

HB545

SENATE FINANCE COMMITTEE REPORT

DATE: 4/22/92

FURTHER:

DATE TURNED INTO OFFICE: 5/5/92

The Finance Committee considered CS SSB 545 (HES)

"An Act providing for Medicaid coverage for certain rehabilitation and case management services; reordering the priorities given to optional services under the Medicaid program; and providing for an effective date."

and recommends:

- [] replace with _____ CS _____ (FINANCE)
or [] adopt previous _____ CS _____ ()
[] attaches amendment(s)

- [] same title
[] new title
[] technical title change (HB only)

[] adopts _____ Letter of Intent

[] further referral to the _____

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

NEW FISCAL NOTES: Dept/Date
[] zero fiscal notes _____

[] fiscal notes _____

[] appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date
[] zero fiscal notes _____

[X] fiscal notes DHS - Medicaid 1,898.2 4-21-92
DHS - CMH Grants (576.0) 4-2-92
DHS - Alcohol + Drug (118.5) 3-6-92
Abuse Grants
DHS - Alcohol + Drug 77.8 3-6-92
Admix.

DO PASS:
[Signature]
[Signature]
[Signature]
1. [Signature] do pass
Co-Chair: Signature/Recommendation

OTHER RECOMMENDATIONS:
[]
[]
[]
[]
[]
2. _____
Co-Chair: Signature/Recommendation

FISCAL NOTE

N 2
 Bill Version: CSSSHB 545 (HES)
 (H) Publish Date: 3-13-92

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected Health & Social Services
 Title: An Act Providing Medicaid Coverage BRU: Alcohol & Drug Abuse Services
for rehabilitation & case management Component: Alcohol & Drug Abuse Grants
 Sponsor: B. Davis, Boyer, Ellis
 Requestor: _____ COMPONENT SERIAL NO. 1239

Expenditures/Revenues

(Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	<118.5>	<260.7>	<286.8>	<315.4>	<346.9>	<381.7>
MISCELLANEOUS						
TOTAL OPERATING	<118.5>	<260.7>	<286.8>	<315.4>	<346.9>	<381.7>

CAPITAL						
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REVENUE						
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FUNDING:

(Thousands of Dollars)

GENERAL FUND	<118.5>	<260.7>	<286.8>	<315.4>	<346.9>	<381.7>
FEDERAL FUNDS						
OTHER						
TOTAL	<118.5>	<260.7>	<286.8>	<315.4>	<346.9>	<381.7>

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED ANALYSIS

Prepared by: Suzanne Perry Phone: 465-2071
 Division: Alcoholism & Drug Abuse Date: March 6, 1992
 Approved by Commissioner: Theodore A. Mala, MD MPH Date: March 6, 1992
 Agency: Department of Health and Social Services

Distribution (by preparer):

Legislative Finance OMB
 Legislative Sponsor Impacted Agency(ies)
 Requestor

(Rev 12/91)

COMMITTEE COPY FN (118.5) DADA GRANTS

ANALYSIS (cont.):

Section 1 amends AS 47.07.030(b) to include rehabilitation services for substance abusers and chronically mentally ill adults, targeted case management services for substance abusers and chronically mentally ill adults as well as those severely emotionally disturbed persons under 21 years of age as optional services to be paid for by Medicaid.

Section 2 prioritizes these additional services. Targeted case management services is the twelfth (12) service to be discontinued if a shortage of funds occurs, and rehabilitation services for substance abusers and chronically mentally ill adults is the thirteenth (13) service to be discontinued if a shortage of funds occurs.

There are 18 residential primary treatment facilities. Of these, there are two residential facilities which regularly treat pregnant women. There is one treatment center which is exclusively for pregnant women, and there is one post-treatment (half-way house) facility for substance abusing women.

The costs of treatment in these facilities varies from a high of \$231/bed/day to a low of \$96/bed/day.

The average cost is \$150/bed/day for the primary treatment facilities.

As Medicaid will not pay for room and board costs, we estimate treatment costs to be 70% of the total cost. Therefore, of a total cost of \$150/bed/day, \$105 would be Medicaid reimbursable.

Outpatient costs average \$50/hour. Outpatient charges include individual counseling and case management which is termed aftercare by the substance abuse field.

The assumptions which were used to develop the fiscal impact on grants include the following:

FY 93 -- six months of regulation development, and program training followed by six months of actual client activity.

Figures are based on 75 clients requiring 25 hours of outpatient care at \$50/hr, with 50 hours of group counseling at \$30./hr with 30 hours of aftercare (casemanagement) at \$50/hr. Additionally, 25 clients would require 90 days of residential care at \$105/day followed by 30 days of aftercare (casemanagement).

During the first six months of FY 92, for all programs there were 100 admissions which appear to be Medicaid eligible clients. As intake information is gathered for client profile purposes and not for eligibility criteria, it is difficult to determine whether these clients are actually Medicaid eligible. The formula which was used is:

75 clients X 25 OP hours X \$50 =	\$ 93,750
75 clients X 50 GP hrs X \$30 =	\$112,500
75 clients X 30 Aftercare hrs X \$50 =	\$112,500
25 clients X 90 days resid. X \$105 =	\$ 236,250
25 clients X 50 days Aftercare X \$50 =	\$ 37,500
Total	\$592,500

During the first year, clients would be seen for a six month period due to initial start up activities. Therefore, Medicaid eligible costs would be one half of \$592,500 or \$296,250. One half of these costs would be reimbursable by Medicaid or \$148,125. Of this, 20% general fund would be retained and not be replaced. Therefore the total amount to be refinanced by Medicaid in year one would be \$148,125 X .80 = \$118,500.

It is estimated that each year would see a 10% increase over the initial year.

For each subsequent year, a 10 % growth factor was taken on a full year. Therefore, for FY 94, the calculation was: $\$592,500 \times 10\% = \$651,750$; one half medicaid match = $\$325,875 \times 80\% = \$260,700$.

The vast majority of all clients seen are single persons with no children in the household with incomes under \$10,000/year.

The Division of Alcoholism and Drug Abuse recently began collecting information on pregnancy status of women. It is not possible to determine from available information how many of these women were medicaid eligible. During the first six months of FY 92, there were 5 pregnant women in treatment. There were an additional 12 women seen at the pregnant women's treatment center.

It is also anticipated that the Division of Alcoholism and Drug Abuse would require a staff specialist in medicaid to assist programs with this effort. This position would be located in Juneau.

This position would be a Health Program Specialist at a range 17. This position would be able to provide written and on-site technical assistance to all programs regarding medicaid. The current COLA of 3.6% was used for salaries and 5% used for other costs after FY '93. Travel costs were based on the average travel (\$10.0) for a Health Facilities Surveyor with a full survey load. Travel throughout the entire state would be required to assist programs in obtaining capability to participate in medicaid. Contractual (\$5.0) and supplies (\$1.0) are a standard figures used by the division for these costs; and equipment (\$7.0) is based on equipment and computer workstations that are required for a new position. No additional office space is anticipated.

It is anticipated that this position would be Medicaid funded. Therefore, one half of the costs of this position would be paid through an RSA from medicaid.

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

No. 6
Bill Version: CSSSHB 545 (HES)
(H) Publish Date: 4/10/92

Revision Date: 3/19/92
Title: An Act Providing for Medicaid Coverage

Department Affected: Health & Social Services
BRU: Community Mental Health Grants
Component: Services to CMI, Services to SED Youth

Sponsor: B. Davis 0800
Requestor: Boyer COMPONENT SERIAL NO.

1	4	3	6
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	(576.0)	(633.6)	(697.0)	(766.7)	(843.4)	(927.7)
MISCELLANEOUS						
TOTAL OPERATING	(576.0)	(633.6)	(697.0)	(766.7)	(843.4)	(927.7)

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING (Thousands of Dollars)

GENERAL FUNDS	(576.0)	(633.6)	(697.0)	(766.7)	(843.4)	(927.7)
FEDERAL FUNDS						
OTHER FUND SOURCE:						
TOTAL	(576.0)	(633.6)	(697.0)	(766.7)	(843.4)	(927.7)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY:						

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Margaret Lowe, M.Ed., Ed.S. *Mike Roper for Margaret Lowe* Phone: (907)465-3370
Division: Division of Mental Health & Developmental Disabilities Date: 3/19/92
Approved by Commissioner: Theodore A. Mala, MD, MPH *[Signature]*
Agency: Health & Social Services Date: 3/19/92 4/2/92

Distribution (by Preparer: Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies))

6
4-10-92

Division of Mental Health and Developmental Disabilities
Fiscal Note Analysis
CSSSHB No. 545 (HES)

Community Mental Health Clinics (CMHC) are currently billing Medicaid for clinic services. While the clinic option would remain in place and be used by private sector physician mental health clinics, we assume those clinic services currently billed by CMHCs would move to the rehabilitation services category. CMHC would also bill for some services allowed under the rehabilitation option but not under the clinic option, such as home-based therapy and therapies not delivered in the clinic. Targeted case management services now being provided but not billed will become billable.

For FY93, we anticipate total rehabilitation services billings of 2,706.2 (60,138 hours at \$45.00/hour) and total case management billings of 3,589.4 (102,553 hours at \$35.00/hour), for a total of 6,295.6. Until extensive discussions have been held with Federal Medicaid program authorities to precisely define each matchable rehabilitation and case management service and each CMHC can assess how best to reallocate staff to offer these matchable services, it is difficult to assess how much of this total will represent new Medicaid costs for services not now being billed under the clinic services option. Also, it is difficult to quantify the offsetting savings that will result from moving away from the clinic option, since home and community based services can be accomplished less expensively and are often more effective, so fewer service hours may be required to reach treatment goals.

However, we estimate that only 1,440.0 of these services will be new services for Medicaid purposes, 720.0 federal funds, 720.0 state general funds match. We propose to R.S.A. 80% of this amount, 576.0 from CMHC Grants to the Division of Medical Assistance, Medicaid Non-Facility, for matching purposes. The 20% to be retained by grantees will be used initially to staff for additional Medicaid billing effort, to transition from grant funding for fee-for-services funding, to accomplish staff changes and training; and for systems changes.

The interagency transfer to Medicaid is proposed to come from the following components: Services to Severely Emotionally Disturbed Youth - 192.0
Services to the Chronically Mentally Ill - 384.0

These FY93 transfer amounts are 1/3 and 2/3 of the FY93 total. FY94 and following, this same ratio applies.

FY94 and following, a 10% annual increase in this grant decrease/transfer is assumed, largely for caseload growth in the numbers of eligible persons receiving the services.

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

FISCAL NOTE

No. 7

Bill Version: CSSS HA 545 (HES)

(S) Publish Date: 4-22-92

BILL NO.

Revision Date: April 13, 1992
Title: An Act providing for Medicaid Coverage
for

Department Affected: Health and Social Service
BRU: Medicaid
Component: Medicaid Non-Facility

Sponsor: B. Davis, Boyer, Ellis

Requestor: _____

COMPONENT SERIAL NO.

0	2	2	9
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EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	161.9	112.4	121.9	132.1	143.4	155.6
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	1,736.3	2,235.9	2,459.5	2,705.5	2,976.1	3,273.7
MISCELLANEOUS						
TOTAL OPERATING	1,898.2	2,348.3	2,581.4	2,837.6	3,119.5	3,429.3

CAPITAL						
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REVENUE FUND SOURCE:						
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FUNDING (Thousands of Dollars)

GENERAL FUNDS	223.7	260.9	286.1	313.7	344.2	377.5
FEDERAL FUNDS	980.0	1,193.1	1,311.5	1,441.8	1,585.0	1,742.4
OTHER FUND SOURCE: IA	694.5	894.3	983.8	1,082.1	1,190.3	1,309.4
TOTAL	1,898.2	2,348.3	2,581.4	2,837.6	3,119.5	3,429.3

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

See attached analysis. This 4/13/92 revision supersedes the 3/24/92 revision by correcting an error in the IA funding source total for FY 93 and by expanding the summary on page 3.

Prepared by: Kimberly B. Busch *Kimberly B. Busch*

Phone: 465-3355

Division: Medical Assistance

Date: 4-14-92

Approved by Commissioner: Theodore A. Mala, MD, MPH *Theodore A. Mala*

Agency: Department of Health and Social Services

Date: 4/21/92

Distribution (by Preparer: Leg. Fin., Legislative Sponsor, Requestor, OMB/DBR, Gov. Legis. Ofc., & Impacted Agency(ies))

Rev 10/7/91

Replace #5 F. Note

Page 1 of 3

FISCAL NOTE ANALYSIS
CSSSHB NO. 545

1. Division of Alcoholism and Drug Abuse, Rehabilitation Services and Targeted Case Management Services. See related Fiscal Notes (2). (FY 93: Start Date of 7/1/92 for position, 1/1/93 for services.)

	<u>FY 93</u>	<u>FY 94</u>	
Benefit Cost	296.3	651.9	
Claims Cost	49.7	33.0	
RSA/Contractual	<u>38.9</u>	<u>36.9</u>	(for Position in DADA)
TOTAL COST	384.9	721.8	
Fed Match	224.4	387.7	
GF (RSA-DADA)	118.5	260.7	
GF (Medicaid)	<u>42.0</u>	<u>73.4</u>	
TOTAL REVENUE	384.9	721.8	

FY 93 contains one-time start-up contractual costs for the Medicaid Management Information system, consisting of 34.7 for new service modules, new edits, billing, billing system manuals and training, and new reports design. 15.0 is for processing new claims, at \$6.23 per claim. FY 94 costs for claim processing are 33.0. Contractual costs also include an RSA with the Division of Alcoholism and Drug Abuse (DADA) for the Federal (50%) matching funds for a position in that Division.

FY 94 costs for benefits are the costs for FY 93, doubled, plus 10% growth in number of recipients enrolled. A similar 10% growth is assumed for FY 95 and following for claims processing costs.

2. Division of Mental Health and Developmental Disabilities, Rehabilitation Services and Targeted Case Management Services. See related Fiscal Note.

(Start date of 7/1/92 assumed)

	<u>FY 93</u>	<u>FY 94</u>
Benefit Cost	1,440.0	1,584.0
System Cost	<u>73.3</u>	<u>42.5</u>
TOTAL COST	1,513.3	1,626.5
RSA from DMHDD	576.0	633.6
Fed match	775.0	823.9
New Medicaid SGFM	<u>162.3</u>	<u>169.0</u>
TOTAL REVENUE	1,513.3	1,625.5

FY 93 contains one-time start-up contractual costs for the Medicaid Management Information System, consisting of 34.7 for new service modules, new edits, billing system manual and training, and new reports and existing reports redesign. Claims processing costs, at \$6.23 per claim, (6,200) are estimated to be 38.6. FY 94 and following, a 10% annual increase in claims cost are estimated. System costs are 75% federal; benefits costs are 50% Fed, 50% SGFM.

Benefits cost for FY 94 and following are FY 93 costs increased by 10% annually for recipient and utilization increases.

FY 94 is the first full year of operation of this measure. Grantees will be advantaged as follows:

Receive	2,235.9	New Medicaid Payments
Give up	<u>1,788.6</u>	State Grant Funds
	447.3	Advantage to Grantees

In FY 94, the State will be advantaged as follows:

- (a) New Federal Funds:
- | | |
|-------------|---|
| 1,118.0 | Fed. match (50%) for payments to grantees |
| 56.7 | Fed. match (75%) for claims processing |
| <u>36.8</u> | Fed. match (50%) for DADA positions |
| 1,211.5 | Total new federal funds |
- (b) New SGFM costs of gaining this new federal revenue:
- | | |
|-------------|-------------------------|
| 260.9 | New Medicaid SGFM |
| <u>36.9</u> | SGFM for DADA positions |
| 297.8 | Total cost to State |
- (c) Net FY 94 General Fund savings:
- | | |
|------------------|---|
| 894.3 | State grant program budget reductions |
| <u>- 297.8</u> | SGFM cost of generating new federal revenue |
| 596.5 | Net General Fund Savings |

FISCAL NOTE

No. 1

Bill Version: CSSSHB 545 (HES)

I (H) Publish Date: 3-13-92

STATE OF ALASKA
1992 LEGISLATIVE SESSION

Revision Date: _____ Dept. Affected Health & Social Services
 Title: An Act Providing Medicaid Coverage BRU: Alcohol & Drug Abuse Services
for rehabilitation & case management Component: Administration
 Sponsor: B. Davis, Boyer, Ellis
 Requestor: _____ COMPONENT SERIAL NO. 0302

Expenditures/Revenues

(Thousands of Dollars)

OPERATING	FY93	FY94	FY95	FY96	FY97	FY98
PERSONAL SERVICES	54.8	56.8	59.7	62.6	65.8	69.0
TRAVEL	10.0	10.5	11.0	11.6	12.2	12.8
CONTRACTUAL	5.0	5.3	5.6	5.9	6.2	6.5
SUPPLIES	1.0	1.1	1.2	1.3	1.4	1.5
EQUIPMENT	7.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	77.8	73.7	77.5	81.4	85.6	89.8

CAPITAL						
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REVENUE						
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FUNDING:

(Thousands of Dollars)

GENERAL FUND	38.9	36.9	38.8	40.7	42.8	44.9
FEDERAL FUNDS						
OTHER (interagency)	38.9	36.9	38.8	40.7	42.8	44.9
TOTAL	77.8	73.7	77.6	81.4	85.6	89.8

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME						
TEMPORARY						

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED ANALYSIS

Prepared by: Suzanne Perry
 Division: Alcoholism & Drug Abuse
 Approved by *(Signature)* Commissioner: Theodore A. Mala MD, MPH
 Agency: Department of Health and Social Services

Phone: 465-2071
 Date: March 6, 1992
 Date: March 6, 1992

Distribution (by preparer):
 Legislative Finance OMB
 Legislative Sponsor Impacted Agency(ies)
 Requestor

(Rev 12/91)

COMMITTEE COPY *FN* 77.8 - DADA Admin.

ANALYSIS (cont.):

Section 1 amends AS 47.07.030(b) to include rehabilitation services for substance abuser. and chronically mentally ill adults, targeted case management services for substance abusers and chronically mentally ill adults as well as those severely emotionally disturbed persons under 21 years of age as optional services to be paid for by Medicaid.

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It is also anticipated that the Division of Alcoholism and Drug Abuse would require a staff specialist in medicaid to assist programs with this effort. This position would be located in Juneau.

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It is anticipated that this position would be Medicaid funded. Therefore, one half of the costs of this position would be paid through an RSA from medicaid.

CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 545 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/13/92

Referred: Finance

Sponsor(s): REPRESENTATIVES B.DAVIS, Boyer, Ellis

A BILL

FOR AN ACT ENTITLED

1 "An Act providing for Medicaid coverage for certain rehabilitation and case management
2 services; reordering the priorities given to optional services under the Medicaid program;
3 and providing for an effective date."

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

5 * Section 1. AS 47.07.030(b) is amended to read:

6 (b) In addition to the mandatory services specified in (a) of this section, the department
7 may offer only the following optional services: case management and nutrition services for
8 pregnant women; personal care services in a recipient's home; emergency hospital services;
9 long-term care noninstitutional services; medical supplies and equipment; clinic services;
10 rehabilitative services for substance abusers and emotionally disturbed or chronically
11 mentally ill adults; targeted case management services for substance abusers, chronically
12 mentally ill adults, and severely emotionally disturbed persons under the age of 21; inpatient
13 psychiatric facility services for individuals age 65 or older and individuals under age 21;
14 psychologists' services; clinical social workers' services; prescribed drugs; physical therapy;

1 occupational therapy; chiropractic services; low-dose mammography screening, as defined in
2 AS 21.42.375(e); treatment of speech, hearing, and language disorders; adult dental services;
3 prosthetic devices and eyeglasses; optometrists' services; intermediate care facility services,
4 including intermediate care facility services for the mentally retarded; skilled nursing facility
5 services for individuals under age 21; and reasonable transportation to and from the point of
6 medical care.

7 * Sec. 2. AS 47.07.035 is amended to read:

8 Sec. 47.07.035. PRIORITY OF MEDICAL ASSISTANCE. If the department finds that
9 the cost of medical assistance for all persons eligible under this chapter will exceed the amount
10 allocated in the state budget for that assistance for the fiscal year, the department shall eliminate
11 coverage for optional medical services and optionally eligible groups of individuals in the
12 following order:

- 13 (1) clinical social workers' services;
- 14 (2) psychologists' services;
- 15 (3) chiropractic services;
- 16 (4) adult dental services;
- 17 (5) emergency hospital services;
- 18 (6) treatment of speech, hearing, and language disorders;
- 19 (7) optometrists' services and eyeglasses;
- 20 (8) occupational therapy;
- 21 (9) mammography screening;
- 22 (10) prosthetic devices;
- 23 (11) medical supplies and equipment;
- 24 (12) targeted case management services;
- 25 (13) rehabilitative services for substance abusers and emotionally disturbed
26 or chronically mentally ill adults;
- 27 (14) clinic services;
- 28 (15) [(13)] physical therapy;
- 29 (16) [(14)] personal care services in a recipient's home;
- 30 (17) [(15)] prescribed drugs;
- 31 (18) [(16)] long-term care noninstitutional services;

- 1 (19) [(17)] inpatient psychiatric facility services;
- 2 (20) [(18)] intermediate care facility services for the mentally retarded;
- 3 (21) [(19)] intermediate care facility services;
- 4 (22) [(20)] individuals under age 21 who are not eligible for benefits under the
- 5 federal aid to families with dependent children program because they are not deprived of one or
- 6 more of their natural or adoptive parents;
- 7 (23) [(21)] skilled nursing facility services for persons under age 21;
- 8 (24) [(22)] aged, blind, and disabled individuals who, because they do not meet
- 9 the income requirements, do not receive supplemental security income under Title XVI of the
- 10 Social Security Act, but who are eligible, or would be eligible if they were not in a skilled
- 11 nursing facility or intermediate care facility, to receive an optional state supplementary payment;
- 12 (25) [(23)] individuals in a hospital, skilled nursing facility, or intermediate care
- 13 facility whose income while in the facility does not exceed 300 percent of the supplemental
- 14 security income benefit rate under Title XVI of the Social Security Act, but who, because of
- 15 income, are not eligible for the optional state supplementary payment;
- 16 (26) [(24)] individuals under age 21 under supervision of the department, for
- 17 whom maintenance is being paid in whole or in part from public money and who are in foster
- 18 homes or private child-care institutions.

19 * **Sec. 3.** AS 47.07.900 is amended by adding new paragraphs to read:

20 (13) "emotionally disturbed or chronically mentally ill adults" and "severely

21 emotionally disturbed persons under age 21" include only persons who receive mental health

22 services from an entity that has a contract to provide community mental health services under

23 AS 47.30.520 - 47.30.620;

24 (14) "rehabilitative services" means services for substance abusers and emotionally

25 disturbed or chronically mentally ill adults provided by

26 (A) a drug or alcohol treatment center that is funded with a grant under

27 AS 47.30.475; or

28 (B) an outpatient community mental health clinic that has a contract to

29 provide community mental health services under AS 47.30.520 - 47.30.620;

30 (15) "substance abuser" means a person who

31 (A) is an alcoholic, as defined in AS 47.37.270;

1 (B) participates in inhalant abuse, as defined in AS 47.37.270; or

2 (C) misuses illegal or prescription drugs;

3 (16) "targeted case management services" means case management services for
4 substance abusers, chronically mentally ill adults, and severely emotionally disturbed persons
5 under age 21 that are provided by

6 (A) a drug or alcohol treatment center that is funded with a grant under
7 AS 47.30.475; or

8 (B) an outpatient community mental health clinic that has a contract to
9 provide community mental health services under AS 47.30.520 - 47.30.620.

10 * Sec. 4. This Act takes effect July 1, 1992.