

SB

213

SFIN

FILE

Copies to Co-chairs 2-9-96
Copied for SB 213 file
TONY KNOWLES, GOVERNOR

SB 213 + 214
HB 412

OFFICE OF THE GOVERNOR

OFFICE OF MANAGEMENT AND BUDGET

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February 9, 1996

The Honorable Steve Frank
The Honorable Rick Halford
Co-Chairs, Senate Finance Committee
State Capitol
Juneau, AK 99801-1182

Dear Co-Chairs Frank and Halford:

To support the work of the Alaska Mental Health Trust Authority (AMHTA) and provide for a more comprehensive review of all programs relating to mental health trust beneficiaries, we think it would be helpful to compile all mental health operating, capital and administration budgets into a single appropriations bill. Therefore, please consider the following amendments to SB 214, the mental health bill we submitted to you earlier this month.

1.) TITLE CHANGE TO SB 214

"An Act making appropriations for the operating and capital expenses of the state's integrated comprehensive mental health program; and providing for an effective date." This change will allow inclusion of capital projects relating to mental health to facilitate programmatic review of the integrated mental health package.

2.) AMENDMENTS TO SB 214

a) Amend Section 2, page 1, line 8, "Shortfalls", to read "If either Mental Health Trust Authority Authorized Receipts (AS 37 14 036) or Mental Health Trust Administration Receipts (AS 37 14 036) fall short of the estimates appropriated in this Act" (This amendment has been suggested to clearly reference back to the mental health trust settlement income account which is only administered by the Alaska Mental Health Trust Authority under AS 37.14.039.)

Also in response to the concerns of the AMHTA (see their attached letter, items 2, 9 and 13), we suggest the following amendments:

b) Amend Section 3, page 2, lines 3 and 4 to read ". . . Health Funds [and] from [the] Mental Health Trust Authority Authorized Receipts (AS 37 14 036), and from Mental Health Trust Administration Receipts (AS 37 14 036) [income account], as set out in the fiscal year 1997"

c) (1) Section 3, page 6, line 5, is amended to read:

	Allocations
Psychiatric Emergency Services	<u>5,581,100</u> (5,331,100)

(2) Section 3, page 6, line 6, is amended to read:

Services for Seriously Emotionally Disturbed Youth	<u>6,288,500</u> (6,538,500)
--	---------------------------------

d) Section 3, following page 6, line 20, a new appropriation is added as follows:

* * * * * <u>Department of Revenue</u> * * * * *		
	Appropriation	Other Funds
<u>Alaska Mental Health Trust Authority</u>	<u>893,500</u>	<u>893,500</u>

e) The fund sources noted in Section 4, page 8, line 15, and in Section 5, page 10, line 4 should be amended as follows:

Mental Health Trust Authority Authorized Receipts (AS 37.14.036)

f) Within Section 4, page 8, line 20, insert the following:

<u>DEPARTMENT OF REVENUE</u>	
<u>MENTAL HEALTH TRUST ADMINISTRATION RECEIPTS (AS 37.14.036)</u>	<u>893,500</u>
<u>*** TOTAL FUNDING ***</u>	<u>893,500</u>

3.) CAPITAL ADDITIONS

New sections should be added to Senate Bill 214 for capital projects supporting mental health trust beneficiaries. These proposed projects were included in the Alaska Mental Health Trust Authority proposed capital budget on pages 33-34 of the AMHTA Final Report. These projects will be funded through a combination of General Fund/Mental Health, Mental Health Trust Authority Authorized Receipts, and State (AHFC) Corporation Receipts. Funding sections should be adjusted for department and summary information. The explanatory notes in parentheses would not be part of the amendments.

	Appropriation	General Funds	Other Funds
DEPARTMENT OF HEALTH AND SOCIAL SERVICES			
(a) <u>DHSS Data Integration Project</u> (50% from General Fund/Mental Health funds (1037) and 50% from MHTA Authorized Receipts (1092) for linkage of the department's administrative and program data bases at the client level so beneficiary needs and services can be tracked accurately)	<u>150,000</u>	<u>75,000</u>	<u>75,000</u>
(b) <u>Alcoholism and Drug Abuse Emergency Services Modifications</u> (100% MHTA Authorized Receipts (1092) to allow seven detox beds to go "on-line")	<u>150,000</u>		<u>150,000</u>
(c) <u>Moving/Renovation Costs for Aniak Community Mental Health Center</u> (100% MHTA Authorized Receipts (1092) under AS 37 05 316 to relocate the Center and renovate the new location)	<u>125,000</u>		<u>125,000</u>

	Appropriation	General Funds	Other Funds
(d) <u>Gateway Mental Health Center Clinic Addition/Renovation (Ketchikan)</u> (100% MHTA Authorized Receipts (1092) under AS 37.05.316 for Gateway Mental Health Center addition and renovation)	<u>212,000</u>		<u>212,000</u>
(e) <u>Competitive Grants for Remodeling/Renovation of Mental Health Facilities</u> (100% MHTA Authorized Receipts (1092) for competitive grants for remodeling and renovation of facilities serving trust beneficiaries.)	<u>250,000</u>		<u>250,000</u>

DEPARTMENT OF REVENUE

(f) <u>DHSS Beneficiary and Special Needs Housing Program</u> (50% AHFC Corporation Receipts (1022) and 50% MHTA Authorized Receipts (1092) for home improvements and modifications to improve accessibility for beneficiary families)	<u>500,000</u>		<u>500,000</u>
(g) <u>Pioneer Homes Renovations, Repairs & Modifications</u> (50% AHFC Corporation Receipts (1022) and 50% MHTA Authorized Receipts (1092). This project will complete the ADRD units in Sitka and Fairbanks Pioneer Homes and new units in the Palmer and Juneau Pioneer Homes.)	<u>543,800</u>		<u>543,800</u>
(h) <u>Add lapse date information for capital projects</u> <u>The appropriations made by sections 3 (a) - 3 (g) are for capital projects and are subject to AS 37.25.020.</u>			

4.) AMENDMENTS TO SB 213

- a) Delete Section 26, page 37, line 20 [Alaska Mental Health Trust Authority 893,500].
(will now be in the amended version of SB 214)
- b) Delete Section 27, page 56, line 15 [Mental Health Trust Administration 893,500].
(will now be in the amended version of SB 214)
- c) Amend Section 27, page 56, line 16 to read "Total Funding 124,380,400".
(to reflect the deletion of (b) above)
- d) Delete Section 28, page 62, line 10 [Mental Health Trust Administration 893,500].
(will now be in the amended version of SB 214)

The Honorable Steve Frank
The Honorable Rick Halford

February 9, 1996

e.) Amend Section 28, page 62, line 11 to read "Total Funding 3,585,204,400".
(to reflect the deletion of (d) above)

Thank you for your consideration of these amendments.

Sincerely,



Annalee McConnell
Director

Attachments

Alaska Mental Health Trust Authority

3601 C Street, Suite 742
Frontier Building
Anchorage, AK 99503
Phone: (907) 269-7960
FAX: (907) 269-7966

January 24, 1996

The Honorable Tony Knowles
Governor of Alaska
PO Box A
Juneau, AK 99811

Dear Governor Knowles:

Thank you for the December 15, 1995 letter from Annalee McConnell explaining the differences between the Governor's proposed FY97 operating budget and the Alaska Mental Health Trust Authority's recommendations. This letter contains the Authority's response to your explanation.

The Authority appreciates the consideration you and your staff gave to our recommendations. We thank you, the Office of Management and Budget, and the offices of the Commissioners of Health and Social Services, Corrections and Administration for establishing an open and professional dialog with the Authority and our staff concerning the financial needs of the State's integrated comprehensive mental health program.

The Authority recognizes the financial difficulties faced by the State of Alaska. We know you must make overall budget reductions to close the State's fiscal gap. Nonetheless, we believe that the reductions made to the funding for the State's integrated comprehensive mental health program fail to recognize real needs of the Authority's beneficiary population and the fiscal pressures faced by the organizations that serve these beneficiaries. Our specific comments follow.

All Departments

1. Your recommendation changes the funding level of 13 components to reflect salary adjustments and changes in risk management and information services chargebacks. While the Authority recognizes these changes as necessary, we believe these changes set a double standard — certain cost increases for state agencies are funded, while no cost increases for nonprofit organizations that provide direct services are funded (and in some cases decrements are taken). The State has for several years failed to fund increments related to increased costs of service, maintenance of effort, continuation, or similar purposes. We believe the State should recognize that costs of providing services do increase, and such costs should be funded for both state agencies and nonprofit organizations providing direct services.

2. The operating budget you submitted appropriates funding to state agencies from fund source 1092 — Mental Health Trust Settlement Income Account. Under the terms of the Mental Health Settlement, Mental Health Trust income cannot be appropriated except for administrative expenses incurred by the Authority. The Authority recognizes that the administration agrees and understands that direct appropriation of Mental Health Trust income is inconsistent with the settlement legislation. The Authority requests that you revise this fund source "Mental Health Trust Authority Authorized Receipts" (MHTAAR) or a similar title that recognizes the Authority's decision-making role in regards to these funds.

3. The fund source used for Authority funding to the Department of Health and Social Services for mental health programs (1092) is inconsistent with the fund source used for Authority funding to the

Department of Natural Resources to manage trust lands (1007 — Inter-Agency Receipts). The Authority recommends you use fund source 1092 for both agencies. Monies for the Authority's operations are, under the terms of the settlement, appropriated by the Legislature and should therefore be separately coded consistent with your budget request (1094 — Mental Health Trust Administration).

Department of Health and Social Services

4. You recommend transferring \$1,000,000 from the Medicaid Community Health Grant component to the Medicaid Services component. The Authority concurs with this recommendation.

5. You recommend combining the Medicaid Non-Facility and Medicaid Facility components into a single component. The Authority recognizes that decreased funding for State agency operations requires simplifying all State procedures, including budgeting. The Authority further recognizes that the flexibility caused by such a change can be helpful to program management. The Authority is concerned that the balance between facility-based and non-facility based services could be unreasonably changed by administrative action during the year. The Authority requests that the Department report periodically to the Authority and appropriate beneficiary boards during the fiscal year concerning the actual expenditures for facility-based and non-facility based services.

6. You recommend combining all of the Division of Mental Health and Developmental Disabilities components into a single Budget Request Unit. The Authority recognizes that decreased funding for State agency operations requires simplifying all State procedures, including budgeting. The Authority further recognizes that the flexibility caused by such a change can be helpful to program management. The Authority is concerned that the balance between components could be unreasonably changed by administrative action during the year. The Authority requests that the Authority and appropriate beneficiary boards be notified prior to any transfers between components with GMH funding during the fiscal year.

7. You recommend a 1% decrement to a series of BRUs and components. While the Authority recognizes the State's fiscal problems require budget changes, we believe this is not reasonable in light of the state's commitment under the settlement to continue to fund core mental health services.

8. You recommend transfer of \$220.1 from General Community Mental Health Grants to Psychiatric Emergency Services Grants and transfer of \$56.0 from Designated Evaluation and Treatment to Psychiatric Emergency Services Grants. The Authority understands that this conforms the FY97 request to actual FY96 funding. The Authority is concerned with the lack of public process in this transfer and requests that future similar transfers be reviewed with the Authority and appropriate beneficiary boards prior to any action being taken.

9. You show a transfer in of \$260.0 from Harborview for MH Grants Crisis Respite Services under Services for Seriously Emotionally Disturbed Youth. The Authority, after consultation with the Department of Health and Social Services, requests this transfer instead be placed in the Psychiatric Emergency Services component.

10. Your budget request transfers \$385.0 from Harborview for placement of the Sourdough Unit residents in community programs. The Authority supports this transfer, as evidenced by our agreement to provide an equal amount of Trust Income in the Harborview budget during the transition period. The Authority recognizes this funding is for a partial year, and is not annualized, and requests your FY98 budget request include the full amount of the transfer. Under the Harborview close-out plan, some of the Harborview residents will be transferred to programs operated by the Department of Administration, Division of Senior Services. The Authority is concerned that there has been a lack of communication

between the DHSS Division of Mental Health and Developmental Disabilities and the DOA Division of Senior Services regarding necessary community capacity-building within DSS for the transfer of responsibility for the Harborview Sourdough Unit residents. The Authority requests the Commissioner of Health and Social Services to facilitate meetings between DHSS/DMHDD, DOA/DSS and the Authority to determine the appropriate division of Harborview Sourdough Unit funding between the two divisions.

11. Your budget request includes a decrement of \$585.0 from Harborview. It is our understanding that the administration is committed to use Harborview savings to support community-based beneficiary programs. The Authority requests you reconsider this decrement, and instead transfer the savings from Harborview close-out to appropriate community-based beneficiary programs.

Department of Corrections

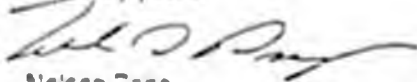
12. Your recommended funding base for the Department of Corrections shifts \$241.6 from GF/MH to GF for Inmate Health Care, and \$412.0 from GF/MH to GF for Inmate Programs. The Authority maintains its position that mental health services are needed for Alaska's prison population, and that these amounts should continue to be budgeted as GF/MH and used to support mental health service needs. The Authority is concerned with the lack of communication from the Department of Corrections concerning the change in Inmate Programs, and asks the administration to ensure that the Authority is consulted regarding any changes to mental health programs within the Department of Corrections. The Authority requests that the Authority and appropriate beneficiary boards be consulted prior to any changes between GF/MH and GF funding during the fiscal year or in future budget requests.

Department of Revenue

13. Your budget requests funding for the Authority's operations in the regular State operating budget. After some reconsideration the Authority recommends the appropriations for its operations be placed instead in the comprehensive integrated mental health program funding bill. This will ensure that all mental health programs, their support and administration, can be reviewed together.

Governor, once again the Authority thanks you and your staff for the excellent working relationship your administration has created with the Authority and our staff. We appreciate your consideration of the needs of Alaska's mental health trust beneficiaries.

Sincerely yours,



Nelson Page

Chair

cc: Representative Mark Hanley, Co-chairman, House Finance Committee
Representative Richard Foster, Co-Chairman, House Finance Committee
Senator Steve Frank, Co-Chairman, Senate Finance Committee
Senator Rick Haford, Co-Chairman, Senate Finance Committee
Representative Terry Martz, Chairman, Legislative Budget & Audit Committee

SENATE BILL NO. 213

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/12/96

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for the operating and loan program expenses
2 of state government, for certain programs, and to capitalize funds; making
3 appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska,
4 from the constitutional budget reserve fund; and providing for an effective
5 date."

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

7 • Section 1. ALASKA CLEAN WATER FUND. The sum of \$8,815,400 is appropriated
8 to the Alaska clean water fund (AS 46.03.032) for the Alaska clean water loan program from
9 the following sources:

10	General fund	\$1,469,200
11	Federal receipts	7,346,200

12 • Sec. 2. ALASKA HOUSING FINANCE CORPORATION. (a) The sum of \$50,000,000
13 from the available unrestricted cash in the general account of the Alaska housing finance

1	2	3	4	5	APPROPRIATION		APPROPRIATION FUND SOURCES		1
					ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS	
		• • • • •		• • • • •					3
		• • • • •	DEPARTMENT OF REVENUE	• • • • •					4
		• • • • •		• • • • •					5
6	ALASKA STUDENT AID CORPORATION				9,109,000	1,832,100	7,276,900		6
7	PROGRAM ADMINISTRATION		1,044,000						7
8	STUDENT LOAN OPERATIONS		6,107,900						8
9	WICHE STUDENT EXCHANGE PROGRAM		193,600						9
10	WAMI MEDICAL EDUCATION		1,309,000						10
11	FEDERAL STUDENT AID		454,500						11
12	CHILD SUPPORT ENFORCEMENT				14,464,100	1,954,800	12,509,300		12
13	ALCOHOLIC BEVERAGE CONTROL BOARD				647,200	647,200			13
14	MUNICIPAL BOND BANK AUTHORITY				562,000		562,000		14
15	PERMANENT FUND CORPORATION				29,113,200		29,113,200		15
16	ALASKA HOUSING FINANCE CORPORATION				30,701,800		30,701,800		16
17	OPERATIONS		11,694,400						17
18	RURAL HOUSING		2,703,800						18
19	PUBLIC HOUSING		16,303,600						19
20	ALASKA MENTAL HEALTH TRUST AUTHORITY				893,500		893,500		20
21	REVENUE OPERATIONS				33,094,100	8,321,100	24,773,000		21

*Delete
(will now
be in SD 214)*

*be 26
part 37
June 20*

1	DEPARTMENT OF REVENUE (CONT.)			1
2	BENEFITS SYSTEMS RECEIPTS	75,400		2
3	STATE CORPORATION RECEIPTS	48,577,400		3
4	INTERNATIONAL AIRPORT REVENUE FUND	24,500		4
5	PUBLIC EMPLOYEES RETIREMENT FUND	14,241,300		5
6	TEACHERS RETIREMENT SYSTEM FUND	8,228,000		6
7	JUDICIAL RETIREMENT SYSTEM	103,400		7
8	NATIONAL GUARD RETIREMENT SYSTEM	16,400		8
9	STUDENT REVOLVING LOAN FUND	20,800		9
10	UNIVERSITY RECEIPTS	30,400		10
11	PERMANENT FUND DIVIDEND FUND	4,595,400		11
12	INVESTMENT LOSS TRUST FUND	16,400		12
13	CAPITAL IMPROVEMENT PROJECT RECEIPTS	1,222,000		13
14	PUBLIC SCHOOL FUND	57,200		14
15	MENTAL HEALTH TRUST ADMINISTRATION	893,300	<i>Delete</i>	15
16	<i>amend</i> TOTAL FUNDING ...	124,380,400	125,273,900 <i>revised</i>	16
17	DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			17
18	FEDERAL RECEIPTS	942,600		18
19	GENERAL FUND MATCH	75,700		19
20	GENERAL FUND RECEIPTS	98,874,400		20
21	GENERAL FUND/PROGRAM RECEIPTS	3,119,500		21

1 STATEWIDE FUNDING SUMMARY (CONT)

2	ALASKA CLEAN WATER LOAN FUND	447,900
3	MARINE HIGHWAY SYSTEM FUND	79,686,000
4	INDV/FOUNDT'N/CORP GIFTS/GRANTS/BEQUESTS	920,300
5	STORAGE TANK ASSISTANCE FUND	3,203,900
6	INFORMATION SERVICES FUND	20,407,400
7	POWER COST EQUALIZATION	19,947,700
8	GENERAL FUNDS - DESIGNATED	26,366,600
9	CLEAN AIR PROTECTION FUND	1,943,900

10 ~~MENTAL HEALTH TRUST ADMINISTRATION~~ ~~893,500~~ *Delete*

11 TOTAL FUNDING . . . *raised* ~~3,586,087,900~~ *3,585,204,400*

12 [SECTION 29 OF THIS ACT BEGINS ON PAGE 63]

SENATE BILL NO. 214

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 1/12/96
Referred: STA, HES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act making appropriations for the operating ^{and capital} expenses of the state's
2 integrated comprehensive mental health program; and providing for an effective
3 date."

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

5 • Section 1. PURPOSE. In accordance with AS 37.14.003 and AS 37.14.005, the
6 appropriations made by this Act are for the state's integrated comprehensive mental health
7 program.

8 • Sec. 2. SHORTFALLS. ^{either} If ^{authentically authorized} mental health trust ^{(AS 37.14.036) or Health Trust Administration} receipts ^(AS 37.14.036) fall short of the estimates
9 appropriated in this Act, the affected appropriation is reduced by the amount of shortfall in
10 receipts.

11 (SECTION 3 OF THIS ACT BEGINS ON PAGE 2)

1 • SEC. 3. THE FOLLOWING APPROPRIATION ITEMS ARE FOR 1

2 OPERATING EXPENDITURES FROM THE GENERAL FUND/MENTAL 2

3 HEALTH FUNDS ~~AND~~ FROM THE MENTAL HEALTH TRUST Authority Authority & Receipts (AS 37.14.036) and from Mental, 3

4 ~~INCOME ACCOUNT~~ Health Trust Administration Receipts (AS 37.14.036) 4

5 BUDGET SUMMARY BY FUNDING SOURCE TO THE AGENCIES 5

6 NAMED AND FOR THE PURPOSES EXPRESSED FOR THE FISCAL 6

7 YEAR BEGINNING JULY 1, 1996, AND ENDING JUNE 30, 7

7 1997, UNLESS OTHERWISE INDICATED. 7

	APPROPRIATION		APPROPRIATION FUND SOURCES	
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS
11		
12	DEPARTMENT OF ADMINISTRATION	
13		
14	SENIOR SERVICES	2,501,900	2,501,900	
15	PIONEERS HOMES	420,800		
16	PROTECTION, COMMUNITY SERVICES, AND ADMINISTRATION	209,500		
17	HOME AND COMMUNITY-BASED CARE	1,871,600		
18	LEGAL AND ADVOCACY SERVICES	619,800	619,800	
19	OFFICE OF PUBLIC ADVOCACY	619,800		

1 DEPARTMENT OF HEALTH AND SOCIAL SERVICES (CONT.)

	APPROPRIATION		APPROPRIATION FUND SOURCES	
	ALLOCATIONS	ITEMS	GENERAL FUND	OTHER FUNDS
GENERAL COMMUNITY MENTAL HEALTH GRANTS	2,438,200			
PSYCHIATRIC EMERGENCY SERVICES	5,331,100	5,581,100		
SERVICES TO THE CHRONICALLY MENTALLY ILL	10,918,700			
DESIGNATED EVALUATION AND TREATMENT	1,046,300			
SERVICES FOR SERIOUSLY EMOTIONALLY DISTURBED YOUTH	6,538,500	6,288,500		
MENTAL HEALTH/DEVELOPMENTAL DISABILITIES				
ADMINISTRATION	3,373,000			
ALASKA PSYCHIATRIC INSTITUTE	5,950,300			
HARBORVIEW DEVELOPMENTAL CENTER	3,845,800			
MENTAL HEALTH TRUST BOARDS		717,600	717,600	
ALASKA MENTAL HEALTH BOARD	382,900			
ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE	334,700			
.				
. DEPARTMENT OF LAW				
.				
CIVIL DIVISION		67,200	67,200	
GENERAL LEGAL SERVICES	67,200			

ALASKA DEPARTMENT OF REVENUE

ALASKA MENTAL HEALTH TRUST AUTHORITY

893,500

893,500

1	• SEC. 4. THE FOLLOWING SETS OUT THE FUNDING BY		1
2	AGENCY FOR THE APPROPRIATIONS MADE IN SECTION 3		2
3	OF THIS ACT.		3
4	DEPARTMENT OF ADMINISTRATION		4
5	GENERAL FUND/MENTAL HEALTH	3,121,700	5
6	*** TOTAL FUNDING ***	3,121,700	6
7	DEPARTMENT OF CORRECTIONS		7
8	GENERAL FUND/MENTAL HEALTH	3,442,300	8
9	*** TOTAL FUNDING ***	3,442,300	9
10	DEPARTMENT OF EDUCATION		10
11	GENERAL FUND/MENTAL HEALTH	227,900	11
12	*** TOTAL FUNDING ***	227,900	12
13	DEPARTMENT OF HEALTH AND SOCIAL SERVICES		13
14	GENERAL FUND/MENTAL HEALTH	101,752,100	14
15	MENTAL HEALTH TRUST ^{Authority Authorized} RECEIPTS	1,945,000	15
16	*** TOTAL FUNDING ***	103,697,100	16
17	DEPARTMENT OF LAW		17
18	GENERAL FUND/MENTAL HEALTH	67,200	18
19	*** TOTAL FUNDING ***	67,200	19
20	UNIVERSITY OF ALASKA		20
21	GENERAL FUND/MENTAL HEALTH	200,000	21

DEPARTMENT OF REVENUE
 MENTAL HEALTH TRUST Administration Receipts (AS 37.14.036) 893,500
 *** TOTAL FUNDING *** PAGE 8 893,500

1	• SEC. 5. THE FOLLOWING SETS OUT THE FUNDING FOR		1
2	THE APPROPRIATIONS MADE IN SECTIONS 3, ^{and} _____ OF THIS ACT.		2
3	GENERAL FUND/MENTAL HEALTH	108,851,300	3
4	MENTAL HEALTH TRUST/RECEIPTS ^{Authority Authorized,}	1,945,000	4
5	• • • • • TOTAL FUNDING • • • • •	110,796,300	5
6	• SEC. 6. THIS ACT TAKES EFFECT JULY 1, 1996.		6

Add new section or sections for capital items (7 projects Total (5 in DHSS and 2 in DOR) and adjust funding sections accordingly by department and in summary form.)

Add lapse date information for capital projects

MENTAL HEALTH CAPITAL PROJECTS

Comparison of FY97 Governor's Request with Alaska Mental Health Trust Authority Recommendations

Administering Department	Project Title	Project Description	97 GOV GF/MH 1037	97 GOV MHTA Auth Rcpts 1092	97 GOV Corp Rcpts 1022	97 GOV TOTAL	AMHTA Recommendation	Difference FY97 Governor and FY97 AMHTA
H&SS (AHFC)	DHSS Beneficiary and Special Needs Housing Program	Continuation of home modifications, including barrier removal and accessibility enhancements geared to serving special populations of adults and youth. Modifications and home improvements for beneficiary families. Jointly administered by DHSS and AHFC.		250.0	250.0	500.0	500.0	0.0
H&SS	Alcoholism and Drug Abuse Emergency Services Modifications	Funds for seven detox beds to go "on-line" in FY97. Funds could be used for facility renovation, medical equipment, beds, or bedding.		150.0		150.0	150.0	0.0
H&SS	Moving/Renovation Aniak Community MH Center	Funds a required move of the Kuskokwim Native Association Community Counseling Program building from FAA site to a site near the Community Center. Also renovates building.		125.0		125.0	125.0	0.0
H&SS	Clinic Addition/Renovation -- Ketchikan	Completes unfinished project of remodel of clinic waiting area, support staff area, and medical records storage area at the Gateway Center for Human Services in Ketchikan.		212.0		212.0	212.0	0.0
H&SS	Remodel/Renovate Facilities-- Competitive Grants Pioneer Homes	Competitive grants for remodeling and renovation of facilities serving mental health trust beneficiaries. Facility completion of units in Pioneer homes located in Palmer and Juneau and to complete the new ADRD units in Sitka and Fairbanks. Jointly administered by DOA and AHFC.		250.0		250.0	250.0	0.0
Admin (AHFC)	Renovations, Repairs, and Modifications	Provide linkage of the department's administrative and program data bases at the client level so beneficiary needs and services can be tracked accurately.		271.9	271.9	543.8	543.8	0.0
H&SS	Data Integration Project	Provide linkage of the department's administrative and program data bases at the client level so beneficiary needs and services can be tracked accurately.	75.0	75.0		150.0	150.0	0.0
H&SS	ADA Mandated Compliance	Partial funding of large identified need to bring mental health program facilities into compliance with the Americans with Disabilities Act.					300.0	(300.0)

MENTAL HEALTH CAPITAL PROJECTS

Comparison of FY97 Governor's Request with Alaska Mental Health Trust Authority Recommendations								
Administering Department	Project Title	Project Description	97 GOV GF/MH 1037	97 GOV MHTA Auth Rcpts 1092	97 GOV Corp Rcpts 1022	97 GOV TOTAL	AMHTA Recommendation	Difference FY97 Governor and FY97 AMHTA
H&SS	ADA Upgrades	Pay for 50% of the cost of upgrading grantee facilities statewide to meet ADA requirements. Three-year plan put forth by ABADA to make facilities accessible to clients with disabilities.					300 0	(300 0)
various	Vehicles for coordinated client services	Acquisition of vehicles that can be used across programs that assist mental health trust beneficiaries					1,000 0	(1,000 0)
H&SS	Program modifications - agency & state facilities	Modifications for agency and state contracted facilities.					200 0	(200 0)
H&SS	Crisis respite and/or clinic replacement/renovation	Reconfigures existing facilities into integrated facilities that include crisis respite space and/or clinic replacement or renovation					500 0	(500 0)
H&SS	Remodel/rehabilitation of existing facilities	Grants to upgrade current facilities to include re-roofing, carpeting and reconfiguration; replace vehicles, computers and other office equipment/furniture for programs and facilities.					750 0	(750 0)
H&SS	Construction of new and replacement facilities	Purchase/construction of facilities for existing services. Will be prioritized via RFP process and funded based on the merit of the proposals submitted					1,000 0	(1,000 0)
Admin	New adult day care facilities in Chugiak and planning for new adult day care facility in Palmer	Both facilities have ADA compliance problems. Chugiak has 20 to 30 clients in the area that could receive services. Palmer needs additional space for current clients and has an additional eight clients waiting for services.					993 2	(993 2)
H&SS	Adaptive Equipment	Procurement of adaptive equipment as recommended by the Governor's Council on Disabilities and Special Education.					300 0	(300 0)
GRAND TOTAL			75 0	1,333 9	521 9	1,930 8	7,274 0	(5,343 2)

Comparison of AMHTA Mental Health Funding Recommendations with

Governor's FY97 Mental Health Operating Request

HRF	COMPONENT	97 GOV GF/MH 1017	97 GOV MHFA Auth Rept 1072	97 GOV MHF Admin Repts 1074	Total 97 GOV MH	Total 97 AMHTA Mental Health Recommendation	Difference FY97 Governor and FY97 AMHTA	Summary of Change
DEPARTMENT OF ADMINISTRATION								
Senior Services	Pioneer Homes	420.8	0.0	0.0	420.8	414.0	6.8	Salary Risk Mgmt/ Information Services adjustments
Senior Services	Protection, Community Services, and Administration	209.5	0.0	0.0	209.5	210.2	-0.7	Formerly Senior Services Administration, Salary Risk Management/ and Information Services adjustments
Senior Services	Home and Community-Based Care	1,871.6	0.0	0.0	1,871.6	2,721.6	-850.0	Formerly Office of Public Advocacy HRU Transfer in from HRSS for \$250.0 in GF/MH was discussed with the AMHTA Board. Of the \$1,100,000 proposed by AMHTA, (\$850,000) was left unfunded.
Legal and Advocacy Services	Office of Public Advocacy	619.8	0.0	0.0	619.8	611.1	8.7	Salary Risk Mgmt/ Information Services adjustments
Department of Administration Totals		3,121.7	0.0	0.0	3,121.7	3,956.9	(835.2)	
DEPARTMENT OF CORRECTIONS								
Statewide Program	Inmate Health Care	1,071.0	0.0	0.0	1,071.0	1,117.9	-246.9	Salary Risk Mgmt adjustments. Increment approved for \$80.0 in GF/MH. Switch fund of \$241,600 GF/MH to GF to correct error of the \$110,000 request, \$30,000 increment for prison mental health psychiatric residence program was not funded.
Statewide Program	Inmate Program	169.1	0.0	0.0	169.1	781.1	-612.0	Switch fund of \$412,000 GF/MH to GF to reflect est. % of Mental Health programming.
Department of Corrections Totals		1,240.1	0.0	0.0	1,240.1	1,899.0	(658.9)	

Comparison of AMHTA Mental Health Funding Recommendations with

Governor's FY97 Mental Health Operating Request

IRU	COMPONENT	97 GOV GF/MH 1037	97 GOV MHHA Auth Rept 1092	97 GOV MH Admin Repts 1094	Total 97 GOV MH	Total 97 AMHTA Mental Health Recommendation	Difference FY97 Governor and FY97 AMHTA	Summary Change
DEPARTMENT OF EDUCATION (one component only)								
Teaching and Learning Support	Basic Education and Instructional Improvement	227.9	0.0	0.0	227.9	227.5	0.4	Formerly Education Program Support IRU, Salary Adjustment
DEPARTMENT OF HEALTH AND SOCIAL SERVICES								
Medical Assistance	Medicaid Services	20,683.7	0.0	0.0	20,683.7	19,683.7	1,000.0	New component includes transfers in from the former Medicaid Non-Facility, Medicaid Facilities, and SGM for Medicaid Eligible Community Health Clients
Family and Youth Services	Foster Care	1,547.9	0.0	0.0	1,547.9	1,547.9	0.0	AMHTA base funding level adopted by Governor
Family and Youth Services	Residential Child Care	3,522.0	0.0	0.0	3,522.0	3,522.0	0.0	AMHTA base funding level adopted by Governor
Family and Youth Services	Northern Region	81.8	0.0	0.0	81.8	80.4	1.4	Salary Risk Mgmt Adjusted
Family and Youth Services	McLaughlin Youth Center	62.1	0.0	0.0	62.1	62.1	0.0	AMHTA base funding level adopted by Governor
Family and Youth Services	Fairbanks Youth Facility	81.6	0.0	0.0	81.6	81.6	0.0	AMHTA base funding level adopted by Governor
Manning	Manning Alcohol & Drug Abuse	522.4	0.0	0.0	522.4	522.4	0.0	AMHTA base funding level adopted by Governor
Manning	Manning Mental Health TD Svcs	350.0	0.0	0.0	350.0	353.5	(3.5)	Decrement of 1% of FY97 adjusted base GF in line 700
Norton Sound	NS Public Health Services	98.3	0.0	0.0	98.3	99.3	(1.0)	Decrement of 1% of FY97 adjusted base GF in line 700
Norton Sound	NS Alcohol & Drug Abuse Services	232.2	0.0	0.0	232.2	232.2	0.0	AMHTA base funding level adopted by Governor
Norton Sound	NS Mental Health TD Services	402.4	0.0	0.0	402.4	406.5	(4.1)	Decrement of 1% of FY97 adjusted base GF in line 700
SE Alaska Regional Health Corp	SEARHC Alcohol & Drug Abuse Services	140.6	0.0	0.0	140.6	140.6	0.0	AMHTA base funding level adopted by Governor
SE Alaska Regional Health Corp	SEARHC Mental Health Services	125.2	0.0	0.0	125.2	126.5	(1.3)	Decrement of 1% of FY97 adjusted base GF in line 700
Tanana Chiefs Conference	TCC Alcohol & Drug Abuse Svcs	202.4	0.0	0.0	202.4	202.4	0.0	AMHTA base funding level adopted by Governor
Tanana Chiefs Conference	TCC Mental Health Svcs	529.8	0.0	0.0	529.8	535.2	(5.4)	Decrement of 1% of FY97 adjusted base GF in line 700

Comparison of AMHTA Mental Health Funding Recommendations with
Governor's FY97 Mental Health Operating Request

IRU	COMPONENT	97 GOV GF/MH 1017	97 GOV AMHTA Auth Rept 1092	97 GOV MH Admin Repts 1094	Total 97 GOV MH	Total 97 AMHTA Mental Health Recommendation	Difference FY97 Governor and FY97 AMHTA	Summary of Change
Tlingit Health	T-H Alcohol & Drug Abuse Svcs	6.0	0.0	0.0	6.0	6.0	0.0	AMHTA base funding level adopted by Governor
Yukon-Kuskokwim Health Corp	Y-K Alcohol & Drug Abuse Svcs	418.5	0.0	0.0	418.5	418.5	0.0	AMHTA base funding level adopted by Governor
Yukon-Kuskokwim Health Corp	Y-K Mental Health Services	907.4	0.0	0.0	907.4	916.6	(9.2)	Decrement of 1% of FY97 adjusted base GF in line 700
State Health Services	Maternal, Child, & Family Hlth	73.6	250.0	0.0	323.6	323.6	0.0	\$250.0 increase for Healthy Families Program funded from the Trust Income Account in accordance with the AMHTA Transfer in from Harborview Development Center of \$150.0 GF/MH \$590.0 of the AMHTA proposed increase of \$740.0 could not be funded
State Health Services	Infant Learning Program Grants	3,503.3	0.0	0.0	3,503.3	4,093.3	(590.0)	Salary Risk Mgmt Adjusted Decrease of (\$15.5) GF/MH due to elimination of Advisory Board costs
Alcohol and Drug Abuse Svcs	ADA Administration	767.7	0.0	0.0	767.7	769.1	(1.4)	Of the \$622.6 increments requested, \$197.6 remains unfunded
Alcohol and Drug Abuse Svcs	Alcohol Drug Abuse Grants	7,943.8	0.0	0.0	7,943.8	8,341.4	(197.6)	AMHTA base funding level adopted by Governor
Alcohol and Drug Abuse Svcs	Correctional ADA Grant Component	331.5	0.0	0.0	331.5	331.5	0.0	Transfer in \$110.0 for 2nd yr costs for Harborview Discharge of Clients w/Developmental Disabilities and \$250.0 for DD Respite Care Svcs. Decrement replaces GF with Medicaid Waiver funds. Of the \$925,000 increments requested, \$165,000 remains unfunded
MH/DH Services	Community DD Grants	20,753.4	0.0	0.0	20,753.4	21,487.4	(734.0)	Transfer of \$20.1 to Psychiatric Emergency Services Grants. Unallocated Grant Reduction of \$200.0 for Community Mental Health
MH/DH Services	Open Community Mental Hlth Grants	2,418.2	0.0	0.0	2,418.2	2,858.3	(420.1)	

Comparison of AMHTA Mental Health Funding Recommendations with
Governor's FY97 Mental Health Operating Request

IRU	COMPONENT	97 GOV GF/MH 1037	97 GOV MHTA Auth Rept 1092	97 GOV MHT Admin Rpts 1094	Total 97 GOV MH	Total 97 AMHTA Mental Health Recommendation	Difference FY97 Governor and FY97 AMHTA	Summary of Change
MH100 Services	Psychiatric Emergency Services	5,581.1	0.0	0.0	5,581.1	4,999.0	582.1	BUDGET AMENDMENT-Transf \$250.0 Harborview, Transf \$56.0 Designated Eval & Treatment, \$56.0 Chronically Mentally Ill, \$220.1 from General Comm MH Grants for crisis respite program in Juneau; fund an experimental emergency services program in Fairbanks.
MH100 Services	Services to the Chronically Mentally Ill	10,918.7	0.0	0.0	10,918.7	10,589.7	329.0	In FY97 this component also includes the former Medicaid Community Mental Health Grants. Transfer out of (\$56.0) to Psychiatric Emergency Services and transfer in from Harborview for \$385.0 to fund Sewardough Discharge.
MH100 Services	Designated Eval & Treatment	1,046.3	0.0	0.0	1,046.3	1,052.3	(66.0)	Transfer out of (\$56.0) to Psychiatric Emergency Services. The proposed increment of \$750.0 could not be funded.
MH100 Services	Services for Seriously Emotionally Disturbed Youth	6,288.5	0.0	0.0	6,288.5	7,038.5	(750.0)	BUDGET AMENDMENT- Transfer reversed (\$250.0 from Harborview for MH Grants Crisis Respite Services is now going to Psychiatric Emergency Services). \$750.0 increment could not be funded.

Comparison of AMHTA Mental Health Funding Recommendations with
Governor's FY97 Mental Health Operating Request

BRU	COMPONENT	97 GOV GF/MH 1037	97 GOV MHT, Auth Rept 1092	97 GOV MHT Admin Repts 1094	Total 97 GOV MHT	Total 97 AMHTA Mental Health Recommendation	Difference FY97 Governor and FY97 AMHTA	Summary of Change
NOIDD Services	Mental Health/DI Admin	3,373 0	0 0	0 0	3,373 0	3,410 0	(37 0)	Salary Risk Mgmt Information Services adjustments (+ \$42 2), transfer of (\$15 0) to AJT to provide support to Mental Health/DI Administration positions, Decrement (\$64 2) to reduce administrative costs through reorganization efficiencies.
NOIDD Services	Alaska Psychiatric Institute	5,950 3	0 0	0 0	5,950 3	5,850 0	100 3	Salary Risk Mgmt Information Services adjustments (+ \$85 3), transfer in \$15 0 from Mental Health/DI Admin.
NOIDD Services	Harborview Developmental Center	2,150 8	1,695 0	0 0	3,845 8	4,375 0	(529 2)	Salary Risk Mgmt Info Svcs adjust (+ \$55 8), Decrement (\$585 0) 2nd yr plan Harborview closure, transfer (\$1695 0) GF/MH for Seardough Discharge, Respite Care, Sr Svcs Support, Infant Learning, Dually Diagnosed Svcs, add \$1695 0 NOI Repts to replace GF/MH
Medicaid Community Mental Health Grants	Medicaid Community Mental Health Grants	0 0	0 0	0 0	0 0	1,000 0	(1,000 0)	In the Governor's FY97 budget, the \$1,000 0 was transferred into the Medicaid Assistance BRU, Medicaid Services Component, to eliminate the confusion of federal funds in one appropriation and the state matching funds in another.
Mental Health Trust Boards	Alaska Mental Health Board	182 9	0 0	0 0	182 9	179 0	3 9	Salary Risk Mgmt Adjustments
Mental Health Trust Boards	Advisory Board on Alcoholism and Drug Abuse	334 7	0 0	0 0	334 7	331 8	2 9	Salary Risk Mgmt Adjustments
Health and Social Services Totals		101,752 1	1,945 0	0 0	103,697 1	106,967 3	(3,270 2)	

Comparison of AMHTA Mental Health Funding Recommendations with
Governor's FY97 Mental Health Operating Request

IRU	COMPONENT	97 GOV GF/MH 1037	97 GOV MHTA Auth Rept 1092	97 GOV MHT Admin Repts 1094	Total 97 GOV MHT	Total 97 AMHTA Mental Health Recommendation	Difference FY97 Governor and FY97 AMHTA	Summary of Change
DEPARTMENT OF LAW (one component only)								
Civil Division	General Legal Services	67.2	0.0	0.0	67.2	66.2	1.0	Formerly Legal Services IRU/ Operations Component. Salary/Risk Management Adjustments
DEPARTMENT OF REVENUE (one component only)								
Alaska Mental Health Trust Authority	Alaska Mental Health Trust Authority	0.0	0.0	893.5	893.5	893.5	0.0	BUDGET AMENDMENT-- switch from general operating appropriations bill to the comprehensive mental health bill
UNIVERSITY OF ALASKA (one component only)								
University of Alaska Anchorage	Anchorage Campus	200.0	0.0	0.0	200.0	200.0	0.0	AMHTA base funding level adopted by Governor
ALASKA COURT SYSTEM (one component only)								
Alaska Court System	Trial Courts	39.3	0.0	0.0	39.3	39.3	0.0	AMHTA base funding level adopted by Governor
GRAND TOTALS		100,851.3	1,945.0	893.5	111,689.8	116,450.7	(4,760.9)	

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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

January 12, 1996

The Honorable Drue Pearce
President of the Senate
Alaska State Legislature
State Capitol
Juneau, AK 99801-1182

Dear President Pearce:

This year, I am transmitting two appropriations bills for operating and loan program expenses for fiscal year 1997. One is the first separate mental health program bill as required by AS 37.14.003 and AS 37.14.005. This bill is for all other government operations, including the Legislature and Court System budgets prepared by those two branches of government as well as the executive branch budgets for which I am responsible.

In putting together the fiscal year 1997 operating budget, my overriding concern was to provide a safe landing as we make the transition toward a balanced budget. Taken together, the bills represent a \$40 million or 1.6 percent decrease from current year spending from the "pure" general fund. Thirty-five million dollars of this is in direct expenditure reductions and five million is a shift from oil dollars to user payments. Both reductions help close the fiscal gap. My budget meets the state's basic responsibilities to its citizens and is consistent with the Long Range Financial Planning Commission's recommendations.

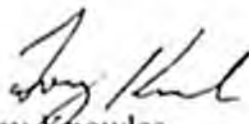
For the first time in decades, the state's formula programs (which account for 51% of the FY97 operating budget) will not increase, thanks to aggressive management efforts, a healthy economy and several proposed budget cuts. Formula programs have historically experienced tremendous cost increases due to federal mandates, new program activities, growth in the populations being served and inflation. My 1997 proposed budget for formula programs is actually a very small decrease--0.6 percent--from FY96. Within this, we have fully funded the K-12 education formula. The welfare reform legislation presented to you this week will direct savings from caseload

The Honorable Drue Pearce
January 12, 1995
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reductions to get more people back to work so we can achieve even greater savings in the next five years. The budget proposes income limits for eligibility to receive Longevity Bonus payments and reduces some programs of state aid to local communities.

The challenge of saying "no" to today's wants so we can say "yes" to our children's needs will grow more difficult as the state's oil revenues decline. The changes I am proposing are not easy. They require leadership and commitment from Alaska's political leaders. I stand ready to work with you in meeting this challenge.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Knowles". The signature is fluid and cursive, with a large initial "T" and "K".

Tony Knowles
Governor