

LEG. FINANCE - BILLS 1975 - 1976 575

SB 539 cont., thru CSSB 547

1 shall refund 10 per cent of the amount of tax collected under this
2 chapter on the processing of the raw fishery resources to that city
3 and 10 per cent to the borough. If the raw fishery resources are
4 not landed within the boundaries of any first class city or organized
5 borough but the raw fishery resources are processed within the boundaries
6 of a first class city in a borough, the department shall refund
7 10 per cent of the amount of tax collected under this chapter
8 on the processing of the raw fishery resource to that city and 10
9 per cent to the borough.

10 * Sec. 2. AS 43.75 is amended by adding a new section to read:

11 Sec. 43.75.140. DEFINITIONS. In this chapter

12 (1) "department" means the Department of Revenue;

13 (2) "landed" means the first place where the raw fishery
14 resource is off-loaded on to the shore or to another facility attached
15 to the shore or to another floating vessel;

16 (3) "raw fishery resource" means raw halibut, halibut
17 livers and viscera, salmon, bottom fish, shellfish, clams or other
18 fish.

19 * Sec. 3. AS 43.75.135 is repealed.

20 * Sec. 4. This Act is retroactive to January 1, 1976.

21 * Sec. 5. This Act takes effect immediately in accordance with
22 AS 01.10.070(c).

Introduced: 1/19/76
Referred: Community and
Regional Affairs and
Finance

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IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

SENATE BILL NO. 539

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to refunds of Alaska Fishery Taxes
to local governments; and providing for an effective
date."

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

* Section 1. AS 43.75.130 is repealed and re-enacted to read:

Sec. 43.75.130. REFUND TO LOCAL GOVERNMENTS. (a) If raw
fishery resources are landed within the boundaries of an organized
borough but outside the boundaries of a first class city within
that borough, or if the raw fishery resources are landed within
the boundaries of a first class city in the unorganized borough,
the department shall refund 20 per cent of the tax collected under
this chapter on the processing of the raw fishery resources to that
borough or city where it was landed. If, however, the raw fishery
resources are not landed within the boundaries of any first class
city or organized borough but are processed within the boundaries
of an organized borough and outside the boundaries of a first class
city within that borough, or are processed in a first class city
in the unorganized borough, then the department shall refund 20
per cent of the tax collected under this chapter on the processing
of the raw fishery resources to that borough or city where it was
processed.

(b) If raw fishery resources are landed within the boundaries
of a first class city in an organized borough, the department

1 shall refund 10 per cent of the amount of tax collected under this
2 chapter on the processing of the raw fishery resources to that city
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Introduced: 1/19/76
Referred: Community and
Regional Affairs and
Finance

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BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 539

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

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16 the boundaries of a first class city in the unorganized borough,
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18 this chapter on the processing of the raw fishery resources to that
19 borough or city where it was landed. If, however, the raw fishery
20 resources are not landed within the boundaries of any first class
21 city or organized borough but are processed within the boundaries
22 of an organized borough and outside the boundaries of a first class
23 city within that borough, or are processed in a first class city
24 in the unorganized borough, then the department shall refund 20
25 per cent of the tax collected under this chapter on the processing
26 of the raw fishery resources to that borough or city where it was
27 processed.

28 (b) If raw fishery resources are landed within the boundaries
29 of a first class city in an organized borough, the department

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RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

2/8/90
Date

"An Act making a supplemental appropriation to the Department of Administration, Teachers' Retirement System match; and providing for an effective date."

COMMITTEE REPORT

2/2/76

HOUSE

Mr. Speaker:

Date 2-12-76

The Committee on FINANCE has had SB 501

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

Introduced: 1/19/76
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 541

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Administration, Teachers' Retirement
8 System match; and providing for an effective date."

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

10 * Section 1. The sum of \$2,691,000 is appropriated from the general
11 fund to the Department of Administration, Teachers' Retirement System
12 match.

13 * Sec. 2. This Act takes effect immediately in accordance with AS 01.-
14 10.070(c).

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JAN 16 1976

SB 541

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill making a supplemental appropriation to the Department of Administration, Teachers' Retirement System match. This supplemental for TRS match is required because needs were underestimated in both FY 75 and Fy 76. In FY 75 actual payroll was underestimated. This carried forward into FY 76 and was compounded by an increase in the rate from 5.61 per cent to 6.04 per cent.

Sincerely,

Jay S. Hammond
Governor

MEMORANDUM

State of Alaska

TO: Richard Freer
Deputy Commissioner
Department of Administration

DATE: December 8, 1975

FILE NO:

SB 541

TELEPHONE NO:

465-4460

FROM: Robert S. Gates, Director
Division of Retirement and Benefits
Department of Administration

SUBJECT: Supplemental Appropriation
for Teachers Retirement

We have discussed on several occasions the apparent need for a supplemental appropriation to provide sufficient monies to comply with the provisions of AS 14.25.080. The amount of money required is \$2,690,975 which represents \$641,605 needed for Fiscal Year 75 and \$2,049,370 which will be needed for the current fiscal year.

Historically it has been extremely difficult to estimate what the required state matching contributions will have to be in a given year. This is primarily due to the fact that the total payroll which is subject to these contributions is very unpredictable due to the myriad of collective bargaining contracts which affects such salaries. Also, it is difficult to project how many new employees might be hired by a district during a given year.

The \$641,605 shortfall for FY 75 is primarily due to underestimating what the actual payroll would be for that fiscal year. The amount requested is based on actual contributions received into the system through June 30, 1975.

The \$2,049,370 being requested for FY 76 is a result of several factors. Since we underestimated actual salaries for FY 75 then our projected salaries for FY 76 was likewise underestimated since we project future salaries based on an estimated percentage increase from current salary figures. Also part of the amount is due to the fact that the Department of Education and State Operated Schools were instructed when they were preparing their FY 76 budget to request an amount equal to 5.61% of their personal services budget for the Teachers Match. As it turned out, effective July 1, 1975 instead of the estimated 5.61% the actual percent required was 6.04%. The difference between 6.04% and the 6.32% which is being charged presently was the result of legislation which was passed and for which additional monies were appropriated.

It is our understanding that the teachers in the Anchorage Borough School District will have a salary increase in the neighborhood of 21% during the current year and also substantial increases were granted to members of the University of Alaska and Community Colleges. You will note that we are estimating a 16% overall salary increase for the current fiscal year which may still be on the low side compared to the total salary increases given. If our estimate of 16% is low then it will necessitate again requesting another supplemental appropriation during FY 77 to make up the shortfall.

The following is a breakdown of our figures showing how we arrived at the amount needed for our request:

FY 75 Actual Payroll	\$ 92,647,000	(Does not include SOS & DOE)
Matching @5.61%	X 5.61	
Reg. Match	<u>5,197,496</u>	
FY 75 monies appropriated	4,555,891	
Shortfall FY 75	\$ <u>641,605</u>	

FY 75 actual payroll	\$ 92,647,000
plus SOS and DOE	<u>22,053,000</u>
Total payroll FY 75	\$114,700,000
Est salary increase during FY 76 @16%	X 1.16
Estimated FY total salary	<u>\$133,052,000</u>
Matching @6.82%	X 6.82
Required matching amount for FY 76	\$ 9,074,146

FY 76 appropriation	\$ 5,062,800
Monies transferred from SOS Budget	+1,129,400
Monies transferred from DOE Budget	+ 121,176
Monies appropriated under SB46	+ 711,400
Total monies available	<u>\$ 7,024,776</u>

Required matching amount for FY 76	\$ 9,074,146
Total monies available	<u>- 7,024,776</u>
Supplemental appropriation needed for FY 76	2,049,370
Supplemental appropriation needed for FY 75	641,605
Total supplemental needed	<u>\$ 2,690,975</u>

If you need any additional information I would appreciate hearing from you.

STATE
of ALASKA

MEMORANDUM

TO:

FILE

DATE : January 7, 1976

FROM: *gc*Judy Crondahl, Budget Analyst
Division of Budget and Management
Department of AdministrationSUBJECT: Department of Administration FY 76
Supplemental Request of \$2,961,000
for Teachers' Retirement System
Match

The Department of Administration requests a supplemental appropriation for the Teachers' Retirement System Match BRU for FY 76 in the amount of \$2,961,000. There are two major causes for this supplemental: one is an underestimate of total payroll for FY 75 which is compounded in FY 76; and the other is an increase in the rate from 5.61% to 6.04%. The attached memo from Bob Gates, dated 12/8/75, details the resulting cost estimates.

JC/lw
attachment



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

2/8/90
Date

COMMITTEE REPORT

SENATE

1/19/76

Mr. President:

Date 1/26/76

The Committee on FINANCE has had SB 541 supplemental appropriation for Teachers' Retirement System under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
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_____	_____	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

JAN 16 1976

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Juneau, Alaska 99811

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State of Alaska

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Deputy Commissioner
Department of Administration

FROM: Robert S. Gates, Director
Division of Retirement and Benefits
Department of Administration

DATE: December 8, 1975

FILE NO:

SB 541

TELEPHONE NO: 465-4460

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Total monies available	\$ <u>7,024,776</u>

Required matching amount for FY 76	\$ 9,074,146
Total monies available	<u>- 7,024,776</u>
Supplemental appropriation needed for FY 76	2,049,370
Supplemental appropriation needed for FY 75	641,605
Total supplemental needed	\$ <u>2,690,975</u>

If you need any additional information I would appreciate hearing from you.

STATE
of ALASKA

MEMORANDUM

TO:

FILE

DATE : January 7, 1976

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Division of Budget and Management
Department of AdministrationSUBJECT: Department of Administration FY 76
Supplemental Request of \$2,961,000
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JC/lw
attachment

Introduced: 1/19/76
Referred: Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

SENATE BILL NO. 541

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

NINTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act making a supplemental appropriation to the
7 Department of Administration, Teachers' Retirement
8 System match; and providing for an effective date."

9

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

10

* Section 1. The sum of \$2,691,000 is appropriated from the general
11 fund to the Department of Administration, Teachers' Retirement System
12 match.

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* Sec. 2. This Act takes effect immediately in accordance with AS 01.-
14 10.070(c).

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Introduced: 1/19/76
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 541

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4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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JAN 16 1976

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State of Alaska

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Deputy Commissioner
Department of Administration

DATE: December 8, 1975

FILE NO: SB 541

TELEPHONE NO: 465-4460

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Division of Retirement and Benefits
Department of Administration

SUBJECT: Supplemental Appropriation
for Teachers Retirement

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Reg. Match	5,197,496	
FY 75 monies appropriated	4,555,891	
Shortfall FY 75	\$ 641,605	

FY 75 actual payroll	\$ 92,647,000
plus SOS and DOE	22,053,000
Total payroll FY 75	\$114,700,000
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Monies transferred from SOS Budget	+1,129,400
Monies transferred from DOE Budget	+ 121,176
Monies appropriated under SB46	+ 711,400
Total monies available	\$ 7,024,776

Required matching amount for FY 76	\$ 9,074,146
Total monies available	- 7,024,776
Supplemental appropriation needed for FY 76	2,049,370
Supplemental appropriation needed for FY 75	641,605
Total supplemental needed	\$ 2,690,975

If you need any additional information I would appreciate hearing from you.

MEMORANDUM

TO:

FILE

DATE : January 7, 1976

FROM:

Judy Crondahl, Budget Analyst
Division of Budget and Management
Department of Administration

SUBJECT: Department of Administration FY 76
Supplemental Request of \$2,961,000
for Teachers' Retirement System
Match

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JC/lw
attachment



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James O. Smith
Signature of Camera Operator

2/8/90
Date

COMMITTEE REPORT

2/12/76

SENATE

Mr. President:

Date 3/24/76

The Committee on FINANCE has had CSSB 542

relating to medical assistance for needy persons under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends: _____
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

_____ Chairman

Original sponsor: Rules Committee by
request of the Governor

Offered: 2/12/76
Referred: Finance

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2

CS FOR SENATE BILL NO. 542

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

NINTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act relating to medical assistance for needy
7 persons; and providing for an effective date."

8

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

9

* Section 1. AS 47.07.020(b) is amended by adding a new paragraph to read

10

(6) persons in a medical or intermediate care facility whose
11 income while in the facility does not exceed 300 per cent of the supple-
12 mental security income benefit rate under title XVI of the Social
13 Security Act but who would not be eligible for an optional state sup-
14 plementary payment if they left the hospital or other facility.

15

* Sec. 2. AS 47.07.030 is amended to read:

16

Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services
17 to be offered to eligible persons include inpatient hospital, outpatient
18 hospital, laboratory and X-ray, inpatient psychiatric hospital for
19 persons age 65 or older and persons under age 21, skilled and inter-
20 mediate nursing home, physician, home health care services, early
21 peridic screening diagnosis and treatment of persons under 21 years
22 of age, clinic services, and reasonable transportation to and from the
23 point of medical care. No additional services may be provided unless
24 approved by the legislature.

25

* Sec. 3. AS 47.07.080 is amended by adding a new paragraph to read:

26

(3) "clinic services" means services which are restricted
27 to state-approved outpatient community mental health services which
28 receive grants under AS 47.30.520 - 47.30.620 and state-operated mental
29 health clinics.

1 * Sec. 4. Sec. 1 of this Act takes effect immediately in accordance with
2 AS 01.10.070(c).

3 * Sec. 5. Secs. 2 and 3 of this Act take effect July 1, 1976.
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Introduced: 1/19/76
Referred: Health, Education
and Social Services and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE BILL NO. 542

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical assistance for needy
7 persons; and providing for an effective date."

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

9 * Section 1. AS 47.07.020(b) is amended by adding a new paragraph to
10 read:

11 (6) persons in a general hospital, skilled nursing facility
12 or intermediate care facility whose income while in the facility does
13 not exceed 300 per cent of the supplemental security income benefit
14 rate under title XVI of the Social Security Act but who would not be
15 eligible for an optional state supplementary payment if they left the
16 hospital or other facility.

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18 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical ser-
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20 outpatient hospital, laboratory and X-ray, inpatient psychiatric
21 hospital for persons age 65 or older and persons under age 21, skilled
22 and intermediate nursing home, physician, home health care services,
23 early periodic screening diagnosis and treatment of persons under 21
24 years of age, prescribed drugs, clinic services, and reasonable trans-
25 portation to and from the point of medical care. No additional ser-
26 vices may be provided unless approved by the legislature.

27 * Sec. 3. AS 47.07.080 is amended by adding a new paragraph to read:

28 (3) "clinic services" means services which are restricted
29 to state-approved outpatient community mental health services, out-

1 patient alcoholism and alcohol abuse services and outpatient drug
2 abuse services.

3 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
4 10.070(c).

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Introduced: 1/19/76
Referred: Health, Education
and Social Services and
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1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

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4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

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24 years of age, prescribed drugs, clinic services, and reasonable trans-
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THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
 Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill No. 542
 Title: "An Act relating to medical assistance for needy persons; and providing for an
 effective date: Requested by: the Governor Date: January 30, 1976
 Return Date Requested: _____
 Agency: Health & Social Services Program: Medicaid

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Medicaid-Contractual; General Relief-Medicaid-Contractual; State-Operated Community Mental Health Services; Community-Operated Mental Health Services

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	156.7	616.7	1,023.9	1,294.3	1,453.9	1,691.3
TOTAL	156.7	616.7	1,023.9	1,294.3	1,453.9	1,691.3

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	156.7	616.7	1,023.9	1,294.3	1,453.9	1,691.3
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	0/	0/	0/	0/	0/	0/
MAN MONTHS (P./T.)	0/	0/	0/	0/	0/	0/

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

This fiscal Note on Senate Bill No. 542 does not include any monies for the drug option. The position paper on this bill requests that the bill be amended to delete the drug option from Medicaid services.

See attachments for analysis of Fiscal Note.

IV. ATTACHMENTS

V. DATE: 30 1976 PREPARED BY: William G. [Signature]

Original: Legislative Finance
 cc: Budget and Management
 Print Sponsor (First Legislator Name)

FY note on 85

74

Analysis for Fiscal Note
on
Senate Bill No. 542

Addition of new group of Medicaid eligibles

Assumptions and Calculations

This bill would make it possible for the State of Alaska to extend Medicaid to aged, blind and disabled persons who are in Long Term Care Facilities.

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-
There are presently 35 cases that would be affected by this bill. Payment for care of these recipients is currently funded by General Relief-Medical, a state funded program. Therefore, if the bill is passed by March 31, 1975 the state could claim 50% of the \$313,390, (cost of care for 35 persons in long term care facilities during last two quarters of FY-76), in federal matching funds. No additional expenditures by the state will be necessary because funds for care of these individuals is budgeted in the General Relief-Medical BRU.

Projected costs were determined using the following formula:

FY-76 35 cases X \$48.40* per day X 182 days = \$313,390

Fy-77 est. increase of 3 new cases

38 cases X \$55.66 (\$48.40 + 15%)** 365 days = \$772,004

FY-78 est. increase of 4 new cases

42 cases X \$64.01 (\$55.66 + 15%) X 365 days = \$981,273

FY-79 est. increase of 3 new cases

45 cases X \$73.70 (\$64.01 + 15%) X 365 days = \$1,210,548

FY-80 maintenance of 45 cases

45 cases X \$84.75 (\$73.70 + 15%) X 365 days = \$1,392,018

FY-81 maintenance of 45 cases

45 cases X \$97.46 (\$84.75 + 15%) X 365 days = \$1,600,780

No new positions will be necessary by passage of this bill.

* Average combined ICF and SNF rate for FY-76

** Nursing Home rates increase by Approx. 15% each year

Senate Bill No. 542

Addition of a new group of Medicaid eligibles

	Cost of Option	Transfers	Additional Cost (+) or Savings to State (-)
FY-76 (third & fourth quarters only)	\$ 313,390	\$ 313,390 (GR-M Contra- ctual ser.)	\$ -156,695
FY-77	772,004	772,004	-386,002
FY-78	981,273	981,273	-490,637
FY-79	1,210,548	1,210,548	-605,274
FY-80	1,392,018	1,392,018	-696,009
FY-81	1,600,780	1,600,780	-857,568
Funding			
FY-76	\$156,695 State 156,695 Federal	\$ 313,390 State	
FY-77	386,002 State 386,002 Federal	772,004 State	
FY-78	490,637 State 490,637 Federal	981,273 State	
FY-79	605,274 State 605,274 Federal	1,210,548 State	
FY-80	696,009 State 696,009 Federal	1,392,018 State	
FY-81	857,568 State 857,568 Federal	1,600,780 State	

All transfers are from the General Relief-Medical budget and are found under nursing home services.

Analysis for Fiscal Note:

on

Senate Bill No. 542

Clinical Services Option

	Cost of Option	General Fund Transfers From Mental Health	Federal Medicaid Match
FY 77	461.3	230.65 *	230.65
FY 78	1,066.6	533.3	533.3
FY 79	1,378.1	689.05	689.05
FY 80	1,515.8	757.9	757.9
FY 81	1,667.5	833.75	833.75

Currently the State is paying 100% for a majority of the mental health clinical services rendered to Medicaid eligibles seen at Community Mental Health Centers. By adding a clinical services option and limiting it to State-approved outpatient Mental Health Clinics in receipt of Grant money under AS 47.30.520 - 620 (Community Mental Health Enabling Act), the State can claim 50% Federal match for those services currently rendered to Medicaid eligible clients. State Operated Clinics will also be eligible.

Funding would be based on a cost-related basis with each clinic billing according to their budget. At the end of the fiscal year cost-settling for Medicaid would occur as well as with the State Grant monies. Under AS 47.30.520 - 620 the matching formula for the clinics is based on 75% State funding and 25% local funding with poverty areas as 90% State funding and 10% local funding. Eligible expenses for matching would then be computed by subtracting any federal grants from the actual expenditures allowing a maximum of 25% of the Medicaid receipts collected by the clinic as local match and stipulating that local match remain at least the same dollar amount as when the clinic first adopts the Title XIX clinical service option.

Example: Based on the budget for FY 77 for the Anchorage Mental Health Clinic they will spend \$462,500. According to their statistics the clinic will see about 1,300 clients of which 221 will be eligible for Medicaid. Each client is seen on the average of 5.5 times at a rate of \$47.00 per hourly visit. On the basis of these computations, 17% of the case load is Medicaid eligible accounting for \$78,624 General Fund monies of which 50% or \$39,312 could be federally matched. The following year only \$19,656 of the Medicaid monies received by the clinic can be used for local match. According to their projected budget, they will need \$140,625 local monies.

If outpatient community mental health centers services are Medicaid reimbursable, it is conceivable that the percentage of Medicaid clients served by the clinics would increase the first year as services become available in rural areas and then level off as a greater percentage of the eligible clients are served. As of January 1976, there were 15,604 Medicaid eligibles in the State. (It is expected that 10% or 1560 of them would be in need of mental health services in any one year. That would meet a theoretical maximum of \$403,260 of service which would be 50% federally reimbursable at \$201,630.)

*In FY 77 approximately 59.8 General Fund monies would be transferred from the State-Operated Mental Health Centers BRU and 170.85 from the Community-Operated Mental Health Centers BRU to the Medicaid BRU.

Clinic	XIX Eligibles	FY 77		FY 78		FY 79	
		Cost of Operation	Federal Money Available	Cost of Operation	Federal Money Available	Cost of Operation	Federal Money Available
Anchorage (2)	17%	462,500	39,312	512,500	47,812	625,000	53,125
Barrow (3)	75%	33,000	12,375	15,000	20,625	82,500	36,937
Bethel (3)	75%	63,256	23,721	121,000	45,375	143,000	53,625
Fairbanks (5)	25%	299,200	37,400	47,500	54,687	500,000	50,000
Ketchikan	20%	266,875	26,687	375,000	37,500	437,500	43,750
Homer (Kenai) (2)	20%	43,125	4,312	12,500	6,250	93,750	9,375
Juneau	18%	247,100	22,239	322,500	28,125	375,000	33,750
Kodiak	13%	135,875	8,831	121,250	11,781	212,500	13,812
Kotzebue (3)	75%	37,950	14,231	7,000	28,675	116,000	41,250
Nome (3)	75%	82,280	30,855	10,000	41,250	143,000	53,625
Seward (2)	20%	43,125	4,312	12,500	6,250	93,750	9,375
Sitka (2)	18%	43,125	4,312	12,500	6,250	93,750	8,437
Skagway-Haines (4)	18%	23,000	2,070	17,500	3,375	62,500	5,625
Palmer (4)	18%			12,500	5,625	125,000	11,250
Tanana Chiefs (4)	75%			125,000	46,875	165,000	61,875
Aniak (4)	75%			19,500	18,562	71,500	26,812
McGrath (4)	75%			19,500	18,562	71,500	26,812
Glenallen (4)	75%			15,000	20,625	68,000	33,000
Dillingham (4)	75%			19,500	18,562	71,500	26,812
Cold Bay (4)	75%			12,500	30,937	110,000	41,250
Valdez (4)	18%			19,500	4,455	81,256	7,312
Cook Inlet	75%			12,500	30,937	110,000	41,250
TOTAL FEDERAL			230,657		533,295		639,059

- 1) Cost of operation is based on 75% State funding and 25% local match - in poverty areas 90% State funding 10% local match as projected in budget.
- 2) Statistics received from these clinics are based on 3 to 4 months of operation.
- 3) Statistics received from these clinics are based on discussions with representatives of these poverty areas - currently the U.S.P.H.S. is providing services free of charge and if clinical services were offered to Medicaid Eligibles, the percentage of those seen at the Mental Health Clinics would probably increase 75% or to 80% because of the availability of services for the Medicaid Eligibles.
- 4) Not in operation so no statistics are available. Using average percentage of XIX Eligibles as 18% non-poverty areas and 75% poverty areas.
- 5) State Operated Clinics.

JAN 16 1976

SB 542

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill extending eligibility for medical assistance to certain persons in hospitals and nursing homes who are not now covered. A federal regulation, 45 C.F.R. Section 248.3 (a)(1)(ii)(B), authorizes federal financial participation of 50 percent if a State designates these persons to be eligible.

81
Title XVI of the Social Security Act (42 U.S.C. Sections 1381-1383c) assures persons who are at least 65 years of age, or blind, or disabled, that their income will reach a determined level of need, by authorizing federal payments of the difference between their actual monthly income and the federal supplemental security income benefit rate which is now \$157.70 in Alaska. In addition, Alaska may make a State supplementary payment up to 300 percent of this rate, which would be \$473.10. However, Alaska has chosen to pay only the difference between the actual income received from private sources and the federal government, and a ceiling of \$300. Thus, a person in this class whose income is between \$300 and \$473.10 a month is not eligible for medical assistance even while institutionalized. This bill would designate those persons as eligible as long as they are patients in a medical institution.

1
There are now estimated to be approximately 35 persons who would be affected by this measure. The State share of medical assistance, at 50 percent, would be close to \$216,000 a year as experience has shown that the average charge per patient is about \$12,000 annually. The Department of Health and Social Services has requested this bill to relieve aged, blind, or disabled persons whose income is perhaps \$350 a month, of the burden of medical facility charges which may amount to three times that figure.

203
Sections 2 and 3 of this bill would bring prescribed drugs and clinic services into the medical services authorized to be provided so that their costs may qualify for 50 percent federal matching funds under the Medicaid program.

Clinic services would be defined as outpatient mental health, alcoholism, and drug abuse services. These are now being paid for entirely out of the general fund. The cost of inclusion of these clinic services would be mostly offset by the federal matching money, but an additional \$50,000 from the general fund is estimated to be required in fiscal year 1977. Because of many variable factors it is impossible to estimate the impact of inclusion of prescribed drug costs, but these are expected to be minimal.

Sincerely,

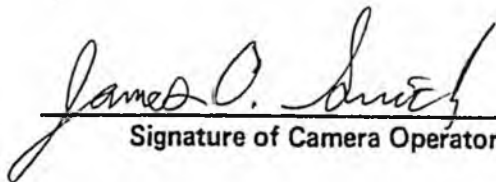
Jay S. Hammond
Governor



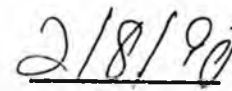
RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.



Signature of Camera Operator



Date

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate Bill No. 542

effective date Title: "An Act relating to medical assistance for needy persons; and providing for an

Requested by: the Governor Date: January 30, 1976

Return Date Requested:

Agency: Health & Social Services Program: Medicaid

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Medicaid-Contractual; General Relief-Medical-

A. EXPENDITURES: (Thousands of dollars) Contractual; State-Operated Community; Mental Health Services; Community-Operated Mental Health Services

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	156.7	616.7	1,023.9	1,294.3	1,453.9	1,691.3
TOTAL	156.7	616.7	1,023.9	1,294.3	1,453.9	1,691.3

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	156.7	616.7	1,023.9	1,294.3	1,453.9	1,691.3
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	01	01	01	01	01	01
MAN MONTHS (P./T.)	01	01	01	01	01	01

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

This fiscal Note on Senate Bill No. 542 does not include any monies for the drug option. The position paper on this bill requests that the bill be amended to delete the drug option from Medicaid services.

See attachments for analysis of Fiscal Note.

IV. ATTACHMENTS

V. DATE: Jan. 30, 1976 PREPARED BY: *Wally Kachig* District Director

Original: Legislative Finance
cc: Budget and Management
Prime Sponsor (First Legislator Named)

FY note on CS

Analysis for Fiscal Note

on
Senate Bill No. 542

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Addition of new group of Medicaid eligibles

Assumptions and Calculations

This bill would make it possible for the State of Alaska to extend Medicaid to aged, blind and disabled persons who are in Long Term Care Facilities.

There are presently 35 cases that would be affected by this bill. Payment for care of these recipients is currently funded by General Relief-Medical, a state funded program. Therefore, if the bill is passed by March 31, 1975 the state could claim 50% of the \$313,390, (cost of care for 35 persons in long term care facilities during last two quarters of FY-76), in federal matching funds. No additional expenditures by the state will be necessary because funds for care of these individuals is budgeted in the General Relief-Medical BRU.

Projected costs were determined using the following formula:

FY-76 35 cases X \$48.40* per day X 182 days = \$313,390
FY-77 est. increase of 3 new cases
38 cases X \$55.66 (\$48.40 + 15%)** 365 days = \$772,004
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45 cases X \$84.75 (\$73.70 + 15%) X 365 days = \$1,392,018
FY-81 maintenance of 45 cases
45 cases X \$97.46 (\$84.75 + 15%) X 365 days = \$1,600,780

No new positions will be necessary by passage of this bill.

* Average combined ICF and SNF rate for FY-76

** Nursing Home rates increase by Approx. 15% each year

Addition of a new group of Medicaid eligibles

	Cost of Option	Transfers	Additional Cost (+) or Savings to State (-)
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Funding			
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All transfers are from the General Relief-Medical budget and are found under nursing home services.			

Analysis for Fiscal Note

on

Senate Bill No. 542

Clinical Services Option

	Cost of Option	General Fund Transfers From Mental Health	Federal Medicaid Match
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Example: Based on the budget for FY 77 for the Anchorage Mental Health Clinic they will spend \$462,500. According to their statistics the clinic will see about 1,300 clients of which 221 will be eligible for Medicaid. Each client is seen on the average of 5.5 times at a rate of \$47.00 per hourly visit. On the basis of these computations, 17% of the case load is Medicaid eligible accounting for \$78,624 General Fund monies of which 50% or \$39,312 could be federally matched. The following year only \$19,656 of the Medicaid monies received by the clinic can be used for local match. According to their projected budget, they will need \$140,625 local monies.

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*In FY 77 approximately 59.8 General Fund monies would be transferred from the State-Operated Mental Health Centers BRU and 170.85 from the Community-Operated Mental Health Centers BRU to the Medicaid BRU.

Clinic	XIX Eligibles	FY 77		FY 78		FY 79	
		Cost of Operation	Federal Money Available	Cost of Operation	Federal Money Available	Cost of Operation	Federal Money Available
Anchorage (2)	17X	462,500	39,312	512,500	47,812	625,000	53,125
Barrow (3)	75X	33,000	12,375	35,000	20,625	82,500	36,937
Bethel (3)	75X	63,256	23,721	121,000	45,375	143,000	53,625
Fairbanks (5)	25X	299,200	37,400	47,500	54,687	500,000	50,000
Ketchikan	20X	266,875	26,687	375,000	37,500	437,500	43,750
Homer (Kenai) (2)	20X	43,125	4,312	62,500	6,250	93,750	9,375
Juneau	18X	247,100	22,239	322,500	28,125	375,000	33,750
Kodiak	13X	135,875	8,831	141,250	11,701	212,500	13,812
Kotzebue (3)	75X	37,950	14,231	7,000	28,875	116,000	41,250
Niobe (3)	75X	82,200	30,855	110,000	41,250	143,000	53,625
Sevard (2)	20X	43,125	4,312	62,500	6,250	93,750	9,375
Sitka (2)	18X	43,125	4,312	62,500	6,250	93,750	8,437
Skagway-Haines (4)	18X	23,000	2,070	37,500	3,375	62,500	5,625
Palmer (4)	18X			62,500	5,625	125,000	11,250
Tonana Chiefs (4)	75X			125,000	46,875	165,000	61,875
Aniak (4)	75X			19,500	18,562	71,500	26,812
McGrath (4)	75X			19,500	18,562	71,500	26,812
Glennallen (4)	75X			15,000	20,625	88,000	33,000
Dillingham (4)	75X			49,500	18,562	71,500	26,812
Cold Bay (4)	75X			12,500	30,937	110,000	41,250
Valdez (4)	18X			49,500	4,455	81,256	7,312
Cook Inlet	75X			32,500	30,937	110,000	51,250
TOTAL FEDERAL			230,657		533,295		689,059

- 1) Cost of operation is based on 75% State funding and 25% local match - in poverty areas 90% State funding 10% local match as projected in budget.
- 2) Statistics received from these clinics are based on 3 to 4 months of operation.
- 3) Statistics received from these clinics are based on discussions with representatives of these poverty areas - currently the U.S.P.H.S. is providing services free of charge and if clinical services were offered to Medicaid Eligibles, the percentage of those seen at the Mental Health Clinics would probably increase 75% or to 80% because of the availability of services for the Medicaid Eligibles.
- 4) Not in operation so no statistics are available. Using average percentage of XIX Eligibles as 18% non-poverty areas and 75% poverty areas.
- 5) State Operated Clinics.

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. HCCSSB 542 reflecting Rep. Cooper's Amendment
 Title: An Act Relating to medical assistance for needy persons and providing for
 Requested by: the Governor Date: May 17, 1976
 Return Date Requested: _____
 Agency: Health & Social Services Program: Medicaid

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Medicaid Contractual

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	39.5	45.4	52.2	60.1	69.1
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	39.5	45.4	52.2	60.1	69.1

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	19.75	22.7	26.1	30.05	34.6
FEDERAL FUNDS	0	19.75	22.7	26.1	30.05	34.5
OTHER	0	0	0	0	0	0

C. POSITIONS:

PERMANENT/TEMPORARY	0/0	0/0	0/0	0/0	0/0	0/0
MAN MONTHS (P./T.)	0/0	0/0	0/0	0/0	0/0	0/0

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

All Attachment

IV. ATTACHMENTS

V. DATE: May 17 1976 PREPARED BY: [Signature]

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Name)

Reviewed by Financial Management: [Signature]

EUGENE A. SMITH, Deputy Director

Explanation of attached Fiscal Note on HCCSSB 542

Under Medicaid, diagnostic, screening, preventative and corrective services for individuals with speech, hearing and language disorders can be provided if the patient is referred for such services by a physician. The speech pathologist or audiologist must hold a Certificate of Clinical Competence in the American Speech and Hearing Association or have completed the equivalent educational requirement and work experience necessary for such a certificate or have completed the educational requirements and in the process of accumulating the necessary work experience to qualify for such a certificate.

Estimating that a maximum of 50 persons eligible for Medicaid would be referred by their physician for such services, the following costs are projected:

FY-77

50 persons initial diagnostic exam and testing, average of \$90 =	4,500
Each persons improvement plan is 15 - 25 sessions, average of \$35.00 =	<u>\$35,000</u>
Total of	\$39,500

FY-78 through FY-81 increase of 15% each year

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE
Second Session - Ninth Legislature

I. REQUEST

Bill No. CSSB 542
 Title: An Act relating to medical assistance for needy persons and providing for an
 effective date Requested by: the Governor Date: February 18, 1976
 Return Date Requested: February 23, 1976
 Agency: Health & Social Services Program: Medicaid

II. FISCAL DETAIL

Medicaid Contractual; General Relief-Medical
Contractual; State-Operated Community Mental

Budget Request Unit(s) Affected: Health Services; Community Mental Health Services

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	0	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	234.4	517.34	689.05	757.9	833.75
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	234.4	517.34	689.05	757.9	833.75

B. FUNDING: (Thousands of dollars)

GENERAL FUND	(156.7)	(386.0)	(490.6)	(605.27)	(696.0)	(857.57)
FEDERAL FUNDS	156.7	620.4	1,007.6	1,294.3	1,453.9	1,691.3
OTHER	0	0	0	0	0	0

C. POSITIONS:

PERMANENT/TEMPORARY	0/0	0/0	0/0	0/0	0/0	0/0
MAN MONTHS (P./T.)	0/0	0/0	0/0	0/0	0/0	0/0

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

SEE ATTACHMENTS FOR ANALYSIS OF FISCAL NOTE.

FY-76 - 156.70 General Funds monies to be transferred from the General Relief-Medical BRU to the Medicaid BRU.

FY-77 - 386.00 GF monies to be transferred from GR-Med BRU to the Medicaid BRU.
 59.64 GF monies to be transferred from the State-Operated community mental health services BRU to the Medicaid BRU.
 174.76 GF monies to be transferred from the Community-Operated mental health services BRU to the Medicaid BRU.

FY76-81 - GF monies will continue to be transferred from SOCMHS and COMHS

IV. ATTACHMENTS BRU's to the Medicaid BRU.

V. DATE: February 18, 1976 PREPARED BY: Walter N. Moore

Original: Legislative Finance
 cc: Budget and Management DATE February 19, 1976 APPROVED BY Walter N. Moore
 Prime Sponsor (First Legislator Named)

Analysis for Fiscal Note

on

Senate Bill No. 542

Addition of new group of Medicaid eligibles

Assumptions and Calculations

This bill would make it possible for the State of Alaska to extend Medicaid to aged, blind and disabled persons who are in Long Term Care Facilities.

There are presently 35 cases that would be affected by this bill. Payment for care of these recipients is currently funded by General Relief-Medical, a state funded program. Therefore, if the bill is passed by March 31, 1975, the state could claim 50% of the \$313,390, (cost of care for 35 persons in long term care facilities during last two quarters of FY-76), in federal matching funds. No additional expenditures by the state will be necessary because funds for care of these individuals is budgeted in the General Relief-Medical BRU.

Projected costs were determined using the following formula:

FY-76 35 cases X \$48.40* per day X 182 days = \$313,390
FY-77 est. increase of 3 new cases
38 cases X \$55.66 (\$48.40 + 15%)** 365 days = \$772,004
FY-78 est. increase of 4 new cases
42 cases X \$64.01 (\$55.66 + 15%) X 365 days = \$981,273
FY-79 est. increase of 3 new cases
45 cases X \$73.70 (\$64.01 + 15%) X 365 days = \$1,210,548
FY-80 maintenance of 45 cases
45 cases X \$84.75 (\$73.70 + 15%) X 365 days = \$1,392,018
FY-81 maintenance of 45 cases
45 cases X \$97.46 (\$84.75 + 15%) X 365 days = \$1,600,780

No new positions will be necessary by passage of this bill.

* Average combined ICF and SNF rate for FY-76

** Nursing Home rates increase by Approx. 15% each year

Senate Bill No. 542

Addition of a new group of Medicaid eligibles

	Cost of Option	Transfers	Additional Cost (+) or Savings to State (-)
FY-76 (third & fourth quarters only)	\$ 313,390	\$ 313,390 (GR-M Contra- actual ser.)	\$ -156,695
FY-77	772,004	772,004	-386,002
FY-78	981,273	981,273	-490,637
FY-79	1,210,548	1,210,548	-605,274
FY-80	1,392,018	1,392,018	-596,009
(FY-81	1,600,780	1,600,780	-857,568
Funding			
FY-76	\$156,695 State 156,695 Federal	\$ 313,390 State	
FY-77	386,002 State 386,002 Federal	772,004 State	
FY-78	490,637 State 490,637 Federal	981,273 State	
FY-79	605,274 State 605,274 Federal	1,210,548 State	
FY-80	696,009 State 696,009 Federal	1,392,018 State	
FY-81	857,568 State 857,568 Federal	1,600,780 State	

All transfers are from the General Relief-Medical budget and are found under nursing home services.

Analysis for Fiscal Note
on
Senate Bill No. 542

Clinical Services Option

	Cost of Option	General Fund Transfers From Mental Health	Federal Medicaid Match
FY 77	468.8	234.4*	234.4
FY 78	1,034.68	517.34	517.34
FY 79	1,378.1	689.05	689.05
FY 80	1,515.8	757.9	757.9
FY 81	1,667.5	833.75	833.75

Currently the State is paying 100% for a majority of the mental health clinical services rendered to Medicaid eligibles seen at Community Mental Health Centers. By adding a clinical services option and limiting it to State-approved outpatient Mental Health Clinics in receipt of Grant money under AS 47.30.520 - 620 (Community Mental Health Enabling Act) and State Operated Clinics, the State can claim 50% Federal match for those services currently rendered to Medicaid eligible clients.

Funding would be based on a cost-related basis with each clinic billing according to their budget. At the end of the fiscal year cost-settling for Medicaid would occur as well as with the State Grant monies. Under AS 47.30.520 - 620 the matching formula for the clinics is based on 75% State funding and 25% local funding with poverty areas as 90% State funding and 10% local funding. Eligible expenses for matching would then be computed by subtracting any federal grants from the actual expenditures allowing a maximum of 25% of the Medicaid receipts collected by the clinic as local match and stipulating that local match remain at least the same dollar amount as when the clinic first adopts the Title XIX clinical service option.

Example: Based on the budget for FY 77 for the Anchorage Mental Health Clinic they will spend \$559,750. According to their statistics the clinic will see about 1,300 clients of which 221 will be eligible for Medicaid. (Each client is seen on the average of 5.5 times at a rate of \$47.00 per hourly visit.) On the basis of these computations, 17% of the case load is Medicaid eligible accounting for \$95,156-General Fund monies of which 50% or \$47,578 could be federally matched. The following year only \$23,789 of the Medicaid monies received by the clinic can be used for local match. According to their projected budget, they will need \$140,625 local monies.

If outpatient community mental health centers services are Medicaid reimbursable, it is conceivable that the percentage of Medicaid clients served by the clinics would increase the first year as services become available in rural areas and then level off as a greater percentage of the eligible clients are served. As of January 1976, there were 15,604 Medicaid eligibles in the State. (It is expected that 10% or 1,560 of them would be in need of mental health services in any one year. That would meet a theoretical maximum of \$468,000 of service which would be 50% Federally reimbursable at \$234,000.)

*In FY 77 approximately 59.64 General Fund monies would be transferred from the State-Operated Mental Health Centers BRU and 174.76 from the Community-Operated Mental Health Centers BRU to the Medicaid BRU.

Clinic	XIX Eligibles	FY 77		FY 78		FY 79	
		Cost of Operation	Federal Money Available	Cost of Operation	Federal Money Available	Cost of Operation	Federal Money Available
Anchorage (2)	17%	559,750	47,578	62,500	47,812	625,000	53,125
Barrow (3)	75%	25,740	9,652	55,000	20,625	82,500	36,937
Bethel (3)	75%	64,460	24,172	121,000	45,375	143,000	53,625
Fairbanks (5)	25%	299,200	37,400	50,000	43,750	400,000	50,000
Ketchikan	20%	243,000	24,300	75,000	37,500	437,500	43,750
Homer (Kenai) (2)	20%	44,000	4,400	62,500	6,250	93,750	9,375
Juneau	18%	247,100	22,239	112,500	28,125	375,000	33,750
Kodiak	13%	132,000	8,580	181,250	11,781	212,500	13,812
Kotzebue (3)	75%	38,720	14,520	77,000	28,875	116,000	41,250
Noze (3)	75%	83,820	31,432	110,000	41,250	143,000	53,625
Seward (2)	20%	44,000	4,400	62,500	6,250	93,750	9,375
Sitka (2)	18%	44,000	3,960	62,500	6,250	93,750	8,437
Skagway-Haines (4)	18%	19,625	1,766	37,500	3,375	62,500	5,625
Palmer (4)	18%			62,500	5,625	125,000	11,250
Tanana Chiefs (4)	75%			110,000	41,250	165,000	61,875
Atiak (4)	75%			49,500	18,562	71,500	26,812
McGrath (4)	75%			49,500	18,562	71,500	26,812
Glennallen (4)	75%			55,000	20,625	88,000	33,000
Dillingham (4)	75%			49,500	18,562	71,500	26,812
Cold Bay (4)	75%			82,500	30,937	110,000	41,250
Valdez (4)	18%			56,250	5,062	81,250	7,312
Cock Inlet	75%			82,500	30,937	110,000	41,250
TOTAL FEDERAL			234,399		517,340		689,059

- 1) Cost of operation is based on 75% State funding and 25% local match - in poverty areas 90% State funding 10% local match as projected in budget.
- 2) Statistics received from these clinics are based on 3 to 4 months of operation.
- 3) Statistics received from these clinics are based on discussions with representatives of these poverty areas - currently the U.S.P.H.S. is providing services free of charge and if clinical services were offered to Medicaid Eligibles, the percentage of those seen at the Mental Health Clinics would probably increase 75% or to 80% because of the availability of services for the Medicaid Eligibles.
- 4) Not in operation so no statistics are available. Using average percentage of XIX Eligibles as 18% non-poverty areas and 75% poverty areas.
- 5) State Operated Clinics.

①

COMMITTEE REPORT

5/6/76

HOUSE

Mr. Speaker:

Date May 15, 1976

The Committee on FINANCE has had CSSB 542

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH ^{House} CS FOR CSSB 542 AND THAT

CSSB 542 CS FOR CSSB 542 DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	_____	_____
<u>[Signature]</u>	_____	_____

Members NOT concurring in the Majority report:

<u>[Signature]</u>	recommends: <u>[Signature]</u>
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

Chairman

Original sponsor: Rules Committee by
request of the Governor

Offered: 2/12/76
Referred: Finance

1 IN THE SENATE

BY THE HEALTH, EDUCATION AND
SOCIAL SERVICES COMMITTEE

2 CS FOR SENATE BILL NO. 542

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical assistance for needy
7 persons; and providing for an effective date."

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

9 * Section 1. AS 47.07.020(b) is amended by adding a new paragraph to read:

10 (6) persons in a medical or intermediate care facility whose
11 income while in the facility does not exceed 300 per cent of the supple-
12 mental security income benefit rate under title XVI of the Social
13 Security Act but who would not be eligible for an optional state sup-
14 plementary payment if they left the hospital or other facility.

15 * Sec. 2. AS 47.07.030 is amended to read:

16 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical services
17 to be offered to eligible persons include inpatient hospital, outpatient
18 hospital, laboratory and X-ray, inpatient psychiatric hospital for
19 persons age 65 or older and persons under age 21, skilled and inter-
20 mediate nursing home, physician, home health care services, early
21 periodic screening diagnosis and treatment of persons under 21 years
22 of age, clinic services, and reasonable transportation to and from the
23 point of medical care. No additional services may be provided unless
24 approved by the legislature.

25 * Sec. 3. AS 47.07.080 is amended by adding a new paragraph to read:

26 (3) "clinic services" means services which are restricted
27 to state-approved outpatient community mental health services which
28 receive grants under AS 47.30.520 - 47.30.620 and state-operated mental
29 health clinics.

1 * Sec. 4. Sec. 1 of this Act takes effect immediately in accordance with
2 AS 01.10.070(c).

3 * Sec. 5. Secs. 2 and 3 of this Act take effect July 1, 1976.
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Introduced: 1/19/76
Referred: Health, Education
and Social Services and
Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE SENATE

2 SENATE BILL NO. 542

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to medical assistance for needy
7 persons; and providing for an effective date."

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

9 * Section 1. AS 47.07.020(b) is amended by adding a new paragraph to
10 read:

11 (6) persons in a general hospital, skilled nursing facility
12 or intermediate care facility whose income while in the facility does
13 not exceed 300 per cent of the supplemental security income benefit
14 rate under title XVI of the Social Security Act but who would not be
15 eligible for an optional state supplementary payment if they left the
16 hospital or other facility.

17 * Sec. 2. AS 47.07.030 is amended to read:

18 Sec. 47.07.030. MEDICAL SERVICES TO BE PROVIDED. Medical ser-
19 vices to be offered to eligible persons include inpatient hospital,
20 outpatient hospital, laboratory and X-ray, inpatient psychiatric
21 hospital for persons age 65 or older and persons under age 21, skilled
22 and intermediate nursing home, physician, home health care services,
23 early periodic screening diagnosis and treatment of persons under 21
24 years of age, prescribed drugs, clinic services, and reasonable trans-
25 portation to and from the point of medical care. No additional ser-
26 vices may be provided unless approved by the legislature.

27 * Sec. 3. AS 47.07.080 is amended by adding a new paragraph to read:

28 (3) "clinic services" means services which are restricted
29 to state-approved outpatient community mental health services, out-

1 patient alcoholism and alcohol abuse services and outpatient drug
2 abuse services.

3 * Sec. 4. This Act takes effect immediately in accordance with AS 01.-
4 10.070(c).

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JAN 16 1976

SB 542

The Honorable Chancy Croft
President of the Senate
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. President:

In accordance with AS 24.30.060(b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill extending eligibility for medical assistance to certain persons in hospitals and nursing homes who are not now covered. A federal regulation, 45 C.F.R. Section 248.3 (a)(1)(ii)(B), authorizes federal financial participation of 50 percent if a State designates these persons to be eligible.

Title XVI of the Social Security Act (42 U.S.C. Sections 1381-1383c) assures persons who are at least 65 years of age, or blind, or disabled, that their income will reach a determined level of need, by authorizing federal payments of the difference between their actual monthly income and the federal supplemental security income benefit rate which is now \$157.70 in Alaska. In addition, Alaska may make a State supplementary payment up to 300 percent of this rate, which would be \$473.10. However, Alaska has chosen to pay only the difference between the actual income received from private sources and the federal government, and a ceiling of \$300. Thus, a person in this class whose income is between \$300 and \$473.10 a month is not eligible for medical assistance even while institutionalized. This bill would designate those persons as eligible as long as they are patients in a medical institution.

There are now estimated to be approximately 35 persons who would be affected by this measure. The State share of medical assistance, at 50 percent, would be close to \$216,000 a year as experience has shown that the average charge per patient is about \$12,000 annually. The Department of Health and Social Services has requested this bill to relieve aged, blind, or disabled persons whose income is perhaps \$350 a month, of the burden of medical facility charges which may amount to three times that figure.

Sections 2 and 3 of this bill would bring prescribed drugs and clinic services into the medical services authorized to be provided so that their costs may qualify for 50 percent federal matching funds under the Medicaid program.

Clinic services would be defined as outpatient mental health, alcoholism, and drug abuse services. These are now being paid for entirely out of the general fund. The cost of inclusion of these clinic services would be mostly offset by the federal matching money, but an additional \$50,000 from the general fund is estimated to be required in fiscal year 1977. Because of many variable factors it is impossible to estimate the impact of inclusion of prescribed drug costs, but these are expected to be minimal.

Sincerely,

Jay S. Hammond
Governor



NEA - ALASKA

(ALASKA EDUCATION ASSOCIATION)
AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

207 SEWARD BUILDING • JUNEAU, ALASKA 99801 • PHONE 586-3090

April 12, 1976

Senate Bill 48 Amended

No retiree may receive an annual post retirement pension increase more than 20 per cent greater than the increase applied to the average base benefit. The "average base benefit" shall be determined in March of each year for the following fiscal year by dividing the total base benefits paid in that month by the total number of beneficiaries receiving them.

The proposed amendment to limit benefits under the post retirement pension increase has the following factors:

- A. Optional COLA benefits to retirees under age 60 at the discretion of the administrator
- B. Mandatory COLA benefits to retirees over age 60 in keeping with the cost of living increases
- C. COLA benefits to those over age 60 would have a ceiling limitation so that no retiree would have an increase greater than 25% - 20% - 15% above the average base benefit.

Fiscal Note: The 25% figure would cost 1.91% or \$3,522,810; the 20% figure would cost 1.87% or \$3,449,034; the 15% figure would cost 1.83% or \$3,375,250. A difference of \$74,000 in each category. These figures were obtained from Bob Gates.

Robert Van Houte
Executive Secretary
NEA-Alaska

ROBERT VAN HOUTE
EXECUTIVE SECRETARY

ROBERT C. COOKSEY
DEPUTY EXECUTIVE SECRETARY
JUNEAU OFFICE

CHARLES L. O'CONNELL
DEPUTY EXECUTIVE SECRETARY
1515 E. TUDOR RD. IPHONE 279-8544
ANCHORAGE, ALASKA 99507

DIANNE ANDERSON
COMMUNICATION SPECIALIST
1515 E. TUDOR RD. IPHONE 279-8544
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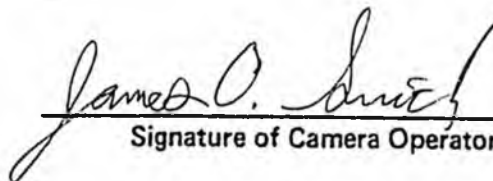
MARY ANN EININGER
DEPUTY EXECUTIVE SECRETARY
954 COWLES, SUITE 143 IPHONE 452-2297
FAIRBANKS, ALASKA 99701

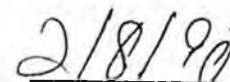


RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.


Signature of Camera Operator


Date

"An Act relating to teacher retirement fractional credit; and providing for an effective date."

COMMITTEE REPORT

3/18/76

HOUSE

Mr. Speaker:

Date May 1, 1976

The Committee on FINANCE has had CSSB 547

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR CSSB 547 AND THAT

CS FOR CSSB 547 DO PASS

"and" recommends it BE REFERRED TO THE _____

COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____
<u>[Signature]</u>	<u>[Signature]</u>	_____

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

[Signature] Chairman

Original Sponsor: Croft

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 547 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teacher retirement; and providing
7 for an effective date."

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

9 * Section 1. AS 14.25.220(16) is amended to read:

10 (16) "year of service" means membership service during the
11 dates set for a school term under AS 14.03.030; partial year service
12 credit shall be given for membership service before July 1, 1969, during
13 any school year as follows: (A) less than 20 days, no credit; (B) 20
14 days or more but less than 35 days, 0.2 years; (C) 35 days or more but
15 less than 49 days, 0.3 years; (D) 49 days or more but less than 63 days,
16 0.4 years; (E) 63 days or more but less than 77 days, 0.5 years; (F) 77
17 days or more but less than 91 days, 0.6 years; (G) 91 days or more but
18 less than 105 days, 0.7 years; (H) 105 days or more but less than 119
19 days, 0.8 years; (I) 119 days or more but less than 133 days, 0.9 years;
20 (J) 133 days or more, 1.0 years; partial year service credit [FRACTIONAL
21 CREDIT] shall be given for membership service after July 30, 1969 [JULY
22 1, 1967], during any school year as follows: (A) less than nine days,
23 no credit; (B) nine days or more but less than 27 days, 0.1 years; (C)
24 27 days or more but less than 45 days, 0.2 years; (D) 45 days or more
25 but less than 63 days, 0.3 years; (E) 63 days or more but less than 81
26 days, 0.4 years; (F) 81 days or more but less than 100 days, 0.5 years;
27 (G) 100 days or more but less than 118 days, 0.6 years; (H) 118 days or
28 more but less than 136 days, 0.7 years; (I) 136 days or more but less
29 than 154 days, 0.8 years; (J) 154 days or more but less than 172 days,

1 0.9 years; (K) 172 days or more, 1.0 years; if service is performed on a
2 part-time basis, one-half credit shall be given for each day of service;

3 * Sec. 2. AS 14.25.120(g) is amended to read:

4 (g) A teacher who retired before July 1, 1971, with at least 25
5 years of creditable service, at least 15 of which were membership ser-
6 vice, and who is entitled to a retirement salary under either this
7 retirement fund or the retirement fund of 1945, shall receive a service
8 retirement salary based on a minimum sum of \$20 per month for each year
9 of creditable service, not including adjustments made under sec. 142 or
10 sec. 143 of this chapter. A teacher who retired before July 1, 1971,
11 with less than 25 years of creditable service, and who is entitled to a
12 retirement salary under either this retirement fund or the retirement
13 fund of 1945, shall receive a service retirement salary of at least \$20
14 per month for each year of credited service. If, on the date the teacher
15 originally applied for retirement salary, the teacher elected option two
16 as provided by (c)(2)(B) of this section as payment of his indebtedness
17 [OR A REDUCED BENEFIT IN ACCORDANCE WITH (c)(4) OF THIS SECTION,] the
18 amount of the dollar reduction shall remain in effect.

19 * Sec. 3. This Act takes effect July 1, 1976.
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Original Sponsor: Croft

Offered: 3/18/76
Referred: Finance

1 IN THE SENATE

BY THE SELECT COMMITTEE ON EDUCATION

2 HOUSE CS FOR CS FOR SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teacher retirement; and providing
7 for an effective date."

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

9 # Section 1. AS 14.25.220(16) is amended to read:

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11 dates set for a school term under AS 14.03.030; fractional credit shall
12 be given for membership service before July 1, 1969, during any school
13 year as follows: (A) less than 20 days, no credit; (B) 20 days or more
14 but less than 35 days, 0.2 years; (C) 35 days or more but less than 49
15 days, 0.3 years; (D) 49 days or more but less than 63 days, 0.4 years;
16 (E) 63 days or more but less than 77 days, 0.5 years, (F) 77 days or
17 more but less than 91 days, 0.6 years; (G) 91 days or more but less than
18 105 days, 0.7 years; (H) 105 days or more but less than 119 days, 0.8
19 years; (I) 119 days or more but less than 133 days, 0.9 years; (J) 133
20 days or more, 1.0 years; fractional credit shall be given for membership
21 service after July 30, 1969 [JULY 1, 1967], during any school year as
22 follows: (A) less than nine days, no credit; (B) nine days or more but
23 less than 27 days, 0.1 years; (C) 27 days or more but less than 45 days,
24 0.2 years; (D) 45 days or more but less than 63 days, 0.3 years; (E) 63
25 days or more but less than 81 days, 0.4 years; (F) 81 days or more but
26 less than 100 days, 0.5 years; (G) 100 days or more but less than 118
27 days, 0.6 years; (H) 118 days or more but less than 136 days, 0.7 years;
28 (I) 136 days or more but less than 154 days, 0.8 years; (J) 154 days or
29 more but less than 172 days, 0.9 years; (K) 172 days or more, 1.0 years;

Original Sponsor: Croft

Offered: 1/27/76
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teacher retirement fractional
7 credit; and providing for an effective date."

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

9 * Section 1. AS 14.25.220(16) is amended to read:

10 (16) "year of service" means membership service during the
11 dates set for a school term under AS 14.03.030; fractional credit shall
12 be given for membership service before July 1, 1969, during any school
13 year as follows: (A) less than 20 days, no credit; (B) 20 days or more
14 but less than 35 days, 0.2 years; (C) 35 days or more but less than 49
15 days, 0.3 years; (D) 49 days or more but less than 63 days, 0.4 years;
16 (E) 63 days or more but less than 77 days, 0.5 years; (F) 77 days or
17 more but less than 91 days, 0.6 years; (G) 91 days or more but less than
18 105 days, 0.7 years; (H) 105 days or more but less than 119 days, 0.8
19 years; (I) 119 days or more but less than 133 days, 0.9 years; (J) 133
20 days or more, 1.0 years; fractional credit shall be given for membership
21 service after July 30, 1969 [JULY 1, 1967], during any school year as
22 follows: (A) less than nine days, no credit; (B) nine days or more but
23 less than 27 days, 0.1 years; (C) 27 days or more but less than 45 days,
24 0.2 years; (D) 45 days or more but less than 63 days, 0.3 years; (E) 63
25 days or more but less than 81 days, 0.4 years; (F) 81 days or more but
26 less than 100 days, 0.5 years; (G) 100 days or more but less than 118
27 days, 0.6 years; (H) 118 days or more but less than 136 days, 0.7 years;
28 (I) 136 days or more but less than 154 days, 0.8 years; (J) 154 days or
29 more but less than 172 days, 0.9 years; (K) 172 days or more, 1.0 years;

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

Original Sponsor: Croft

Offered: 3/18/76
Referred: Finance

1 IN THE SENATE

BY THE SELECT COMMITTEE ON EDUCATION

2 HOUSE CS FOR CS FOR SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teacher retirement; and providing
7 for an effective date."

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

9 * Section 1. AS 14.25.220(16) is amended to read:

10 (16) "year of service" means membership service during the
11 dates set for a school term under AS 14.03.030; fractional credit shall
12 be given for membership service before July 1, 1969, during any school
13 year as follows: (A) less than 20 days, no credit; (B) 20 days or more
14 but less than 35 days, 0.2 years; (C) 35 days or more but less than 49
15 days, 0.3 years; (D) 49 days or more but less than 63 days, 0.4 years;
16 (E) 63 days or more but less than 77 days, 0.5 years; (F) 77 days or
17 more but less than 91 days, 0.6 years; (G) 91 days or more but less than
18 105 days, 0.7 years; (H) 105 days or more but less than 119 days, 0.8
19 years; (I) 119 days or more but less than 133 days, 0.9 years; (J) 133
20 days or more, 1.0 years; fractional credit shall be given for membership
21 service after July 30, 1969 [JULY 1, 1967], during any school year as
22 follows: (A) less than nine days, no credit; (B) nine days or more but
23 less than 27 days, 0.1 years; (C) 27 days or more but less than 45 days,
24 0.2 years; (D) 45 days or more but less than 63 days, 0.3 years; (E) 63
25 days or more but less than 81 days, 0.4 years; (F) 81 days or more but
26 less than 100 days, 0.5 years; (G) 100 days or more but less than 118
27 days, 0.6 years; (H) 118 days or more but less than 136 days, 0.7 years;
28 (I) 136 days or more but less than 154 days, 0.8 years; (J) 154 days or
29 more but less than 172 days, 0.9 years; (K) 172 days or more, 1.0 years;

1 if service is performed on a part-time basis, one-half credit shall be
2 given for each day of service;

3 * Sec. 2. AS 14.25.120(g) is amended to read:

4 (g) A teacher who retired before July 1, 1971, with at least 25
5 years of creditable service, at least 15 of which were membership ser-
6 vice, and who is entitled to a retirement salary under either this
7 retirement fund or the retirement fund of 1945, shall receive a service
8 retirement salary based on a minimum sum of \$20 per month for each year
9 of creditable service, not including adjustments made under sec. 142 or
10 sec. 143 of this chapter. A teacher who retired before July 1, 1971,
11 with less than 25 years of creditable service, and who is entitled to a
12 retirement salary under either this retirement fund or the retirement
13 fund of 1945, shall receive a service retirement salary of at least \$20
14 per month for each year of credited service. If, on the date the teacher
15 originally applied for retirement salary, the teacher elected option two
16 as provided by (c)(2)(B) of this section as payment of his indebtedness
17 [OR A REDUCED BENEFIT IN ACCORDANCE WITH (c)(4) OF THIS SECTION,] the
18 amount of the dollar reduction shall remain in effect.

19 * Sec. 3. This Act takes effect June 1, 1976.
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Original Sponsor: Croft

Offered: 1/27/76

Referred: Rule:

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teacher retirement fractional
7 credit; and providing for an effective date."

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

9 * Section 1. AS 14.25.220(16) is amended to read:

10 (16) "year of service" means membership service during the
11 dates set for a school term under AS 14.03.030; fractional credit shall
12 be given for membership service before July 1, 1969, during any school
13 year as follows: (A) less than 20 days, no credit; (B) 20 days or more
14 but less than 35 days, 0.2 years; (C) 35 days or more but less than 49
15 days, 0.3 years; (D) 49 days or more but less than 63 days, 0.4 years;
16 (E) 63 days or more but less than 77 days, 0.5 years; (F) 77 days or
17 more but less than 91 days, 0.6 years; (G) 91 days or more but less than
18 105 days, 0.7 years; (H) 105 days or more but less than 119 days, 0.8
19 years; (I) 119 days or more but less than 133 days, 0.9 years; (J) 133
20 days or more, 1.0 years; fractional credit shall be given for membership
21 service after July 30, 1969 [JULY 1, 1967], during any school year as
22 follows: (A) less than nine days, no credit; (B) nine days or more but
23 less than 27 days, 0.1 years; (C) 27 days or more but less than 45 days,
24 0.2 years; (D) 45 days or more but less than 63 days, 0.3 years; (E) 63
25 days or more but less than 81 days, 0.4 years; (F) 81 days or more but
26 less than 100 days, 0.5 years; (G) 100 days or more but less than 118
27 days, 0.6 years; (H) 118 days or more but less than 136 days, 0.7 years;
28 (I) 136 days or more but less than 154 days, 0.8 years; (J) 154 days or
29 more but less than 172 days, 0.9 years; (K) 172 days or more, 1.0 years;

1 if service is performed on a part-time basis, one-half credit shall be
2 given for each day of service;

3 * Sec. 2. This Act takes effect June 1, 1976.
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Introduced: 1/19/76
Referred: Finance

1 IN THE SENATE

BY CROFT

2 SENATE BILL NO. 547

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to teacher retirement fractional
7 credit and retirement credit for military service; and
8 providing for an effective date."

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

10 * Section 1. AS 14.25.220(16) is amended to read:

11 (16) "year of service" means membership service during the
12 dates set for a school term under AS 14.03.030; fractional credit shall
13 be given for membership service before July 1, 1969, during any school
14 year as follows: (A) less than 20 days, no credit; (B) 20 days or more
15 but less than 35 days, 0.2 years; (C) 35 days or more but less than 49
16 days, 0.3 years; (D) 49 days or more but less than 63 days, 0.4 years;
17 (E) 63 days or more but less than 77 days, 0.5 years; (F) 77 days or
18 more but less than 91 days, 0.6 years; (G) 91 days or more but less than
19 105 days, 0.7 years; (H) 105 days or more but less than 119 days, 0.8
20 years; (I) 119 days or more but less than 133 days, 0.9 years; (J) 133
21 days or more, 1.0 years; fractional credit shall be given for membership
22 service after July 30, 1969 [JULY 1, 1967], during any school year as
23 follows: (A) less than nine days, no credit; (B) nine days or more but
24 less than 27 days, 0.1 years; (C) 27 days or more but less than 45 days,
25 0.2 years; (D) 45 days or more but less than 63 days, 0.3 years; (E) 63
26 days or more but less than 81 days, 0.4 years; (F) 81 days or more but
27 less than 100 days, 0.5 years; (G) 100 days or more but less than 118
28 days, 0.6 years; (H) 118 days or more but less than 136 days, 0.7 years;
29 (I) 136 days or more but less than 154 days, 0.8 years; (J) 154 days or

1 more but less than 172 days, 0.9 years; (K) 172 days or more, 1.0 years;
2 if service is performed on a part-time basis, one-half credit shall be
3 given for each day of service;

4 * Sec. 2. AS 14.25.100(a) is repealed and re-enacted to read:

5 (a) A teacher who served as an active member of the armed forces
6 of the United States after December 31, 1939, may receive creditable
7 service under this retirement system up to a maximum of five years. Each
8 12 months of military service equals one school year, and lesser mili-
9 tary periods are determined for credit purposes in a proportionate
10 ratio to a year. To receive creditable service under this section, the
11 teacher must have received a discharge other than dishonorable. Credit
12 for service in the armed forces shall be granted only if the teacher
13 makes contributions for the service in the same manner as required for
14 outside service under sec. 60 of this chapter. The military service
15 credited under this section shall be included in the 10-year limitation
16 on outside service as specified in sec. 60 of this chapter. However,
17 if entry into the armed forces is immediately preceded by Alaska member-
18 ship service and, following discharge, is continued by Alaska member-
19 ship service within one year after discharge, service may not be
20 counted for purposes of determining the applicability of the 10-year
21 limitation on outside service.

22 * Sec. 3. AS 14.25.220(6) is amended to read:

23 (6) "military service" means active duty service in the
24 armed forces of the United States after December 31, 1939 [JANUARY 1,
25 1940];

26 * Sec. 4. AS 14.25.100(c) and (d) are repealed.

27 * Sec. 5. This Act takes effect June 1, 1976.
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FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. FCCS HCS CSSB #547
 Title: An act relating to Teachers' Retirement
 Requested by: House Finance Date: 5/24/76
 Return Date Requested: ASAP
 Agency: Administration - Retirement Program: TRS

II. FISCAL DETAIL

Budget Request Unit(s) Affected: DOE, U of A and TRS Match

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	8.7	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	76.7	85.9	Increase at 12% per year		
100 BENEFITS	0	15.6	17.5	0	0	0
TOTAL	0	101.0	103.4	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	92.3	103.4	Increase at 12% per year		
FEDERAL FUNDS	0	0	0	0	0	0
OTHER TRS	0	8.7	0	0	0	0

C. POSITIONS:

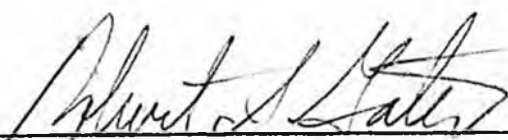
PERMANENT/TEMPORARY	0 / 0	0 / 2	0 / 0	0 / 0	0 / 0	0 / 0
MAN MONTHS (P./T.)	0 / 0	0 / 6	0 / 0	0 / 0	0 / 0	0 / 0

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

1. Estimated teachers payroll for FY 77 is \$153,340,300
2. Increase in state-employers contribution rate .10%
3. Total payroll is assumed to increase at 12% per year

IV. ATTACHMENTS

Appendix I

V. DATE: 5/26/76 PREPARED BY: 

Director
 Division of Retirement & Benefits

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

APPENDIX

TRS - Cost to State of Alaska

Estimated FY 77 Payroll (total) = \$153,340,300
 Increase in state-employer contribution rate = .10%

Breakdown of Payroll and Costs

<u>Employer</u>	<u>Payroll</u>		<u>Rate</u>	<u>Cost to State</u>
Department of Education	2,600,000	x	.05	\$ 1,300
University of Alaska	28,500,000	x	.05	\$14,250
Total TRS Payroll	153,340,000	x	.05	<u>\$76,670</u>
Total Cost to State				\$92,220

Distribution of Appropriation

1. Department of Education - - - \$ 1,300 to their budget
2. University of Alaska- - - - - \$14,250 to their budget
3. State Matching Contribution - \$76,670 to TRS MATCH
4. Regular TRS Budget- - - - - \$ 8,677 to personal services

Associated with the implementation of SB #547 will require an increase in funds for personal services in the TRS operating budget during FY 1977. These estimates are shown below and are one time only expenditures.

One temporary position - Retirement and Benefits Technician
 (Range 12) for a two month period.

Monthly salary	\$1,231	x	2	=	\$2,462
plus 7 1/4% benefits					179
					<u>\$2,641</u>

One temporary position - Accountant II
 (Range 14) for a four month period

Monthly salary	\$1,407	x	4	=	\$5,628
plus 7 1/4% benefits					408
					<u>\$6,036</u>

Total personal services = \$8,677

The Legislature of the State of Alaska
FISCAL NOTE
Second Session - Eighth Legislature

I. REQUEST

Bill Identification: HCS CSSenate Bill #547
 Title: An act relating to Teachers' Retirement
 Requested by: House Finance Date: 3/25/76
 Return Date Requested: ASAP
 Agency: Administration - Retirement Program: TRS

II. FISCAL DETAIL

Budget Request Unit(s) Affected: DOE, U of A and TRS Match

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	2.6	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	38.3	42.9	Increase at 12% per year		
100 BENEFITS	0	7.8	8.7			
TOTAL	0	48.7	51.6			

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	46.1	51.6	Increase at 12% per year.		
FEDERAL FUNDS	0	0	0			
OTHER TRD	0	2.6	0			

C. POSITIONS:

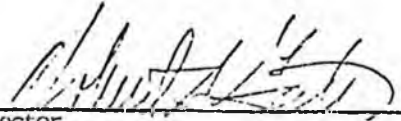
PERMANENT/TEMPORARY	0 / 0	0 / 1	0 / 0	0 / 0	0 / 0	0 / 0
MAN MONTHS (P./T.)	0 / 0	0 / 2	0 / 0	0 / 0	0 / 0	0 / 0

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

1. Estimated teachers payroll for FY 77 is \$153,340,300
2. Increase in state-employers contribution rate .05%
3. Total payroll is assumed to increase at 12% per year .

IV. ATTACHMENTS

Appendix I

V. DATE: 3/26/76 PREPARED BY: 
 Director
 Division of Retirement & Benefits

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

APPENDIX I

TRS - Cost to State of Alaska

Estimated FY 77 Payroll (total) = \$153,340,300

Increase in state-employer contribution rate = .05%

Breakdown of Payroll and Costs

<u>Employer</u>	<u>Payroll</u>		<u>Rate</u>	<u>Cost to State</u>
Department of Education	2,600,000	x	.025	\$ 650
University of Alaska	28,500,000	x	.025	\$ 7,125
Total TRS Payroll	153,340,000	x	.025	<u>\$38,335</u>
Total Cost to State				\$46,110

Distribution of Appropriation

1. Department of Education - - - \$ 650 to their budget
2. University of Alaska - - - - \$ 7,125 to their budget
3. State Matching Contribution - \$38,335 to TRS MATCH
4. Regular TRS Budget - - - - - \$ 2,641 to contractual services

Associated with the implementation of SB #547 will require an increase in funds for personal services in the TRS operating budget during FY 1977. These estimates are shown below and are one time only expenditure.

One temporary position - Retirement and Benefits Technician
(Range 12) for a two month period.

Monthly salary	1,231	x	2	=	\$2,462
plus 7 1/4% benefits					<u>179</u>
					\$2,641

The Legislature of the State of Alaska

FISCAL NOTE

Second Session - Eighth Legislature

I. REQUEST

Bill Identification: Senate Bill 547
 Title: An act relating to teacher's retirement credit for military & fractional serv
 Requested by: Senate Finance Date: January 19, 1976
 Return Date Requested: As soon as possible
 Agency: Administration-Retirement Program: TRS

II. FISCAL DETAIL

Budget Request Unit(s) Affected: TRS

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	5.4	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	5.4	0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	5.4	0	0	0	0

C. POSITIONS:

PERMANENT/TEMPORARY	0/0	0/1	0/0	0/0	0/0	0/0
MAN MONTHS (P./T.)	0/0	0/4	0/0	0/0	0/0	0/0

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

1. If this Bill is passed it will necessitate additional administrative costs only.
2. Personal services - one temporary position - Accountant II (Range 14) for a 4-month period:

Monthly salary \$1,265 x 4 = \$5,060
 Plus 7 1/4% benefits 367
\$5,427

IV. ATTACHMENTS

V. DATE: January 19, 1976

PREPARED BY: 

Robert S. Gates, Director
 Division of Retirement & Benefits

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named) CROFT
SENATE FINANCE (JIM FINNELL)
OFFICE of THE COMMISSIONER

CSSB-HB 547

March 23, 1976


Honorable Bill Ray
Chairman
Senate Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811.

Dear Senator Ray:

I have reviewed the provisions of HCS CSSB #547 and there are several recommendations which I would like to offer. On lines 11 and 21 the word "fractional" be changed to "partial year service". Also on line 22 the new language reading July 30, 1969 should be changed to July 1, 1969 otherwise there will be a one month gap in coverage. The reason for suggesting partial year service credit rather than fractional service credit is to more clearly reflect the intent of the law.

If you have any questions I would appreciate hearing from you.

Sincerely,


Robert S. Gates, Director
Division of Retirement & Benefits

RSC/jb

C.5813 547

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF ADMINISTRATION

DIVISION OF RETIREMENT & BENEFITS PUBLIC EMPLOYEES' & TEACHERS' RETIREMENT SYSTEMS, HEALTH INSURANCE, DEFERRED COMPENSATION, GOVERNMENT SOCIAL SECURITY PROGRAM
POUCH CR - JUNEAU 99811
PHONE (907) 465-4410

January 22, 1976

The Honorable Chancy Croft
State Senate
Pouch V
Juneau, Alaska 99801

Dear Senator Croft:

I have reviewed the provisions of Senate Bill #547 relating to fractional service credit and military service under the Teacher's Retirement System.

The bill as drafted will resolve the technical errors and possible discriminatory language which was contained in Senate Bill #380 which was vetoed by the Governor last year. Attached is the fiscal note which indicates that the only costs involved are \$5,400 for administrative expenses needed to implement this legislation.

If you have any further questions I would appreciate hearing from you.

Sincerely,



Robert S. Gates
Director
Division of Retirement & Benefits

RSG/jw

Attachment

The Legislature of the State of Alaska
 FISCAL NOTE
 Second Session - Eighth Legislature

I. REQUEST

Bill Identification: Senate Bill 547
 Title: An act relating to teacher's retirement credit for military & fractional service
 Requested by: Senate Finance Date: January 19, 1976
 Return Date Requested: AS SOON AS POSSIBLE
 Agency: Administration-Retirement Program: TKS

II. FISCAL DETAIL

Budget Request Unit(s) Affected: TRS

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES	0	5.4	0	0	0	0
200 TRAVEL	0	0	0	0	0	0
300 CONTRACTUAL	0	0	0	0	0	0
400 COMMODITIES	0	0	0	0	0	0
500 EQUIPMENT	0	0	0	0	0	0
600 LAND & STRUCTURES	0	0	0	0	0	0
700 GRANTS, CLAIMS, ETC.	0	0	0	0	0	0
TOTAL	0	5.4	0	0	0	0

B. FUNDING: (Thousands of dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	5.4	0	0	0	0

C. POSITIONS:

PERMANENT/TEMPORARY	0/0	0/1	0/0	0/0	0/0	0/0
MAN MONTHS (P./T.)	0/0	0/4	0/0	0/0	0/0	0/0

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

1. If this Bill is passed it will necessitate additional administrative costs only.

2. Personal services - one temporary position - Accountant II (Range 14) for a 4-month period:

Monthly salary \$1,265 x 4 = \$5,060
 Plus 7 1/4% benefits 367
\$5,427

IV. ATTACHMENTS

V. DATE: January 19, 1976

PREPARED BY: 

Robert S. Gatscs, Director
 Division of Retirement & Benefits

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)