

Leg. Finance-House & Senate Finance Comte Files (1991-1992) 799

SENATE FINANCE COMMITTEE REPORT

DATE: 5/12/92

FURTHER:

DATE TURNED INTO OFFICE: 5-12-92

The Finance Committee considered CS FOR HOUSE BILL NO. 538 (FINANCE) am

"An Act relating to workers' compensation benefits for fire fighters; and providing for an effective date."

and recommends:

- replace with 5 CS CS HB 538 (FINANCE)
- or adopt previous CS ()
- attaches amendment(s)

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

adopts Letter of Intent

further referral to the

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES: Dept/Date

zero fiscal notes

fiscal notes

appropriation--no fiscal note

PREVIOUS FISCAL NOTES: Dept/Date

zero fiscal notes Dolohol 3-26-92

fiscal notes

DO PASS:

[Signature]

[Signature]

[Signature]

[Signature]

OTHER RECOMMENDATIONS:

1.
Co-Chair: Signature/Recommendation

2. [Signature]
Co-Chair: Signature/Recommendation

FISCAL NOTE

No 2

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO : BI 'ersion: CSHB 538(HES)
(H) Publish Date: 4-6-92

Revision Date: _____
Title: "An Act relating to workers' compensation ... for firefighters ..."
Sponsor: Representative Ellis
Requestor: House HES

Department Affected: Labor
BRU: Workers' Compensation
Component: _____
Workers' Compensation
COMPONENT SERIAL NO. 344

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|------------------------|------------|------------|------------|------------|------------|------------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND&STRUCTURES | | | | | | |
| GRANTS,CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| | | | | | | |
|----------------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|----------------|--|--|--|--|--|--|

| | | | | | | |
|-----------------------------|--|--|--|--|--|--|
| REVENUE FUND SOURCE: | | | | | | |
|-----------------------------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|------------|------------|------------|------------|------------|------------|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| TOTAL | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Linda Rexwinkel, Director *LR* Phone: 465-2790
Division: Workers' Compensation Date: 3/26/92
Approved by Commissioner: C. W. Mahlen *CW Mahlen*
Agency: Department of Labor 3/26/92 Date: 3/26/92

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

COMMITTEE COPY

FN to Labor

SENATE CS FOR CS FOR HOUSE BILL NO. 538 (FINANCE)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES ELLIS, Donley, Finkelstein, Koponen, Gruenberg, B.Davis, Moyer, Bruckman, Foster

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to workers' compensation benefits for fire fighters; and providing for an
2 effective date."

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

4 * Section 1. AS 23.30.243 (a) is amended to read:

5 (a) For the purposes of workers' compensation any injury, disability or death incurred by
6 a fire fighter by reason of the fire fighter's participation in training, proceeding to or engaging
7 in a fire suppression or rescue operation, or the protection or preservation of life or property,
8 anywhere in the state is considered to have arisen out of and been sustained in the course of
9 employment, and the fire department or regularly organized volunteer fire department of the fire
10 fighter's primary employment or registration is considered to be the employer, except when the
11 injured, at the time of injury or death, is acting for compensation from another.

12 * Sec. 2. This Act takes effect July 1, 1992.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CSHB 538 (FINANCE) am

Revision Date: _____
Title: An Act relating to workers' compensation and occupational disability benefits for fire fighters
Sponsor: Ellis, Donley, Finkelstein, Koponen, et al
Requestor: _____

Department Affected: Administration
BRU: Risk Management
Component: Risk Management

COMPONENT SERIAL NO.

| | | | |
|---|---|---|---|
| 0 | 0 | 7 | 1 |
|---|---|---|---|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|------------------------|--------------|----------------|----------------|----------------|----------------|----------------|
| PERSONAL SERVICES | 0 | 0 | 0 | 0 | 0 | 0 |
| TRAVEL | 0 | 0 | 0 | 0 | 0 | 0 |
| CONTRACTUAL | 0 | 0 | 0 | 0 | 0 | 0 |
| SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 |
| EQUIPMENT | 0 | 0 | 0 | 0 | 0 | 0 |
| LAND & STRUCTURES | 0 | 0 | 0 | 0 | 0 | 0 |
| GRANTS, CLAIMS | 800.0 | 1,000.0 | 1,200.0 | 1,400.0 | 1,700.0 | 2,000.0 |
| MISCELLANEOUS | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL OPERATING | 800.0 | 1,000.0 | 1,200.0 | 1,400.0 | 1,700.0 | 2,000.0 |

| | | | | | | |
|---------|---|---|---|---|---|---|
| CAPITAL | 0 | 0 | 0 | 0 | 0 | 0 |
|---------|---|---|---|---|---|---|

| | | | | | | |
|----------------------|---|---|---|---|---|---|
| REVENUE FUND SOURCE: | 0 | 0 | 0 | 0 | 0 | 0 |
|----------------------|---|---|---|---|---|---|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|-------------------------|--------------|----------------|----------------|----------------|----------------|----------------|
| GENERAL FUND | 0 | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS | 0 | 0 | 0 | 0 | 0 | 0 |
| OTHER FUND SOURCE: 1007 | 800.0 | 1,000.0 | 1,200.0 | 1,400.0 | 1,700.0 | 2,000.0 |
| TOTAL | 800.0 | 1,000.0 | 1,200.0 | 1,400.0 | 1,700.0 | 2,000.0 |

POSITIONS:

| | | | | | | |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| TEMPORARY | 0 | 0 | 0 | 0 | 0 | 0 |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)
This CS materially broadens coverage and increases fiscal exposure. See attached.

Prepared by: Don Hitchcock, Director
Division: Risk Management

Phone: 465-2180
Date: May 11, 1992

Approved by Commissioner: Nancy Bear Usera
Agency: Administration

Date: 5/12/92

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

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CSHB 538 (FINANCE) am

ANALYSIS:

CSHB 538 (Finance) creates a very broad presumption that any form of heart or respiratory disease or cancer affecting an individual with more than five years of firefighting exposure arises from their work experience. This presumption is further expanded to apply for an unlimited period of time. The terms "heart disease, respiratory disease and cancer" are very broad and will be construed to extend this presumption such that any form of the many variations of these diseases will be deemed caused by firefighting rather than personal exposures or other work experience.

The fiscal impact of this bill is difficult to estimate as it will extend not only to the 175 regular full-time firefighters employed by the State, but also to the 130 regular seasonal firefighters engaged by the Department of Natural Resources (average of 5.3 months per year) and possibly to the 600-800 emergency firefighting crews that are hired for anywhere between 3 weeks to 2 months a year.

Effectually this bill would also add about 4,000 nonstate employees to the State workers' compensation roll of 14,000 plus. This is an increase of almost 30 percent all of whom are engaged in a more hazardous occupation.

Conservative cost estimates (medical and wage loss) range between \$240,000 and \$400,000 for each potential permanent disability claim. We project future claims to increase each year due to the very broad language and unlimited extensions. Even by very conservative estimates we anticipate several long-term cases in the early years, with ever increasing obligations even beyond our five-year projection.

CSHB 538 (Finance) materially broadens coverage in that it removes the necessity of a preliminary link between employment and injury and would simply provide lifetime workers' compensation benefits for certain diseases irrespective of any other employment or exposures during the firefighters lifetime. This CS also acts as a disincentive for the volunteer fire departments to purchase available workers' compensation insurance since the bill states "the State shall be considered the employer for purposes of this chapter."

Other important considerations are as follows:

Practically the State has always considered and accepted bonafide training exercises as a covered activity. Presently any firefighter employed by the state injured while participating in a training exercise has been provided coverage by the state. If all volunteers become employees of the state it may be difficult to determine the validity of claims that are alleged to be incurred in training activities as we have no operational control or monitoring of the activities of the volunteer organizations.

This CS creates a very large potential fiscal impact to the state. This amendment makes the state the employer for almost all volunteer firefighters in this state. Only those volunteers in a "municipality" would be exempt. Whether this label would apply to local cities and boroughs is an open question. Taken literally it may only exclude the Municipality of Anchorage.

We checked with the Department of Public Safety, Division of Fire Prevention who estimate that there are 5,000 organized volunteer firefighters in the state. Only 3,560 are currently registered with their office. Only 500 of those registered are within Anchorage, Fairbanks and Juneau. Even if the definition of "municipality" is broadly interpreted to extend to even smaller cities, it is evident that the majority of the volunteers are in the remote rural areas.

The injured rural area volunteer claims are potentially more costly as it will be more difficult for the state to verify if the injury actually occurred on the job (the first notice will be on receipt of a claim). Under the present act we are obligated to pay disability benefits calculated on the wages of a full-time paid fireman, AS 23.30.220 (4), until the volunteer is able to return to other employment with similar wage earning capacity. In rural areas where there are very limited employment opportunities with comparable wages disability may continue for long periods.

We cannot estimate with any accuracy what the full impact of this CS will be without complete information of the number of volunteers and until we are able to review loss experience records of each volunteer unit.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CSHB 538 (FINANCE) am

As a matter of information, these same volunteers are able to obtain workers' compensation insurance coverage from the assigned risk pool at an estimated annual premium cost of \$128 per volunteer. Normally workers' compensation premiums are assessed against monthly payrolls. In the case of a volunteer firefighter, the manual rate of \$6.41 is assessed against an assumed annual salary of \$2,000. Taking the annual rate of \$128 times an assumed population of say 4,000 volunteers assumed to be outside of the "municipality" would generate annual premium costs of over \$512,000.

In this fiscal note we have simply added the cost of workers' compensation insurance to the previous fiscal note.

Since Division of Risk Management claims funds are collected entirely through interagency receipts, if this bill is enacted premium allocations to the employing agencies would be increased to meet this additional exposure. Workers' Compensation benefits for State employees are entirely self insured.

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

No. 1
Bill Version: CSHB 538 (HES)
(H) Publish Date: 3-6-92

Revision Date: _____
Title: An Act relating to workers' compensation and occupational disability benefits for fire fighters
Sponsor: Ellis, Donley, Finkelstein
Requestor: _____

Department Affected: Administration
BRU: Risk Management
Component: Risk Management

COMPONENT SERIAL NO.

| | | | |
|---|---|---|---|
| 0 | 0 | 7 | 1 |
|---|---|---|---|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|-------------------|-------|-------|-------|-------|---------|---------|
| PERSONAL SERVICES | 0 | 0 | 0 | 0 | 0 | 0 |
| TRAVEL | 0 | 0 | 0 | 0 | 0 | 0 |
| CONTRACTUAL | 0 | 0 | 0 | 0 | 0 | 0 |
| SUPPLIES | 0 | 0 | 0 | 0 | 0 | 0 |
| EQUIPMENT | 0 | 0 | 0 | 0 | 0 | 0 |
| LAND & STRUCTURES | 0 | 0 | 0 | 0 | 0 | 0 |
| GRANTS, CLAIMS | 300.0 | 500.0 | 700.0 | 900.0 | 1,200.0 | 1,500.0 |
| MISCELLANEOUS | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTAL OPERATING | 300.0 | 500.0 | 700.0 | 900.0 | 1,200.0 | 1,500.0 |

| | | | | | | |
|---------|---|---|---|---|---|---|
| CAPITAL | 0 | 0 | 0 | 0 | 0 | 0 |
|---------|---|---|---|---|---|---|

| | | | | | | |
|----------------------|---|---|---|---|---|---|
| REVENUE FUND SOURCE: | 0 | 0 | 0 | 0 | 0 | 0 |
|----------------------|---|---|---|---|---|---|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|-------------------------|-------|-------|-------|-------|---------|---------|
| GENERAL FUND | 0 | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS | 0 | 0 | 0 | 0 | 0 | 0 |
| OTHER FUND SOURCE: 1007 | 300.0 | 500.0 | 700.0 | 900.0 | 1,200.0 | 1,500.0 |
| TOTAL | 300.0 | 500.0 | 700.0 | 900.0 | 1,200.0 | 1,500.0 |

POSITIONS:

| | | | | | | |
|-----------|---|---|---|---|---|---|
| FULL-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| PART-TIME | 0 | 0 | 0 | 0 | 0 | 0 |
| TEMPORARY | 0 | 0 | 0 | 0 | 0 | 0 |

Estimate of current year impact: None

ANALYSIS: (Attach a separate page if necessary.)
See Attached.

Prepared by: Don Hitchcock, Director
Division: Risk Management

Phone: 465-2180
Date: February 28, 1992

Approved by Commissioner: Nancy Bear Usera
Agency: Administration

Date: 3/24/92

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

FEN 300.0 Administration

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. HB 538

ANALYSIS:

HB 538 creates a new and very broad presumption that any form of heart or respiratory disease or cancer affecting an individual with more than five years of fire fighting exposure arises from their work experience. This presumption is further expanded to apply for an additional 20 years beyond the last date the individual was employed as a fire fighter.

The terms "heart disease, respiratory disease and cancer" are very broad and will be construed to extend this presumption such that any form of the many variations of these diseases will be deemed caused by work rather than personal exposures.

The fiscal impact for this bill is difficult to estimate as it will extend not only to the 175 regular full-time fire fighters employed by the State, but also to the 130 regular seasonal fire fighters engaged by the Department of Natural Resources (average of 5.3 months per year) and possibly to the 600-800 emergency fire fighting crews that are hired for anywhere between 3 weeks to 2 months a year.

Conservative cost estimates (medical and wage loss) range between \$240,000 and \$400,000 for each potential permanent disability claim. We project future claims to increase each year due to the very broad language and 20-year extension period. Even by very conservative estimates we anticipate several cases in the early years, with ever increasing obligations even beyond our five-year projection.

Since the Division of Risk Management claims funds are collected entirely through interagency receipts, if enacted premium allocations to the employing agencies would be increased to meet this additional exposure.

HB545

(11)

Date Referred: March 13, 1992

HOUSE COMMITTEE REPC, T
FURTHER REFERRALS:

Date of Committee Action: 4/8/92

The FINANCE Committee considered:

SSHB 545

SPONSOR SUB. FOR HOUSE BILL NO. 545 MEDICAID FOR REHAB AND CASE MANAGEMENT

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

RECOMMENDATIONS:

be replaced with SSSB HB.545 (HESS) [] the same title [] a new title

[] have attached amendments(s)

[x] do pass

[] do not pass

[] no recommendations

[] individual recommendations

[] additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(s):

DHSS 1,898.2 4/2/92 (Dept)

[x] fiscal impact DH SS <576.7 4/2/92

[] zero fiscal note _____

APPROVES PREVIOUS:

DHSS 3/13/92 77.8 (Dept/Date)

[x] fiscal note (SDH SS 3/13/92 <118.5)

[] zero fiscal note(s) _____

| SIGNING DO PASS | DP | OTHER RECOMMENDATIONS | DNP | NR | AM |
|-------------------|----|-----------------------|-----|----|----|
| Eileen P. Muehlen | ✓ | _____ | | ✓ | |
| Mike Savane | ✓ | Best Deal | | ✓ | |
| Wendy Kamen | ✓ | Roll E (roll) | | ✓ | |
| Tan Brown | ✓ | _____ | | ✓ | |
| _____ | ✓ | | | | |
| _____ | ✓ | | | | |
| _____ | x | | | | |
| _____ | x | | | | |
| _____ | | | | | |
| _____ | | | | | |

Mike Savane E P Muehlen
CHAIRMAN'S SIGNATURE

FISCAL NOTE

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

BILL NO. CSSHB No. 545

Revision Date: March 24, 1992 Department Affected: Health and Social Services
 Title: An Act providing for Medicaid Coverage BRU: Medicaid
 for Component: Medicaid Non-Facility

Sponsor: B. Davis, Boyer, Ellis

Requestor: Boyer

COMPONENT SERIAL NO.

| | | | |
|---|---|---|---|
| 0 | 2 | 2 | 9 |
|---|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| REVENUE FUND SOURCE: | | | | | | |
|----------------------|--|--|--|--|--|--|

FUNDING (Thousands of Dollars)

| | | | | | | |
|-----------------------|---------|---------|---------|---------|---------|---------|
| GENERAL FUNDS | 223.7 | 260.9 | 286.1 | 313.7 | 344.2 | 377.5 |
| FEDERAL FUNDS | 980.0 | 1,193.1 | 1,311.5 | 1,441.8 | 1,585.0 | 1,742.4 |
| OTHER FUND SOURCE: IA | 614.5 | 894.3 | 983.8 | 1,082.1 | 1,190.3 | 1,309.4 |
| TOTAL | 1,898.2 | 2,348.3 | 2,581.4 | 2,837.6 | 3,119.5 | 3,429.3 |

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

See attached analysis

Prepared by: Kimberly B. Busch *Kimberly B Busch* Phone: 465-3355

Division: Medical Assistance Date: 3-24-92

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

Agency: Department of Health and Social Services Date: 4-2-92

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

FISCAL NOTE ANALYSIS
CSSSHB NO. 545

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

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

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

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

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

(Start date of 7/1/92 assumed)

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

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

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

In FY 94, the first full year of operation of this measure, the state will receive 1,211.6 in new federal funds. Grantees will be advantaged as follows:

| | | |
|---------|--------------|-----------------------|
| Receive | 2,235.9 | New Medicaid Payments |
| Give up | <u>894.3</u> | State Grant Funds |
| | 1,341.6 | Advantage to Grantees |

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CSSSHB545

Revision Date: 3/19/92 Department Affected: Health & Social Services
 Title: An Act Providing for Medicaid Coverage BRU: Community Mental Health Grants
 Component: Services to CMI, Services to SED Youth

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

| | | | |
|---|---|---|---|
| 1 | 4 | 3 | 6 |
|---|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| REVENUE FUND SOURCE: | | | | | | |
|----------------------|--|--|--|--|--|--|

FUNDING (Thousands of Dollars)

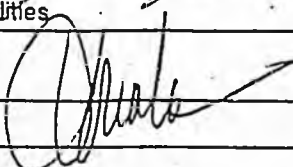
| | | | | | | |
|--------------------|---------|---------|---------|---------|---------|---------|
| GENERAL FUNDS | (576.0) | (633.6) | (697.0) | (766.7) | (843.4) | (927.7) |
| FEDERAL FUNDS | | | | | | |
| OTHER FUND SOURCE: | | | | | | |
| TOTAL | (576.0) | (633.6) | (697.0) | (766.7) | (843.4) |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

POSITIONS:

| | | | | | | |
|------------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY: | | | | | | |

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

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

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

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

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

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

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

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

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

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

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

C555HB 545

Revision Date: March 20, 1992 Dept. Affected: Health & Social Services
 Title: An Act Providing Medicaid Coverage BRU: Alcohol & Drug Abuse Services
for rehabilitation & case management Component: Alcohol & Drug Abuse Grants
 Sponsor: B. Davis, Boyer, Ellis
 Requestor: Boyer COMPONENT SERIAL NO. 1239

Expenditures/Revenues (Thousands of Dollars)

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

FUNDING: (Thousands of Dollars)

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

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED ANALYSIS

Prepared by: Suzanne Perry *SP* Phone: 465-2071
 Division: Alcoholism & Drug Abuse Date: March 20, 1992

Approved by Commissioner: Theodore A. Mala, MD, MPH Date: March 20, 1992
 Agency: Department of Health and Social Services *4-2-92*

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

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CSSSHB 545

Revision Date: March 20, 1992 Dept. Affected Health & Social Services
 Title: An Act Providing Medicaid Coverage BRU: Alcohol & Drug Abuse Services
for rehabilitation & case management Component: Administration
 Sponsor: B. Davis, Boyer, Ellis
 Requestor: Boyer COMPONENT SERIAL NO. 0302

Expenditures/Revenues (Thousands of Dollars)

| OPERATING | FY93 | FY94 | FY95 | FY96 | FY97 | FY98 |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| PERSONAL SERVICES | 54.8 | 56.8 | 59.7 | 62.6 | 65.8 | 69.0 |
| TRAVEL | 10.0 | 10.5 | 11.0 | 11.6 | 12.2 | 12.8 |
| CONTRACTUAL | 5.0 | 5.3 | 5.7 | 5.9 | 6.2 | 6.5 |
| SUPPLIES | 1.0 | 1.1 | 1.2 | 1.3 | 1.4 | 1.5 |
| EQUIPMENT | 7.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 77.8 | 73.7 | 77.6 | 81.4 | 85.6 | 89.8 |
| CAPITAL | | | | | | |
| REVENUE | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| GENERAL FUND | 38.9 | 36.9 | 38.8 | 40.7 | 42.8 | 44.9 |
| FEDERAL FUNDS | | | | | | |
| OTHER (interagency) | 38.9 | 36.8 | 38.8 | 40.7 | 42.8 | 44.9 |
| TOTAL | 77.8 | 73.7 | 77.6 | 81.4 | 85.6 | 89.8 |

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED ANALYSIS

Prepared by: Suzanne Perry *SP*
 Division: Alcoholism & Drug Abuse

Phone: 465-2071
 Date: March 20, 1992

Approved by Commissioner: Theodore A. Mala MD, MPH
 Agency: Department of Health and Social Services

Date: March 20, 1992
4-2-92

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

ANALYSIS (cont.):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/13/92

Referred: Finance

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

A BILL

FOR AN ACT ENTITLED

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

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

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

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

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

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

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

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

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

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

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

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

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

23 AS 47.30.520 - 47.30.620;

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

25 disturbed or chronically mentally ill adults provided by

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

27 AS 47.30.475; or

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

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

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

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

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

2 (C) misuses illegal or prescription drugs;

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

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

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

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

POSITION PAPER
CS FOR SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 545

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

Analysis

Section 1 of CSSSHB No. 545 would amend AS 47.07.030(b) to add rehabilitative services to the list of optional services Alaska's Medicaid program offers to eligible low-income persons, but it would restrict this service to those who are substance abusers or emotionally disturbed or chronically mentally ill adults. (Under federal mandates, the Department is adding rehabilitative services for individuals under 21 who are substance abusers or are severely emotionally disturbed.)

Section 1 also adds case management Medicaid services for three targeted groups: substance abusers of any age, chronically mentally ill adults, and severely emotionally disturbed children under 21.

Section 2 would place these new services twelfth and thirteenth in the AS 47.07.035 list of optional services to be deleted in the event of a Medicaid funding shortfall.

Section 3 amends AS 47.07.900 to restrict these service additions to grantees of the Division of Mental Health and Developmental Disabilities, in the Community Mental Health Centers system, and to the grantees of the Division of Alcoholism and Drug Abuse, to allow them to claim Medicaid's 50% Federal matching funds for the services they provide to Medicaid eligibles.

Discussion

The Department totally supports limiting these services to grantees. If we are to protect these essential services as Alaska's needy population grows and State revenues shrink, it can only be by maximizing other revenue sources such as Medicaid's federal match.

The current "clinic option" was added to AS 47.07.030 to add federal Medicaid funds to community mental health centers. This option, as it is defined federally, requires Medicaid-coverable diagnostic and treatment therapy services to be performed on the premises of a clinic and be supervised directly by a physician. This option's restrictions fit some of the services provided by community mental health centers, though the physician-supervision requirement is expensive and difficult for rural clinics. However, the primary treatment approach that is used to treat alcoholism and drug abuse does not fit either of the clinic option's two primary requirements.

Increasingly, each of these service systems find treatment best succeeds if it is delivered outside of a clinic setting, where the patient and his or her family actually lives, be it in the

patient's residence or in a group home or other residential treatment facility.

The "rehabilitation services" Medicaid option allows for services to be delivered in any appropriate setting, without any direct physician supervision. Adopting this option would allow DMH-DD grantees to bill Medicaid for more services than they currently do. (It will not fund all the services they find necessary to provide, for some services Medicaid federal rules will simply not let us cover, no matter what option is chosen). The rehabilitation option will also allow DADA grantees to enroll and begin billing Medicaid for services for the first time. Additionally, this rehabilitation option does allow Medicaid reimbursement for some skills re-training, to replace skills the patient has lost as a result of his or her illness. The clinic option does not cover these kinds of services to the same degree.

Both these treatment systems use case management as an integral part of their services, promoting the patient's access to necessary services. Adopting the case management option will allow these services to draw federal matching funds for the first time. Good case management services have the potential to restrain cost (by assuring the patient gets only necessary services) and to maximize federal matching funds (by making sure patients pursue and keep Medicaid eligibility). However, case management is not generally necessary and efficient unless it is restricted to the seriously ill; CSSSHB 545 restricts this service to those for whom it is most likely to be effective.

The Department believes that CSSSHB No. 545, as a refinancing initiative, lays the groundwork for very substantial fiscal advantages to Alaska. Not all of those advantages are summarized in this discussion or shown in our related fiscal notes; we plan to develop other refinancing strategies based on the rehabilitation option offered by this bill, and we will bring these to your attention as they are developed. However, we believe that the Legislature needs to keep in mind three key caveats:

(1) Developing the maximum funding advantages provided by this bill cannot be accomplished instantly, but requires extensive work by our staff and our grantees over a period of up to two years.

(2) Medicaid federal match will generally not replace State grant funds dollar-for-dollar, either initially or over the longer range. From other states' experience with the rehabilitation option and with their Medicaid refinancing projects, we believe that the percentage of state funds Medicaid can replace will vary widely depending on an array of factors. For the kinds of refinancing CSSSHB No. 545 calls for, we believe is appropriate to propose an 80% reduction: \$200 of new Medicaid funding, including \$100 of new Federal matching funds, can produce a corresponding \$80 reduction in state grant funds. There are many unavoidable reasons for a

20% retention: new staffing is needed by grantees to bill Medicaid, a number of clients often go into and out of Medicaid-eligible status, there is a need to adjust staff and programs to meet federal requirements, etc.

(3) The savings that would result from introducing or expanding Medicaid funding will vary widely from program to program, based on client characteristics and the types of services. For example, almost all chronically mentally ill persons are Medicaid-eligible, but very few substance abusers are. Thus Medicaid savings in DADA programs will be smaller than in DMH-DD programs. Also, Medicaid cannot pay for room and board costs in residential treatment facilities, which are more common in the DADA system.

Position

The Department appreciates the cooperative efforts of the sponsor and of the members of the House HESS Committee to make detailed improvements in this bill.

The Department believes CSSSHB No. 545 is an essential step toward refinancing programs supported by unmatched state general funds with 50% Federal Medicaid funds. We strongly support the passage of this bill.

Recommended by: Kimberly B. Busch Date: 3-19-92
Kimberly B. Busch
Director
Division of Medical Assistance

A Approved by: Theodore A. Mala Date: 6 Apr 92
Theodore A. Mala, MD, MPH
Commissioner

ALASKA STATE LEGISLATURE

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HEALTH, EDUCATION
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REGIONAL AFFAIRS

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CHAIR
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REPRESENTATIVE BETTYE DAVIS

DISTRICT 14 SEAT B • EAST ANCHORAGE • MULDOON

S P O N S O R S T A T E M E N T

I appreciate the committee members hearing CCSSHB 545. CCSSHB 545 if adopted would provide Medicaid coverage for certain rehabilitation and case management services, an reorder the priorities given to optional services.

As you may know medicaid is a federal grant-in-aid program that is administered and partially funded by the State. Authorized by Title XIX of the Social Security Act, its purpose is to provide medical assistance to needy individuals.

Medicaid has become the largest funding source of public mental health services. Here in Alaska Medicaid dollars have been used to fund existing and traditional mental health services, rather than using the money to expand effective community services.

In January, the final Medicaid regulation for adult mental health services were approved. Some confusion remains regarding the broad scope of services that would be reimbursed by Medicaid. Alaska has, by statute, clinic option. This option has a number of serious limitations for services to severely mentally ill adults, particularly with regard to services provided in residential facilities. Under a clinic option, Medicaid cannot reimburse for services provided in a residential facility.

The new state regulations did not address this issue, as it was beyond the scope of the regulations. The regulations are intended to delineate options and procedures that are understood to be under clinic option.

The two key differences between rehabilitation and clinic services are as follows.

1. Clinic services must be offered in a clinic, but rehabilitation services can be provided anywhere they are appropriate or necessary; and
2. Clinics must be supervised by a physician who usually needs to be on-site, but rehabilitation services can be supervised by any qualified professional.

Since both the mentally ill and substance abuse treatment structures have been moving away from clinic-based services and toward residential facilities and in-patients homes and workplaces, it is time for Alaska to adopt the rehabilitation option.

This is a critical funding issue for the Mental Health Clinics. It is important that legislation pass this year, because clinics fear that services could be reduced or eliminated.

Thanks for your consideration.

**ADDENDUM TO POSITION PAPER
HOUSE BILL 545**

APR - 3 1992

**PREPARED BY
COMMUNITY MENTAL HEALTH MEDICAID PROVIDERS
APRIL 1, 1992**

INTRODUCTION:

This group consists of the community mental health center directors from Ketchikan, Juneau, Anchorage, Kenai, Fairbanks, Matsu, and Wrangell. The group endorses House Bill 545 adopting: 1) "Targeted Case Management" for severely emotionally disturbed persons under the age of 18 and for chronically mentally ill adults; and 2) "Rehabilitation Services" for emotionally disturbed adults and chronically mentally ill adults, as part of the Alaska Medicaid Plan.

This addendum addresses the funding mechanism for meeting the state's expenses for the federal match requirements for these services.

FUNDING:

The plan for financing the services calls for a hold harmless mechanism to protect current client services available. The proposal is consistent with cost containment needs for the state and with the need for expanded services to meet increasing needs in the community.

Success of the refinancing effort is dependent upon incentives for full participation by the provider agencies. We propose a pay-as-you-go system to encourage this participation and to contain costs for the state. This endorses a "carrot and stick" approach with encouragement for a partnership between the state and local communities to meet joint challenges. This system would include:

- I. Hold harmless previous year Medicaid billing level for participating agencies as a base amount available.
- II. Reduce participating agency's grant allocation at end of year by 30% of the amount of Medicaid billed in excess of the base amount.
- III. Transfer match contribution to Medical Assistance from DMRDD.

This proposal retains 70% of the allocation in the grant line to account for services to clients who are not Medicaid recipients. It also accounts for additional administrative costs involved in a fee for service system. The current Administration budget proposes an initial transfer of \$576,000 to meet Medicaid expenses. While this may be manageable by some of the larger community mental health centers, it has more risk of loss of patient care capacity during a year of adjustment to massive changes in the system.

Consistent with reports from consultants from Oregon who have implemented similar systems, driving too many changes too rapidly is not advisable. As stated in the initial position paper prepared by this group, it is not possible to calculate the true impact of Medicaid refinancing until we have developed regulations defining reimbursable services and rates.

| | | |
|--|------------------------------------|----------------|
| Post-It™ brand fax transmittal memo 7671 | | # of pages > 1 |
| To Karen Robinson | From Ken Taylor | |
| Co. Bethie Davis | Co. Southcentral Counseling Ctr | |
| Dept. | Phone # 563-1000 | |
| Fax # 415-2444 | Fax # 512-2445 | |



ALASKA CHAPTER
NATIONAL ASSOCIATION OF
SOCIAL WORKERS

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March 7, 1992

Executive Director
William Diebels, LCSW

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Faith Taves
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The Honorable Bettye Davis
Alaska House of Representatives
P.O. Box V
Juneau, Alaska 99801

Regarding: SSHB 545

Dear Representative Davis,

The Alaska Chapter of the National Association of Social Workers (NASW) supports Medicaid coverage for rehabilitative services and targeted case management for substance abusers, chronically mentally ill adults and severely emotionally disturbed youth.

Medicaid's programs for mental health and chemical dependency care for low-income Alaskans could be significantly greater if Alaska expanded appropriate and effective community services. In adopting the rehabilitative and case management options, savings can be obtained from federal matching funds, and community outpatient care can be utilized in lieu of hospital care.

The Chapter does not support reordering the priorities given to optional services under the Medicaid program, unless all the services are going to be re-prioritized to reflect their importance to Medicaid recipients.

Any new service or provider should come in as priority 1 reflecting the most recent need for services. This is consistent with the Department of Health and Social Services' position relating to many Medicaid option bills. When acting upon 1990 CS HB 248, which added licensed psychologists and licensed clinical social workers as optional providers in the Medicaid program, both the Senate and House Finance Committees relied upon the Department's advice on this, and agreed that every new service ought to come in at the bottom of the list.

Thank you for your time.

Respectfully,

Theresa Tanoury, LCSW
Social Action Committee Chair

Anchorage Daily News

Gerald E. Grilly
Publisher



Howard Weaver
Editor

Michael Carey, Editorial Page Editor

Patrick Dougherty, Managing Editor

Katherine Fanning, Editor and Publisher 1971 to 1983

Lawrence Fanning, Editor and Publisher 1967 to 1971

Founded in 1948 by Norman C. Brown

Halfway houses

Don't close the one we've got

When it comes to helping the homeless, soup kitchens and shelters — as crucial as they are — are the quick fix. Halfway houses are the means to get people off the streets and keep them off. They provide not just shelter but structure and support. They help homeless people make the transition to an independent life.

Halfway houses are especially important for the 40 percent of homeless people who suffer from a chronic, disabling mental illness. The structured environment of a halfway house can keep them on their medication, help them learn to cope with their illness.

We know all this. So why are we going backwards?

The Transitional Care Center, a halfway house for up to 18 severely mentally ill people, will close at the end of the month after losing its federal funding.

The center has received Medicaid funding since it opened 10 years ago. But the state took a second look at the federal regulations and decided the halfway house doesn't qualify and probably never should have, at least under the Medicaid plan the legislature chose years ago.

The legislature could close this loophole in the safety net by approving a different Medicaid option, one that covers a residential program. There is no justification for not funding the only help anyone has to offer the homeless mentally ill.

Nearly 30 years ago, Congress decreed that the mentally ill would be better served in communities, not in state mental hospitals. Now hospitals have only a fraction of their former patients, but communities weren't given the resources to care for the rest. People with disabling mental illness, who need help but can't get it, end up on the streets.

The Transitional Care Center gave some of them a place to go. We should be opening more halfway houses for the mentally ill. It's unconscionable that, instead, we're closing the one we've got.

Anchorage Daily News Editorial

HB545

SENATE FINANCE COMMITTEE REPORT

DATE: 4/22/92

FURTHER:

DATE TURNED INTO OFFICE: 5/5/92

The Finance Committee considered CS SSB 545 (HES)

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

and recommends:

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

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

[] adopts _____ Letter of Intent

[] further referral to the _____

[X] do pass

[] do not pass

[] no recommendation

[] individual recommendations

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

[] fiscal notes _____

[] appropriation--no fiscal note

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

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

DO PASS:
[Signature]

OTHER RECOMMENDATIONS:

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

2. _____
Co-Chair: Signature/Recommendation

FISCAL NOTE

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

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

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

Expenditures/Revenues

(Thousands of Dollars)

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

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|---------|--|--|--|--|--|--|
| REVENUE | | | | | | |
|---------|--|--|--|--|--|--|

FUNDING:

(Thousands of Dollars)

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

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED ANALYSIS

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

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

(Rev 12/91)

COMMITTEE COPY *FN (118.5) DADA GRANTS*

ANALYSIS (cont.):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

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

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

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

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

| | | | |
|---|---|---|---|
| 1 | 4 | 3 | 6 |
|---|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| REVENUE FUND SOURCE: | | | | | | |
|----------------------|--|--|--|--|--|--|

FUNDING (Thousands of Dollars)

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

POSITIONS:

| | | | | | | |
|------------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY: | | | | | | |

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

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

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

6
4-10-92

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

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

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

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

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

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

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

**STATE OF ALASKA
1992 LEGISLATIVE SESSION**

FISCAL NOTE

No. 7

Bill Version: CSSS HA 545(HES)

(S) Publish Date: 4-22-92

BILL NO.

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

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

Sponsor: B. Davis, Boyer, Ellis

Requestor: _____

COMPONENT SERIAL NO.

| | | | |
|---|---|---|---|
| 0 | 2 | 2 | 9 |
|---|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| REVENUE FUND SOURCE: | | | | | | |
|----------------------|--|--|--|--|--|--|

FUNDING (Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary.)

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

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

Phone: 465-3355

Division: Medical Assistance

Date: 4-14-92

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

Agency: Department of Health and Social Services

Date: 4/21/92

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

Rev 10/7/91

Replace #5 F. Note

Page 1 of 3

FISCAL NOTE ANALYSIS
CSSSHB NO. 545

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

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

(for Position in DADA)

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

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

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

(Start date of 7/1/92 assumed)

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

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

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

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

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

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

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

FISCAL NOTE

No. 1
 Bill Version: CSSSHB 545 (HES)
 (H) Publish Date: 3-13-92

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

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

Expenditures/Revenues

(Thousands of Dollars)

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

FUNDING:

(Thousands of Dollars)

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

POSITIONS:

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

Estimate of current year impact:

ANALYSIS: (Attach a separate page if necessary)

SEE ATTACHED ANALYSIS

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

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

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

(Rev 12/91)

COMMITTEE COPY *FN* *77.8* *DADA* *Admin.*

ANALYSIS (cont.):

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

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

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| | |
|---|------------|
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| 25 clients X 50 days Aftercare X \$50 = | \$ 37,500 |
| Total | \$592,500 |

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

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

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

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

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

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

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

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

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 3/13/92

Referred: Finance

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

A BILL

FOR AN ACT ENTITLED

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

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

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

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

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

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

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

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

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

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

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

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

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

23 AS 47.30.520 - 47.30.620;

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

25 disturbed or chronically mentally ill adults provided by

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

27 AS 47.30.475; or

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

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

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

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

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

2 (C) misuses illegal or prescription drugs;

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

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

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

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

HB556

HOUSE COMMITTEE REPORT

(11)

Date Referred: April 14, 1992

FURTHER REFERRALS:

Date of Committee Action: 4/23/92

The FINANCE Committee considered:

HB 556

HOUSE BILL NO. 556

EARTHQUAKE SAFETY PROCEDURES IN SCHOOLS

"An Act relating to earthquake safety plans and procedures in public and private schools; and providing for an effective date."

RECOMMENDATIONS:

be replaced with CS HB 556 (Hes) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): _____ (Dept)

APPROVES PREVIOUS: _____ (Dept/Date)

fiscal impact _____

fiscal note(s) _____

zero fiscal note EDUCATION

zero fiscal note(s) DMVA 4/14/92

| SIGNING <u>DO PASS</u> | DP | OTHER RECOMMENDATIONS | DNP | NR | AM |
|-------------------------------|----|--------------------------------|-----|----|----|
| <i>Mark Bayee</i> Bayee | X | <i>Eileen P. McKeon</i> McKeon | | ✓ | |
| <i>Jan Brown</i> Brown | ✓ | <i>Mike Navarre</i> Navarre | | ✓ | |
| <i>Ross Kaponen</i> Kaponen | ✓ | <i>Bill Sharp</i> Sharp | | ✓ | |
| <i>Chris Iacolo</i> Iacolo | X | <i>Lorena Macken</i> | | ✓ | |
| <i>RCAP Phillips</i> Phillips | ✓ | | | | |
| <i>Ronald Larson</i> Larson | X | | | | |
| <i>John Ulmer</i> Ulmer | X | | | | |
| | | | | | |
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| | | | | | |
| | | | | | |

Mike Navarre NAVARRE
 CO-CHAIRMAN'S SIGNATURE
EP Macken
 Macken

FISCAL NOTE

STATE OF ALASKA
1992 LEGISLATIVE SESSION

BILL NO. CS HB 556

Revision Date: 4-14-92
Title: An Act relating to earthquake safety plans and procedures in public and private schools.
Sponsor: Special Committee on Military & Veteran Affairs
Requestor: (H) Finance

Department Affected: Education
BRU: Educational Finance and Support Services
Component: CIP Overhead and associated costs

COMPONENT SERIAL NO.

| | | | |
|--|---|---|---|
| | 1 | 5 | 6 |
|--|---|---|---|

Expenditures/Revenues: (Thousands of Dollars)

| OPERATING | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|------------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|----------------------|--|--|--|--|--|--|
| REVENUE FUND SOURCE: | | | | | | |
|----------------------|--|--|--|--|--|--|

FUNDING: (Thousands of Dollars)

| | | | | | | |
|--------------------|---|---|---|---|---|---|
| GENERAL FUND | | | | | | |
| FEDERAL FUNDS | | | | | | |
| OTHER FUND SOURCE: | | | | | | |
| TOTAL | 0 | 0 | 0 | 0 | 0 | 0 |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact: None to the Department of Education

ANALYSIS: (Attach a separate page if necessary.)

Prepared by: Duane Guiley
Division: Educational Finance and Support Services

Phone: 465-2865
Date: 4-14-92

Approved by Commissioner: 
Agency: Education

Jerry Covey
Date: 4-14-92

STATE OF ALASKA
 1992 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Military & Veterans Affairs
 Title: School Earthquake Safety BRU: Disaster Planning and Control
 Component: Emergency Management Assistance
 Sponsor: House DMVA Committee
 Requestor: House DMVA Committee COMPONENT SERIAL NO.

| | | | |
|--|---|---|---|
| | 4 | 0 | 7 |
|--|---|---|---|

EXPENDITURES/REVENUES: (Thousands of Dollars)

| OPERATING | FY 93 | FY 94 | FY 95 | FY 96 | FY 97 | FY 98 |
|------------------------|-------|-------|-------|-------|-------|-------|
| PERSONAL SERVICES | | | | | | |
| TRAVEL | | | | | | |
| CONTRACTUAL | | | | | | |
| SUPPLIES | | | | | | |
| EQUIPMENT | | | | | | |
| LAND & STRUCTURES | | | | | | |
| GRANTS, CLAIMS | | | | | | |
| MISCELLANEOUS | | | | | | |
| TOTAL OPERATING | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | |
|---------|--|--|--|--|--|--|
| CAPITAL | | | | | | |
|---------|--|--|--|--|--|--|

| | | | | | | |
|--------------|--|--|--|--|--|--|
| REVENUE | | | | | | |
| FUND SOURCE: | | | | | | |

FUNDING: (Thousands of Dollars)

| | | | | | | |
|---------------|---|---|---|---|---|---|
| GENERAL FUND | 0 | 0 | 0 | 0 | 0 | 0 |
| FEDERAL FUNDS | | | | | | |
| OTHER | | | | | | |
| FUND SOURCE: | | | | | | |
| TOTAL | | | | | | |

POSITIONS:

| | | | | | | |
|-----------|--|--|--|--|--|--|
| FULL-TIME | | | | | | |
| PART-TIME | | | | | | |
| TEMPORARY | | | | | | |

Estimate of current year impact: zero

ANALYSIS: (Attach a separate page if necessary.) The staff assigned to the earthquake preparedness program will provide the additional assistance and materials to school districts as needed if this bill is enacted. The printed materials supporting this program are available from the federal government, and will not require additional expenses from the state.

Prepared By: Ervin P. Martin, Director Phone: 428-7000
 Division: Alaska Division of Emergency Services Date: 3 March 92
 Approved by Commissioner: *M. Morrison* for Hugh L. Cox III
 Agency: Military & Veterans Affairs Date: 3 March 92

1) This bill would insure that public and private schools have an operational plan in place to react to and respond to earthquakes. This plan could also be used in other disasters, i.e. floods. The costs to the State is minimal.

The funds needed to implement this statute will be used as follows:

- Travel . . . Travel to and from public hearings and/or state board meetings
- Contractual . . . Advertising for public comment on the adoption of proposed regulations
- Supplies . . . Cost of materials to send to districts regarding planning and development of procedures

Note: This fiscal note assumes that the Department of Education is not responsible for enforcing section 14.45.100 as it relates to this bill.

CS FOR HOUSE BILL NO. 556 (HES)

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE HEALTH, EDUCATION AND SOCIAL SERVICES COMMITTEE

Offered: 4/14/92

Referred: Finance

Sponsor(s): HOUSE SPECIAL COMMITTEE ON MILITARY AND VETERANS' AFFAIRS

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to earthquake safety plans and procedures in public and private schools;
2 and providing for an effective date."

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

4 * Section 1. AS 14.14.090 is amended by adding a new paragraph to read:

5 (11) in consultation with the Department of Military and Veterans' Affairs,
6 prescribe the elements of an earthquake emergency plan and earthquake procedures, including
7 building safety, student and staff safety, and a required educational program.

8 *.Sec. 2. AS 14.33 is amended by adding a new section to read:

9 ARTICLE 2. EARTHQUAKE EMERGENCY PLAN AND PROCEDURES.

10 Sec. 14.33.100. REQUIRED EARTHQUAKE EMERGENCY PLAN AND
11 PROCEDURES. (a) The governing body of a district shall provide for and require each public
12 school in the district to establish an earthquake emergency plan and implement emergency
13 earthquake procedures. In this subsection, "district" has the meaning given in AS 14.17.250.

14 (b) The chief administrator of a religious or other private school shall establish an

1 earthquake emergency plan and implement earthquake emergency procedures in the school. The
2 Department of Military and Veterans' Affairs shall cooperate with private schools in providing
3 technical assistance in developing an earthquake emergency program. A religious or other private
4 school is exempt from the requirements of this subsection if the school has an average daily
5 enrollment of less than 50 students in October and February of each school year. A private
6 school exempt under this subsection is encouraged to initiate and conduct earthquake safety
7 emergency drills and to develop plans suitable to the school.

8 * Sec. 3. AS 14.45.100 is amended to read:

9 Sec. 14.45.100. EXEMPTION. A religious or other private school that complies with
10 AS 14.45.100 - 14.45.130 is exempt from other provisions of law and regulations relating to
11 education except law and regulations relating to physical health, fire safety, earthquake
12 emergency plans and procedures, sanitation, immunization, and physical examinations.

13 * Sec. 4. This Act takes effect July 1, 1993.

Alaska State Legislature

House of Representatives

Rep. Ivan, Chair
Rep. Davidson
Rep. Foster
Rep. Gonzales
Rep. Gruenberg
Rep. M.W. Miller
Rep. Parnell



State Capitol
Juneau, Alaska 99801-1182
(907) 465-1527

Special Committee on Military & Veterans Affairs

SECTIONAL ANALYSIS - CS for HOUSE BILL 556 (HES)

SECTION ONE - Amends 14.14.090 (Additional duties of a school board) to prescribe adoption of elements of earthquake preparedness plans in consultation with the Department of Military and Veterans Affairs.

SECTION TWO - Requires each public school within a school district to establish an earthquake emergency plan and to implement emergency earthquake procedures. This section also requires private or religious schools, with enrollments of at least 50 students, to implement plans and procedures. The school district boards, in consultation with the Department of Military and Veterans Affairs, shall adopt regulations to prescribe the plans and procedures.

SECTION THREE - Exempts earthquake plans and procedures from the provisions allowing exemptions for religious or private schools.

SECTION FOUR - Effective date of July 1, 1993.



Federal Emergency Management Agency

Washington, D.C. 20472

February 21, 1992

Mike Webb
Earthquake Program
Alaska Division of Emergency
Services
P.O. Box 5750, Suite B-210
Fort Richardson, AK 99505-5750

Dear Mike:

I am happy to confirm your participation on the Educational Steering Committee of the National Earthquake Hazards Reduction Program (NEHRP). The Federal Emergency Management Agency (FEMA) is establishing this committee to support its responsibility under Public Law 101-614, Section 5 (b)(2), which requires the Director of FEMA to:

[P]repare and execute, in conjunction with the Program agencies, the Department of Education, other Federal agencies, and private sector groups, a comprehensive earthquake education and public awareness program, to include development of materials and their wide dissemination to schools and the general public.

In accord with the 5-Year Plan for NEHRP, the Committee's primary objective is to produce a Plan of Action for a National Earthquake Education Program (NEEP) before the end of this fiscal year (September 30). The Steering Committee will meet on three occasions to direct the design and development of the Action Plan.

We will hold our first meeting on Monday, March 23 (from 8:30 a.m. to 4:30 p.m.), at the Crescent Hotel, 2620 W. Dunlap Avenue (adjacent to I-17) in Phoenix. We reserved lodging for you on the nights of March 21, 22, and 23. If you need to change these accommodations, contact the hotel at (602) 943-8200. We will reimburse you for travel and per diem (see enclosed memo).

The purpose of the March 23 Workshop is to solicit feedback on program vision and planning process from Committee members. Neither the legislation nor the legislative history of P.L. 101-614 provides parameters for a NEEP. The Steering Committee has considerable latitude! At this stage, there are no limitations on the NEEP or the target audiences it may serve.

Alaska State Legislature



Representative Patrick J. Carney

Co-Chair
Health, Education and
Social Services Committee

Resources Committee

Legislative Budget and Audit

Special Committee
on Oil and Gas

During Session:
State Capitol
P.O. Box V
Juneau, Alaska 99811
(907) 465-2186

During Interim:
P.O. Box 87-1746
Wasilla, Alaska 99687
(907) 373-2518

April 15, 1992

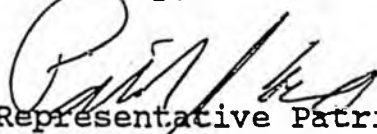
Rodney A. Combellick
Chief, Engineering Geology Section
Division of Geological & Geophysical Surveys
794 University Avenue, Suite 200
Fairbanks, Alaska 99709

Dear Mr. Combellick:

Thank you for your written testimony in support of HB 556. Unfortunately your statement was received today, and HB 556 passed out of the House HESS Committee on Monday, April 13th. Your statement raised points which were not discussed in the HESS committee. I have, therefore, taken the liberty of forwarding your statement to the House Finance Committee, which will hear the bill next, and to Erv Martin of Division of Emergency Services. I am also including a copy in the historical file for the bill.

Again, thank you for taking the time to send us your written comments.

Sincerely,


Representative Patrick J. Carney

pjc/jrm
cc: Erv Martin

CORRECTION

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



Federal Emergency Management Agency

Washington, D.C. 20472

February 21, 1992

Mike Webb
Earthquake Program
Alaska Division of Emergency
Services
P.O. Box 5750, Suite B-210
Fort Richardson, AK 99505-5750

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In accord with the 5-Year Plan for NEHRP, the Committee's primary objective is to produce a Plan of Action for a National Earthquake Education Program (NEEP) before the end of this fiscal year (September 30). The Steering Committee will meet on three occasions to direct the design and development of the Action Plan.

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The purpose of the March 23 Workshop is to solicit feedback on program vision and planning process from Committee members. Neither the legislation nor the legislative history of P.L. 101-614 provides parameters for a NEEP. The Steering Committee has considerable latitude! At this stage, there are no limitations on the NEEP or the target audiences it may serve.

Here are some questions I'd like the Committee to consider:

How do you envision a National Earthquake Education Program?

What are your views on the planning assumptions and parameters of this project?

What's out there? What are your suggestions for obtaining and compiling information from Federal agencies, States, and professional associations concerning their earthquake education activities?

How might we identify appropriate points of contact within Federal agencies, States, and professional associations?

How might we reach representatives of various groups within the Natural Hazards Research and Applications community to determine their interest/role in this project?

What are your expectations concerning the outcome of the start-up meeting?

Since your travel plans will permit our meeting prior to the March 23 event, I'll be sending along some topics for our March 21 discussion. In both cases, please feel free to call or fax your suggestions.

I look forward to hearing from you.

Sincerely,



Marilyn P. MacCabe, Manager
Earthquake Education Program
(202) 646-2812, 3104 (FAX)

Enclosure

NEHRP 5-Year Plan

Alaska State Legislature



Representative Patrick J. Carney

Co-Chair
Health, Education and
Social Services Committee
—
Resources Committee
—
Legislative Budget and Audit
—
Special Committee
on Oil and Gas

During Session:
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Juneau, Alaska 99811
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(907) 373-2518

April 15, 1992

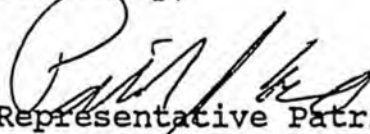
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Again, thank you for taking the time to send us your written comments.

Sincerely,


Representative Patrick J. Carney

pjc/jrm
cc: Erv Martin

Date: April 9, 1992

To: House of Representatives
Health, Education, and Social Services Committee

From: Rod Combellick *Rod Combellick*
Chief, Engineering Geology Section
Division of Geological & Geophysical Surveys
Department of Natural Resources, Fairbanks

Subject: House Bill 556, "An Act relating to earthquake safety plans and procedures in public and private schools"

This is important legislation that would improve earthquake preparedness of one of the segments of our population that is most vulnerable to earthquake casualties-- school children and personnel. In view of the frequent occurrence of major earthquakes in Alaska, we are far behind in basic earthquake education and preparedness. During quiescent times, people naturally forget about the devastating power of earthquakes and neglect to prepare for the future on their own accord. Historic and geologic evidence indicates that major earthquakes are a long-term reality in Alaska and we must continue to prepare for them. Consider how fortunate we were that the great 1964 earthquake occurred at 5:30 in the evening when children were not at school. The severe damage at Government Hill School in Anchorage could have resulted in tragic injuries or death of children and teachers. I don't think we want a situation in which our children are killed or hurt during a future earthquake when knowledge of a few simple procedures could protect them.

There may be some concern that the bill would unnecessarily require earthquake-preparedness procedures to be implemented at schools in areas perceived to be at low risk from earthquakes. I urge the Committee to consider these points:

- 1) All but the farthest northern and western areas of the state are subject to a significant earthquake hazard. Areas of low vulnerability comprise less than 5% of the state's population.
- 2) Few people in these areas don't spend part of their lives in earthquake-prone areas of Alaska or western U.S., either going to school, living in other areas, or just passing through. This bill would result in a population that is better educated and prepared for earthquakes anywhere.
- 3) The bill does not require the program to be identical in all areas; regulations can provide for appropriately scaled-back programs in less vulnerable areas.

I urge you to pass House Bill 556.

DMVA
ALASKA DIVISION OF EMERGENCY SERVICES

Earthquake Safety: Alaska Schools
(HB 556/SB 447)

The State of Alaska is located in the most seismically active region of the nation; Alaska has no mandatory earthquake safety program statewide in our schools, ergo earthquake safety in school districts is without uniformity or standardization, or in many cases does not exist at all. It is inevitable that Alaska will experience more earthquakes and it only makes sense to protect our most valuable resource--our children.

A 1988 survey (by DMVA/ADES) of Alaska school districts revealed illuminating results:

- * 82% return of survey (45 out of 55 school districts);
- * 24 school districts had no written emergency operations plan to deal with disasters, much less earthquakes;
- * 32 school districts did not conduct earthquake drills;
- * 33 school districts requested earthquake awareness training;
- * 23 school districts requested additional assistance including teacher-in-service training.

Our safety objectives are the same for schools as they are for individuals, government agencies and private enterprise. Because schools can only release a student to an authorized parent or guardian, they should be prepared to sustain themselves and take care of students for 72 hours. Additionally, they should be prepared to take care of their injured and dead. Schools should not expect immediate help from emergency responders.

The legislation as originally proposed by this department was very simple and straight forward. The statute would require:
(a) A school building disaster plan; (b) A drop procedure with practices at least once a quarter in elementary schools and at least once a semester in secondary schools; (c) Protective measures to be taken before, during and following an earthquake; (d) A program to ensure that students and, both the certificated and the classified staff are aware of, and properly trained in, the earthquake emergency procedure. Over the past three years, we have developed a training course and materials that accomplishes most of the objectives of this legislation. Based upon our experience, the proposed program can be accomplished

with a minimal outlay of funds by the State, the school districts and the schools.

ADES is the only agency in the State that has a full-time staff (two-persons at this time) with a primary responsibility for earthquake safety and preparedness. The Division's Earthquake Preparedness (EP) Program contracts annually with the Federal Emergency Management Agency (FEMA) for 50/50 matching funds under the National Earthquake Hazard Reduction Program (NEHRP). The State's program is viewed as one of the best in the nation and is frequently used as a model. The Division is represented and plays an active role on a number of regional and national earthquake related boards and committees including education.

Each year, more and more of the EP Program contract has targeted schools. More than 500 teachers and principals have been trained in our 3-hour teacher-in-service programs. Another 120 teachers have received training in "Quake & Shake" graduate course in education that we developed in cooperation with the Anchorage School District. We have put another 200 or more people through portions of this program at meetings, seminars and workshops. This does not even take into consideration the training being done by other preparedness officials and the American Red Cross.

The proposed earthquake safety program for schools is relatively simple to implement and it can save lives. By comparison, the State of New York's school disaster program has very specific and detailed criteria which places a very heavy burden on the school districts. New York's strong legislation was imposed after a major disaster in which nine children lost their lives.

Attached are some materials that you might find interesting:

- * Opinion column, "Taking a Stand: State disaster exercise prepares us for inevitable earthquake" by Maj. Gen. Hugh L. Cox from Anchorage Times of Feb. 24, 1992;
- * Excerpts from "Guidebook for Developing a School Earthquake Safety Program" (FEMA 88);
- * Copy of "Coping with Children's Reactions to Earthquakes and Other Disasters" (FEMA 48);
- * Excerpts from "School Emergency Preparedness" from New York State Disaster Preparedness Commission, October 1991;
- * Letter from FEMA to serve on committee for National Earthquake Education Program.

OPINION

TAKING A STAND

State disaster exercise prepares us for the inevitable earthquake

I'm sure that many people who read this column were living in Alaska in 1964, when we experienced the biggest earthquake on record to ever hit the North American continent. I was living in Anchorage at the time and I will never forget it. But of even more concern to me is that we're overdue for another real shaker. And that leads me to the purpose of this piece which is to tell about an upcoming disaster exercise called Shaker III.

Shaker III is an exercise of our ability to respond to potentially catastrophic earthquakes that have high potential for loss of life and property. When I say "our ability," I'm speaking about local government, business, state and federal agency ability to react to these occurrences.

My department, the Alaska Department of Military and Veterans Affairs (DMVA), that includes Emergency Services, has designed exercise Shaker III to exercise the State of Alaska Emergency Plan, the Federal Response Plan and relevant local government and private sector plans.

Shaker III will begin in early March with notifications to the exercise players that a simulated earthquake of 6.5 on the Richter scale has occurred in Southcentral Alaska and that major damage has occurred on the Kenai Peninsula and surrounding area.

This simulated notification will cause emergency operations centers to be activated in many areas of the state to begin



Hugh L. Cox

disaster assessment and simulated response to loss of life and injury.

Upon notification of the magnitude of the earthquake, the state Emergency Operations Center will be activated by the DMVA's Division of Emergency Services and will be the focal point for state and federal support to local government in coping with the disaster.

The exercise will last for almost three days and the players will respond to requests for assistance while exercising the vital emergency communications capabilities and cataloging available emergency resources.

The bottom line is Shaker III is meant to realistically exercise most levels of emergency response so that we maximize "our" capability to minimize loss of Alaska life and property. It is a preparedness

exercise to make sure we're ready when the real shaker occurs.

It needs to be said that the front line of defense against disasters is local government and its emergency infrastructure. When a disaster occurs, they are the first responders and they are in charge. If the disaster is such that it overwhelms the local capability to cope, then the state will respond upon request with appropriate support. Additionally, there are provisions to bring in federal support if needed, and that is an option that would undoubtedly be exercised in the event of a major earthquake.

You will note that I say "when" the real shaker occurs. There is no doubt as to whether one will occur, just when. John N. Davies, state seismologist for Alaska in an article in the Northern Engineer says: "Approximately 11 percent of the world's earthquakes occur in Alaska." He also notes that of the 10 largest earthquakes in the world since 1904, three have occurred in Alaska. This quote is not meant to alarm but to underline the seriousness of the threat and the potential for serious damage.

Alaskans should be ever-mindful and aware that the potential is high and precaution is advised. But we should be comforted by the mere fact that exercise Shaker III will occur, so that local, state and federal entities are prepared to help and reconstitute needed support infrastructure.

Most people will not even be aware

that Shaker III is taking place. The activity will mostly be confined to the respective emergency operations center from Cordova, to Kodiak, to the Valley, to the Kenai, in the facilities predesignated for emergency response.

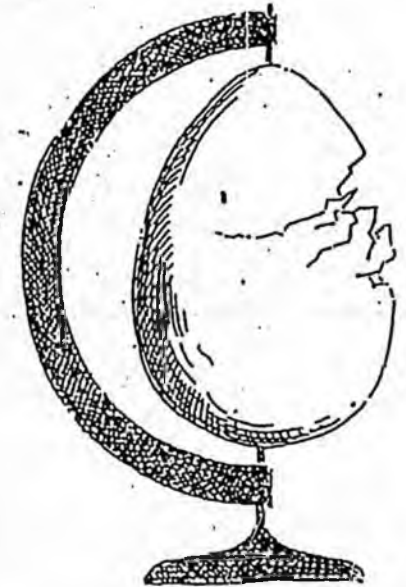
The Anchorage Municipality, Kenai Borough including Seward, Kodiak Borough, Mat-Su Borough and other Emergency Operations Centers, will be beehives of activity as they assess, communicate and simulate response to the scripted events.

The news media is expected to cover the exercise and serve its rightful function in reporting the simulated events of the exercises. So we should not expect to hear sirens blowing and emergency vehicle traffic that would characterize a real event.

The State Emergency Operations Center will likewise be very busy in reacting to requests for whatever assistance may be required.

By Alaskans knowing about Shaker III, my hope is that they will be assured that local authorities and the state are concerned about being prepared for an earthquake of the magnitude of the one in 1964. And by knowing that we are exercising our preparedness, they will be comforted by the fact that we care and we're here to serve.

As a side benefit, it is enhancing the awareness that we are vulnerable and should individually be prepared. Local government offices have reading materi-



als that advise individuals and families on what to do and how to prepare for the consequences of an earthquake.

I commend the reading of those materials to all, because the real shaker is sometime in our future.

Maj. Gen. Hugh L. Cox III is commissioner of the Department of Military and Veterans Affairs. Opinions expressed in Taking a Stand do not necessarily reflect the editorial position of The Anchorage Times.

PLEASE MICROFILM TOP PAGE ONLY

DOCUMENTS WHICH HAVE NOT BEEN
FILMED BUT ARE AVAILABLE IN THE
ORIGINAL FILE INCLUDE:

→ GUIDEBOOK FOR DEVELOPING A SCHOOL EARTHQUAKE
SAFETY PROGRAM BY THE FEDERAL EMERGENCY
MGT AGENCY

→ NEW YORK STATE DISASTER PREPAREDNESS COMMISSION
" SUMMARY OF EMERGENCY PREPAREDNESS ACTIVITIES ... "

HB561

DIED IN HFC

7-GH2074.A

HOUSE BILL NO. 561

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/16/92

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act making a special appropriation for the capital project matching grant program
2 for municipalities and making a special appropriation for the capital project matching grant
3 program for unincorporated communities; making capital appropriations; and providing for
4 an effective date."

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

6 * Section 1. The sum of \$58,192,173 is appropriated from the general fund to the municipal capital
7 project matching grant fund (AS 29.60.500) for grants for capital projects and capital improvements for
8 municipalities.

9 * Sec. 2. The sum of \$3,900,000 is appropriated from the general fund to the unincorporated
10 community capital project matching grant fund (AS 44.47.195) for grants for capital projects and capital
11 improvements for unincorporated communities.

[SECTION 3 BEGINS ON PAGE 2]

1 * SEC. 3. THE FOLLOWING APPROPRIATION ITEMS ARE FOR
 2 CAPITAL PROJECTS AND GRANTS FROM THE GENERAL FUND OR
 3 OTHER FUNDS AS SET OUT IN THE FISCAL YEAR 1993 BUDGET
 4 SUMMARY BY FUNDING SOURCE TO THE AGENCIES NAMED AND FOR
 5 THE PURPOSES EXPRESSED.

| | ALLOCATIONS | APPROPRIATION ITEMS | APPROPRIATION GENERAL FUND | APPROPRIATION OTHER FUNDS | FUND SOURCES |
|----|--|--|----------------------------|---------------------------|--------------|
| 8 | ***** | ***** | | | |
| 9 | ***** | OFFICE OF THE GOVERNOR ***** | | | |
| 10 | ***** | ***** | | | |
| 11 | DEVELOPMENT | | | | |
| 12 | ARCTIC NATIONAL WILDLIFE REFUGE NATIONAL | | | | |
| 13 | | EDUCATION EFFORT | 2,000,000 | 2,000,000 | |
| 14 | ***** | ***** | | | |
| 15 | ***** | DEPARTMENT OF ADMINISTRATION ***** | | | |
| 16 | ***** | ***** | | | |
| 17 | SOCIAL SERVICES | | | | |
| 18 | | PIONEERS' HOME REPAIRS AND RENOVATION | 3,648,800 | 3,648,800 | |
| 19 | ADMINISTRATION OF JUSTICE | | | | |
| 20 | PUBLIC DEFENDER LEGAL BRIEFS AND | | | | |
| 21 | | RESEARCH/CASELOAD MANAGEMENT COMPUTERIZATION | 239,800 | 239,800 | |
| 22 | OFFICE OF PUBLIC ADVOCACY WORD PROCESSING/CASE | | | | |
| 23 | | MANAGEMENT/TRUST ACCOUNT COMPUTERIZATION | 124,200 | 124,200 | |
| 24 | GENERAL GOVERNMENT | | | | |
| 25 | STATE ACCOUNTING SYSTEM AND STATE PAYROLL SYSTEM | | | | |
| 26 | | ENHANCEMENTS | 935,000 | 935,000 | |
| 27 | ADABAS SOFTWARE ENHANCEMENTS | | | | |
| 28 | | APPLICATION FILES COMPUTER IMAGING | 300,000 | 300,000 | |

| 1 | DEPARTMENT OF ADMINISTRATION (CONT.) | | | | 1 | |
|----|--|-----------------------------------|---------------|---------------|--------------|----|
| 2 | | | APPROPRIATION | APPROPRIATION | FUND SOURCES | 2 |
| 3 | | ALLOCATIONS | ITEMS | GENERAL FUND | OTHER FUNDS | 3 |
| 4 | COMBINED RETIREMENT DATA PROCESSING SYSTEM | | 750,000 | | 750,000 | 4 |
| 5 | MAILING EQUIPMENT REPLACEMENT | | 120,000 | 120,000 | | 5 |
| 6 | STATE BUILDING ACQUISITION ANALYSIS/SPACE DESIGN | | 275,000 | 275,000 | | 6 |
| 7 | CAMPAIGN DISCLOSURE FILING BY DISKETTE | | 31,200 | 31,200 | | 7 |
| 8 | | x x x x x x | | | | 8 |
| 9 | | x x x x x DEPARTMENT OF LAW | | | | 9 |
| 10 | | x x x x x x | | | | 10 |
| 11 | GENERAL GOVERNMENT | | | | | 11 |
| 12 | LEGAL SERVICES LOCAL AREA NETWORK SYSTEM | | 588,000 | 588,000 | | 12 |
| 13 | | x x x x x x | | | | 13 |
| 14 | | x x x x x DEPARTMENT OF REVENUE | | | | 14 |
| 15 | | x x x x x x | | | | 15 |
| 16 | ADMINISTRATION OF JUSTICE | | | | | 16 |
| 17 | CHILD SUPPORT COMPUTER IMAGING MANAGEMENT SYSTEM | | 2,540,000 | 254,000 | 2,286,000 | 17 |
| 18 | GENERAL GOVERNMENT | | | | | 18 |
| 19 | OIL & GAS COMPUTER UTILIZATION ENHANCEMENT | | 160,000 | 160,000 | | 19 |
| 20 | | x x x x x x | | | | 20 |
| 21 | | x x x x x DEPARTMENT OF EDUCATION | | | | 21 |
| 22 | | x x x x x x | | | | 22 |
| 23 | EDUCATION | | | | | 23 |
| 24 | SCHOOL CONSTRUCTION GRANT ACCOUNT PROJECTS | | 27,184,900 | 27,184,900 | | 24 |
| 25 | LOWER KUSKOKWIM SCHOOLS - AKIUK SCHOOL | | | | | 25 |
| 26 | REPLACEMENT PHASE II | | 6,913,000 | | | 26 |
| 27 | KETCHIKAN GATEWAY BOROUGH SCHOOLS - KETCHIKAN | | | | | 27 |
| 28 | HIGH SCHOOL PHASE III | | 14,623,700 | | | 28 |

| 1 DEPARTMENT OF EDUCATION (CONT.) | | APPROPRIATION | | APPROPRIATION FUND SOURCES | |
|-----------------------------------|---|---------------|-----------|----------------------------|-------------|
| | | ALLOCATIONS | ITEMS | GENERAL FUND | OTHER FUNDS |
| 2 | | | | | |
| 3 | | | | | |
| 4 | NOME-BELTZ SCHOOL LIFE SAFETY UPGRADE/ASBESTOS | 885,000 | | | |
| 5 | LOWER KUSKOKWIM SCHOOLS - NUNAPITCHUK ELEMENTARY | | | | |
| 6 | SCHOOL ADDITION | 2,500,000 | | | |
| 7 | KODIAK ISLAND BOROUGH SCHOOLS - OLD HARBOR K-12 | | | | |
| 8 | STRUCTURAL REPAIR | 525,000 | | | |
| 9 | HOONAH CITY SCHOOLS - SPRINKLER | | | | |
| 10 | SYSTEM/LIFE/SAFETY PHASE II | 1,738,200 | | | |
| 11 | REGIONAL BOARDING SCHOOL DESIGN AND PLANNING | | 400,000 | 400,000 | |
| 12 | STATEWIDE ELECTRONIC NETWORK AND MICRO-IMAGING | | | | |
| 13 | PHASE II | | 1,000,000 | 1,000,000 | |
| 14 | ALASKA VOCATIONAL TECHNICAL CENTER | | | | |
| 15 | MAINTENANCE/EQUIPMENT/DORMITORY | | 300,000 | 300,000 | |
| 16 | MT. EDGE CUMBE NEW DORMITORY CONSTRUCTION | | | | |
| 17 | SUPPLEMENTAL FUNDING | | 545,000 | 545,000 | |
| 18 | CONTAMINATED SITE CLEANUP - MT. EDGE CUMBE SCHOOL | | 430,000 | 430,000 | |
| 19 | MT. EDGE CUMBE REPAIR AND MAINTENANCE | | 313,000 | 313,000 | |
| 20 | STATE LIBRARY MATERIALS, EQUIPMENT AND FURNITURE | | 240,000 | 240,000 | |
| 21 | PUBLIC LIBRARY CONSTRUCTION | | 140,000 | | 140,000 |
| 22 | GENERAL GOVERNMENT | | | | |
| 23 | MICROGRAPHICS LABORATORY VENTILATION | | 77,700 | 77,700 | |