

ALASKA LEGISLATURE

1057

HOUSE and SENATE FINANCE COMMITTEE FILES,

1993-1994

131

HB

409

SFIN

FILE

SENATE FINANCE COMMITTEE REPORT

DATE: 5/6/94

FURTHER:

DATE TURNED INTO OFFICE: 5-7-94

The Finance Committee considered CS FOR HOUSE BILL NO. 409(FIN) am(efd fld)

Maximum amount of assistance granted under the adult public assistance program and the program of aid to families with dependent children; directing the Department of Health and Social Services to seek waivers from the federal government to implement the project.

and recommends:

replace with 5 CS CS HB 409 (FINANCE) same title
 or adopt previous _____ CS _____ (_____) new title
 attaches amendment(s) 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

Department	Date	Zero	Fiscal
DHSS AFDC	4/8/94	0	
SFC/DHSS Elig Det.	5/6/94	0	
DHSS PA/Admin	4/8/94		200.1
DHSS PA/DP	4/8/94		631.4
SFC/DHSS AK Work	5/5/94	0	
DHSS Child Care	4/8/94	0	

Appropriation No Fiscal Note

DO PASS.

Tom Kelly
Bob Mang
John DeCh...

1. Adrian Do Pass
 Co-Chair: Signature/Recommendation

New
PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal
DHSS AFDC	5/7/94		(1,741.2)
DHSS APA	5/7/94		(442.3)
DHSS PFD	5/7/94		(246.5)
DHSS Medicaid	4/8/94		0

OTHER RECOMMENDATIONS:

Steve Klein

2. Grace Lopez
 Co-Chair: Signature/Recommendation

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

DPA #1 4/1/94
BILL NO. CSHB409(FIN)am (old fld)

Revision Date: Dept. Affected: Health and Social Services
Title: An Act proposing a special demonstration BRU: Assistance Payments
project within the AFDC program - project costs Component: AFDC
Sponsor: Haaley
Requestor: Senate HES COMPONENT SERIAL NO. 0220

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY9E	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	2.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
1007 I/A Rcpts.	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)

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 (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This legislation impacts the AFDC program in several ways. The bill makes certain changes in AFDC eligibility provisions for purposes of operating a demonstration project. The demonstration project includes an increase in the AFDC earned income disregard from the current time-limited disregard of \$30 and one third of the remainder to \$200 plus one third of the remainder for 24 months.

Prepared by: Jan L. Hansen, Director
Division: Division of Public Assistance
Approved by Commissioner: Margaret R. Lowe
Agency: Department of Health & Social Services

Phone: 465-2680
Date: 4/1/94
Date: 4/8/94

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ANALYSIS (cont.):

The demonstration also includes a waiver of the AFDC Unemployed Parent "100-hour rule" and increases the total amount of equity in vehicles a family may own. These modified requirements apply only to AFDC families living in the project area defined in the bill.

The bill also establishes requirements for AFDC recipients in the demonstration project to participate in workfare activities for 21 hours per week. Individuals who are required to participate in workfare are subject to fiscal sanction if they do not comply with the requirement.

Assumptions:

Basis of project:

Federal approval is secured to operate an AFDC demonstration project under the authority of section 1115 (a) of the Social Security Act, including all of the provisions of this bill.

Project is operational from January 1, 1996 through December 31, 1998.

The project area includes the Municipality of Anchorage, the Matanuska Susitna Borough, the Fairbanks North Star Borough, and the North Slope Borough. 65% of AFDC families in Anchorage, Mat-Su, and Fairbanks are included in project experimental group, 35% in control group. Control group members participate under normal AFDC rules. 100% of recipients in the North Slope Borough project site are included in the experimental group.

Federal financial participation is available only for total project costs which do not exceed baseline costs of operating the AFDC program without the demonstration project.

Cost and Savings:

Savings Assumptions:

The increased earned income disregards, waiver of the 100-hour rule, and the workfare requirement will cause the number of AFDC recipients who are working to increase over the course of the project. We project that the following numbers of recipients will become employed as a result of the demonstration provisions: 488 in FY 96, 347 more in FY 97, and 56 more in FY 98. At the end of the three-year demonstration, a total of 891 recipients who would not otherwise be employed are expected to be receiving regular earnings.

ANALYSIS (cont.):

The average monthly earnings of AFDC recipient families in the project area as of September 1993 are as follows:

	AFDC-Basic	AFDC-UP
Anchorage	\$547.49	\$541.03
Mat-Su Borough	\$450.21	\$431.92
Fairbanks North Star Borough	\$474.67	\$484.92
North Slope Borough	\$281.17	\$551.66

We assume that the earnings of recipients in the project area will be at these levels, adjusted by 2.5 percent per year to account for inflation.

The benefit costs for these newly working recipients will decrease because their earnings will reduce their AFDC grant amounts. The total savings because of such benefit reductions is projected at about \$8.6 million over the three-year term of the demonstration.

These program modifications are also expected to cause some families which would otherwise remain on AFDC to leave the rolls each year during the project: 26 in FY 96, 62 in FY 97, 51 in FY 98, and 31 more in FY 99. This reduction in the caseload is expected to generate a total savings of about \$3.5 million over the term of the demonstration.

Sanction penalties for failure to participate in workfare will also generate savings. We assume that 3 percent of the total number of families subject to workfare would be subject to sanction each month. Most cases required to participate would be AFDC Unemployed Parent cases where both parents would be required to participate. The average sanction per case is projected at \$350.00 per month.

After the demonstration project ends, we project a reduction in the number of recipients who are working as a result of the demonstration. The decrease in the earned income disregards will cause some individuals to leave work. Other individuals will leave work to avoid becoming ineligible because of the reimposition of the unemployed parent 100-hour rule. In the last 6 months of FY 99, we project that the average monthly number of working recipients will decrease by 359.

ANALYSIS (cont.):

Savings Calculations:

AFDC BENEFIT SAVINGS						
	FY95	FY96	FY97	FY98	FY99	FY00
\$200 + 1/3 Earned Income Disregard & 100- Hour Rule	0	(769.0)	(2582.2)	(2825.6)	(2447.0)	(1482.9)
Clients off AFDC (# persons)	0	(119.5) 26	(724.7) 88	(1212.5) 139	(1472.5) 170	(1472.5) 170
Workfare Sanction Penalties	0	(44.2)	(176.4)	(176.4)	(88.2)	0
Total Gross Savings	0	(932.7)	(3483.3)	(4214.5)	(4007.7)	(2955.4)

Cost Assumptions:

AFDC recipients who are already working will receive increased benefits because the amount of the existing earned income disregard increases from 4 months at \$30 + 1/3 of the remainder and 8 months at \$30 to 2 years at \$200 + 1/3 of the remainder.

AFDC benefits to recipients who go to work as a result of the increased disregards will cost more than they would under the existing rules. These increased costs are partially offset by the savings generated through grant reductions and terminations. Those savings are accounted for above.

Approximately 1104 families in the project area have at least one member who is working now. We project that the same proportion of the caseload, or 1267 families, will have a working member at the beginning of the project in January 1996. We expect that the proportion of working families would remain constant in the absence of the waiver provisions, with the baseline number of working families increasing as the caseload increases.

We project that an additional 488 recipients will go to work in FY 96 as a result of the policy waivers, that an additional 347 will go to work in FY 97, and an additional 56 in FY 98.

ANALYSIS (cont.):

On average, cases receiving normal \$30 and one third of remainder disregard receive 2 months per year of 1/3 of remainder disregard and 6 months per year of \$30 disregard.

On average, cases receiving extended \$200 and one third of remainder disregard under demonstration waiver receive the full disregard for 8 months of each year.

Cost Calculations:

AFDC BENEFIT COSTS						
\$200 + 1/3 EARNINGS DISREGARD						
	FY95	FY96	FY97	FY98	FY99	FY00
Recipients Already Working	1200	1267	1348	1434	1520	1605
Additional Working Recipients	0	488	835	891	445	0
Total Working Recipients in project area	1200	1755	2183	2324	1965	1605
Total AFDC Benefit Costs	0	732.2	1567.5	1690.8	902.3	0

Automobile value allowance increase:

Federal law currently allows exclusion of the first \$1500 of the equity of one vehicle. Remaining equity is applied toward the \$1000 maximum asset limit. This bill provides for application of a federal waiver in the project area to increase the vehicle equity exclusion to \$5000 and allow it to be applied to any number of vehicles necessary for specific purposes.

We project that the vehicle provision will result in an average of 15 additional families per month being eligible for AFDC benefits over the period of the demonstration. An equal number of families is expected, as a result of their improved transportation resources, to earn enough to leave the AFDC rolls each month during the course of the demonstration.

The benefit costs are expected to be offset by benefit savings. No net change in program costs is anticipated as a result of the vehicle value provision.

ANALYSIS (cont.):

Net AFDC Savings produced by HB 409:

TOTAL AFDC BENEFIT COSTS AND SAVINGS						
	FY95	FY96	FY97	FY98	FY99	FY00
Gross Savings	0.0	(932.7)	(3483.3)	(4214.5)	(4007.7)	(2355.4)
Gross Costs	0	732.2	1567.5	1690.8	902.3	0
Net Benefit Savings	0.0	(200.5)	(1915.8)	(2523.7)	(3105.4)	(2955.4)

#2

FISCAL NOTE

REQUEST:

Revision Date: 5/6/94 Affected Agency: DH&SS
 Title: Spec.demonstration BRU: PA Admin
project within AFDC program.
 Sponsor: Hanley Components: Elig.Det.
 Requestor: Senate Finance 0236

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 2000
Personal Services	0.0	614.5	614.5	614.5	614.5	0.0
Travel	0.0	3.6	7.2	7.2	3.6	0.0
Contractual	0.0	72.0	72.0	72.0	72.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	67.5	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	757.6	693.7	693.7	690.1	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund	0.0	757.6	693.7	693.7	690.1	0.0
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other						
TOTAL	0.0	757.6	693.7	693.7	690.1	0.0

POSITIONS:

Full-Time	0	13	13	13	13	0
Part-Time	0	2	2	2	2	0
Temporary	0	0	0	0	0	0

Estimate of FY 94 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

This legislation produces need for additional Eligibility Determination staff. (See attached for further analysis.)

Prepared By: Irue Pearce Date: 5/6/94
 Senator Drue Pearce, Co-chair Phone: 465-4993
 Senate Finance Committee

Prepared By: Steve Frank Date: 5/6/94
 Senator Steve Frank, Co-chair Phone: 465-3709
 Senate Finance Committee

This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.

Position Title Eligibility Technician IV		No. of Positions 1	Range/Step R16	Bargaining Unit SS
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		52.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.0		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		61.3		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	61.3		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

FY96

Page 1 of 1
 Revised Date: 3/23/94

Position Title Eligibility Technician III		No. of Positions 1	Range/Step R15	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		48.7		
Benefits				
Premium Pay				
Other				
Total Personal Services		48.7		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		58.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	58.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

Justification

This legislation produces a need for additional Eligibility Determination staff.

This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.

The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.

Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.

Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.

In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.

The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

FY96

Page 1 of 1
 Revised Date: 3/23/94

Position Title Eligibility Technician III		No. of Positions 1	Range/Step R15	Bargaining Unit GCU
Time Status FT	Staff Months 12 months	Location Wasilla		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		48.7		
Benefits				
Premium Pay				
Other				
Total Personal Services		48.7		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		58.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	58.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

Page 1 of 1

Revised Date: 3/23/94

FY96

Position Title Eligibility Technician III		No. of Positions 1	Range/Step R15	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Fairbanks		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		50.2		
Benefits				
Premium Pay				
Other				
Total Personal Services		50.2		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		59.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	59.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

Page 1 of 1

Revised Date: 3/23/94

Position Title Eligibility Technician II		No. of Positions 4	Range/Step R14	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		182.8		
Benefits				
Premium Pay				
Other				
Total Personal Services		182.8		
Travel				
Contractual		19.2		
Commodities				
Equipment		18.0		
Other				
Total Cost		220.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	220.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

Page 1 of 1

Revised Date: 3/24/94

Position Title Eligibility Technician II			No. of Positions 2	Range/Step R 14	Bargaining Unit GGU
Time Status FT	Staff Months 12 months		Location Fairbanks		Election District
TYPE of EXPENDITURE			AMOUNT		
Salary			91.4		
Benefits					
Premium Pay					
Other					
Total Personal Services			91.4		
Travel			3.6		
Contractual			9.6		
Commodities					
Equipment			9.0		
Other					
Total Cost			113.6		
FUNDING SOURCE for TOTAL COST					
1002	Federal Receipts				
1003	GF Match				
1004	General Fund	113.6			
1005	GF/Program Receipts				
1006	GF/Mental Health Trust				
1007	I/A Receipts				
1061	CIP Receipts				
Other					
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>This request is for two Eligibility Technician case workers. One ET for the Fairbanks North Star Borough project area, and one ET for the North Slope Borough project area. Both positions are located in the Fairbanks Public Assistance office.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p>					

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

FY96

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Revised Date: 3/23/94

Position Title Eligibility Technician II		No. of Positions 1	Range/Step R 14	Bargaining Unit GGU
Time Status HT	Staff Months 12 months	Location Wasilla		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		22.9		
Benefits				
Premium Pay				
Other				
Total Personal Services		22.9		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		32.2		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	32.2		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

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Revised Date: 3/23/94

Position Title Clerk III		No. of Positions 1	Range/Step R08	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		33.2		
Benefits				
Premium Pay				
Other				
Total Personal Services		33.2		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		42.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	42.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicant's about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

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Revised Date: 3/23/94

Position Title Clerk III		No. of Positions 1	Range/Step R08	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Wasilla		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		33.2		
Benefits				
Premium Pay				
Other				
Total Personal Services		33.2		
Travel				
Contractual		4.6		
Commodities				
Equipment		4.5		
Other				
Total Cost		42.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	42.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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 Revised Date: 3/23/94

FY96

Position Title Clerk III		No. of Positions 1	Range/Step R08	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Fairbanks		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		34.3		
Benefits				
Premium Pay				
Other				
Total Personal Services		34.3		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		43.6		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	43.6		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p> <p>The addition of nine full-time and one half-time case manager positions produce a need for one eligibility supervisor (ET IV) position and three full-time and one half-time clerical support positions.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

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Revised Date: 3/23/94

Position Title Clerk III		No. of Positions 1	Range/Step R08	Bargaining Unit GGU
Time Status HT	Staff Months 12 months	Location Fairbanks		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		17.1		
Benefits				
Premium Pay				
Other				
Total Personal Services		17.1		
Travel				
Contractual		4.9		
Commodities				
Equipment		4.5		
Other				
Total Cost		26.4		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	26.4		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This legislation produces a need for additional Eligibility Determination staff.</p> <p>This need is generated largely by the time needed to administer the workfare component. Placing, enforcing, and monitoring workfare participation will be a labor-intensive activity. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads approximately half as large as those handled by a regular maintenance worker.</p> <p>The anticipated increase in the number of working AFDC recipients also produces additional need for caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.</p> <p>This request is for one half-time clerical support for the North Slope Borough project area. Position is located in the Fairbanks Public Assistance office.</p> <p>Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 125 AFDC families per worker. This additional workload produces the need for six additional eligibility case manager positions.</p> <p>Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.</p> <p>In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one half-time eligibility worker position.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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Revised Date: 3/23/94

FY96

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

DPA #3 4/1/94
BILL NO. CSHB409(FIN)am(efd fld)

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act proposing a special demonstration project within the AFDC program BRU: PA Administration
 Component: PA Administration
 Sponsor: Hanley
 Requestor: Senate HES COMPONENT SERIAL NO. 6233

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	114.5	114.5	114.5	114.5	114.5	0.0
TRAVEL	16.0	0.0	3.0	0.0	0.0	0.0
CONTRACTUAL	49.6	44.6	29.6	29.6	59.6	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	20.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	132.3	264.6	264.6	132.3	0.0
TOTAL OPERATING	200.1	291.4	408.7	408.7	306.4	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	95.1	72.0	10.0	10.0	25.0	0.0
1003 GF Match	105.0	87.1	134.1	134.1	149.1	0.0
1004 GF		132.3	264.6	264.6	132.3	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	200.1	291.4	408.7	408.7	306.4	0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This legislation authorizes DHSS to design and operate a waiver project under the authority of section 1115 (a) of the Social Security Act.

Prepared by: Jan L. Hansen, Director
 Division: Division of Public Assistance

Phone: 465-2680
 Date: 4/1/94

Approved by Commissioner: Margaret R. Lowe
 Agency: Department of Health & Social Services

Date: 4/8/94

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ANALYSIS (cont.):

Project development and management include planning, negotiating, and preparing the demonstration project application(s), including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration.

The project assistant will be assigned to the Juneau project manager during pre-implementation development and planning. This position will be reassigned to the Anchorage field operations management office as a field project liaison once the project becomes operational in January 1996.

The federal Department of Health and Human Services requires that a demonstration project evaluation be performed by an independent contractor. The evaluation would test the effects of the demonstration on program costs and recipient outcomes. The Clinton administration is adamant in its insistence that demonstration project designs meet scientific standards for experimental design and statistical analysis.

This bill also requires DHSS to pay transportation costs for individuals who need it to participate in workfare.

Assumptions:

An independent contractor will review project design, review the design and evaluation of similar projects in other states, construct the evaluation design, coordinate EIS programming necessary to comport with evaluation design parameters, and produce interim and final reports of project results. Total estimated evaluation cost of \$140,000. is based on what other states have paid for evaluation of projects of similar scope.

Regulatory authority will be necessary for DHSS to operate the project in compliance with the Administrative Procedure Act. The services of a private law firm will be retained to develop regulation language, prepare the necessary documents, analyze public comments, and prepare the regulations for submission to the Attorney General.

Transportation costs are needed by 45 percent of participants in workfare. Average monthly costs per recipient = \$35.00.

Costs for project start-up and evaluation are federally matchable. PA Admin personnel costs in FY95 and first half of FY96 are federally matchable at 50 percent state/50 percent federal. Evaluation contract costs are matchable at 50 percent state/50 percent federal each year.

ANALYSIS (cont.):

Calculations:

FY 95:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Equipment		20.0
	Office space		9.6
	Regulations contract		10.0
	Evaluation contract		30.0
	Travel		<u>16.0</u>
	Total		200.1

FY 96:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office space		9.6
	Regulations contract		15.0
	Evaluation Contract		20.0
	<u>Workfare Transportation</u>		<u>132.3</u>
	Total		291.4

FY 97:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office space		9.6
	Evaluation Contract		20.0
	<u>Workfare Transportation</u>		<u>264.6</u>
	Total		408.7

FY 98:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office Space		9.6
	Evaluation Contract		20.0
	<u>Workfare Transportation</u>		<u>264.6</u>
	Total		408.7

FY 99:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office space		9.6
	Evaluation Contract		50.0
	<u>Workfare Transportation</u>		<u>132.3</u>
	Total		306.4

Position Title Project Assistant		No. of Positions 1	Range/Step 16A	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		52.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.0		
Travel		8.0		
Contractual				
Commodities		4.8		
Equipment		10.0		
Other				
Total Cost		74.8		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	74.8		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This bill authorizes DHSS to design and operate a demonstration project under the authority of section 1115 (a) of the Social Security Act.</p> <p>Project development and management include planning, negotiating, and preparing the demonstration project application(s), including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration.</p> <p>The project assistant will be assigned to the Juneau project manager during pre-implementation development and planning. This position will be reassigned to the Anchorage field operations management office as a field project liaison once the project becomes operational.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Public Assistance Administration (0233)

FY95

Page 1 of 1
 Revised Date: 3/23/94

Position Title Project Coordinator		No. of Positions 1	Range/Step 19A	Bargaining Unit GGU
Time Status FT	Staff Months 17 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		62.5		
Benefits				
Premium Pay				
Other				
Total Personal Services		62.5		
Travel		8.0		
Contractual				
Commodities		4.8		
Equipment		10.0		
Other				
Total Cost		85.3		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match	85.3		
1004	General Fund			
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This bill authorizes DHSS to design and operate a demonstration project under the authority of section 1115 (a) of the Social Security Act.</p> <p>Project development and management include planning, negotiating, and preparing the demonstration project application(s), including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration.</p> <p>This request is for one project coordinator.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Public Assistance Administration (0233)

FY95

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Revised Date: 3/23/94

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

DPA #4 4/1/94
BILL NO. CSHB409(FIN)am(efd 1d)

Revision Date: Dept. Affected: Health and Social Services
Title: An Act proposing a special demonstration project within the AFDC program BRU: PA Administration
Component: PA Data Processing
Sponsor: Haaley
Requestor: Senate HES COMPONENT SERIAL NO. 0240

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	317.1	380.5	202.7	202.7	202.7	0.0
TRAVEL	30.0	35.0	7.0	7.0	7.0	0.0
CONTRACTUAL	214.3	133.6	19.2	19.2	19.2	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	70.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	631.4	549.1	228.9	228.9	228.9	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGES IN REVENUES	0	0	0	0	0	0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	315.7	274.5	114.4	114.4	114.4	0.0
1003 GF Match	315.7	274.6	114.5	114.5	114.5	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	631.4	549.1	228.9	228.9	228.9	0.0

POSITIONS:

FULL-TIME	7	7	4	4	4	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) Impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This bill creates a need for major modifications to the Division of Public Assistance Eligibility Information System. Operation of a federally approved demonstration project will require that the DPA apply two different, parallel sets of eligibility rules to cases which are part of the demonstration project and cases which fall under normal AFDC program rules. Demonstration project methodology will also require special collection and compilation of data for program monitoring and evaluation purposes.

Prepared by: Jan L. Hansen, Director
Division: Division of Public Assistance
Approved by Commissioner: Margaret R. Lowe
Agency: Department of Health & Social Services

Phone: 465-2680
Date: 4/1/94
Date: 4/8/94

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ANALYSIS (cont.):

EIS is fundamental to DPA's administration of public assistance. Full automation of the demonstration project will be necessary to comply with federal requirements and to minimize the need for additional field staff to operate the project.

Modifications to the EIS system will require extensive programming and testing by PA data processing staff. This is a major systems development project which must be completed within a very short timeline. Once the programming modifications are in place, a reduced level of staff effort will be required to maintain the special programming, generate monitoring data, and produce the information necessary for completion of the final project evaluation.

Assumptions:

This legislation is enacted effective July 1, 1994. The EIS modification project begins as soon as possible thereafter, presuming federal approval of the demonstration project.

Demonstration project evaluation is performed by a contractor. PA data processing staff are responsible to generate data needed for the evaluation.

EIS programming for demonstration project is on-line January 1, 1996. Full system staffing is necessary through FY 96 to complete system de-bugging and complete development of monitoring components.

From FY 97 through FY 99, 4 PA data processing positions will be needed to maintain the system, generate monitoring reports, and produce data for the program evaluation.

These positions also will be needed in FY 99 for final program analysis and to facilitate transition of the system back to normal operation.

Travel funding will be needed to maintain monitoring and liaison between system staff and management staff in Juneau.

An independent contractor will be retained in FY 95 and FY 96 to facilitate system design and implementation. Contractual costs are projected at 150.0 for FY 95 and 100.0 for FY 96.

ANALYSIS (cont.):

Calculations:

FY 95:

1	Project Manager	AP V	R21	59.0
1	Lead Programmer	APIV	R19	52.1
2	Programmers	APIII	R17	91.7
2	Testers/Analysts	PAAI	R16	86.6
1	Clerk Typist III		R08	27.7
	Implementation Contract			150.0
	Equipment			70.0
	Office Space			55.3
	Training			9.0
	Travel			<u>30.0</u>
	Total			631.4

FY 96:

1	Project manager	AP V	R21	70.8
1	Lead Programmer	APIV	R19	62.5
2	Programmers	APIII	R17	110.0
2	Testers/Analysts	PAAI	R16	104.0
1	Clerk Typist III		R08	33.2
	Implementation Contract			100.0
	Office space			33.6
	Travel			<u>35.0</u>
	Total			549.1

FY 97 - FY 99:

1	Lead Programmer	APIV	R19	62.5
1	Programmer	APIII	R17	55.0
1	Tester/Analyst	PAAI	R16	52.0
1	Clerk Typist III		R08	33.2
	Office space			19.2
	Travel			<u>7.0</u>
	Total			228.9

Position Title Analyst/Programmer V			No. of Positions 1	Range/Step 21B	Bargaining Unit SS
Time Status FT	Staff Months 10 months		Location Anchorage		Election District
TYPE of EXPENDITURE			AMOUNT		
Salary			59.0		
Benefits					
Premium Pay					
Other					
Total Personal Services			59.0		
Travel			30.0		
Contractual			7.9		
Commodities					
Equipment			10.0		
Other					
Total Cost			106.9		
FUNDING SOURCE for TOTAL COST					
1002	Federal Receipts				
1003	GF Match				
1004	General Fund		106.9		
1005	GF/Program Receipts				
1006	GF/Mental Health Trust				
1007	I/A Receipts				
1061	CIP Receipts				
Other					
<p>Justification</p> <p>The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, implement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operational duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results.</p> <p>This position is the project manager for system development necessary to operate the AFDC demonstration project authorized by this bill.</p>					

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Public Assistance Data Processing (0240)

FY95

Page 1 of 1

Revised Date: 3/23/94

Position Title Analyst/Programmer IV		No. of Positions 1	Range/Step 19B	Bargaining Unit GGU
Time Status FT	Staff Months 10 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		52.1		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.1		
Travel				
Contractual		7.9		
Commodities				
Equipment		10.0		
Other				
Total Cost		70.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	70.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, implement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operational duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results.</p> <p>This position is the lead programmer analyst to research each system impact involved and work with lower level programmers on the system development necessary to operate the AFDC demonstration project authorized by this bill.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Public Assistance Data Processing (0240)

Page 1 of 1
 Revised Date: 3/23/94

FY95

Position Title Analyst/Programmer III		No. of Positions 2	Range/Step 17B	Bargaining Unit GGU
Time Status FT	Staff Months 10 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT	Justification The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, implement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operational duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results. These positions are journeyman-level programmers necessary for development of the system modifications needed to operate the AFDC demonstration project authorized by this bill.	
Salary		91.7		
Benefits				
Premium Pay				
Other				
Total Personal Services		91.7		
Travel				
Contractual		15.8		
Commodities				
Equipment		20.0		
Other				
Total Cost		127.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	127.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
BRU: Public Assistance Administration
COMPONENT: Public Assistance Data Processing (0240)

FY95

Page 1 of 1
Revised Date: 3/23/94

Position Title Public Assistance Analyst I		No. of Positions 2	Range/Step 16B	Bargaining Unit GGU
Time Status FT	Staff Months 10 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT	Justification The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, implement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operational duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results. These positions are user level analysts/testers that are necessary for development of the system modifications needed to operate the AFDC demonstration project authorized by this bill.	
Salary		86.6		
Benefits				
Premium Pay				
Other				
Total Personal Services		86.6		
Travel				
Contractual		15.8		
Commodities				
Equipment		20.0		
Other				
Total Cost		122.4		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	122.4		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
BRU: Public Assistance Administration
COMPONENT: Public Assistance Data Processing (9240)

Page 1 of 1

Revised Date: 3/23/94

FY95

Position Title Clerk Typist III			No. of Positions 1	Range/Step R08	Bargaining Unit GGJ
Time Status FT	Staff Months 10 months		Location Anchorage		Election District
TYPE of EXPENDITURE			AMOUNT		
Salary			27.7		
Benefits					
Premium Pay					
Other					
Total Personal Services			27.7		
Travel					
Contractual			7.9		
Commodities					
Equipment			10.0		
Other					
Total Cost			45.6		
FUNDING SOURCE for TOTAL COST					
1002	Federal Receipts				
1003	GF Match				
1004	General Fund		45.6		
1005	GF/Program Receipts				
1006	GF/Mental Health Trust				
1007	I/A Receipts				
1061	CIP Receipts				
Other					
<p>Justification</p> <p>The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, implement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operational duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results.</p> <p>This request is for one full-time support clerk for programming/testing staff.</p>					

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Public Assistance Data Processing (0240)

Page 1 of 1

Revised Date: 3/23/94

FY95

FISCAL NOTE

REQUEST:

Revision Date: 5/5/94 Affected Agency: DH&SS
 Title: Spec.demonstration BRU: PA Admin
project within AFDC program
 Sponsor: _____ Components: Ak. Work Program
 Requestor: _____ 0 238

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 2000
Personal Services	0.0	106.3	141.7	141.7	80.1	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	121.2	164.7	164.7	82.8	0.0
Supplies	0.0	0.6	0.6	0.6	0.4	0.0
Equipment	0.0	22.5	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	
TOTAL OPERATING	0.0	251.6	307.0	307.0	163.3	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund	0.0	250.6	307.0	307.0	163.3	0.0
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other						
TOTAL	0.0	250.6	307.0	307.0	163.3	0.0

POSITIONS:


Full-Time	0	3	3	3	3	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

Estimate of FY 94 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

This legislation generates need for recruitment, development, monitoring, and maintenance of unpaid-community work sites for AFDC recipients participating in workfare. Whether this function is performed by DPA or private contractor the fidcal impact should be identical.


Prepared By:


 Senator Drue Pearce, Co-chair
 Senate Finance Committee

Date: 5/5/94

Phone: 465-4993

Prepared By:


 Senator Steve Frank, Co-chair
 Senate Finance Committee

Date: 5/5/94

Phone: 465-3709

Position Title Accounting Clerk III		No. of Positions 1	Range/Step 10A	Bargaining Unit GGU
Time Status Full Time	Staff Months 9 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		27.6		
Benefits				
Premium Pay				
Other				
Total Personal Services		27.6		
Travel				
Contractual		1.8		
Commodities		0.2		
Equipment		7.5		
Other				
Total Cost		37.1		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	37.1		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>Accounting clerk needed to process supportive services and child care authorizations for payments to participants and providers and to provide statistical and accounting expenditure reports. This position supports the AFDC workfare project proposed in this bill.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: PA Administration
 COMPONENT: Alaska Work Program (0238)

Page 1 of 1
 Revised Date: 3/23/94

FY96

Position Title Project Assistant		No. of Positions 1	Range/Step 16A	Bargaining Unit GGU
Time Status Full Time	Staff Months 9 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		39.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		39.0		
Travel				
Contractual		1.4		
Commodities		0.2		
Equipment		7.5		
Other				
Total Cost		48.1		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match	48.1		
1004	General Fund			
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
Justification Project Assistance needed to develop community service work sites, monitor agreements, and maintain sites for referrals per year, as part of the AFDC workfare project proposed in this bill.				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: PA Administration
 COMPONENT: Alaska Work Program (0238)

Page 1 of 1
 Revised Date: 3/23/94

FY96

Position Title Project Coordinator			No. of Positions 1	Range/Step 18A	Bargaining Unit GGU
Time Status Full Time	Staff Months 12 months		Location Anchorage		Election District
TYPE of EXPENDITURE			AMOUNT		
Salary			56.3		
Benefits					
Premium Pay					
Other					
Total Personal Services			56.3		
Travel					
Contractual			1.9		
Commodities			0.2		
Equipment			7.5		
Other					
Total Cost			65.9		
FUNDING SOURCE for TOTAL COST					
1002	Federal Receipts				
1003	GF Match				
1004	General Fund		65.9		
1005	GF/Program Receipts				
1006	GF/Mental Health Trust				
1007	I/A Receipts				
'1061	CIP Receipts				
Other					
Justification Project Coordinator needed to coordinate contracts with providers of employment and community service placements as part of the AFDC workfare project proposed in this bill.					

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: PA Administration
 COMPONENT: Alaska Work Program (0238)

Page 1 of 1
 Revised Date: 4/1/94

FY96

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

DPA #6 4/1/94
BILL NO. CSHB409(FIN)am(cfd (ld)

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act proposing a special demonstration project within the AFDC program BRU: PA Administration
Sponsor: Hanley Component: Child Care Benefits
Requestor: Senate HES COMPONENT SERIAL NO. 1897

Expenditures/Revenues:		(Thousands of Dollars)				
OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	578.3	1,360.8	1,360.8	680.4	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	578.3	1,360.8	1,360.8	680.4	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGES IN REVENUES	0	0	0	0	0	0

FUND SOURCE		(Thousands of Dollars)				
	FY95	FY96	FY97	FY98	FY99	FY00
1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	578.3	1,360.8	1,360.8	680.4	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	578.3	1,360.8	1,360.8	680.4	0.0

POSITIONS:						
	FY95	FY96	FY97	FY98	FY99	FY00
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 (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This legislation generates a need for child care services for AFDC recipients who are participating in workfare. This bill requires that DHSS pay for child care services necessary for an individual to participate in workfare.

Under current AFDC program operations, the Department does not pay for child care services for individuals who are participating in unpaid work activities unless the individual is participating in the JOBS program.

Prepared by: Jan L. Hansen, Director Phone: 465-2680
Division: Division of Public Assistance Date: 4/1/94
Approved by Commissioner: Margaret R. Lowe Date: 4/8/94
Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Assumptions:

Workfare participants will be required to work 21 hours per week.

During the initial 6-month start-up phase in FY 96, 357 families per month will require child care services to participate in workfare. Beginning with FY 97, 420 families per month will require child care services to participate in workfare.

Need for child care begins on January 1, 1996 and ends December 31, 1998. FY 96 and FY 99 costs represent 6 months' benefits.

Calculations:

FY 95: No child care benefits paid, workfare not operational.

FY 96: 357 families x \$270 per family/month x 6 months = \$578.3.

FY 97-

FY 98: 420 families x \$270 per family/month x 12 months = \$1,360.8/year.

FY 99: 420 families x \$270 per family/month x 6 months = \$680.4.

F I S C A L N O T E

7

REQUEST:

Revision Date: 5/7/94 Affected Agency: DH&SS
 Title: Spec. demonstration BRU: Assist. Payments
project within AFDC program. Ratable Red.
 Sponsor: Hanley Components: AFDC
 Requestor: Senate Finance 220

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 2000
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	-1741.2	-2437.0	-2559.0	-2687.0	-2821.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	-1741.2	-2437.0	-2559.0	-2687.0	-2821.0	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund	-765.0	-1106.4	-1161.8	-1219.9	-1280.8	0.0
Federal Fund	-765.0	-1106.4	-1161.8	-1219.9	-1280.7	0.0
Other I/A Receipts	-211.2	-224.2	-235.4	-247.2	-259.5	0.0
TOTAL	-1741.2	-2437.0	-2559.0	-2687.0	-2821.0	0.0

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 FY 94 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

This legislation reduces AFDC maximum payment levels by approximately 1.7 percent below the current payment levels.

Prepared By: Jan Hansen Date: 5/7/94
 Jan Hansen, Dir., Div. of Pub. Assist Phone: 465-3347
 Dept. of Health and Social Services

Approved By: Margaret R. Lowe Date: 5/7/94
 Margaret R. Lowe, Commissioner Phone: 465-5030
 Dept. of Health and Social Services

Analysis Continued
May 7, 1994

SCSCSHB 409 (Fin)

Assumptions:

The ratable reduction takes effect on October 1, 1994, and is repealed at the beginning of FY 2000.

Reductions in AFDC payment maximums produce a 1.7 percent savings in AFDC formula costs effective October 1, 1994.

Ratable reductions are imposed statewide.

AFDC caseload size will increase by 5 percent each year.

The average amount of the monthly AFDC benefit decrease as a result of ratable reductions will be \$13.00.

Calculations:

	<u>Average AFDC Caseload</u>	<u>Average monthly payment reduction</u>	<u>Total FY Reduction</u>
FY 95	14,882	\$13	*\$1,741.2
FY 96	15,626	\$13	\$2,437.0
FY 97	16,407	\$13	\$2,559.0
FY 98	17,228	\$13	\$2,687.0
FY 99	18,089	\$13	\$2,821.0
FY 00	18,993	\$ 0	\$ 0.0

*FY 95 Total Reduction is for 9 months.

F I S C A L N O T E

#8

REQUEST:

Revision Date: _____ Affected Agency: DH&SS
 Title: An Act proposing a special demonstration proj. within AFDC program BRU: sst. Pmts Adult Public Assis
 Sponsor: _____ Components: 0222
 Requestor: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	(442.3)	(674.9)	(708.7)	(744.1)	(781.3)	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	(442.3)	(674.9)	(708.7)	(744.1)	(781.3)	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
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FUNDING: (THOUSANDS OF DOLLARS)

General Fund	(407.0)	(635.8)	(667.6)	(700.9)	(736.0)	0.0
Federal Fund						
Other/IA Receipts	(35.3)	(39.1)	(41.1)	(43.2)	(45.3)	0.0
TOTAL	(442.3)	(674.9)	(708.7)	(744.1)	(781.3)	0.0

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

This bill reduces Adult Public Assistance benefits by setting the amount of the maximum state contribution to Adult Public Assistance recipients at 1.7 percent less than the amount payable on October 1, 1993. (cont'd pg 2)

Prepared By: Jan Hansen, Dir. Div. of Public Assist. Date: 5/7/94
 Dept of Health & Social Services Phone: x3347

Prepared By: Margaret R. Lowe, Commissioner Date: _____
 Dept of Health & Social Services Phone: _____

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 OFFICE OF MANAGEMENT AND BUDGET
 AGENCY (IES)

ANALYSIS (cont.)

Assumptions:

The ratable reduction takes effect on October 1, 1994, and is repealed at the beginning of FY00.

Benefit reductions are imposed statewide.

The average amount of the monthly APA benefit decrease will be \$5.45. The APA benefit payment to an individual SSI recipient will be \$6 less per month.

APA caseload size will increase by 5 percent each year.

Recipients of APA Interim Assistance payments will not be affected by the benefit reductions.

Calculations:

	Average APA Caseload	Average Monthly Payment Reduction	Total FY Reduction
FY95	9,829	\$5.45	* \$442.3
FY96	10,320	\$5.45	\$674.9
FY97	10,836	\$5.45	\$708.7
FY98	11,378	\$5.45	\$744.1
FY99	11,947	\$5.45	\$781.3
FY00	12,544	\$0.00	\$ 0.0

*FY95 Total Reduction is for 9 months

FISCAL NOTE

#9

REQUEST:

Revision Date: _____ Affected Agency: DH&SS
 Title: An Act proposing a special demonstration proj. within AFDC program BRU: _____
 Sponsor: _____ Components: PFD Hold Harmless 0225
 Requestor: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 00
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	(246.5)	(263.3)	(276.5)	(290.4)	(304.8)	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	(246.5)	(263.3)	(276.5)	(290.4)	(304.8)	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

FUNDING: (THOUSANDS OF DOLLARS)

General Fund						
Federal Fund						
Other/PFD Fund	(246.5)	(263.3)	(276.5)	(290.4)	(304.8)	0.0
TOTAL	(246.5)	(263.3)	(276.5)	(290.4)	(304.8)	0.0

POSITIONS:

Full-Time	0	0	0	0	0	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

PFD Hold Harmless payments replace AFDC & Adult Public Assistance benefits when receiving the dividend causes individuals to lose eligibility or to have benefits reduced. The ratable reductions provided for in this bill reduce costs in the AFDC and APA assistance pmts BRUs. PFD Hold Harmless costs change in direct proportion to the costs of the programs held harmless
(cont'd on pg 2)

Prepared By: Jan Hansen, Dir., Div. of Public Assist. Date: 5/7/94
 Dept. of Health & Social Services Phone: x3347

Approved By: Margaret R. Lowe, Commissioner Date: 5/7/94
 Dept. of Health and Social Services

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 OFFICE OF MANAGEMENT AND BUDGET
 AGENCY (IES)

ANALYSIS (cont.)

Assumptions:

The ratable reductions take effect on October 1, 1994, and are repealed at the beginning of FY00.

PFD Hold Harmless costs for AFDC and APA benefits will decrease in direct proportion to the decreases produced by the reductions in AFDC and APA expenditures for each fiscal year.

Calculations:

PFD HOLD HARMLESS SAVINGS

	<u>AFDC</u>	<u>APA</u>	<u>PFDHH</u>
FY95	\$(211.2)	\$(35.3)	\$(246.5)
FY96	(224.2)	(39.1)	(263.3)
FY97	(235.4)	(41.1)	(276.5)
FY98	(247.2)	(43.2)	(290.4)
FY99	(295.5)	(45.3)	(304.8)
FY00	0.0	0.0	0.0

FISCAL NOTE

STATE OF ALASKA
1994 LEGISLATIVE SESSION

BILL NO. CSHB 409(Fin) am(efd fld)

210

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act relating to the maximum amount BRU: Medical Assistance
of assistance that may be granted under the adult public ... Component: Medicaid Non-Facility
 Sponsor: HANLEY, Therriault
 Requestor: Senate HESS COMPONENT SERIAL NO. 229

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS	0.0	(15.8)	(267.0)	(453.3)	(413.4)	(312.1)
MISCELLANEOUS						
TOTAL OPERATING	0.0	(15.8)	(267.0)	(453.3)	(413.4)	(312.1)

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGES IN REVENUES						
---------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	0.0	(7.9)	(133.5)	(226.6)	(206.7)	(156.0)
1003 GF Match	0.0	(7.9)	(133.5)	(226.7)	(206.7)	(156.1)
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	(15.8)	(267.0)	(453.3)	(413.4)	(312.1)

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY94) impact: 0.0

ANALYSIS: (Attach a separate page if necessary)

Reduction in Medicaid spending would result from adults being removed from AFDC cases due to sanctions and losing Medicaid eligibility as a consequence and from families leaving the AFDC caseload due to employment and adult family members and some children losing Medicaid eligibility as a result. Some children losing eligibility may have incomes below or near the poverty level.

See attached page for additional analysis.

Assumptions provided by Division of Public Assistance for 2/10/94 fiscal note have changed. All other assumptions remain constant.

Prepared by: Jon Sherwood
 Division: Medical Assistance
 Approved by Commissioner: Margaret R. Lowe
 Agency: Department of Health & Social Services

Phone: 465-3355
 Date: 04/07/94
 Date: 4/8/94

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ANALYSIS (cont.):**Assumptions:**

Average Annual Cost of Medical Assistance – FY 93

AFDC Adult	\$2,560
AFDC Child	\$1,573

Growth = 11 percent

Growth includes price inflation and increased service utilization per client, but not caseload increases.

Adults ineligible due to sanctions remain off Medicaid for the whole year, except FY 96 and FY 99. In FY 96 the program starts midyear and the sanction is projected to last for 3 months. In FY 99, the program ends mid year and the sanction is projected to last six months.

No adults or children will drop off Medicaid in FY 96 as a result of dropping off the AFDC caseload because of Transitional Medicaid providing extended coverage for one year. The average length of time without Medicaid benefits for other fiscal years is one-half year. Therefore, the savings from adults and children going off the caseload equals one-half the average annual cost of medical assistance multiplied times the number of adults and children going off the caseload.

Number of Clients Affected

	<u>FY 95</u>	<u>FY 96</u>	<u>FY 97</u>	<u>FY 98</u>	<u>FY 99</u>	<u>FY 00</u>
Sanctioned Adults	0	18	33	33	33	0
Adults Going Off Caseload	0	0	45	87	85	85
Children Going Off Caseload	0	0	43	93	89	89

Savings

Sanctioned Adults	\$0	\$15,755	\$128,247	\$142,354	\$79,006	\$0
Adults Going Off Caseload	\$0	\$0	\$87,441	\$187,648	\$203,501	\$225,886
Children Going of Caseload	\$0	\$0	\$51,340	\$123,253	\$130,926	\$86,245
TOTAL SAVINGS	<u>\$0</u>	<u>\$15,755</u>	<u>\$267,028</u>	<u>\$453,255</u>	<u>\$413,433</u>	<u>\$312,131</u>

Note: Assumptions for the number of people losing eligibility for Medicaid and for how long are based on estimates provided by the Division of Public Assistance.

8-LS1211NW ✓
Lauterbach
5/1/94

SENATE CS FOR CS FOR HOUSE BILL NO. 409(FIN)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:
Referred:

Sponsor(s): REPRESENTATIVES HANLEY, Therriault, Bunde, Kott

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the maximum amount of assistance that may be granted
2 under the adult public assistance program and the program of aid to families
3 with dependent children; proposing a special demonstration project within the
4 program of aid to families with dependent children and directing the Department
5 of Health and Social Services to seek waivers from the federal government to
6 implement the project."

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

8 * Section 1. WAIVER APPLICATION. (a) The Department of Health and Social
9 Services shall, by December 31, 1994, seek appropriate waivers from the federal government
10 to implement the AFDC demonstration project described in secs. 1 - 6 of this Act. To the
11 extent that the federal government approves the necessary waivers, the department shall
12 implement the project. The purpose of the project is to promote personal responsibility and

1 self-sufficiency.

2 (b) Notwithstanding (a) of this section, if changes in federal statutes or regulations
3 occur after the effective date of this section and would have a major effect on the design,
4 implementation, or operation of the project, the department shall

5 (1) apply for and implement only the waivers that relate to the parts of the
6 project that are not substantially affected by the changes in federal statutes or regulations; if
7 the department determines that the parts of the project that are not substantially affected by
8 the federal changes do not comprise a fiscally responsible project, the department is not
9 required to apply for or implement waivers under this Act and may discontinue operation of
10 the project under waivers that were implemented before the federal changes occurred;

11 (2) report to the legislature its recommendations for changes in its statutory
12 authority that may be needed in order to implement a fiscally responsible project in light of
13 conflicting or permissive changes in federal statutes or regulations.

14 * Sec. 2. EARNED INCOME DISREGARD; WAIVER OF "100-HOUR" RULE; AUTO
15 ALLOWANCE. When determining the AFDC eligibility of a family in the project area and
16 when determining the amount of assistance to which a family in the project area is entitled,
17 the department shall

18 (1) disregard, for 24 months, \$200 plus one-third of the remainder of the
19 earned income of each person in the family unless federal regulations require that more earned
20 income of a person must be disregarded; for a family that applies for AFDC after this
21 paragraph has been implemented, this 24 months begins with the month for which the family
22 is first granted AFDC; for a family that is already receiving assistance when this paragraph
23 is implemented, this 24 months begins with the first month during which this paragraph is
24 implemented;

25 (2) waive the requirement that, for purposes of assistance for a dependent child
26 of unemployed parents, the principal wage-earning parent must be employed less than 100
27 hours a month; and

28 (3) allow the exclusion of \$5,000 of the combined equity of motor vehicles
29 used by the family for basic family transportation, transportation of a disabled child in the
30 household, or transportation of a member of the family to or from employment, training, or
31 participation in an activity required under sec. 3 of this Act; if the combined equity of vehicles

1 described in this paragraph exceeds \$5,000, the department shall apply the excess equity
2 amount toward the asset limit otherwise applicable to the family.

3 * Sec. 3. WORKFARE. (a) Each member of a family in the project area who is 18 years
4 of age or older shall participate for 21 hours a week in an uncompensated activity if assigned
5 to the activity by the department. The department shall assess the availability of activities that
6 satisfy the purposes of this subsection in each part of the project area and attempt to develop
7 additional activities where necessary. When assessing the availability of activities that are
8 suitable as uncompensated activities under this section and in assigning persons to those
9 activities, the department shall consider activities recommended by governmental
10 representatives of boroughs, cities, and communities and others in the project area. The
11 department shall penalize the family for failure of a person to comply with this subsection by
12 disregarding that person as a member of the family for purposes of determining the amount
13 of AFDC assistance given to the family.

14 (b) If organizations exist in the project area that have had successful experience in
15 conducting employment placement services, community services, and job training programs,
16 the department shall offer on a competitive basis contracts to those organizations to administer
17 (a) of this section. A contract under this subsection must provide that the department shall
18 make the determinations required under (c) and (d) of this section and the contractor shall
19 perform the duties assigned to the department under (a) of this section with respect to
20 uncompensated activities, including assessment of their availability, development of additional
21 activities, consideration of activities recommended by governmental representatives, and
22 assignment of persons to specific activities after referral of those persons to the contractor by
23 the department.

24 (c) The requirement to participate in an uncompensated activity under (a) of this
25 section does not apply to a person who

26 (1) has paid employment of at least 15 hours a week; a person who has paid
27 employment of less than 15 hours a week shall participate in an uncompensated activity
28 assigned under (a) of this section for the number of hours that, when added to the hours of
29 paid employment, equals 21;

30 (2) is participating in an activity under AS 47.25.421 - 47.25.429 (JOBS
31 program);

1 (3) is participating in an activity under a program operated by an Indian or
2 Native organization under 42 U.S.C. 682(i) unless the Indian or Native organization agrees
3 to the person's inclusion in the project,

4 (4) is exempt from participating in an activity under AS 47.25.421 - 47.25.429
5 (JOBS program);

6 (5) is the parent or other relative of a child under six years of age living in the
7 same household who personally provides care for the child; or

8 (6) is determined, according to regulations of the department, to be physically
9 or mentally unable to perform any reasonable activity that may be assigned under this section;

10 or

11 (7) is a parent who is providing care for a child with a developmental disability
12 as defined by AS 47.80.900(7).

13 (d) Notwithstanding (a) of this section, the department may not require a person to
14 participate in an uncompensated activity under (a) of this section unless the department agrees
15 to pay for

16 (1) costs of child care determined by the department to be necessary for the
17 person's participation; and

18 (2) transportation expenses determined by the department to be necessary for
19 the person's participation in the activity.

20 * Sec. 4. PROJECT AREA. The department shall determine the area in which the project
21 will be implemented by choosing four municipalities as follows:

22 (1) the municipality that had the highest number of households receiving
23 AFDC in fiscal year 1992;

24 (2) a municipality contiguous to the municipality determined under (1) of this
25 section;

26 (3) an area consisting of

27 (A) a home rule city that is contained within the boundaries of a second
28 class borough and has a population of at least 15,000 persons; and

29 (B) the second class borough that contains the city described in (A) of
30 this paragraph; and

31 (4) the largest municipality, as measured by square miles, including the cities

1 within the municipality.

2 * Sec. 5. COOPERATION. State agencies shall cooperate with the department to the
3 extent necessary to implement secs. 1 - 6 of this Act.

4 * Sec. 6. DEFINITIONS. In secs. 1 - 6 of this Act,

5 (1) "AFDC" means the program of aid to families with dependent children
6 under AS 47.25.310 - 47.25.420;

7 (2) "department" means the Department of Health and Social Services;

8 (3) "project" means the department's implementation of the eligibility
9 modifications of sec. 2 of this Act and the work requirements of sec. 3 of this Act, to the
10 extent that the federal government approves those modifications and requirements;

11 (4) "project area" means the area established by the department under sec. 4
12 of this Act.

13 * Sec. 7. AFDC. Notwithstanding AS 47.25.320(a)(1) - (3), the maximum amounts of
14 assistance under AS 47.25.320(a) may not exceed the following, subject to adjustments under
15 other laws:

16 (1) dependent child living with nonneedy relative: \$451 a month, plus \$100
17 a month for each additional child;

18 (2) dependent child living with parent:

19 (A) for a parent and one dependent child, a maximum of \$806 a month;

20 (B) for each additional child, or for a second parent, \$100 a month per

21 individual;

22 (3) pregnant woman who is otherwise eligible for assistance under
23 AS 47.25.320: \$505 a month.

24 * Sec. 8. ADULT PUBLIC ASSISTANCE. Except as provided in AS 47.25.430(b), the
25 monthly state contribution to a recipient under AS 47.25.430 - 47.25.615 may not exceed the
26 amount of state assistance granted to a similarly situated recipient for the month of October
27 1993, reduced by 1.7 percent, unless adjusted under other laws.

28 * Sec. 9. REGULATIONS. The Department of Health and Social Services shall adopt
29 regulations to implement secs. 7 and 8 of this Act, consistent with federal requirements. The
30 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
31 effective date of this Act.

1

* Sec. 10. This Act is repealed July 1, 1999.

SENATE FINANCE COMMITTEE REPORT

DATE: 5/2/94

FURTHER:

DATE TURNED INTO OFFICE: 5-5-94

The Finance Committee considered CS FOR HOUSE BILL NO. 409(FIN) am(efd fld)

Maximum amount of assistance that may be granted under the adult public assistance program and the program of aid to families with dependent children; proposing a special demonstration project within the program of aid to families with dependent children and directing the Department of Health and Social Services to seek waivers from the federal government to implement the project.

and recommends:

replace with S CS CS HB 409 (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

Department	Date	Zero	Fiscal
SFC/AK Work	5/5/94	0	
DHSS AFDC	5/6/94	0	
DHSS Elig Det.	5/6/94	0	
DHSS-PA/mix	5/6/94		200.1
DHSS-PA/DD	5/6/94		631.4
DHSS Child Care	5/6/94	0	

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

DHSS AFDC Appropriation No Fiscal Note 5/6/94 (3,080.6)
 DHSS APA 5/6/94 (619.2)
 DHSS PFD 5/6/94 (423.2)
DO PASS

OTHER RECOMMENDATIONS:

~~James King - No Rec~~
 Steve King - No Recommendation
 Fe Kelly - No Rec
 J. K. ... Do No Rec

1. A. Shaw Do Pass
 Co-Chair: Signature/Recommendation

2. True Peace No Rec
 Co-Chair: Signature/Recommendation

Referred to SFC from SFC
 No report did not pass
 Rep Frank did not pass
 Rep ... did not pass

SCS (Fin)
 and
 Fiscal
 Notes to
 Follow

FISCAL NOTE

REQUEST:

Revision Date: 5/5/94 Affected Agency: DH&SS
 Title: Spec.demonstration BRU: PA Admin
project within AFDC program
 Sponsor: _____ Components: Ak. Work Program
 Requestor: _____ 0 238

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

OPERATING	FY 95	FY 96	FY 97	FY 98	FY 99	FY 2000
Personal Services	0.0	106.3	141.7	141.7	80.1	0.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	121.2	164.7	164.7	82.8	0.0
Supplies	0.0	0.6	0.6	0.6	0.4	0.0
Equipment	0.0	22.5	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants, Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	
TOTAL OPERATING	0.0	250.6	307.0	307.0	163.3	0.0

CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0
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REVENUE	0.0	0.0	0.0	0.0	0.0	0.0
---------	-----	-----	-----	-----	-----	-----

FUNDING: (THOUSANDS OF DOLLARS)

General Fund	0.0	250.6	307.0	307.0	163.3	0.0
Federal Fund	0.0	0.0	0.0	0.0	0.0	0.0
Other						
TOTAL	0.0	250.6	307.0	307.0	163.3	0.0

POSITIONS:

Full-Time	0	3	3	3	3	0
Part-Time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

Estimate of FY 94 impact: 0.0

ANALYSIS: (ATTACH A SEPARATE PAGE IF NECESSARY)

This legislation generates need for recruitment, development, monitoring, and maintenance of unpaid-community work sites for AFDC recipients participating in workfare. Whether this function is performed by DPA or private contractor the fidcal impact should be identical.

Prepared By: *Drue Pearce* Date: 5/5/94
 Senator Drue Pearce, Co-chair Phone: 465-4993
 Senate Finance Committee

Prepared By: *Steve Frank* Date: 5/5/94
 Senator Steve Frank, Co-chair Phone: 465-3709
 Senate Finance Committee

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

DPA #1 5/5/94
BILL NO. SCS HB409 (PIN)

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act proposing a special demonstration BRU: Assistance Payments
project within the AFDC program - project costs Component: AFDC
Sponsor: Hanley
Requestor: _____ COMPONENT SERIAL NO. 0220

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
1007 I/A Rcpts.	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	(200.5)	(1,915.8)	(2,523.7)	(3,105.4)	(2,955.4)

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 (FY94) impact: NCNE

ANALYSIS: (Attach a separate page if necessary)

This legislation impacts the AFDC program in several ways. The bill makes certain changes in AFDC eligibility provisions for purposes of operating a demonstration project. The demonstration project includes an increase in the AFDC earned income disregard from the current time-limited disregard of \$30 and one third of the remainder to \$200 plus one third of the remainder for 24 months.

Prepared by: Jan L. Hansen, Director Phone: 465-2680
Division: Division of Public Assistance Date: 5/10/94
Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S. Date: 5-6-94
Agency: Department of Health & Social Services

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ANALYSIS (cont.):

The demonstration also includes a waiver of the AFDC Unemployed Parent "100-hour rule" and increases the total amount of equity in vehicles a family may own. These modified requirements apply only to AFDC families living in the project area defined in the bill.

The bill also establishes requirements for AFDC recipients in the demonstration project to participate in workfare activities for 21 hours per week. Individuals who are required to participate in workfare are subject to fiscal sanction if they do not comply with the requirement.

Assumptions:**Basis of project:**

Federal approval is secured to operate an AFDC demonstration project under the authority of section 1115 (a) of the Social Security Act, including all of the provisions of this bill.

Project is operational from January 1, 1996 through December 31, 1998.

The project area includes the Municipality of Anchorage, the Matanuska Susitna Borough, the Fairbanks North Star Borough, and the North Slope Borough. 65% of AFDC families in Anchorage, Mat-Su, and Fairbanks are included in project experimental group, 35% in control group. Control group members participate under normal AFDC rules. 100% of recipients in the North Slope Borough project site are included in the experimental group.

Federal financial participation is available only for total project costs which do not exceed baseline costs of operating the AFDC program without the demonstration project.

Cost and Savings:**Savings Assumptions:**

The increased earned income disregards, waiver of the 100-hour rule, and the workfare requirement will cause the number of AFDC recipients who are working to increase over the course of the project. We project that the following numbers of recipients will become employed as a result of the demonstration provisions: 488 in FY 96, 347 more in FY 97, and 56 more in FY 98. At the end of the three-year demonstration, a total of 891 recipients who would not otherwise be employed are expected to be receiving regular earnings.

ANALYSIS (cont.):

The average monthly earnings of AFDC recipient families in the project area as of September 1993 are as follows:

	AFDC-Basic	AFDC-UP
Anchorage	\$547.49	\$541.03
Mat-Su Borough	\$450.21	\$431.92
Fairbanks North Star Borough	\$474.67	\$484.92
North Slope Borough	\$281.17	\$551.66

We assume that the earnings of recipients in the project area will be at these levels, adjusted by 2.5 percent per year to account for inflation.

The benefit costs for these newly working recipients will decrease because their earnings will reduce their AFDC grant amounts. The total savings because of such benefit reductions is projected at about \$8.6 million over the three-year term of the demonstration.

These program modifications are also expected to cause some families which would otherwise remain on AFDC to leave the rolls each year during the project: 26 in FY 96, 62 in FY 97, 51 in FY 98, and 31 more in FY 99. This reduction in the caseload is expected to generate a total savings of about \$3.5 million over the term of the demonstration.

Sanction penalties for failure to participate in workfare will also generate savings. We assume that 3 percent of the total number of families subject to workfare would be subject to sanction each month. Most cases required to participate would be AFDC Unemployed Parent cases where both parents would be required to participate. The average sanction per case is projected at \$350.00 per month.

After the demonstration project ends, we project a reduction in the number of recipients who are working as a result of the demonstration. The decrease in the earned income disregards will cause some individuals to leave work. Other individuals will leave work to avoid becoming ineligible because of the reimposition of the unemployed parent 100-hour rule. In the last 6 months of FY 99, we project that the average monthly number of working recipients will decrease by 359.

ANALYSIS (cont.):

Savings Calculations:

AFDC BENEFIT SAVINGS						
	FY95	FY96	FY97	FY98	FY99	FY00
\$200 + 1/3 Earned Income Disregard & 100- Hour Rule	0	(769.0)	(2582.2)	(2825.6)	(2447.0)	(1482.9)
Clients off AFDC (# persons)	0	(119.5)	(724.7)	(1212.5)	(1472.5)	(1472.5)
	0	26	88	139	170	170
Workfare Sanction Penalties	0	(44.2)	(176.4)	(176.4)	(88.2)	0
Total Gross Savings	0	(932.7)	(3483.3)	(4214.5)	(4007.7)	(2955.4)

Cost Assumptions:

AFDC recipients who are already working will receive increased benefits because the amount of the existing earned income disregard increases from 4 months at \$30 + 1/3 of the remainder and 8 months at \$30 to 2 years at \$200 + 1/3 of the remainder.

AFDC benefits to recipients who go to work as a result of the increased disregards will cost more than they would under the existing rules. These increased costs are partially offset by the savings generated through grant reductions and terminations. Those savings are accounted for above.

Approximately 1104 families in the project area have at least one member who is working now. We project that the same proportion of the caseload, or 1267 families, will have a working member at the beginning of the project in January 1996. We expect that the proportion of working families would remain constant in the absence of the waiver provisions, with the baseline number of working families increasing as the caseload increases.

We project that an additional 488 recipients will go to work in FY 96 as a result of the policy waivers, that an additional 347 will go to work in FY 97, and an additional 56 in FY 98.

ANALYSIS (cont.):

On average, cases receiving normal \$30 and one third of remainder disregard receive 2 months per year of 1/3 of remainder disregard and 6 months per year of \$30 disregard.

On average, cases receiving extended \$200 and one third of remainder disregard under demonstration waiver receive the full disregard for 8 months of each year.

Cost Calculations:

AFDC BENEFIT COSTS						
\$200 + 1/3 EARNINGS DISREGARD						
	FY95	FY96	FY97	FY98	FY99	FY00
Recipients Already Working	1200	1267	1348	1434	1520	1605
Additional Working Recipients	0	488	835	891	445	0
Total Working Recipients in project area	1200	1755	2183	2324	1965	1605
Total AFDC Benefit Costs	0	732.2	1567.5	1690.8	902.3	0

Automobile value allowance increase:

Federal law currently allows exclusion of the first \$1500 of the equity of one vehicle. Remaining equity is applied toward the \$1000 maximum asset limit. This bill provides for application of a federal waiver in the project area to increase the vehicle equity exclusion to \$5000 and allow it to be applied to any number of vehicles necessary for specific purposes.

We project that the vehicle provision will result in an average of 15 additional families per month being eligible for AFDC benefits over the period of the demonstration. An equal number of families is expected, as a result of their improved transportation resources, to earn enough to leave the AFDC rolls each month during the course of the demonstration.

The benefit costs are expected to be offset by benefit savings. No net change in program costs is anticipated as a result of the vehicle value provision.

ANALYSIS (cont.):

Net AFDC Savings produced by HB 409:

TOTAL AFDC BENEFIT COSTS AND SAVINGS						
	FY95	FY96	FY97	FY98	FY99	FY00
Gross Savings	0.0	(932.7)	(3483.3)	(4214.5)	(4007.7)	(2955.4)
Gross Costs	0	732.2	1567.5	1690.8	902.3	0
Net Benefit Savings	0.0	(200.5)	(1915.8)	(2523.7)	(3105.4)	(2955.4)

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

DPA #2 5/5/94
BILL NO. SCS HB409 (FIN)

Revision Date: _____ Dept. Affected: Health and Social Services
 Title: An Act proposing a special demonstration project within the AFDC program BRU: PA Administration
 Component: Eligibility Determination
 Sponsor: Hanley
 Requestor: _____ COMPONENT SERIAL NO. 0236

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	0.0	448.8	448.8	448.8	448.8	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	48.0	48.0	48.0	48.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	45.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	0.0	541.8	496.8	496.8	496.8	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	0.0	541.8	496.8	496.8	496.8	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	0.0	541.8	496.8	496.8	496.8	0.0

POSITIONS:

FULL-TIME	0	10	10	10	10	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This legislation produces a need for additional Eligibility Determination staff.

Processing cases which receive earned income demands considerably more time. The anticipated increase in the number of working AFDC recipients produces need for additional caseworkers. Staff will also spend time informing applicants about the demonstration and their options under it.

Prepared by: Jan L. Hansen, Director Phone: 465-2680
 Division: Division of Public Assistance Date: 5/6/94
 Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S. Date: 5-6-94
 Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Referrals and enforcement of the workfare requirement will also require additional staff time. We project that eligibility specialists with workfare caseloads will be able to handle AFDC caseloads about two-thirds as large as those handled by a regular maintenance worker.

Assumptions:

Current caseloads average 250 AFDC families per eligibility worker. Caseload sizes for families involved in the workfare activities will be reduced to 170 AFDC families per worker. This additional workload produces the need for three additional eligibility case manager positions.

Workfare and the offering of an option between finding and accepting employment or participating in unpaid work is expected to increase the number of working recipients who are not involved in workfare by approximately 891. Processing cases which receive earned income demands considerably more time and exposes the state to high liability for potential payment error. Caseload sizes for working recipients currently average around 150 per eligibility worker. This increased workload produces a need for three additional eligibility worker positions.

In the project area, intake eligibility workers will be required to inform each applicant for AFDC of the demonstration project and its provisions. We assume that each such interaction will require an average of 10 additional minutes of staff time, producing a need for one eligibility worker position.

The addition of seven case manager positions produce a need for one eligibility supervisor (ET IV) position and two clerical support positions.

ANALYSIS (cont.):

Calculations:

FY 96: Eligibility case managers/support staff

1	Eligibility Tech IV	R16	52.0
3	Eligibility Tech III	R15	147.6
4	Eligibility Tech II	R14	182.8
2	Clerk III	R08	66.4
	Equipment		45.0
	Office space		<u>48.0</u>
	Total		541.8

FY 97 -

FY 99: Eligibility case managers/support staff (per year)

1	Eligibility Tech IV	R16	52.0
3	Eligibility Tech III	R15	147.6
4	Eligibility Tech II	R14	182.8
2	Clerk III	R08	66.4
	Office space		<u>48.0</u>
	Total		496.8

Position Title Clerk III		No. of Positions 1	Range/Step R08	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Wasilla		Election District
TYPE of EXPENDITURE		AMOUNT	Justification This clerical support position is needed to support the additional eligibility staff produced by this bill.	
Salary		33.2		
Benefits				
Premium Pay				
Other				
Total Personal Services		33.2		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		42.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	42.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

FY96

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 Revised Date: 3/23/94

Position Title Clerk III		No. of Positions 1	Range/Step R08	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		33.2		
Benefits				
Premium Pay				
Other				
Total Personal Services		33.2		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		42.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	42.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
Justification This clerical support position is needed to support the additional eligibility staff produced by this bill.				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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FY96

Position Title Eligibility Technician II		No. of Positions 2	Range/Step R14	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		91.4		
Benefits				
Premium Pay				
Other				
Total Personal Services		91.4		
Travel				
Contractual		9.6		
Commodities				
Equipment		9.0		
Other				
Total Cost		110.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	110.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
Justification These eligibility case worker positions are needed to administer the additional case processing workload produced by this bill.				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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 Revised Date: 4/1/94

FY96

Position Title Eligibility Technician II		No. of Positions 1	Range/Step R 14	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Wasilla		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		45.7		
Benefits				
Premium Pay				
Other				
Total Personal Services		45.7		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		55.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	55.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
Justification This eligibility case worker position is needed to administer the additional case processing workload produced by this bill.				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU:- Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

FY96

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 Revised Date: 4/1/94

Position Title Eligibility Technician III			No. of Positions 1	Range/Step R15	Bargaining Unit GGU
Time Status FT	Staff Months 12 months		Location Anchorage		Election District
TYPE of EXPENDITURE			AMOUNT		
Salary			48.7		
Benefits					
Premium Pay					
Other					
Total Personal Services			48.7		
Travel					
Contractual			4.8		
Commodities					
Equipment			4.5		
Other					
Total Cost			58.0		
FUNDING SOURCE for TOTAL COST					
1002	Federal Receipts				
1003	GF Match				
1004	General Fund		58.0		
1005	GF/Program Receipts				
1006	GF/Mental Health Trust				
1007	I/A Receipts				
1061	CIP Receipts				
Other					
Justification This is the eligibility lead worker/case worker needed to administer the additional case processing workload produced by this bill.					

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

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Revised Date: 3/23/94

Position Title Eligibility Technician III		No. of Positions 1	Range/Step R15	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Wasilla		Election District
TYPE of EXPENDITURE		AMOUNT	Justification This is the eligibility lead worker/case worker needed to administer the additional case processing workload produced by this bill.	
Salary		48.7		
Benefits				
Premium Pay				
Other				
Total Personal Services		48.7		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		58.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	58.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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Revised Date: 3/23/94

FY96

Position Title Eligibility Technician IV		No. of Positions 1	Range/Step R16	Bargaining Unit SS
Time Status FT	Staff Months 12 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT	Justification This is the eligibility supervisor position to supervise the additional eligibility workers who will administer the additional processing workload produced by this bill.	
Salary		52.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.0		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		61.3		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	61.3		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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FY96

Position Title Eligibility Technician II		No. of Positions 1	Range/Step R 14	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Fairbanks		Election District
TYPE of EXPENDITURE		AMOUNT	Justification This eligibility case worker position is needed to administer the additional case processing workload produced by this bill.	
Salary		45.7		
Benefits				
Premium Pay				
Other				
Total Personal Services		45.7		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		55.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	55.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services
 BRU: Public Assistance Administration
 COMPONENT: Eligibility Determination (0236)

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 Revised Date: 4/1/94

FY96

Position Title Eligibility Technician III		No. of Positions 1	Range/Step R15	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Fairbanks		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		50.2		
Benefits				
Premium Pay				
Other				
Total Personal Services		50.2		
Travel				
Contractual		4.8		
Commodities				
Equipment		4.5		
Other				
Total Cost		59.5		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	59.5		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
Justification This is the eligibility lead worker/case worker needed to administer the additional case processing workload produced by this bill.				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Eligibility Determination (0236)

FY96

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Revised Date: 3/23/94

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

DPA #3 5/5/94
BILL NO. SCS HB409 (FIN)

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act proposing a special demonstration project within the AFDC program BRU: PA Administration
Component: PA Administration
Sponsor: Hanley
Requestor: _____ COMPONENT SERIAL NO. 0233

Expenditures/Revenues:

(Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	114.5	114.5	114.5	114.5	114.5	0.0
TRAVEL	16.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	49.5	44.6	29.6	29.6	59.6	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	20.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	132.3	264.6	264.6	132.3	0.0
TOTAL OPERATING	200.1	291.4	408.7	408.7	306.4	0.0

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	95.1	72.0	10.0	10.0	25.0	0.0
1003 GF Match	105.0	87.1	134.1	134.1	149.1	0.0
1004 GF		132.3	264.6	264.6	132.3	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	200.1	291.4	408.7	408.7	306.4	0.0

POSITIONS:

FULL-TIME	2	2	2	2	2	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This legislation authorizes DHSS to design and operate a waiver project under the authority of section 1115 (a) of the Social Security Act.

Prepared by: Jan L. Hansen, Director Phone: 465-2680
Division: Division of Public Assistance Date: 5/10/94

Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S. Date: 5-6-94
Agency: Department of Health & Social Services

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ANALYSIS (cont.):

Project development and management include planning, negotiating, and preparing the demonstration project application(s), including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration.

The project assistant will be assigned to the Juneau project manager during pre-implementation development and planning. This position will be reassigned to the Anchorage field operations management office as a field project liaison once the project becomes operational in January 1996.

The federal Department of Health and Human Services requires that a demonstration project evaluation be performed by an independent contractor. The evaluation would test the effects of the demonstration on program costs and recipient outcomes. The Clinton administration is adamant in its insistence that demonstration project designs meet scientific standards for experimental design and statistical analysis.

This bill also requires DHSS to pay transportation costs for individuals who need it to participate in workfare.

Assumptions:

An independent contractor will review project design, review the design and evaluation of similar projects in other states, construct the evaluation design, coordinate EIS programming necessary to comport with evaluation design parameters, and produce interim and final reports of project results. Total estimated evaluation cost of \$140,000. is based on what other states have paid for evaluation of projects of similar scope.

Regulatory authority will be necessary for DHSS to operate the project in compliance with the Administrative Procedure Act. The services of a private law firm will be retained to develop regulation language, prepare the necessary documents, analyze public comments, and prepare the regulations for submission to the Attorney General.

Transportation costs are needed by 45 percent of participants in workfare. Average monthly costs per recipient = \$35.00.

Costs for project start-up and evaluation are federally matchable. PA Admin personnel costs in FY95 and first half of FY96 are federally matchable at 50 percent state/50 percent federal. Evaluation contract costs are matchable at 50 percent state/50 percent federal each year.

ANALYSIS (cont.):

Calculations:

FY 95:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Equipment		20.0
	Office space		9.6
	Regulations contract		10.0
	Evaluation contract		30.0
	Travel		<u>16.0</u>
	Total		200.1

FY 96:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office space		9.6
	Regulations contract		15.0
	Evaluation Contract		20.0
	<u>Workfare Transportation</u>		<u>132.3</u>
	Total		291.4

FY 97:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office space		9.6
	Evaluation Contract		20.0
	<u>Workfare Transportation</u>		<u>264.6</u>
	Total		408.7

FY 98:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office Space		9.6
	Evaluation Contract		20.0
	<u>Workfare Transportation</u>		<u>264.6</u>
	Total		408.7

FY 99:

1	Project Coordinator	R19	62.5
1	Project Assistant	R16	52.0
	Office space		9.6
	Evaluation Contract		50.0
	<u>Workfare Transportation</u>		<u>132.3</u>
	Total		306.4

Position Title Project Coordinator		No. of Positions 1	Range/Step 19A	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		62.5		
Benefits				
Premium Pay				
Other				
Total Personal Services		62.5		
Travel		8.0		
Contractual				
Commodities		4.8		
Equipment		10.0		
Other				
Total Cost		85.3		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match	85.3		
1004	General Fund			
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This bill authorizes DHSS to design and operate a demonstration project under the authority of section 1115 (a) of the Social Security Act.</p> <p>Project development and management include planning, negotiating, and preparing the demonstration project application(s), including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration.</p> <p>This request is for one project coordinator.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Public Assistance Administration (0233)

FY95

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Position Title Project Assistant		No. of Positions 1	Range/Step 16A	Bargaining Unit GGU
Time Status FT	Staff Months 12 months	Location Juneau		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		52.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.0		
Travel		8.0		
Contractual				
Commodities		4.8		
Equipment		10.0		
Other				
Total Cost		74.8		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	74.8		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>This bill authorizes DHSS to design and operate a demonstration project under the authority of section 1115 (a) of the Social Security Act.</p> <p>Project development and management include planning, negotiating, and preparing the demonstration project application(s), including requesting waiver of the pertinent federal law provisions. Development also includes coordinating the necessary program and system changes and dealing with requests for information about the project as well as negotiation and administration of the evaluation contract and monitoring of the project. Project management staff would also be responsible to oversee the operation and monitoring of the project and maintain the necessary relationships with federal officials throughout its duration.</p> <p>The project assistant will be assigned to the Juneau project manager during pre-implementation development and planning. This position will be reassigned to the Anchorage field operations management office as a field project liaison once the project becomes operational.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Public Assistance Administration (0233)

FY95

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Revised Date: 3/23/94

STATE OF ALASKA
1994 LEGISLATIVE SESSION

FISCAL NOTE

DPA #4 5/5/94
BILL NO. SCS HB409 (FIN)

Revision Date: _____ Dept. Affected: Health and Social Services
Title: An Act proposing a special demonstration project within the AFDC program BRU: PA Administration
Component: PA Data Processing
Sponsor: Hanley
Requestor: _____ COMPONENT SERIAL NO. 0240

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY95	FY96	FY97	FY98	FY99	FY00
PERSONAL SERVICES	317.1	380.5	202.7	202.7	202.7	0.0
TRAVEL	30.0	35.0	7.0	7.0	7.0	0.0
CONTRACTUAL	214.3	133.6	19.2	19.2	19.2	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	70.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	631.4	549.1	228.9	228.9	228.9	0.0
CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
CHANGES IN REVENUES	0	0	0	0	0	0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts	315.7	274.5	114.4	114.4	114.4	0.0
1003 GF Match	315.7	274.6	114.5	114.5	114.5	0.0
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1006 GF/MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	631.4	549.1	228.9	228.9	228.9	0.0

POSITIONS:

FULL-TIME	7	7	4	4	4	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year (FY94) impact: NONE

ANALYSIS: (Attach a separate page if necessary)

This bill creates a need for major modifications to the Division of Public Assistance Eligibility Information System. Operation of a federally approved demonstration project will require that the DPA apply two different, parallel sets of eligibility rules to cases which are part of the demonstration project and cases which fall under normal AFDC program rules. Demonstration project methodology will also require special collection and compilation of data for program monitoring and evaluation purposes.

Prepared by: Jan L. Hansen, Director Phone: 465-2680
Division: Division of Public Assistance Date: 5/6/94
Approved by Commissioner: Margaret R. Lowe, M.Ed., Ed.S. Date: 5-6-94
Agency: Department of Health & Social Services

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ANALYSIS (cont.):

EIS is fundamental to DPA's administration of public assistance. Full automation of the demonstration project will be necessary to comply with federal requirements and to minimize the need for additional field staff to operate the project.

Modifications to the EIS system will require extensive programming and testing by PA data processing staff. This is a major systems development project which must be completed within a very short timeline. Once the programming modifications are in place, a reduced level of staff effort will be required to maintain the special programming, generate monitoring data, and produce the information necessary for completion of the final project evaluation.

Assumptions:

This legislation is enacted effective July 1, 1994. The EIS modification project begins as soon as possible thereafter, presuming federal approval of the demonstration project.

Demonstration project evaluation is performed by a contractor. PA data processing staff are responsible to generate data needed for the evaluation.

EIS programming for demonstration project is on-line January 1, 1996. Full system staffing is necessary through FY 96 to complete system de-bugging and complete development of monitoring components.

From FY 97 through FY 99, 4 PA data processing positions will be needed to maintain the system, generate monitoring reports, and produce data for the program evaluation.

These positions also will be needed in FY 99 for final program analysis and to facilitate transition of the system back to normal operation.

Travel funding will be needed to maintain monitoring and liaison between system staff and management staff in Juneau.

An independent contractor will be retained in FY 95 and FY 96 to facilitate system design and implementation. Contractual costs are projected at 150.0 for FY 95 and 100.0 for FY 96.

ANALYSIS (cont.):

Calculations:

FY 95:

1	Project Manager	AP V	R21	59.0
1	Lead Programmer	APIV	R19	52.1
2	Programmers	APIII	R17	91.7
2	Testers/Analysts	PAAI	R16	86.6
1	Clerk Typist III		R08	27.7
	Implementation Contract			150.0
	Equipment			70.0
	Office Space			55.3
	Training			9.0
	Travel			<u>30.0</u>
	Total			631.4

FY 96:

1	Project manager	AP V	R21	70.8
1	Lead Programmer	APIV	R19	62.5
2	Programmers	APIII	R17	110.0
2	Testers/Analysts	PAAI	R16	104.0
1	Clerk Typist III		R08	33.2
	Implementation Contract			100.0
	Office space			33.6
	Travel			<u>35.0</u>
	Total			549.1

FY 97 - FY 99:

1	Lead Programmer	APIV	R19	62.5
1	Programmer	APIII	R17	55.0
1	Tester/Analyst	PAAI	R16	52.0
1	Clerk Typist III		R08	33.2
	Office space			19.2
	Travel			<u>7.0</u>
	Total			228.9

Position Title Analyst/Programmer V		No. of Positions 1	Range/Step 21B	Bargaining Unit SS
Time Status FT	Staff Months 10 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		59.0		
Benefits				
Premium Pay				
Other				
Total Personal Services		59.0		
Travel		30.0		
Contractual		7.9		
Commodities				
Equipment		10.0		
Other				
Total Cost		106.9		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	106.9		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, implement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operational duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results.</p> <p>This position is the project manager for system development necessary to operate the AFDC demonstration project authorized by this bill.</p>				

**REQUEST for
NEW POSITION**

AGENCY: Health and Social Services

BRU: Public Assistance Administration

COMPONENT: Public Assistance Data Processing (0240)

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Position Title Analyst/Programmer IV		No. of Positions 1	Range/Step 19B	Bargaining Unit GGU
Time Status FT	Staff Months 10 months	Location Anchorage		Election District
TYPE of EXPENDITURE		AMOUNT		
Salary		52.1		
Benefits				
Premium Pay				
Other				
Total Personal Services		52.1		
Travel				
Contractual		7.9		
Commodities				
Equipment		10.0		
Other				
Total Cost		70.0		
FUNDING SOURCE for TOTAL COST				
1002	Federal Receipts			
1003	GF Match			
1004	General Fund	70.0		
1005	GF/Program Receipts			
1006	GF/Mental Health Trust			
1007	I/A Receipts			
1061	CIP Receipts			
Other				
<p>Justification</p> <p>The EIS requires maintenance on a daily basis to implement federal mandates, make corrections, impiement performance enhancements, and ensure accurate daily issuances. Existing staff levels are necessary to perform the operationa? duties. This project will require complex modifications to the existing system and extensive acceptance testing to ensure accurate tracking of results.</p> <p>This position is the lead programmer analyst to research each system impact involved and work with lower level programmers on the system development necessary to operate the AFDC demonstration project authorized by this bill.</p>				

**REQUEST for
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AGENCY: Health and Social Services
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