | | | | | | | | | | | |
| 1/A RESTRICTED | | | | | | | | | | | |
| FULL TIME | | | | | | 1.0 | 1.0 | | | | |
| PT/ASGNL | | | | | | | | | | | |
| EMPURCHASHT | | | | | | | | | | | |
| MEMBERS AUTH. | | | | | | 15.0 | 15.0 | | | | |

