

HB

76

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 4/4/97

FURTHER: REPORTED OUT OF
SFC 4/14/97

DATE TURNED
IN TO OFFICE: 4/14/97

Finance Committee considered CS FOR HOUSE BILL NO. 75(FIN) am(brf sup maj pfl'd)

APPROPRIATIONS: OPERATING BUDGET

and recommends:

be replaced with 5 CSCSHB 75 (FIN)

adopt previous CS ()

attached amendment(s)

adopt Letter of Intent by Committee

further referral to the Committee

Senate Bill:
 same title
 new title
House Bill:
 same title
 technical change
 new: SCR#

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Paul E. Cell</i>	✓	<i>Al Adams</i>		X	
<i>Sam H. ...</i>	✓				
<i>John ...</i>	✓				
<i>David ...</i>	✓				
Co-Chair: <i>Pat ...</i>	✓	Co-Chair:			
Co-Chair: <i>George ...</i>	✓	Co-Chair:			

NEW FISCAL NOTE(S):

Department Date Zero Fiscal

PREVIOUS FISCAL NOTE(S):*

Department Date Zero Fiscal

APPROPRIATION -- no fiscal note

*include fiscal notes accompanying Governor's bill

Fiscal Year 1998 Budget Summary by Funding Source

Funding Source	Operating	New Legislation	Total
General Fund / Mental Health	108,705,900		108,705,900
Mental Health Trust Authority Authorized	5,613,600		5,613,600
Receipts			
Mental Health Trust Administration	887,600		887,600
*** Total ***	\$115,207,100		\$115,207,100

1 * Sec. 3 The following appropriation items are for operating expenditures from the general fund or
 2 other funds as set out in the fiscal year 1998 budget summary for the operating budget by funding
 3 source to the agencies named for the purposes expressed for the fiscal year beginning July 1, 1997 and
 4 ending June 30, 1998, unless otherwise indicated.

	Appropriation	General	Other
	Allocations	Funds	Funds

	***** Department of Administration *****		

10 Senior Services	2,908,900	2,501,700	407,200
11 Pioneers Homes	455,600		
12 Home and Community Based Care	2,278,800		
13 Protection, Community	174,500		
14 Services, and Administration			
15 Office of Public Advocacy	616,600	616,600	
16 Information Technology	-400	-400	

	***** Department of Corrections *****		

20 Administration & Operations	3,435,200	3,435,200	
21 Inmate Health Care	3,065,900		
22 Inmate Programs	369,300		

	***** Department of Education *****		

26 Teaching and Learning Support	227,500	227,500	
27 Quality Schools	227,700		
28 Information Technology	-200		

	***** Department of Health and Social Services *****		

32 Medical Assistance	31,083,800	29,933,800	1,150,000

1	Appropriation	General	Other
2	Allocations	Items	Funds
3	Funds	Funds	Funds
4 Medicaid Non-Facility	13,868,700		
5 It is the intent of the Legislature that the Medical Assistance Division provide to adults the			
6 services numbered six through 31, as prioritized in AS 47.07.035, which includes eyeglasses, hearing			
7 aids and dental care. The Legislature assumes the rate of growth in the Medicaid formula will not			
8 exceed 7.0% in the fiscal year 1998. Additionally the Legislature assumes that the Division will			
9 manage costs through regulations limiting scope, duration and amount of services, as well as through			
10 implementation of managed care initiatives. Specifically, it is the intent of the Legislature that			
11 the Division will: implement mental health prior authorization; implement changes to scope of			
12 mental health services; realize full-year savings from resource-based relative value scale			
13 rate-setting; realize full-year savings from new facility reimbursement rates; implement			
14 preadmission screening for nursing homes; implement three managed care initiatives; conduct on-site			
15 medical reviews; initiate additional cooperation with IHS/Medicaid program; and, work with community			
16 mental health providers to maintain service at fiscal year 1997 levels. The Division will produce,			
17 in cooperation with the Division of Mental Health and Developmental Disabilities, a complete			
18 reporting of beneficiaries, costs, and outcomes for the entire mental health system, and			
19 specifically how Medicaid costs and outcomes contribute to that system. Furthermore, the			
20 Legislature assumes that 125 legal aliens will no longer qualify for Medicaid services during the			
21 last half of fiscal year 1998 due to changes in federal law. The average cost per year, per			
22 Medicaid recipient is approximately \$4,000, resulting in a \$250 thousand general fund savings.			
23 Finally, it is the intent of the Legislature that the Division of Medical Assistance provide a full			
24 accounting of the state resources made available in fiscal years 1996 and 1997 to the 28 children			
25 expected to participate in the seriously emotionally disturbed TEFRA option.			
26 Medicaid Facilities	12,648,400		
27 Waivers Services	4,566,700		
28 Public Assistance Administration		24,000	24,000
29 Purchased Services		5,069,900	5,069,900
30 Foster Care Augmented Rate	400,000		
31 Foster Care Special Need	747,900		
32 Foster Care Alaska Youth	400,000		
Initiative			

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	Residential Child Care	3,522,000		
4	Family and Youth Services	81,000	81,000	
5	Northern Region			
6	Youth Facility Services	143,700	143,700	
7	McLaughlin Youth Center	62,100		
8	Fairbanks Youth Facility	81,600		
9	Maniilaq	872,400	872,400	
10	Maniilaq Alcohol and Drug	522,400		
11	Abuse Services			
12	Maniilaq Mental Health and	350,000		
13	Developmental Disabilities			
14	Services			
15	Norton Sound	732,900	732,900	
16	Norton Sound Public Health	98,300		
17	Services			
18	Norton Sound Alcohol and Drug	232,200		
19	Abuse Services			
20	Norton Sound Mental Health	402,400		
21	and Developmental			
22	Disabilities Services			
23	Southeast Alaska Regional Health	265,800	265,800	
24	Consortium			
25	Southeast Alaska Regional	140,600		
26	Health Consortium Alcohol and			
27	Drug Abuse			
28	Southeast Alaska Regional	125,200		
29	Health Consortium Mental			
30	Health Services			
31	Tanana Chiefs Conference	737,200	737,200	

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Tanana Chiefs Conference	202,400		
4	Alcohol and Drug Abuse			
5	Services			
6	Tanana Chiefs Conference	534,800		
7	Mental Health Services			
8	Tlingit-Haida Alcohol and Drug	6,000	6,000	
9	Abuse Services			
10	Yukon-Kuskokwim Health	1,325,900	1,325,900	
11	Corporation			
12	Yukon-Kuskokwim Health	418,500		
13	Corporation Alcohol and Drug			
14	Abuse Services			
15	Yukon-Kuskokwim Health	907,400		
16	Corporation Mental Health			
17	Services			
18	State Health Services	4,080,100	3,676,900	403,200
19	Maternal, Child, and Family	93,600		
20	Health			
21	Healthy Families	250,000		
22	It is the intent of the legislature that the Kenai program be continued.			
23	Community Health/Emergency	133,200		
24	Medical Services			
25	Infant Learning Program Grants	3,603,300		
26	Alcohol and Drug Abuse Services	11,341,800	10,572,500	769,300
27	Administration	1,120,800		
28	Alcohol and Drug Abuse Grants	8,264,700		
29	Correctional ADA Grant	331,500		
30	Services			
31	Rural Services Grants	1,624,800		
32	Community Mental Health Grants	25,432,000	24,793,000	639,000

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	General Community Mental	935,800		
4	Health Grants			
5	Psychiatric Emergency Services	5,726,100		
6	Services to the Chronically	10,918,700		
7	Mentally Ill			
8	Designated Evaluation and	1,046,300		
9	Treatment			
10	Services for Seriously	6,805,100		
11	Emotionally Disturbed Youth			
12	Community Developmental	19,046,800	18,905,200	141,600
13	Disabilities Grants			
14	Institutions and Administration	4,855,000	3,801,900	1,053,100
15	Mental Health/Developmental	3,040,900		
16	Disabilities Administration			
17	Harborview Development Center	1,814,100		
18	Mental Health Trust Boards	772,300	711,300	61,000
19	Alaska Mental Health Board	376,700		
20	Governor's Council on	60,000		
21	Disabilities and Special			
22	Education			
23	Advisory Board on Alcoholism	335,600		
24	and Drug Abuse			
25	Administrative Services	5,700	-44,300	50,000
26	Commissioner's Office	50,000		
27	Information Technology	-44,300		
28	*****	*****		
29	***** Department of Law *****			
30	*****	*****		
31	Human Services Section	60,600	60,600	

1		Appropriation	General	Other
2	Allocations	Items	Funds	Funds
3	*****	*****		
4	***** Department of Natural Resources *****			
5	*****	*****		
6	Mental Health Trust Lands	765,200		765,200
7	Administration			
8	*****	*****		
9	***** Department of Revenue *****			
10	*****	*****		
11	Alaska Mental Health Trust	887,600		887,600
12	Authority			
13	*****	*****		
14	***** University of Alaska *****			
15	*****	*****		
16	University of Alaska	350,300	200,300	150,000
17	Information Technology	-500		
18	Anchorage Campus	350,800		
19	*****	*****		
20	***** Alaska Court System *****			
21	*****	*****		
22	Trial Courts	79,300	79,300	
23	* Sec. 4 The following sets out the funding by agency for the appropriations made in Sec. 3 of this			
24	Act.			
25	Department of Administration			
26	General Fund / Mental Health	3,117,900		
27	Mental Health Trust Authority Authorized	407,200		
28	Receipts			
29	*** Total Agency Funding ***	\$3,525,100		
30	Department of Corrections			
31	General Fund / Mental Health	3,435,200		
32	*** Total Agency Funding ***	\$3,435,200		

1	Department of Education	
2	General Fund / Mental Health	227,500
3	*** Total Agency Funding ***	\$227,500
4	Department of Health and Social Services	
5	General Fund / Mental Health	101,585,100
6	Mental Health Trust Authority Authorized	4,291,200
7	Receipts	
8	*** Total Agency Funding ***	\$105,876,300
9	Department of Law	
10	General Fund / Mental Health	60,600
11	*** Total Agency Funding ***	\$60,600
12	Department of Natural Resources	
13	Mental Health Trust Authority Authorized	765,200
14	Receipts	
15	*** Total Agency Funding ***	\$765,200
16	Department of Revenue	
17	Mental Health Trust Administration	887,600
18	*** Total Agency Funding ***	\$887,600
19	University of Alaska	
20	General Fund / Mental Health	200,300
21	Mental Health Trust Authority Authorized	150,000
22	Receipts	
23	*** Total Agency Funding ***	\$350,300
24	Alaska Court System	
25	General Fund / Mental Health	79,300
26	*** Total Agency Funding ***	\$79,300
27	***** Total Budget *****	\$115,207,100

28 (SEC. 5 OF THIS ACT BEGINS ON PAGE 11)

1 * Sec. 5 The following appropriation items are for capital projects and grants from
 2 the general fund or other funds as set out in Section 6 of this act by funding
 3 source to the agencies named for the purposes expressed and lapse under AS
 4 37.25.020, unless otherwise noted.

	Appropriation	General	Other
	Allocations	Items	Fund
			Funds
5			
6			
7	* * * * *	* * * * *	
8	* * * * * Department of Administration	* * * * *	
9	* * * * *	* * * * *	
10	Mental Health Capital Amendment -	105,000	105,000
11	Complete Special Care Units in		
12	Sitka and Palmer Pioneer Homes		
13	Dementia Units (ED 99)		
14	* * * * *	* * * * *	
15	* * * * * Department of Health and Social Services	* * * * *	
16	* * * * *	* * * * *	
17	Mental Health Capital Amendment -	375,000	187,500
18	Client Data Integration Project		
19	(ED 99)		
20	Mental Health Capital Amendment -	480,000	480,000
21	Hope Cottages Intermediate Care		
22	Facilities (ED 99)		
23	Mental Health Capital Amendment -	300,000	300,000
24	Competitive Grants for Mental		
25	Health Trust Beneficiaries -		
26	Program Facility Modifications		
27	(ED 99)		
28	Mental Health Capital Amendment -	250,000	250,000
29	Competitive Grants for Mental		
30	Health Trust Beneficiaries - ADA		
31	(ED 99)		
32	Mental Health Capital Amendment -	150,000	75,000
33	Competitive Grants for Mental		
34	Health Trust Beneficiaries -		
35	Equipment (ED 99)		
36	Mental Health Capital Amendment -	1,800,000	1,800,000
37	Beneficiary and Special Needs		
38	Housing Program (ED 99)		

1	Appropriation	General	Other
2	Allocations	Fund	Funds
3	* * * * *	* * * * *	
4	* * * * * Department of Natural Resources	* * * * *	
5	* * * * *	* * * * *	
6	Mental Health Capital Amendment -	460,000	460,000
7	Trust Land Office (ED 99)		
8	* * * * *	* * * * *	
9	* * * * * Department of Transportation/Public Facilities	* * * * *	
10	* * * * *	* * * * *	
11	Mental Health Capital Amendment -	150,000	75,000
12	Competitive Grants for		75,000
13	Beneficiary Transportation and		
14	Vehicles (ED 99)		
15	* Sec. 6 The following sets out the funding by agency for the appropriations made		
16	in Section 5 of this act.		
17	Department of Administration		
18	Mental Health Trust Authority Authorized Receipts	52,500	
19	Alaska Housing Finance Corporation Receipts	52,500	
20	*** Total Funding ***	\$105,000	
21	Department of Health and Social Services		
22	General Fund / Mental Health	262,500	
23	Mental Health Trust Authority Authorized Receipts	902,500	
24	Alaska Housing Finance Corporation Receipts	2,190,000	
25	*** Total Funding ***	\$3,355,000	
26	Department of Natural Resources		
27	Mental Health Trust Authority Authorized Receipts	460,000	
28	*** Total Funding ***	\$460,000	
29	Department of Transportation/Public Facilities		
30	General Fund / Mental Health	75,000	
31	Mental Health Trust Authority Authorized Receipts	75,000	
32	*** Total Funding ***	\$150,000	
33	The following summarizes the funding sources for the appropriations made in Section		
34	5 of this act.		
35	General Fund / Mental Health	337,500	
36	Mental Health Trust Authority Authorized Receipts	1,490,000	
37	Alaska Housing Finance Corporation Receipts	2,242,500	
38	* * * * * Total Budget * * * * *	\$4,070,000	

1 * Sec. 7 This act takes effect July 1, 1997.

HB 76 #1

AMENDMENT
to
CS HB76(FIN)

For the Senate Finance Committee

BY SENATOR PARNELL

Page 1, line 8, following "RECEIPTS"

INSERT

(a) Mental Health Trust Authority authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the amounts appropriated by this Act, not to exceed a cumulative total of \$1,700,000, are appropriated conditioned upon compliance with the program review provisions of AS 37.07.080(h).

(b)

AMENDMENT

OFFERED IN THE SENATE

moved BY SENATOR PARNELL
w/o objection adopted

TO: SENATE (Fin) CSHB76(Fin)

Department of Transportation and Public Facilities

Mental Health Capital Amendment - Competitive Grants for Beneficiary
Transportation and Vehicles

Delete: Mental Health Trust Administration	75.0
Insert: Mental Health Trust Authority Authorized Receipts	75.0

HB 76 #3

AMENDMENT

to
CS HB76(FIN)

Offered in the Senate Finance Committee

moved BY SENATOR PARNELL
w/o objection adopted

ADD

Department: Health and Social Services
BRU: Public Assistance Administration
Component: Public Assistance Administration

\$24.0 MHTAAR

HB 76 # 4

AMENDMENT

IN THE SENATE FINANCE COMMITTEE
TO SCS HB 76 (FIN)

moved BY SENATOR SHARP
w/o objection adopted

Add component to Section 5 (Operating)

Department:	Health and Social Services		
BRU:	Alcohol and Drug Abuse Services		
Component:	Alcohol and Drug Abuse Grants - Chronic Alcoholics Domiciliary Care Facilities	200.0	MHTAAR 1092

This amendment has no net effect on the Department's General Fund budget cap.

AMENDMENT

*moved by Sen. Parnell
w/o objection adopted*

OFFERED IN THE SENATE

TO: CSHB 76(FIN)

1 Page 1, line 8, following "RECEIPTS.":

2 Insert

3 "(a) Mental Health Trust Authority authorized receipts (AS 37.14.036) or
4 administration receipts (AS 37.14.036) that exceed the amounts appropriated by this Act, not
5 to exceed a cumulative total of \$1,700,000, are appropriated conditioned upon compliance
6 with the program review provisions of AS 37.07.080(h). It is the intent of the legislature that
7 requests for approval of revised programs may be submitted to the Legislative Budget and
8 Audit Committee through the program review process established under AS 37.07.080(h), and
9 that the revised programs be limited to only those items of an emergency nature, such as the
10 loss of funds if action is not taken until the next session of the legislature. Unless the
11 legislature has expressly provided through legislative intent that a revised program be
12 submitted to the Legislative Budget and Audit Committee for a particular agency or program,
13 the Legislative Budget and Audit Committee program review process should not be used to
14 restore funding for budget reductions made by the Twentieth Alaska State Legislature or for
15 program enhancements that must be considered by the full legislature at the next session of
16 the legislature. Requests for capital budget items should be limited to requests for review of
17 emergency items, such as flood damage repair from new federal funds. The Legislative
18 Budget and Audit Committee program review process should not be used to establish new
19 capital projects or to change funding sources for existing capital projects; such requests
20 should be held for consideration by the full legislature during the regular capital appropriation
21 process.

22 (b)"

HB 76 #6

4/14

D-GH0052\F.1
Utermohle
4/14/97

(JC)

w/o objection, adopted

AMENDMENT

OFFERED IN THE SENATE

TO: Draft SCS CSHB 76(FIN) ("F" Version, Dated 4/13/97)

- 1 Page 2, line 16, through page 3, line 5:
- 2 Delete all material.
- 3 Renumber the following bill sections accordingly.
- 4 Page 3, line 6:
- 5 Delete "SECTION 5"
- 6 Insert "SECTION 3"
- 7 Delete "PAGE 5"
- 8 Insert "PAGE 4"