

ALASKA LEGISLATURE COMMITTEE FILES 1981 - 1982 86 / 2

1364 HHESS HB 358 - HB 365 / 36

When the new Alaska Unemployment Insurance Program was signed into law in March 15, 1980, an extremely tight timetable was established for implementation.

|  |                    |
|--|--------------------|
| Comprehensive Benefits System Redesign | by October 1, 1980 |
| Comprehensive Tax System redesign      | by April 1, 1981   |

To make matters more complex, after months of effort to effect a consolidation of ESD's Data Processing with the Department of Administration's Division of Data Processing, we were notified by Commissioner William Hudson that the consolidation plans would be deferred. An IBM 370/148 had to be immediately purchased on the open market and installed to accommodate the new Benefits System. The pressure on the Alaska agency was tremendous. To our knowledge, such a timetable had never before been achieved by any state for new tax and benefit programs along with the installation of a new computer system. To date, progress has been excellent. Benefits were paid on schedule October 1, 1980. The new computer was installed and the new Benefits System was operational on it by December 1, 1980. Our schedule shows that we will accomplish the tax revisions on schedule. Management had to act decisively to meet these deadlines. It was recognized that costs for a short period would be high but necessary to meet objectives. At the same time, during FY '81, the Alaska agency was caught in a cost squeeze due to federal formula reduction to Administrative, Staff and Technical (AS&T) funding. Simply not enough federal money was made available to cover necessary costs.

Following are background facts on our Supplemental Budget Requests:

1. Alaska has documented this funding need to the federal regional office (ETA) through correspondence and Supplemental Budget Requests. Specific needs have not been individually addressed. What we have received is a bottom line which is financially impossible to live with.
2. Alaska used any and all available program resources, including its federal anti-recessional program fund allocation to offset these costs. In order to stay within the very limited budget the agency has taken all possible steps to control costs in the ETA programs. Travel, equipment purchases, and new staff hires have all been restricted to keep the agency cost overrun to a minimum.
3. The costs of law changes and computer conversion, while high for the year of implementation, were reasonable and proper, and probably lower than if the implementation was made over a longer time period.

4. It was necessary to contract with a data service company to handle the interim system and processing work. Martin Marietta Data Systems in Florida was selected to provide resource time for "hands on" user training and to allow for the interim payment of benefits from October 1, 1980 to December 1, 1980, at which time our 370/148 computer was operational.
5. The U.S. Employment and Training Administration (ETA) implemented a new funding formula for Administrative Services support functions nationwide. In the new formula Alaska was limited to a 2% increase over its previous year allocation in Administrative Services funding. With a conservative 11% inflation factor, our agency took an effective 9% funding cut in a year when our costs were extra high.

For both supplemental requests all alternatives have been pursued in trying to obtain federal funding. The final refusal for additional funding from Region X was received on February 19, 1981.

Attachments

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

FY '81

REVISED PROGRAM SUMMARY

|                     |                          |
|---------------------|--------------------------|
| CATEGORY            | Social Services          |
| COVER PROGRAM       | Employment Stabilization |
| AGENCY              | Labor                    |
| DIVISION            | Employment Security      |
| BUDGET REQUEST UNIT | Employment Security      |
| APPROPRIATION       |                          |
| ALLOCATION          |                          |

| BRU COMPONENTS  | FCC                      | Salary         | WIN     | This          | RP | RP | RP | RP | AMENDED<br>AUTHORIZATION |
|-----------------|--------------------------|----------------|---------|---------------|----|----|----|----|--------------------------|
|                 | INITIAL<br>AUTHORIZATION | Increase<br>RP | RP      | Request<br>RP |    |    |    |    |                          |
| Employment      |                          |                |         |               |    |    |    |    |                          |
| Services        | 8,906.6                  | 673.5          |         |               |    |    |    |    | 9,580.1                  |
| Unemployment    |                          |                |         |               |    |    |    |    |                          |
| Insurance       | 11,071.7                 | 867.8          |         |               |    |    |    |    | 11,939.5                 |
| Fraud Invest.   | 462.0                    | 45.5           |         |               |    |    |    |    | 507.5                    |
| CETA Services   | 1,283.6                  |                |         |               |    |    |    |    | 1,283.6                  |
| ESD Director's  |                          |                |         |               |    |    |    |    |                          |
| Office          | 334.6                    | 34.6           |         |               |    |    |    |    | 369.2                    |
| DP Applications | 1,432.3                  | 117.7          |         |               |    |    |    |    | 1,550.0                  |
| DP Operations   | 966.5                    | 61.1           |         |               |    |    |    |    | 1,027.6                  |
| WIN             | -0-                      |                | 1,738.3 |               |    |    |    |    | 1,738.3                  |
|                 |                          |                |         |               |    |    |    |    |                          |
|                 |                          |                |         |               |    |    |    |    |                          |
|                 |                          |                |         |               |    |    |    |    |                          |
|                 |                          |                |         |               |    |    |    |    |                          |
| TOTAL           | 24,457.3                 | 1,800.2        | 1,738.3 | -0-           |    |    |    |    | 27,995.8                 |
| FEDERAL RECEIPT | 19,831.5                 | 1,563.8        | 1,309.1 | <248.0>       |    |    |    |    | 22,456.4                 |
| G/F MATCH       |                          |                | 145.5   |               |    |    |    |    | 145.5                    |
| GENERAL FUND    | 204.6                    | 16.7           | 283.7   | 248.0         |    |    |    |    | 753.0                    |
| T/A RECEIPTS    | 3,521.7                  | 204.0          |         |               |    |    |    |    | 3,725.7                  |
| PROGRAM RECEIPT | 668.6                    |                |         |               |    |    |    |    | 668.6                    |
| T & B           | 230.9                    | 15.7           |         |               |    |    |    |    | 246.6                    |
|                 |                          |                |         |               |    |    |    |    |                          |
| FULL TIME       | 405.0                    |                | 20.0    |               |    |    |    |    | 425.0                    |
| PART TIME       | 124.0                    |                | 2.0     |               |    |    |    |    | 126.0                    |
| TEMPORARY       | 8.0                      |                |         |               |    |    |    |    | 8.0                      |
| MAN-MONTHS      | 5,950.0                  |                | 260.0   |               |    |    |    |    | 6,210.0                  |

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

REVISED PROGRAM SUMMARY  
BY  
BUDGET COMPONENT

|                     |                          |
|---------------------|--------------------------|
| CATEGORY            | Social Services          |
| COVER PROGRAM       | Employment Stabilization |
| AGENCY              | Labor                    |
| DIVISION            | Employment Security      |
| BUDGET REQUEST UNIT | Employment Security      |
| BUDGET COMPONENT    | Unemployment Insurance   |
| APPROPRIATION       | Employment Security      |
| ALLOCATION          | Unemployment Insurance   |

|                     | 07 25 6 210     | Salary       | This     |    |    |    |    |    |    | AMENDED         |
|---------------------|-----------------|--------------|----------|----|----|----|----|----|----|-----------------|
|                     | INITIAL         | Increase     | Request  | RP | RP | RP | RP | RP | RP | AUTHORIZATION   |
|                     | AUTHORIZATION   | RP           | RP       |    |    |    |    |    |    |                 |
| 01Personal Services | 6,753.4         | 673.2        |          |    |    |    |    |    |    | 7,426.6         |
| 02Travel            | 148.0           |              |          |    |    |    |    |    |    | 148.0           |
| 03Contractual       | 3,844.5         | 194.6        |          |    |    |    |    |    |    | 4,039.1         |
| 04Commodities       | 157.3           |              |          |    |    |    |    |    |    | 157.3           |
| 05Equipment         | 73.4            |              |          |    |    |    |    |    |    | 73.4            |
| 06Lands, Buildings  | 95.1            |              |          |    |    |    |    |    |    | 95.1            |
| 07Grants, Claims    |                 |              |          |    |    |    |    |    |    |                 |
| 08Miscellaneous     |                 |              |          |    |    |    |    |    |    |                 |
| <b>TOTAL</b>        | <b>11,071.7</b> | <b>867.8</b> | <b>0</b> |    |    |    |    |    |    | <b>11,939.5</b> |
| 1002Federal Receipt | 11,071.7        | 867.8        | <248.0>  |    |    |    |    |    |    | 11,691.5        |
| 1003G/F Match       |                 |              |          |    |    |    |    |    |    |                 |
| 1004General Fund    |                 |              | 248.0    |    |    |    |    |    |    | 248.0           |
| 10051/A Receipts    |                 |              |          |    |    |    |    |    |    |                 |
| 1028Program Receipt |                 |              |          |    |    |    |    |    |    |                 |
| 15Full Time         | 164.0           |              |          |    |    |    |    |    |    | 164.0           |
| 16Part Time         | 103.0           |              |          |    |    |    |    |    |    | 103.0           |
| 17Temporary         | 8.0             |              |          |    |    |    |    |    |    | 8.0             |
| 18Man-Months        | 2,874.0         |              |          |    |    |    |    |    |    | 2,874.0         |

01-1041 (Revised March, 1979) (Action #210-2)



STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

FY '81

Capital Project

REVISED PROGRAM SUMMARY  
BY  
BUDGET COMPONENT

|                     |                          |
|---------------------|--------------------------|
| CATEGORY            | Social Services          |
| COVER PROGRAM       | Employment Stabilization |
| AGENCY              | Labor                    |
| DIVISION            | Employment Security      |
| BUDGET REQUEST UNIT | UI Systems Redesign      |
| BUDGET COMPONENT    |                          |
| APPROPRIATION       | UI Systems Redesign      |
| ALLOCATION          |                          |

RP 80-282 RPL 81-69 This

|                      | INITIAL<br>AUTHORIZATION | RP           | Request<br>RP | RP | RP | RP | RP | RP | AMENDED<br>AUTHORIZATION |
|----------------------|--------------------------|--------------|---------------|----|----|----|----|----|--------------------------|
| 01 Personal Services |                          |              |               |    |    |    |    |    |                          |
| 02 Travel            |                          | 3.2          |               |    |    |    |    |    | 3.2                      |
| 03 Contractual       | 689.5                    | 823.9        |               |    |    |    |    |    | 1,513.4                  |
| 04 Commodities       | 123.8                    | <50.8>       |               |    |    |    |    |    | 73.0                     |
| 05 Equipment         | 430.0                    | <219.6>      |               |    |    |    |    |    | 210.4                    |
| 06 Lands, Buildings  |                          |              |               |    |    |    |    |    |                          |
| 07 Grants, Claims    |                          |              |               |    |    |    |    |    |                          |
| 08 Miscellaneous     |                          |              |               |    |    |    |    |    |                          |
| <b>TOTAL</b>         | <b>1,243.3</b>           | <b>556.7</b> | <b>-0-</b>    |    |    |    |    |    | <b>1,800.0</b>           |
| 1002 Federal Receipt | 1,243.3                  | 556.7        | <237.0>       |    |    |    |    |    | 1,563.0                  |
| 1003 G/F Match       |                          |              |               |    |    |    |    |    |                          |
| 1004 General Fund    |                          |              | 237.0         |    |    |    |    |    | 237.0                    |
| 1005 I/A Receipts    |                          |              |               |    |    |    |    |    |                          |
| 1028 Program Receipt |                          |              |               |    |    |    |    |    |                          |
| 15 Full Time         |                          |              |               |    |    |    |    |    |                          |
| 16 Part Time         |                          |              |               |    |    |    |    |    |                          |
| 17 Temporary         |                          |              |               |    |    |    |    |    |                          |
| 18 Man-Months        |                          |              |               |    |    |    |    |    |                          |

01-1041 (Revised March, 1979)

|                       | FY 79<br>ACTUAL | FY 80<br>FINAL<br>AUTH. | FY 80<br>ACTUAL | FY 81<br>GOV.<br>BUDGET | FY 81<br>INITIAL<br>AUTH. | FY 81<br>CURRENT<br>AUTH. | FY 81<br>EXPENDITURES<br>+<br>ENCUMBRANCES<br>7/1 to 2/28 | FY 81<br>OTHER<br>OBLIGATIONS<br>7/1 to 2/28 | FY 81<br>PROJECTED<br>EXPENDITURES<br>+ ENCUMBRANCES<br>3/1 to 6/30 | FY 81<br>(DEFICIT)<br>OR EXCESS | FY 82<br>CONTINUATION<br>GOVERNOR'S |
|-----------------------|-----------------|-------------------------|-----------------|-------------------------|---------------------------|---------------------------|---|--|---|---------------------------------|-------------------------------------|
| PERSONAL SERVICES     | 5,989.8         | 6,535.4                 | 5,746.1         | 6,753.4                 | 6,753.4                   | 7,426.6                   | 3,971.1   | 297.4  | 3,158.1   |                                 | 7,246.2                             |
| TRAVEL                | 112.0           | 141.7                   | 146.6           | 148.0                   | 148.0                     | 148.0                     | 93.7  | 11.7   | 42.6  |                                 | 223.1                               |
| CONTRACTUAL SERVICES  | 2,470.3         | 3,406.5                 | 3,211.2         | 3,844.5                 | 3,844.5                   | 4,039.2                   | 3,294.9   | 438.5  | 305.8   |                                 | 3,781.5                             |
| COMMODITIES           | 134.7           | 164.6                   | 153.2           | 157.3                   | 157.3                     | 157.3                     | 88.3  | 11.0   | 58.0  |                                 | 176.3                               |
| EQUIPMENT             | 20.4            | 84.1                    | 83.7            | 73.4                    | 73.4                      | 73.4                      | 41.4  | 5.2  | 26.8  |                                 | 159.2                               |
| LANDS, BLDG...        | 45.6            | 103.3                   | 103.3           | 95.1                    | 95.1                      | 95.1                      | 81.7  | -0-  | 13.4  |                                 | -0-                                 |
| GRANTS, CLAIMS...     |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
| MISCELLANEOUS         |                 |                         | .1              |                         |                           |                           |   |  |   |                                 |                                     |
| TOTAL                 | 8,772.8         | 10,435.6                | 9,444.2         | 11,071.7                | 11,071.7                  | 11,939.6                  | 7,571.1   | 763.8  | 3,604.7   | -0-                             | 11,586.3                            |
| FEDERAL RECEIPTS      | 8,772.8         | 10,433.1                | 9,442.2         | 11,071.7                | 11,071.7                  | 11,939.6                  | 7,571.1   | 763.8  | 3,356.7   | <248.0>                         | 11,586.3                            |
| REQUIRED GF MATCHING  |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
| OTHER GENERAL FUND    |                 |                         |                 |                         | -0-                       | -0-                       | -0-   | -0-  | -0-   | 248.0                           |                                     |
| INTER-AGENCY RECEIPTS |                 | 2.5                     | 2.0             |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |

AGENCY: Labor BRU: Employment Security COMPONENT: Unemployment Security REVISED: \_\_\_\_\_

(Action #210-2)

# MEMORANDUM

# State of Alaska


TO: Ron Lehr, Director  
 Division of Budget & Management  
 Office of the Governor

DATE: March 13, 1981

FILE NO:

5030607

TELEPHONE NO:

  
 FROM: Helen D. Beirne  
 Commissioner  
 Department of Health & Social Services

SUBJECT: "Delete and Add" FY81  
 Assistance Payments BRU,  
 AFDC Allocation  
 Old Age Assistance

The Department of Health and Social Services requests an FY81 "delete and add" supplemental appropriation for the Division of Public Assistance.

This "delete and add" request is identified as follows:

| <u>BRU</u>                 | <u>Allocation</u>  | <u>Appropriation</u> | <u>General Fund</u> | <u>Other Funds (Federal)</u> |
|----------------------------|--------------------|----------------------|---------------------|------------------------------|
| Old Age Assistance         | Old Age Assistance | 4479.5               | 4479.5              | 0                            |
| Delete GF and Add to AFDC  |                    | (200.0)              | (200.0)             |                              |
| FY81 OAA Amended           |                    | 4279.5               | 4279.5              |                              |
| Assistance Payments        | AFDC               | 32144.0              | 16072.0             | 16072.0                      |
| Add 200.0 GF and 200.0 FED |                    | 400.0                | 200.0               | 200.0                        |
| FY81 AFDC Amended          |                    | 32544.0              | 16272.0             | 16272.0                      |

AFDC and OAA are identified as nondiscretionary funded programs. The legislative intent directs the Department to operate these programs at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

Summary of FY81 AFDC:

|                             | <u>Caseload</u> | <u>Average Payment</u> | <u>Months</u> | <u>Total</u> |
|-----------------------------|-----------------|------------------------|---------------|--------------|
| FY81 FCC Authorization      | 6835            | 342.56                 | 12            | 28096.7      |
| SCSCSHB-968                 | 6835            | 49.35                  | 12            | 4047.3       |
| FY81 Actual July 80-Feb. 81 | 6438            | 390.39                 | 8             | (20106.7)    |
| FY81 Proj. March 81-June 30 | 6925            | 449.00                 | 4             | (12437.3)    |
| FY81 Projected Shortfall    |                 |                        |               | (400.0)      |

The actual FY81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB-968. SCSCSHB-968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB-968 appropriation which neglected the cost associated with the January 1, 1981 base increase..

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Summary of FY81 OAA:

|                             | <u>Caseload</u> | <u>Average<br/>Payment</u> | <u>Months</u> | <u>Total</u> |
|-----------------------------|-----------------|----------------------------|---------------|--------------|
| FY81 FCC Authorization      | 2266            | 164.73                     | 12            | 4479.5       |
| FB-60 Funding               |                 |                            |               | 44.1         |
| FY81 Actual July 80-Feb. 81 | 2192            | 150.08                     | 8             | (2635.4)     |
| FY81 Proj. March 81-June 81 | 2241            | 154.10                     | 4             | (1381.4)     |
| FY81 Projected Surplus      |                 |                            |               | + 506.8      |

The actual FY81 OAA expenditure will be less than funded in the FY81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

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BUDGET AND MANAGEMENT

**FY 81**

**REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT**

**FY 81**

|                     |  |
|---------------------|--|
| CATEGORY            | SOCIAL SERVICES                        |
| COVER PROGRAM       | SOC + ECON ASSIST FOR THE GEN POP      |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES |
| DIVISION            | PUBLIC ASSISTANCE                      |
| BUDGET REQUEST UNIT |  |
| BUDGET COMPONENT    |  |
| APPROPRIATION       | ASSISTANCE PAYMENTS                    |
| ALLOCATION          | AFDC                                   |

BUDGET STRUCTURE 02-21-01-01  
COLLOCATION CODE(S) 06-21-6-010

06-21-66  
JV 811084  
8/27/80

APPROVED DATE 7-17-80

APPROVED DATE 8/27/80

FY81 SUPP ADD

APPROVED DATE \_\_\_\_\_

APPROVED DATE \_\_\_\_\_

|                               | FCC            | GOV. VETO | INITIAL AUTH.  | LOG NO. <u>14</u><br>RP _____<br>VO. <u>810275</u> | BALANCE        | LOG NO. <u>68</u><br>RP _____<br>VO. <u>811084</u> | BALANCE        | LOG NO. _____<br>RP _____<br>VO. _____ | BALANCE        | LOG NO. _____<br>RP _____<br>VO. _____ | BALANCE |
|-------------------------------|----------------|-----------|----------------|--|----------------|--|----------------|--|----------------|--|---------|
| 000 UNALLOCATED               |                |           |                |  |                |  |                |  |                |  |         |
| 01 PERSONAL SERVICES          |                |           |                |  |                |  |                |  |                |  |         |
| 02 TRAVEL                     |                |           |                |  |                |  |                |  |                |  |         |
| 03 CONTRACTUAL                |                |           |                |  |                |  |                |  |                |  |         |
| 04 COMMODITIES                |                |           |                |  |                |  |                |  |                |  |         |
| 05 EQUIPMENT                  |                |           |                |  |                |  |                |  |                |  |         |
| 06 LANDS, BUILDINGS           |                |           |                |  |                |  |                |  |                |  |         |
| 07 GRANTS, CLAIMS             | <u>28096.7</u> |           |                | <u>4047.3</u>                                      | <u>32144.0</u> |  | <u>32144.0</u> | <u>400.0</u>                           | <u>32544.0</u> |  |         |
| 08 MISCELLANEOUS              |                |           |                |  |                |  |                |  |                |  |         |
| <b>TOTAL</b>                  | <u>28096.7</u> |           | <u>28096.7</u> | <u>4047.3</u>                                      | <u>32144.0</u> |  | <u>32144.0</u> | <u>400.0</u>                           | <u>32544.0</u> |  |         |
| <u>726</u> FEDERAL TITLE IV A | <u>14048.3</u> |           | <u>14048.3</u> | <u>2023.6</u>                                      | <u>2023.6</u>  | <u>1</u>   | <u>2023.7</u>  | <u>200.0</u>                           | <u>16271.9</u> |  |         |
| FEDERAL                       |                |           |                |  |                |  |                |  |                |  |         |
| FEDERAL                       |                |           |                |  |                |  |                |  |                |  |         |
| FEDERAL                       |                |           |                |  |                |  |                |  |                |  |         |
| FEDERAL                       |                |           |                |  |                |  |                |  |                |  |         |
| FEDERAL                       |                |           |                |  |                |  |                |  |                |  |         |
| FEDERAL                       |                |           |                |  |                |  |                |  |                |  |         |
| 1002 FEDERAL TOTAL            | <u>14048.3</u> |           | <u>14048.3</u> | <u>2023.6</u>                                      | <u>16071.9</u> |  | <u>16071.9</u> | <u>200.0</u>                           | <u>16271.9</u> |  |         |
| 1003 G/F MATCH                | <u>14048.4</u> |           | <u>14048.4</u> | <u>2023.7</u>                                      | <u>16072.1</u> |  | <u>16072.1</u> | <u>200.0</u>                           | <u>16272.1</u> |  |         |
| 1004 GENERAL FUND             |                |           |                |  |                |  |                |  |                |  |         |
| 1005 I/A RECEIPTS             |                |           |                |  |                |  |                |  |                |  |         |
| DEFERRED REVENUE              |                |           |                |  |                |  |                |  |                |  |         |
| G/F RESTRICTED                |                |           |                |  |                |  |                |  |                |  |         |
| 15 FULL TIME                  |                |           |                |  |                |  |                |  |                |  |         |
| 16 PART TIME/SEAS.            |                |           |                |  |                |  |                |  |                |  |         |
| 17 NONPERMANENT               |                |           |                |  |                |  |                |  |                |  |         |
| 18 MONTHS                     |                |           |                |  |                |  |                |  |                |  |         |

Pg. 476  
ABR 8/21/80

Pg. 476  
9/30

**FY 81**

**REVISED PROGRAM SUMMARY**

by  
**BUDGET COMPONENT**

BUDGET STRUCTURE 02-22-18-02-00  
COLLOCATION CODE(S) 06-22-6-028

**FY 81**

|                     |   |
|---------------------|---|
| CATEGORY            | Social Services                         |
| COVER PROGRAM       | Social + Economic Assistance to the Ag- |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES  |
| DIVISION            | Public Assistance                       |
| BUDGET REQUEST UNIT |   |
| BUDGET COMPONENT    |   |
| APPROPRIATION       | ch 50 549 80 Sec 113                    |
| ALLOCATION          | Old Ag Assistance - FY 80/line 600      |

*FY 81* APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

|                      | FCC | GOV. VETO | INITIAL AUTH. | LOG NO. RP VO. | BALANCE | LOG NO. RP VO. | BALANCE | LOG NO. RP VO. | BALANCE | LOG NO. RP VO. | BALANCE |
|----------------------|-----|-----------|---------------|----------------|---------|----------------|---------|----------------|---------|----------------|---------|
| 000 UNALLOCATED      |     |           |               |                |         |                |         |                |         |                |         |
| 01 PERSONAL SERVICES |     |           |               |                |         |                |         |                |         |                |         |
| 02 TRAVEL            |     |           |               |                |         |                |         |                |         |                |         |
| 03 CONTRACTUAL       |     |           |               |                |         |                |         |                |         |                |         |
| 04 COMMODITIES       |     |           |               |                |         |                |         |                |         |                |         |
| 05 EQUIPMENT         |     |           |               |                |         |                |         |                |         |                |         |
| 06 LANDS, BUILDINGS  |     |           |               |                |         |                |         |                |         |                |         |
| 07 GRANTS, CLAIMS    |     |           | 44.1          |                |         |                |         |                |         |                |         |
| 08 MISCELLANEOUS     |     |           |               |                |         |                |         |                |         |                |         |
| <b>TOTAL</b>         |     |           | 44.1          |                |         |                |         |                |         |                |         |
| FEDERAL              |     |           |               |                |         |                |         |                |         |                |         |
| FEDERAL              |     |           |               |                |         |                |         |                |         |                |         |
| FEDERAL              |     |           |               |                |         |                |         |                |         |                |         |
| FEDERAL              |     |           |               |                |         |                |         |                |         |                |         |
| FEDERAL              |     |           |               |                |         |                |         |                |         |                |         |
| FEDERAL              |     |           |               |                |         |                |         |                |         |                |         |
| 1002 FEDERAL TOTAL   |     |           |               |                |         |                |         |                |         |                |         |
| 1003 G/F MATCH       |     |           |               |                |         |                |         |                |         |                |         |
| 1004 GENERAL FUND    |     |           | 44.1          |                |         |                |         |                |         |                |         |
| 1005 I/A RECEIPTS    |     |           |               |                |         |                |         |                |         |                |         |
| DEFERRED REVENUE     |     |           |               |                |         |                |         |                |         |                |         |
| G/F RESTRICTED       |     |           |               |                |         |                |         |                |         |                |         |
| 15 FULL TIME         |     |           |               |                |         |                |         |                |         |                |         |
| 16 PART TIME/SEAS.   |     |           |               |                |         |                |         |                |         |                |         |
| 17 NONPERMANENT      |     |           |               |                |         |                |         |                |         |                |         |
| 18 MONTHS            |     |           |               |                |         |                |         |                |         |                |         |

**FY 81** REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

FY 81

|                     |  |
|---------------------|--|
| CATEGORY            | SOCIAL SERVICES                        |
| COVER PROGRAM       | SOCIAL + ECON ASSIST AGED              |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES |
| DIVISION            | PUBLIC ASSISTANCE                      |
| BUDGET REQUEST UNIT |  |
| BUDGET COMPONENT    |  |
| APPROPRIATION       | OLD AGE ASSISTANCE PAYMENTS            |
| ALLOCATION          |  |

BUDGET STRUCTURE 02-22-18-01  
COLLOCATION CODE(S) 06-22-6-020

|                      | FCC    | GOV. VETO | INITIAL AUTH. | APPROVED DATE                          | BALANCE | APPROVED DATE  | BALANCE | APPROVED DATE                          | BALANCE | APPROVED DATE                          | BALANCE |
|----------------------|--------|-----------|---------------|--|---------|--|---------|--|---------|--|---------|
|                      |        |           |               | LOG NO. _____<br>RP _____<br>VO. _____ |         | LOG NO. _____<br>RP <u>FY 81</u><br>VO. <u>Suppl. Budget</u> |         | LOG NO. _____<br>RP _____<br>VO. _____ |         | LOG NO. _____<br>RP _____<br>VO. _____ |         |
| 000 UNALLOCATED      |        |           |               |  |         |  |         |  |         |  |         |
| 01 PERSONAL SERVICES |        |           |               |  |         |  |         |  |         |  |         |
| 02 TRAVEL            |        |           |               |  |         |  |         |  |         |  |         |
| 03 CONTRACTUAL       |        |           |               |  |         |  |         |  |         |  |         |
| 04 COMMODITIES       |        |           |               |  |         |  |         |  |         |  |         |
| 05 EQUIPMENT         |        |           |               |  |         |  |         |  |         |  |         |
| 06 LANDS, BUILDINGS  |        |           |               |  |         |  |         |  |         |  |         |
| 07 GRANTS, CLAIMS    | 4479.5 |           | 4479.5        |  | 4479.5  | <200.0>  | 4279.5  |  |         |  |         |
| 08 MISCELLANEOUS     |        |           |               |  |         |  |         |  |         |  |         |
| TOTAL                | 4479.5 |           | 4479.5        |  | 4479.5  | <200.0>  | 4279.5  |  |         |  |         |
| FEDERAL              |        |           |               |  |         |  |         |  |         |  |         |
| FEDERAL              |        |           |               |  |         |  |         |  |         |  |         |
| FEDERAL              |        |           |               |  |         |  |         |  |         |  |         |
| FEDERAL              |        |           |               |  |         |  |         |  |         |  |         |
| FEDERAL              |        |           |               |  |         |  |         |  |         |  |         |
| FEDERAL              |        |           |               |  |         |  |         |  |         |  |         |
| 1002 FEDERAL TOTAL   |        |           |               |  |         |  |         |  |         |  |         |
| 1003 G/F MATCH       |        |           |               |  |         |  |         |  |         |  |         |
| 1004 GENERAL FUND    | 4479.5 |           | 4479.5        |  | 4479.5  | <200.0>  | 4279.5  |  |         |  |         |
| 1005 I/A RECEIPTS    |        |           |               |  |         |  |         |  |         |  |         |
| DEFERRED REVENUE     |        |           |               |  |         |  |         |  |         |  |         |
| G/F RESTRICTED       |        |           |               |  |         |  |         |  |         |  |         |
| 15 FULL TIME         |        |           |               |  |         |  |         |  |         |  |         |
| 16 PART TIME/SEAS.   |        |           |               |  |         |  |         |  |         |  |         |
| 17 NONPERMANENT      |        |           |               |  |         |  |         |  |         |  |         |
| 18 MONTHS            |        |           |               |  |         |  |         |  |         |  |         |

pg. 453  
ABR 2/21/80

# MEMORANDUM

RECEIVED State of Alaska

TO: Ron Lehr, Director  
Division of Budget & Management  
Governor's Office

MAR 12 1981

DATE: March 10, 1981

BUDGET AND MANAGEMENT  
FILE NO:

AK (FIM 9-1 A)

THRU: *John E. Post*  
John Post, Director  
Division of Administrative Services

TELEPHONE NO: 465-2712

5030706

FROM: *A. G. Zilling*  
A. G. Zilling, Director  
Employment Security Division  
Department of Labor

SUBJECT: FY 81 Budget Realignment

The Department of Labor, Employment Security Division, respectfully requests a realignment of the WIN (DOL) Program for FY 81 from a separate DOL component to a component under Employment Security BRU for the following reasons:

- 1) To eliminate the problem of crossing appropriation lines for applicable expenditures incurred by ES components.
- 2) To eliminate the problem of crossing appropriation lines for WIN (DOL) incurred costs applicable to ES components.

The WIN (DOL) Program should have been structured under the Employment Security BRU at its inception in FY 77. In order to minimize costs and carefully develop a concept of a "voluntary" program in Fairbanks as opposed to the "mandatory" provisions under the regularly federally funded statewide WIN Program, the interchange of personnel efforts between ES and WIN (DOL) has been necessary. This is particularly true as the WIN Program Coordinator and supporting staff, including technical personnel, are vital to the success of both WIN Programs. The WIN (DOL) is not a stand alone program. It would be inconceivable that the WIN (DOL) could exist or be successfully conducted without the direct support of ES personnel. This agency is required by federal rules to distribute personnel time in accordance to actual performance, i.e., positive time charging. There always exists personnel costs (positions) funded under one code that will have activity in other codes. The entire Employment Security effort is best managed (cost effective) through the total utilization of staff. Given the cyclical nature of our business, effective personnel management calls for cross charging or cross walking positions.

The FY 82 budget has WIN (DOL) structured under the Employment Security BRU.

Your immediate attention to this realignment would be appreciated.

cc: Doris Simon, Assistant Director, ES  
Ed Musslewhite, WIN Program Coordinator

Attachments:

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

FY '81

REVISED PROGRAM SUMMARY

|                     |                          |
|---------------------|--------------------------|
| CATEGORY            | Social Services          |
| COVER PROGRAM       | Employment Stabilization |
| AGENCY              | Labor                    |
| DIVISION            | Employment Security      |
| BUDGET REQUEST UNIT | Employment Security      |
| APPROPRIATION       |                          |
| ALLOCATION          |                          |

| BRU COMPONENTS           | FCC                      | Salary         | RP      | RP | RP | RP | RP | RP | AMENDED<br>AUTHORIZATION |
|--------------------------|--------------------------|----------------|---------|----|----|----|----|----|--------------------------|
|                          | INITIAL<br>AUTHORIZATION | Increase<br>RP |         |    |    |    |    |    |                          |
| Employment               |                          |                |         |    |    |    |    |    |                          |
| Services                 | 8,905.6                  | 673.5          |         |    |    |    |    |    | 9,580.1                  |
| Unemployment             |                          |                |         |    |    |    |    |    |                          |
| Insurance                | 11,071.7                 | 867.8          |         |    |    |    |    |    | 11,939.5                 |
| Fraud Invest.            | 162.0                    | 45.5           |         |    |    |    |    |    | 507.5                    |
| Ceta Services            | 1,283.6                  |                |         |    |    |    |    |    | 1,283.6                  |
| ESD Director's<br>Office | 334.6                    | 34.6           |         |    |    |    |    |    | 369.2                    |
| DP Applications          | 1,432.3                  | 117.7          |         |    |    |    |    |    | 1,550.0                  |
| DP Operations            | 966.5                    | 61.1           |         |    |    |    |    |    | 1,027.6                  |
| WIN                      | -0-                      |                | 1,738.3 |    |    |    |    |    | 1,738.3                  |
|                          |                          |                |         |    |    |    |    |    |                          |
|                          |                          |                |         |    |    |    |    |    |                          |
|                          |                          |                |         |    |    |    |    |    |                          |
|                          |                          |                |         |    |    |    |    |    |                          |
| TOTAL                    | 24,457.3                 | 1,800.2        | 1,738.3 |    |    |    |    |    | 27,995.8                 |
| FEDERAL RECEIPT          | 19,831.5                 | 1,563.8        | 1,309.1 |    |    |    |    |    | 22,704.4                 |
| G/F MATCH                |                          |                | 145.5   |    |    |    |    |    | 145.5                    |
| GENERAL FUND             | 204.6                    | 16.7           | 283.7   |    |    |    |    |    | 505.0                    |
| I/A RECEIPTS             | 3,521.7                  | 204.0          |         |    |    |    |    |    | 3,725.7                  |
| PROGRAM RECEIPT          | 668.6                    |                |         |    |    |    |    |    | 668.6                    |
| T & B                    | 230.9                    | 15.7           |         |    |    |    |    |    | 246.6                    |
|                          |                          |                |         |    |    |    |    |    |                          |
|                          |                          |                |         |    |    |    |    |    |                          |
| FULL TIME                | 405.0                    |                | 20.0    |    |    |    |    |    | 425.0                    |
| PART TIME                | 124.0                    |                | 2.0     |    |    |    |    |    | 126.0                    |
| TEMPORARY                | 8.0                      |                |         |    |    |    |    |    | 8.0                      |
| MAN-MONTHS               | 5,950.0                  |                | 260.0   |    |    |    |    |    | 6,210.0                  |

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

REVISED PROGRAM SUMMARY  
BY  
BUDGET COMPONENT

|                     |                          |
|---------------------|--------------------------|
| CATEGORY            | Social Services          |
| COVER PROGRAM       | Employment Stabilization |
| AGENCY              | Labor                    |
| DIVISION            | Employment Security      |
| BUDGET REQUEST UNIT | Employment Security      |
| BUDGET COMPONENT    | WIN                      |
| APPROPRIATION       | Employment Security      |
| ALLOCATION          | WIN                      |

|                      | INITIAL AUTHORIZATION | This request RP | RP | RP | RP | RP | RP | RP | AMENDED AUTHORIZATION |
|----------------------|-----------------------|-----------------|----|----|----|----|----|----|-----------------------|
| 01 Personal Services |                       | 697.6           |    |    |    |    |    |    | 697.6                 |
| 02 Travel            |                       | 22.8            |    |    |    |    |    |    | 22.8                  |
| 03 Contractual       |                       | 301.4           |    |    |    |    |    |    | 301.4                 |
| 04 Commodities       |                       | 10.4            |    |    |    |    |    |    | 10.4                  |
| 05 Equipment         |                       | 5.3             |    |    |    |    |    |    | 5.3                   |
| 06 Lands, Buildings  |                       |                 |    |    |    |    |    |    |                       |
| 07 Grants, Claims    |                       | 700.8           |    |    |    |    |    |    | 700.8                 |
| 08 Miscellaneous     |                       |                 |    |    |    |    |    |    |                       |
|                      | -0-                   | 1738.3          |    |    |    |    |    |    | 1738.3                |
| 1002 Federal Receipt |                       | 1309.1          |    |    |    |    |    |    | 1309.1                |
| 1003 G/F Match       |                       | 145.5           |    |    |    |    |    |    | 145.5                 |
| 1004 General Fund    |                       | 283.7           |    |    |    |    |    |    | 283.7                 |
| 1005 I/A Receipts    |                       |                 |    |    |    |    |    |    |                       |
| 1028 Program Receipt |                       |                 |    |    |    |    |    |    |                       |
| 15 Full Time         |                       | 20.0            |    |    |    |    |    |    | 20.0                  |
| 16 Part Time         |                       | 2.0             |    |    |    |    |    |    | 2.0                   |
| 17 Temporary         |                       |                 |    |    |    |    |    |    |                       |
| 18 Man-Months        |                       | 260.0           |    |    |    |    |    |    | 260.0                 |

01-1041 (Revised March, 1979) (action # 351-2)

STATE OF ALASKA  
Office of the Governor  
Budget & Management Div.

REVISED PROGRAM SUMMARY  
BY  
BUDGET COMPONENT

|                     |                          |
|---------------------|--------------------------|
| CATEGORY            | Social Services          |
| COVER PROGRAM       | Employment Stabilization |
| AGENCY              | Labor                    |
| DIVISION            | WIN                      |
| BUDGET REQUEST UNIT | WIN                      |
| BUDGET COMPONENT    | WIN                      |
| APPROPRIATION       | WIN                      |
| ALLOCATION          | WIN                      |

|                      | FCC<br>INITIAL<br>AUTHORIZATION | Salary<br>Increase<br>RP | This<br>request<br>RP | RP | RP | RP | RP | RP | AMENDED<br>AUTHORIZATION |
|----------------------|---------------------------------|--------------------------|-----------------------|----|----|----|----|----|--------------------------|
| 01 Personal Services | 647.5                           | 50.1                     | <697.6>               |    |    |    |    |    | -0-                      |
| 02 Travel            | 22.8                            |                          | <22.8>                |    |    |    |    |    | -0-                      |
| 03 Contractual       | 293.7                           | 7.7                      | <301.4>               |    |    |    |    |    | -0-                      |
| 04 Commodities       | 10.4                            |                          | <10.4>                |    |    |    |    |    | -0-                      |
| 05 Equipment         | 5.3                             |                          | <5.3>                 |    |    |    |    |    | -0-                      |
| 06 Lands, Buildings  |                                 |                          |                       |    |    |    |    |    |                          |
| 07 Grants, Claims    | 700.8                           |                          | <700.8>               |    |    |    |    |    | -0-                      |
| 08 Miscellaneous     |                                 |                          |                       |    |    |    |    |    |                          |
|                      | 1680.5                          | 57.8                     | <1738.3>              |    |    |    |    |    | -0-                      |
| 1002 Federal Receipt | 1266.0                          | 43.1                     | <1309.1>              |    |    |    |    |    | -0-                      |
| 1003 G/F Match       | 140.6                           | 4.9                      | <145.5>               |    |    |    |    |    | -0-                      |
| 1004 General Fund    | 273.9                           | 9.8                      | <283.7>               |    |    |    |    |    | -0-                      |
| 1005 I/A Receipts    |                                 |                          |                       |    |    |    |    |    |                          |
| 1028 Program Receipt |                                 |                          |                       |    |    |    |    |    |                          |
|                      |                                 |                          |                       |    |    |    |    |    |                          |
|                      |                                 |                          |                       |    |    |    |    |    |                          |
| 15 Full Time         | 20.0                            |                          | <20.0>                |    |    |    |    |    | -0-                      |
| 16 Part Time         | 2.0                             |                          | <2.0>                 |    |    |    |    |    | -0-                      |
| 17 Temporary         |                                 |                          |                       |    |    |    |    |    |                          |
| 18 Man-Months        | 260.0                           |                          | <260.0>               |    |    |    |    |    | -0-                      |

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

|                       | FY 79<br>ACTUAL | FY 80<br>FINAL<br>AUTH. | FY 80<br>ACTUAL | FY 81<br>GOV.<br>BUDGET | FY 81<br>INITIAL<br>AUTH. | FY 81<br>CURRENT<br>AUTH. | FY 81<br>EXPENDITURES<br>+<br>ENCUMBRANCES<br>7/1 to 2/28 | FY 81<br>OTHER<br>OBLIGATIONS<br>7/1 to 2/28 | FY 81<br>PROJECTED<br>EXPENDITURES<br>+ ENCUMBRANCES<br>3/1 to 6/30 | FY 81<br>(DEFICIT)<br>OR EXCESS | FY 82<br>CONTINUATION<br>GOVERNOR'S |
|-----------------------|-----------------|-------------------------|-----------------|-------------------------|---------------------------|---------------------------|---|--|---|---------------------------------|-------------------------------------|
| PERSONAL SERVICES     |                 |                         |                 |                         |                           |                           |   |  |   | <697.6>                         | 721.3                               |
| TRAVEL                |                 |                         |                 |                         |                           |                           |   |  |   | <22.8>                          | 41.4                                |
| CONTRACTUAL SERVICES  |                 |                         |                 |                         |                           |                           |   |  |   | <301.4>                         | 276.0                               |
| COMMODITIES           |                 |                         |                 |                         |                           |                           |   |  |   | <10.4>                          | 11.2                                |
| EQUIPMENT             |                 |                         |                 |                         |                           |                           |   |  |   | <5.3>                           | 2.5                                 |
| LANDS, BLDG...        |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
| GRANTS, CLAIMS...     |                 |                         |                 |                         |                           |                           |   |  |   | <700.8>                         | 756.9                               |
| MISCELLANEOUS         |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
| TOTAL                 |                 |                         |                 |                         |                           |                           |   |  |   | <1,738.3>                       | 1,809.3                             |
| FEDERAL RECEIPTS      |                 |                         |                 |                         |                           |                           |   |  |   | <1,309.1>                       | 1,350.3                             |
| REQUIRED GF MATCHING  |                 |                         |                 |                         |                           |                           |   |  |   | <145.5>                         | 150.0                               |
| OTHER GENERAL FUND    |                 |                         |                 |                         |                           |                           |   |  |   | <283.7>                         | 309.0                               |
| INTER-AGENCY RECEIPTS |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |

(Action 251-2)

AGENCY: Labor BRU: Employment Security COMPONENT: WIN REVISED: \_\_\_\_\_

FY 81 SUPPLEMENTAL REQUEST ANALYSIS

|                       | FY 79<br>ACTUAL | FY 80<br>FINAL<br>AUTH. | FY 80<br>ACTUAL | FY 81<br>GOV.<br>BUDGET | FY 81<br>INITIAL<br>AUTH. | FY 81<br>CURRENT<br>AUTH. | FY 81<br>EXPENDITURES<br>+<br>ENCUMBRANCES<br>7/1 to 2/28 | FY 81<br>OTHER<br>OBLIGATIONS<br>7/1 to 2/28 | FY 81<br>PROJECTED<br>EXPENDITURES<br>+ ENCUMBRANCES<br>3/1 to 6/30 | FY 81<br>(DEFICIT)<br>OR EXCESS | FY 82<br>CONTINUATION<br>GOVERNOR'S |
|-----------------------|-----------------|-------------------------|-----------------|-------------------------|---------------------------|---------------------------|---|--|---|---------------------------------|-------------------------------------|
| PERSONAL SERVICES     | 409.4           | 496.5                   | 485.3           | 525.8                   | 647.5                     | 697.6                     | 395.9   | 26.4   | <422.3>   | 697.6                           |                                     |
| TRAVEL                | 14.6            | 19.1                    | 19.6            | 19.2                    | 22.8                      | 22.8                      | 13.6  |  | <13.6>  | 22.8                            |                                     |
| CONTRACTUAL SERVICES  | 174.0           | 249.9                   | 180.1           | 238.0                   | 293.7                     | 301.4                     | 161.1   |  | <161.1>   | 301.4                           |                                     |
| COMMODITIES           | 3.4             | 6.9                     | 6.7             | 8.5                     | 10.4                      | 10.4                      | 7.1   |  | <7.1>   | 10.4                            |                                     |
| EQUIPMENT             | .1              |                         | 7.1             |                         | 5.3                       | 5.3                       | 3.7   |  | <3.7>   | 5.3                             |                                     |
| LANDS, BLDG...        |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
| GRANTS, CLAIMS...     | 51.9            | 316.6                   | 302.2           | 615.1                   | 700.8                     | 700.8                     | 114.4   |  | <114.4>   | 700.8                           |                                     |
| MISCELLANEOUS         |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
| TOTAL                 | 653.4           | 1,089.0                 | 1,001.0         | 1,406.6                 | 1,680.5                   | 1,738.5                   | 695.8   | 26.4   | <722.2>   | 1,738.3                         | -0-                                 |
| FEDERAL RECEIPTS      | 588.1           | 980.9                   | 900.9           | 1,266.0                 | 1,266.0                   | 1,309.1                   | 540.0   | 19.5   | <559.5>   | 1,309.1                         |                                     |
| REQUIRED GF MATCHING  | 65.3            | 108.1                   | 100.1           | 140.6                   | 140.6                     | 145.5                     | 60.0  | 2.2  | <62.2>  | 145.5                           |                                     |
| OTHER GENERAL FUND    |                 |                         |                 |                         | 273.9                     | 283.7                     | 95.8  | 4.7  | <100.5>   | 283.7                           |                                     |
| INTER-AGENCY RECEIPTS |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |
|                       |                 |                         |                 |                         |                           |                           |   |  |   |                                 |                                     |

AGENCY: Labor BRU: WIN COMPONENT: WIN REVISED: \_\_\_\_\_

(action #251-2)

# MEMORANDUM

# State of Alaska

TO: Allen Korhonen, Deputy Commissioner  
for Administrative Management  
Department of Health & Social Services

DATE: November 26, 1980

FILE NO:

TELEPHONE NO:

  
FROM: Rod Betit, Director  
Division of Public Assistance  
Department of Health & Social Services

SUBJECT: Foodstamp Backlog

## I. Statement of Problem

The Department continues to be faced with severe backlogs in Foodstamp application processing. New applicants in Anchorage and Fairbanks must wait an average of 50 days for a foodstamp decision. In Anchorage periodic redeterminations of ongoing Foodstamp cases are also behind. For example, cases due to expire at the end of October would normally be reviewed and reactivated if still eligible no later than the 1st of November. However, Anchorage's October 1980 Foodstamp redeterminations were not completed until November 21, three full weeks behind schedule.

Although similar backlogs also exist for Anchorage and Fairbanks AFDC cases, the Foodstamp caseload is most severely affected for the following reasons:

- (1) There are only 6100 AFDC cases compared to 12,000 Foodstamp cases and the AFDC caseload generally has less turnover in it than Foodstamps.
- (2) The AFDC program is designed to react within a 30-45 day timeframe rather than on an emergency basis within 48 hours as exists with Foodstamps. Under current expedited delivery definitions, 50% of all Foodstamp applicants expect to receive benefits within 48 hours rather than 30 days.
- (3) Agency failure to complete a timely review of an AFDC case does not result in a termination of program benefits as it does with Foodstamp cases. This results because AFDC and Foodstamps are two separate data systems and the Foodstamp system was designed to terminate a case automatically at the end of a review period unless reactivated by an Eligibility Technician.

This situation is not expected to improve. Given this prognosis, Alaska Legal Services has filed a complaint in Fairbanks (Soutter v. Beirne) and is considering filing a complaint in Anchorage.

## II. Discussion

Having learned some time ago that Oregon went through a caseload growth problem similar to Alaska's six years ago, I asked federal AFDC officials to arrange a statewide review of DPA field operations and to have a member of the Oregon state agency on the review team. This review

was in fact completed and the review team's findings presented to the State two weeks ago. Those findings point to inadequate staffing levels as the principal contributor to our backlogs. The report pointed out repeatedly that Oregon's field offices have twice as many staff than Alaska's field offices for the same size caseload. This information is not new, but rather serves as validation of Division staffing assessments made during the last three budget cycles.

Although I personally feel that Oregon enjoys a greater staffing complement than the workload demands, it is clear that Alaska cannot get the job done without additional staff, primarily clerical. Oregon enjoys a one to one ratio of clerks to Eligibility Technicians. Alaska is attempting to drive its public assistance programs with a ratio of one clerk to every four Eligibility Technicians (ET). The result is that Alaska ETs spend an inordinate amount of time on clerical activities and less on actual eligibility determination duties.

I spent November 20 and 21 reviewing eligibility operations in Anchorage, while two members of my staff did a similar review in Fairbanks. This review encompassed a section by section analysis of current caseloads and staffing levels, as well as an evaluation of office wide intake/interview procedures. Participation by the supervisory staff was excellent. Once stimulated they responded quickly to the challenge of identifying specific recommendations for improvement of the office's operations.

### III. Conclusions

Although my detailed observations are listed in Sections I-VII attached, the major actions which should be taken to resolve the current situation are as follows:

- (1) Eligibility Technician strength in Anchorage and Fairbanks is very close to adequate. Although the staffing formula shows they need 16 ET positions given current caseloads, I believe these two offices can manage with only five additional ET positions if the needed clerical staff is authorized.
- (2) Clerical support levels in both offices are appalling. ETs are losing 30-40% of their productive time to routine clerical functions. For example, of the case changes I reviewed on one ET's desk, 80% of the work could have been performed by a clerical level employee without involvement by the ET. Clerical levels should be brought to 1 clerk for every two ETs. This would call for an increase of 20 clerks (12 in Anchorage and 8 in Fairbanks).
- (3) Redetermination interviews for General Assistance should be discontinued. Of the 184 GA cases approved in October 1980, 144 were repeaters with no change in circumstances. We should move to quarterly redeterminations instead of monthly.
- (4) Redetermination interviews for Foodstamps should also be discontinued. Although federal policy calls for an interview, Oregon and other states are not doing it. They handle all redeterminations by mail and Alaska should follow suit. This would reduce Foodstamp intake by at least 60% monthly.

# Summary of Costs To Resolve Anch/Fbx Problem

Effective Dec 16

COLUMN - WRITE

|    | 1        | 2           | 3      | 4    | 5 | 6 |
|----|----------|-------------|--------|------|---|---|
|    | Position | doc         | Salary |      |   |   |
| 1  | NAW      | ET I        | ANCH   | 1761 |   |   |
| 2  | NAW      | ET I        | ANCH   | 1761 |   |   |
| 3  | NAW      | ET I        | ANCH   | 1761 |   |   |
| 4  | NAW      | ET I        | FBX    | 1995 |   |   |
| 5  | NAW      | ET I        | FBX    | 1995 |   |   |
| 6  | NAW      | ① Clerk III | ANCH   | 1393 |   |   |
| 7  |          | ②           |        |      |   |   |
| 8  |          | ③           |        |      |   |   |
| 9  |          | ④           |        |      |   |   |
| 10 |          | ⑤           |        |      |   |   |
| 11 |          | ⑥           |        |      |   |   |
| 12 |          | ⑦           |        |      |   |   |
| 13 |          | ⑧           |        |      |   |   |
| 14 |          | ⑨           |        |      |   |   |
| 15 |          | ⑩           |        |      |   |   |
| 16 |          | ⑪           |        |      |   |   |
| 17 |          | ⑫           |        |      |   |   |
| 18 |          | ⑬           | FBX    | 1564 |   |   |
| 19 |          | ⑭           |        |      |   |   |
| 20 |          | ⑮           |        |      |   |   |
| 21 |          | ⑯           |        |      |   |   |
| 22 |          | ⑰           |        |      |   |   |
| 23 |          | ⑱           |        |      |   |   |
| 24 |          | ⑲           |        |      |   |   |
| 25 |          | ⑳           |        |      |   |   |

Benefit .1714 6599  
 EICA 0613 2360  
 25 x 130 3250

50710 month  
 x 6.5 months

329615 → + 150.0 Fee

309.6 Staffcosts  
 + 25.0 Overtime  
 + 10.0 travel

364.6 > 145.8 Federal Funds  
 218.8 State Funds

effective Dec 16

R. Bell

ANCHORAGE DPA FIELD OFFICESECTION I - OFFICEWIDE OBSERVATIONS

- (1) Office staffing is inadequate with respect to Eligibility Technicians and Clerical. Supervisory staff is adequate.

| OFFICEWIDE STAFFING SUMMARY |               |      |       |              |      |       |            |     |       |
|-----------------------------|---------------|------|-------|--------------|------|-------|------------|-----|-------|
| Unit                        | Current Staff |      |       | Needed Staff |      |       | Difference |     |       |
|                             | Clk.          | ET   | Supv. | Clk.         | ET   | Supv. | Clk.       | ET  | Supv. |
| Reg. Mgr.                   | 1.0           | 1.0  | 2.0   | 1.0          | 1.0  | 2.0   | -0-        | -0- | -0-   |
| Cler. Unit                  | 7.0           | -0-  | 1.0   | 3.0          | -0-  | 1.0   | (4.0)      | -0- | -0-   |
| AFDC Unit                   | 1.0           | 12.0 | 1.0   | 6.0          | 12.0 | 1.0   | 5.0        | -0- | -0-   |
| FSP/GR Unit                 | 1.0           | 12.0 | 1.0   | 6.0          | 12.0 | 1.0   | 5.0        | -0- | -0-   |
| APA/XIX                     | 1.0           | 6.0  | 1.0   | 5.0          | 9.0  | 1.0   | 4.0        | 3.0 | -0-   |
| Field                       | 1.0           | 4.0  | 1.0   | 2.0          | 4.0  | 1.0   | 1.0        | -0- | -0-   |
| QA                          | -0-           | 2.0  | -0-   | .5           | 2.0  | -0-   | .5         | -0- | -0-   |
| TOTALS                      | 12.0          | 37.0 | 7.0   | 23.5         | 40.0 | 7.0   | 11.5       | 3.0 | -0-   |

Total additional staff needed in the Anchorage office is 3.0 Eligibility Technicians and 11.5 Clerk IIIs.

- (2) Individual caseloads need to be assigned to ETs and files physically moved to control of each ET. Net effect of this change would be a 4 person reduction in central clerical unit. This will improve office/ET efficiency and help offset additional clerks needed elsewhere.
- (3) All units need to transfer non-ET type duties to clerical level staff to free up ET time for true eligibility duties. (See individual units for details).
- (4) Each eligibility unit needs to designate team leaders who will actually carry a caseload of their own, but who will also field policy questions from other ETs in their team. Current class specs permit this and would compensate these employees as ET III (R14) rather than ET II (R13). This would free up ET IV (R15) time to actually manage their units.
- (5) New ET series minimum qualifications (MQs) are eliminating many people who were previously qualified for eligibility jobs. The Department should immediately request the Department of Administration to evaluate the effect of these new MQs.
- (6) Training continues to be inadequate. The Division should definitely relocate the training position to Anchorage early next year as planned.

Date: November 20-21, 1980

ANCHORAGE DPA FIELD OFFICE

SECTION II - FOODSTAMP/GR & GRM UNIT OBSERVATIONS

- (1) Face-to-face interviewing of Foodstamp families at time of case review should be discontinued. 75% of October 1980 Foodstamp appointments were redetermination interviews. Although federal regulations require such an interview be done, Oregon is not complying and Alaska should do likewise. This will greatly relieve intake pressures. All redeterminations should be done by mail.
- (2) Monthly redetermination of eligibility for General Assistance should be discontinued. Of 184 cases found eligible for GA in October 1980, 140 were repeaters. These cases should be certified on a quarterly basis rather than monthly. The individual would still have to notify the office monthly to issue rent or utility payment, but this would be handled by a clerk rather than an ET.
- (3) Complete redesign of the State GR program is in order.
- (4) A substantial shift of functions should be made away from ETs to Clerk IIIs including the following duties:
  - Completing FSAF (computer input document)
  - Notice of Action to client
  - ATP, GR field warrants
  - Pre-application screening
  - changes such as address changes, and household membership changes on no income cases
  - Case file maintenance
  - Monitoring of Foodstamp redetermination and mailing of review applications

Date: November 20-21, 1980

SECTION III - APA/MEDICAID UNIT OBSERVATIONS

- (1) Each APA applicant is usually eligible for at least 3 Division programs. This is probably the most complicated caseload, caused in part by the absence of both an APA manual and a Medicaid manual. The APA manual is still pending approval of the Division's APA regulations by the Department of Law (it's now been 18 months). The Medicaid manual is still pending approval by federal Region X officials.
- (2) The unit needs 3 additional ETs and 4 additional clerks. This is the only unit which was found to be understaffed with respect to ETs.
- (3) With addition of the Clerks, transfer of the following duties should be made from the ETs to the clerks:
  - completion of BAF
  - completion of notice of action
  - case file maintenance
  - processing of non-eligible changes
  - monitoring of annual reviews and mailing of review applications
  - pre-application screening on new cases
  - monitoring of SOX, BENDEX, etc.

Transfer of these duties should free up 30% of each ETs time for true eligibility duties.

Date: November 20-21, 1980

SECTION IV - AFDC/AFDC & FSP UNIT OBSERVATIONS

- (1) This unit has adequate ETs for the caseload they are carrying, but they need five additional clerks.
- (2) A transfer of duties from ETs to clerks should be made when the new clerks are added. The clerks can handle the same duties listed under the APA Unit's observations.
- (3) Assuming 5% of all AFDC cases have a Foodstamp case attached to it, each ET is currently handling a caseload of 290 cases. This would be manageable with the new clerks.

Date: November 20-21, 1980

SECTION V - QUALITY ASSURANCE UNIT OBSERVATIONS

- (1) QA findings are not adequately or timely dealt with by Anchorage management. Transfer of DPA training position to Anchorage would help relieve this problem. This transfer is scheduled for April 1981.
- (2) QA is reviewing LT case decisions prior to implementation rather than after the fact. After much discussion, I came to the conclusion that this approach is OK provided QA routinely releases case decisions within 24 hours, even if they have not had time to complete the review.
- (3) Most of QA's emphasis has been on reviewing all case decisions for new ETs. This tends to color their findings and not give an accurate picture of officewide performance or unit performance. QA should shift responsibility for monitoring all case decisions for new ETs back to unit supervisors where it belongs. QA should then pull an equal sample of cases for all ETs on a monthly basis (approximately 17 cases/ET).
- (4) QA should conduct a quarterly onsite review of case decisions made in Kenai and Wasilla.
- (5) QA should continue to devote 10% of their review effort to home visits.
- (6) QA needs a part time clerk.

Date: November 20-21, 1980

SECTION VI - FIELD UNIT OBSERVATIONS

- (1) This unit makes eligibility decisions on all applications coming in from Kodiak, Valdez, Dillingham, Aleutian Chain, Tyonek and McGrath. (Wasilla becomes a full decision office on November 28). Because of the number of ETs in the Anchorage office, it is appropriate that Anchorage continue to operate a Field Unit as such to reduce the number of ETs which field staff and Fee Agents must relate to.
- (2) This unit has adequate ETs for their caseload but needs 1 additional clerk.
- (3) Due to staff turnover, this unit is highly susceptible to increases in decision times if not watched closely by office management. Management should develop a plan to deal effectively with the occurrence of staff turnover.
- (4) Foodstamp sales activities currently being performed by this unit should be examined carefully to determine if adequate use is being made of Loomis and USPS sales potential. Actual sales activity should be placed in the hands of clerical staff rather than ETs.

Date: November 20-21, 1980

SECTION VII - OFFICEWIDE ADMINISTRATIVE SUPPORT UNIT OBSERVATIONS

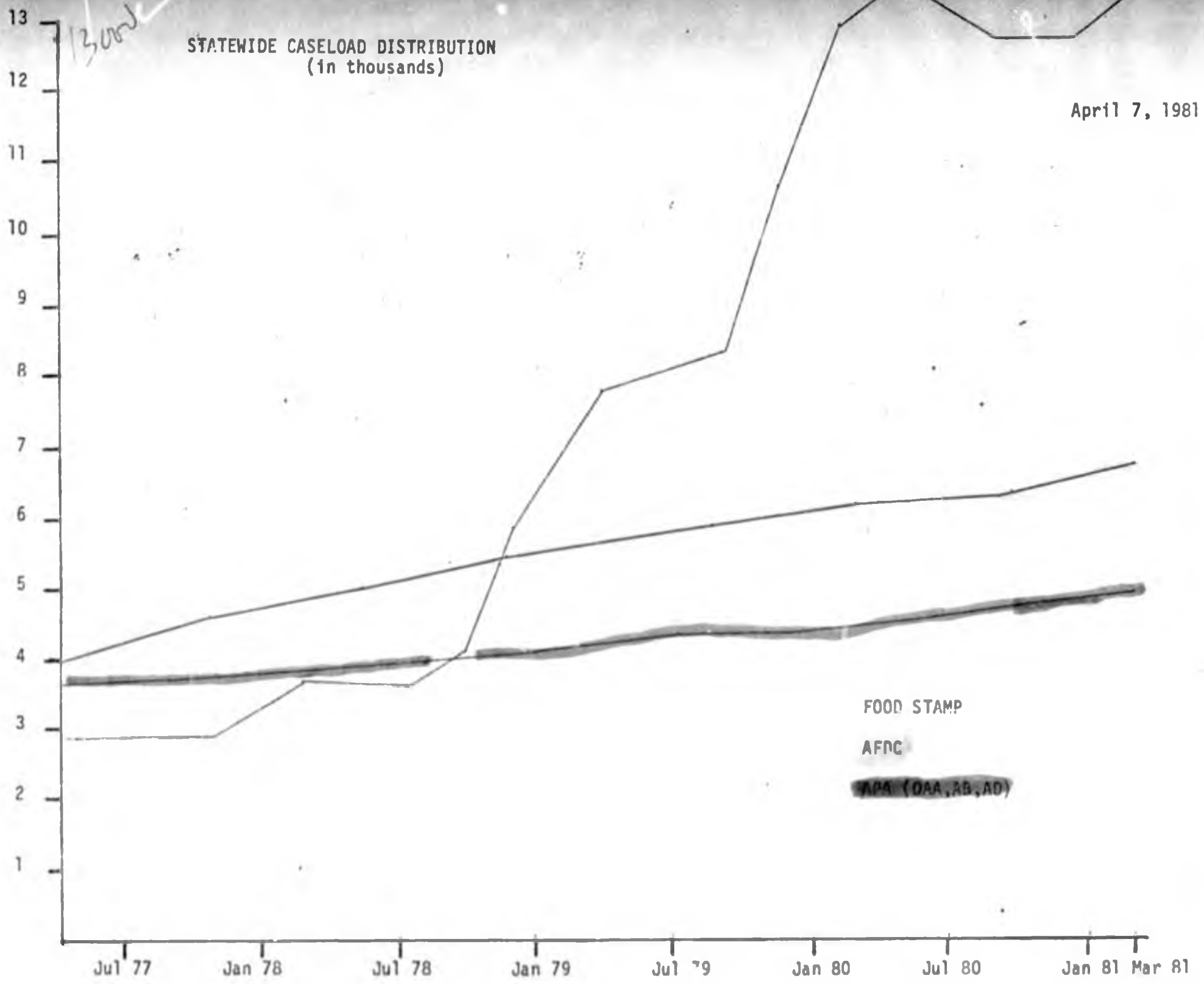
(1) Office staff performs the following functions currently:

- 1 Clerk V - Supervisor
- 1 Clerk - Communications
- 2 Clerks - Issuance of ATPs and Field Warrants
- 1 Clerk - Receptionist
- 1 Clerk - Switchboard
- 2 Clerks - Central File Room

- (2) With elimination of Central File Room and assumption of ATP/Field Warrant issuance by line unit's clerks, this unit can be reduced by 4 clerks.
- (3) Management must carefully break out officewide administrative/clerical responsibilities versus individual unit responsibilities.
- (4) Clerk V's will assume a very significant training role on an ongoing basis if 12 clerks are added to the office. Standardization of clerical tasks must be done from unit to unit wherever possible.

STATEWIDE CASELOAD DISTRIBUTION  
(in thousands)

April 7, 1981



FOOD STAMP  
AFDC  
APA (DAA, AB, AD)

13000

9

ELIGIBILITY DETERMINATION BRU

DISTRIBUTION OF FY81 AUTHORIZED STAFFING

|                        | No. of ET I,II,III |             |              | No. of Supervisors/Adm. |          |           | No. of Clerical |           |             | TOTAL       |
|------------------------|--------------------|-------------|--------------|-------------------------|----------|-----------|-----------------|-----------|-------------|-------------|
|                        | FCC                | Supp        | Total        | FCC                     | Supp     | Total     | FCC             | Supp      | Total       |             |
| CENTRAL OFFICE         | 1                  | 1           | 2            | 6                       | 0        | 6         | 3               | 1         | 4           | 12          |
| Juneau                 | 7                  | 0           | 7            | 2                       | 0        | 2         | 2               | 0         | 2           | 11          |
| Sitka                  | 1                  | 0           | 1            | 0                       | 0        | 0         | 0               | 0         | 0           | 1           |
| Ketchikan              | 4                  | .5          | 4.5          | 0                       | 0        | 0         | 1               | 0         | 1           | 5.5         |
| Petersburg             | .5                 | 0           | .5           | 0                       | 0        | 0         | 0               | 0         | 0           | .5          |
| Wrangell               | 1                  | 0           | 1            | 0                       | 0        | 0         | 0               | 0         | 0           | 1           |
| <b>SOUTHEAST</b>       | <b>13.5</b>        | <b>.5</b>   | <b>14</b>    | <b>2</b>                | <b>0</b> | <b>2</b>  | <b>3</b>        | <b>0</b>  | <b>3</b>    | <b>19</b>   |
| Anchorage              | 30                 | 10.5        | 40.5         | 6                       | 0        | 6         | 10              | 16        | 26          | 72.5        |
| Valdez                 | .5                 | 0           | .5           | 0                       | 0        | 0         | 0               | 0         | 0           | .5          |
| Dillingham             | 1                  | 0           | 1            | 0                       | 0        | 0         | 0               | 0         | 0           | 1           |
| Nasilla                | 4                  | 1           | 5            | 0                       | 0        | 0         | 0               | 3         | 3           | 8           |
| Kodiak                 | 1                  | 1           | 2            | 0                       | 0        | 0         | .5              | 0         | .5          | 2.5         |
| Kenai                  | 4                  | 2.5         | 6.5          | 0                       | 0        | 0         | 1               | 2         | 3           | 9.5         |
| <b>SOUTHCENTRAL</b>    | <b>40.5</b>        | <b>15</b>   | <b>55.5</b>  | <b>6</b>                | <b>0</b> | <b>6</b>  | <b>11.5</b>     | <b>21</b> | <b>32.5</b> | <b>94</b>   |
| Fairbanks              | 15                 | 5           | 20           | 3                       | 0        | 3         | 3               | 10        | 13          | 36          |
| Galena                 | .5                 | 0           | .5           | 0                       | 0        | 0         | 0               | 0         | 0           | .5          |
| Ft. Yukon              | 1                  | 0           | 1            | 0                       | 0        | 0         | 1               | 0         | 1           | 2           |
| <b>NORTHERN</b>        | <b>16.5</b>        | <b>5</b>    | <b>21.5</b>  | <b>3</b>                | <b>0</b> | <b>3</b>  | <b>4</b>        | <b>10</b> | <b>14</b>   | <b>38.5</b> |
| Bethel                 | 8                  | 0           | 8            | 3                       | 0        | 3         | 3               | 0         | 3           | 14          |
| Aniak                  | 1.5                | 0           | 1.5          | 0                       | 0        | 0         | 0               | 0         | 0           | 1.5         |
| <b>SOUTHWEST</b>       | <b>9.5</b>         | <b>0</b>    | <b>9.5</b>   | <b>3</b>                | <b>0</b> | <b>3</b>  | <b>3</b>        | <b>0</b>  | <b>3</b>    | <b>15.5</b> |
| Kotzebue               | 1.5                | 2           | 3.5          | 1                       | 0        | 1         | 1               | 1         | 2           | 6.5         |
| Nome                   | 2                  | 0           | 2            | 0                       | 0        | 0         | 0               | 0         | 0           | 2           |
| Inalakleet             | .5                 | 0           | .5           | 0                       | 0        | 0         | 0               | 0         | 0           | .5          |
| <b>NORTHWEST</b>       | <b>4</b>           | <b>2</b>    | <b>6</b>     | <b>1</b>                | <b>0</b> | <b>1</b>  | <b>1</b>        | <b>1</b>  | <b>2</b>    | <b>9</b>    |
| <b>REGIONAL TOTALS</b> | <b>85</b>          | <b>23.5</b> | <b>108.5</b> | <b>21</b>               | <b>0</b> | <b>21</b> | <b>25.5</b>     | <b>33</b> | <b>58.5</b> | <b>188</b>  |

SUMMARY (shown as full time equivalents)

|         |                | PFT        | PPT      | SEAS     | TOTAL      |
|---------|----------------|------------|----------|----------|------------|
| July 1  |                | 126        | 5.5      |          | 131.5      |
| July 1  | SUPP(Mauneluk) | 4          |          |          | 4          |
| July 22 | SUPP(BRC)      | 16         |          | 4        | 20         |
| Dec 3   | SUPP(BRC)      | 25         |          |          | 25         |
| Dec 10  | SUPP(BRC)      | 7          | .5       |          | 7.5        |
|         |                | <b>178</b> | <b>6</b> | <b>4</b> | <b>188</b> |

POSITION PAPER

HOUSE BILL NO. 358

Requested by the Rules Committee  
by Request of the Governor

"An Act making supplement 1 appropriations to the Department of Health and Social Services, Division of Public Assistance and Division of Social Services; amending ch. 120 SLA 1980; and providing for an effective date."

\* Section 1. The sum of \$1,273,900 is appropriated to the Department of Health and Social Services, division of public assistance, to pay additional FY 81 program costs, from the following sources:

|              |           |
|--------------|-----------|
| General Fund | \$700,800 |
| Other Funds  | 573,100   |

This section appropriates \$1,273,900 to the Division of Public Assistance for a FY 81 supplemental budget request to fund 56.5 FTE new positions and related costs to handle a substantial increase in public assistance workload, particularly in the food stamp program; an Eligibility Worker series reclassification stipulated in the most recent General Government Bargaining Unit contract; and positions and related support costs for Kotzebue pending finalization of contract negotiations with Mauneluk Association.

\* Sec. 2. The sum of \$69,500 is appropriated from the general fund to the Department of Health and Social Services, division of social services, to pay the costs of social services programs in the Kotzebue area.

Projections as of February 28 indicate that social services can continue to be provided throughout the region with existing funds. This is possible because it was necessary to hold several positions vacant for seven months due to underfunding, and by transferring 6.0 from contractual and commodities to travel by a revised program which was previously submitted, but is still pending. Services to the Kotzebue area were continued on an itinerant basis out of the Nome office until vacancies no longer were necessary. This supplemental is not required and should be withdrawn.

\* Sec. 3. Section 51, ch. 120 SLA 1980, page 26, line 5 is amended to read:

|  | APPROPRIATION<br>ITEMS       | GENERAL<br>FUND | OTHER<br>FUNDS |
|--|------------------------------|-----------------|----------------|
| Energy assistance program<br>(8 positions) | <u>7,183,800</u> [7,367,600] | [183,800]       | 7,183,800      |

This section reduces the appropriation for the Energy Assistance program by 183.8 general funds. This amount was budgeted in order to provide a required general fund match for receipt of federal funds. This matching requirement was later waived by the Federal Department of Health and Human Services.

\* Sec. 4. Section 51, ch. 120 SLA 1980, page 26, line 6, is amended to read:

|                                  | APPROPRIATION<br>ITEMS | GENERAL<br>FUND | OTHER<br>FUNDS        |
|----------------------------------|------------------------|-----------------|-----------------------|
| Public assistance<br>eligibility | 4,901,600              | [4,717,800]     | 3,042,500 [2,858,700] |
|                                  |                        |                 | 1,859,100             |

\* Sec. 5. Section 51, ch. 120 SLA 1980, page 26, line 7, is amended to read:

|  | <u>ALLOCATIONS</u>    |
|--|-----------------------|
| Eligibility Determination<br>(137 positions) | 4,761,600 [4,577,800] |

Sections 4 and 5 appropriate the 183.8 reduced by Section 3 to the appropriation for Public Assistance Eligibility and allocation for Eligibility Determination to provide additional funds required for the purpose in Section 1.

New Section Required

Section 51, ch. 120 SLA 1980, should be amended as follows:

Category: Social Services; Page 25, Line 12

|             | <u>Allocations</u> | <u>Appropriations</u> | <u>G.F.</u>  | <u>Other</u> |
|-------------|--------------------|-----------------------|--------------|--------------|
| Asst. Pmts. | 34,129,300         | [33,729,300]          | 19,881,000   | 14,248,300   |
|             |                    |                       | [19,681,000] | [14,048,300] |

AFDC

28,496,700 [29,096,700]

Category: Social Services; Page 28, Line 18

Old Age Asst. 4,279,500 [4,479,500] 4,279,500 [4,479,500]  
Pmts.

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislated in SCSCSHR 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

Summary ✓

The effect of this bill is as follows:

| <u>BRII</u>   | <u>COMPONENTS</u> | <u>IMPACT FY 81</u> |
|---------------|-------------------|---------------------|
| Elig. Deter.  | Elig. Deter.      | 1,457.7 increase    |
| Energy Asst.  | Energy Asst.      | 183.8 decrease      |
| Asst. Pmnts.  | AFDC              | 400.0 increase      |
| Old Age Asst. | Old Age Asst.     | 200.0 decrease      |

The letter dated March 27 from the Office of the Governor included increases of 400,000 and 1,331,000 as new sections for HB 358. The 1,331,000 referred to in this letter is unnecessary.

Department Position

The appropriations referred to above are FY 81 supplementals required by the Department of Health and Social Services.

Recommended by: Rod Bell  
 Rod Bell, Director  
 Division of Public Assistance

Date: April 6, 1981

Approved By: Helen D. Beirne  
 Helen D. Beirne  
 Commissioner

Date: 4/7/81

*WIN - 400M  
 to ↓ 109,000 i.e. 300,000  
 no effect on OAC as minimum.*

# MEMORANDUM

# State of Alaska

TO: Ron Lehr, Director  
 Division of Budget and Management  
 Office of Governor

DATE:

FILE NO:

*Helen D. Beirne*

TELEPHONE NO:

FROM: Helen D. Beirne, Commissioner  
 Department of Health & Social Services

SUBJECT: FY81 Supplemental Request  
 PA Eligibility BRU  
 Eligibility Determination  
 Allocation

The Department of Health & Social Services requests an FY81 supplemental appropriation for the Division of Public Assistance's Eligibility Determination component in the amount of \$1457.7 of which \$884.6 is state general funds and \$573.1 is federal funds. This supplemental request involves five separate under-funding issues: 1) funding for 24.0 new positions; 2) eligibility worker series classification upgrade; 3) replacement of deleted funds for FY81 Mauneluk contract; 4) funding for 32.5 new positions; and 5) U.S. Post Office contract underfunding and additional office space in Anchorage.

1) On July 22 the Department met with the BRC to consider a supplemental request for eight new PFT eligibility workers, eight new clerical positions, contractual funds for security guard service for the Anchorage and Fairbanks lobbies, and continuing funding for the eight seasonal eligibility staff. The Department's request for 24 positions (16 full-time plus 8 seasonals) was approved representing an additional 256 man months in FY81 at a cost of \$474.3 in personal services, and 40.0 in contractual for the security guard services. (Attachment #1)

2) On February 15, 1980, representatives of the State of Alaska and the Alaska Public Employees Association signed a Letter of Agreement to the General Government Unit contract which stipulated in part that a classification study of the Eligibility Worker series would be completed by September 16, 1980. In response to this agreement, a comprehensive classification and salary review was performed by the Division of Personnel, Department of Administration. The specific recommendations resulting from this classification review are summarized below:

| <u>Abolish</u>         |              | <u>Establish</u>           |              |
|------------------------|--------------|----------------------------|--------------|
| <u>Title</u>           | <u>Range</u> | <u>Title</u>               | <u>Range</u> |
| Eligibility Worker I   | 9            | Eligibility Technician I   | 12           |
| Eligibility Worker II  | 11           | Eligibility Technician II  | 13           |
| Eligibility Worker III | 12           | Eligibility Technician III | 14           |
| Eligibility Worker IV  | 14           | Eligibility Technician IV  | 15           |
| Eligibility Work Mgr.  | 16           |                            |              |

These recommended changes are effective October 16, 1980. The supplemental resources to fund this series upgrade for the period October 16 through June 30, 1981 is \$265.3. (See attachment #2)

3) With the 1980 Legislature's creation of the Mauneluk BRU, the Division of Public Assistance lost funding for the four positions connected with its Kotzebue operation, and associated support funding. This requests funding for personal service and support costs for providing continued services in the Kotzebue region while the FY81 Mauneluk contract is negotiated. Supplemental funding of 137.0 represents the resources required for a full 12 months of service in FY81.

4) On December 3 the Department met with the BRC to review a supplemental request for five new PFT Eligibility Technicians I-II (FS), twenty new Clerk III positions, and support funding for travel and equipment. The Department's request for these 25.0 positions was approved representing an additional 162.5 man months in FY81 at a cost of \$329.6 in personal services, 10.0 for travel, and 25.0 for support equipment. Subsequent to the December 3 meeting, a staffing level analysis of the Wasilla and Kenai district offices resulted in the request for an additional 7.5 positions (3.0 Wasilla, 4.5 Kenai). Supplemental position funding for these positions, approval effective December 22, is 108.4. Authority to establish these new positions enables the Department to implement substantial changes in the configuration of eligibility workflow operations in Public Assistance's Anchorage, Fairbanks, and Wasilla offices. (See attachment #4)

5a) The Division of Public Assistance has held a contract with the U.S. Postal Service for the sale of food stamps (redeeming ATP transaction) in Anchorage, Fairbanks, Juneau, and Ketchikan. The contract documents are negotiated nationally between the U.S. Postal Service and the Department of Agriculture on behalf of all states. In March 1980 a new contract from the U.S.P.S. adjusted the consideration per ATP transaction from \$1.10 to \$1.42. (See attachment #5.) This 30% rate increase was not anticipated, nor budgeted for in FY81 but is the rate charged effective June 1, 1980. Additionally, the actual number of clients using the above mentioned Post Office locations to redeem their monthly Food Stamp Authorization card (ATP) exceed the FY81 budgeted authorization.

|                            | <u>Trans-</u>  | <u>Price per</u>   | <u>Months</u> |                |
|----------------------------|----------------|--------------------|---------------|----------------|
|                            | <u>actions</u> | <u>Transaction</u> |               |                |
| FY81 Current Authorization | 7000           | x \$1.10           | x 12          | = 92.4         |
| FY81 Revised need          | 8125           | x 1.42             | x 12          | = <u>138.5</u> |
| FY81 Shortfall             |                |                    |               | 46.1           |

5b) Office space in Anchorage for district and regional staff is not adequate. In order to allow sufficient office space for client in-take and staff work area, an additional 2200 sq. ft. is required.

FY81 Revised Need 2200 sq. ft. x \$2.00/sq. ft. x 5 months = 22.0

A supplemental request of 68.1, to fund the above shortfall (46.1 + 22.0), is required to continue vital contractual service and to provide adequate office space in Anchorage.

FY81 Supplemental Request is summarized as follows:

|  | <u>TOTAL</u>  | <u>GF</u>    | <u>FEDERAL</u> |
|--|---------------|--------------|----------------|
| (1) 24.0 new position funding (July 1)   | 514.3         | 313.8        | 200.5          |
| (2) EW reclassification upgrade          | 265.3         | 160.5        | 104.8          |
| (3) FY81 Supplemental for Kotzebue staff | 137.0         | 82.9         | 54.1           |
| (4) 32.5 new position funding (Dec. 15)  | 473.0         | 286.2        | 186.8          |
| (5) U.S.P.O. contract and new space      | <u>68.1</u>   | <u>41.2</u>  | <u>26.9</u>    |
| <b>TOTAL</b>                             | <b>1457.7</b> | <b>884.6</b> | <b>573.1</b>   |

The Department requests that the 183.8 general funds included in the FY81 Energy Assistance Program (EAP) appropriation be directly applied to the FY81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY81 would be shared between federal (50%) and state (50%). Consequently, the FY81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required. (See attachment #3)

This request amends and adjusts appropriations as follows:

|                               | <u>Appropriation</u> | <u>General Fund</u> | <u>Other Funds (Federal)</u> |
|-------------------------------|----------------------|---------------------|------------------------------|
| Energy Assistance Program BRU | 7367.6               | 183.8               | 7183.8                       |
| Delete GF and transfer to ED  |                      | <u>(183.8)</u>      | <u>183.8</u>                 |
| <b>EAP FY81 Revised</b>       | <b>7367.6</b>        | <b>- 0 -</b>        | <b>7367.6</b>                |

|                                      | <u>Appropriation</u> | <u>General Fund</u> | <u>Other Funds (Federal)</u> |
|--------------------------------------|----------------------|---------------------|------------------------------|
| Eligibility Determination Allocation | 4577.8               | 2789.6              | 1788.2                       |
| Transfer GF from EAP                 | 183.8                | 183.8               |                              |
| FY81 Supplemental (less EAP add)     | <u>1213.9</u>        | <u>700.8</u>        | <u>573.1</u>                 |
| <b>ED FY81 Revised</b>               | <b>6015.5</b>        | <b>3674.2</b>       | <b>2361.3</b>                |

Eligibility Determination's FY81 personal services line item balance as of 12/15/80 is \$2004.7. This balance is sufficient funding to meet projected payroll expenditures through April 15, 1981. After the April 15 payroll distribution the current personal services authorization will be exhausted. Any payroll obligation beyond this deadline cannot be met without the approval of this FY81 supplemental request.

Attachments

**FY 81** REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

**FY 81**

|                     |  |
|---------------------|--|
| CATEGORY            | Social Services                        |
| COVER PROGRAM       | Sec. + Gen Assist Prog In Gen Pop      |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES |
| DIVISION            | Public Assistance                      |
| BUDGET REQUEST UNIT | PA Eligibility                         |
| BUDGET COMPONENT    | Eligibility & termination              |
| APPROPRIATION       |  |
| ALLOCATION          |  |

BUDGET STRUCTURE \_\_\_\_\_  
COLLOCATION CODE(S) \_\_\_\_\_

|      |                       | APPROVED DATE _____ | APPROVED DATE _____ | APPROVED DATE _____ | APPROVED DATE _____ |                    |                        |          |       |
|------|-----------------------|---------------------|---------------------|---------------------|---------------------|--------------------|------------------------|----------|-------|
| FCC  | GOV. VETO             | INITIAL AUTH.       | FY 81               | SUPPLEMENTAL        | REQUEST             | BALANCE            | LOG NO.                | BAL      |       |
|      |                       |                     | 240 New Positions   | ED 2-1/2 Upgrade    | 110001-1-2          | 32.5 New Positions | 42.5 P.A. / Nat. Secs. | ATH supp | RP VO |
| 000  |                       |                     |                     |                     |                     |                    |                        |          |       |
| 01   |                       | 3419.5              | 474.3               | 265.3               | 121.3               | 439.0              |                        | 4718.4   |       |
| 02   |                       | 71.5                |                     |                     | 2.0                 | 10.0               |                        | 83.5     |       |
| 03   |                       | 766.7               | 40.0                |                     | 12.5                |                    | 68.1                   | 1087.3   |       |
| 04   |                       | 36.6                |                     |                     | 1.2                 |                    |                        | 37.8     |       |
| 05   |                       | 14.4                |                     |                     |                     | 25.0               |                        | 39.4     |       |
| 06   |                       | 67.1                |                     |                     |                     |                    |                        | 67.1     |       |
| 07   |                       |                     |                     |                     |                     |                    |                        |          |       |
| 08   |                       |                     |                     |                     |                     |                    |                        |          |       |
|      | TOTAL                 | 4577.9              | 514.3               | 265.3               | 137.0               | 473.0              | 68.1                   | 6035.5   |       |
| 725  | FEDERAL Fed-1 Stamps  | 731.7               | 82.2                | 42.9                | 22.1                | 93.4               | 13.5                   | 985.8    |       |
| 726  | FEDERAL T. 1/2 T. 1/2 | 1022.1              | 114.3               | 57.4                | 22.1                | 55.7               | 12.4                   | 1316.6   |       |
| 727  | FEDERAL T. 1/2 T. 1/2 | 34.1                | 4.0                 | 2.1                 | 7.9                 | 7.5                | 1.0                    | 58.9     |       |
|      | FEDERAL               |                     |                     |                     |                     |                    |                        |          |       |
|      | FEDERAL               |                     |                     |                     |                     |                    |                        |          |       |
|      | FEDERAL               |                     |                     |                     |                     |                    |                        |          |       |
|      | FEDERAL               |                     |                     |                     |                     |                    |                        |          |       |
| 1002 | FEDERAL TOTAL         | 1789.2              | 200.5               | 104.4               | 54.1                | 186.9              | 26.9                   | 2361.3   |       |
| 1003 | G/F MATCH             | 1789.2              | 200.5               | 104.4               | 54.1                | 186.9              | 26.9                   | 2361.3   |       |
| 1004 | GENERAL FUND          | 1001.4              | 113.3               | 55.7                | 24.8                | 97.4               | 14.3                   | 1312.9   |       |
| 1005 | I/A RECEIPTS          |                     |                     |                     |                     |                    |                        |          |       |
|      | DEFERRED REVENUE      |                     |                     |                     |                     |                    |                        |          |       |
|      | C/F RESTRICTED        |                     |                     |                     |                     |                    |                        |          |       |
| 15   | FULL TIME             | 126                 | 16                  |                     | 4                   | 32                 |                        |          |       |
| 16   | PART TIME/SEAS.       | 11                  | 8                   |                     |                     | 1                  |                        |          |       |
| 17   | NONPERMANENT          |                     |                     |                     |                     |                    |                        |          |       |
| 18   | MONTHS                | 1576                | 256                 |                     | 48                  | 211.3              |                        |          |       |

REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

Page 1

|                     |                                    |
|---------------------|------------------------------------|
| CATEGORY            | Social Service                     |
| COVER PROGRAM       | Soc & Econ Assist Prog for Low Pop |
| AGENCY              | DEPT OF HEALTH & SOCIAL SERVICES   |
| DIVISION            | Public Assistance                  |
| BUDGET REQUEST UNIT | Emergency Assistance Program       |
| BUDGET COMPONENT    | Emergency Assistance Program       |
| APPROPRIATION       |                                    |
| ALLOCATION          |                                    |

|                       | FCC    | GOV. VETO | INITIAL AUTH. | ADD/delete FYBI SUPP transfer GF to Elig IDT | BALANCE | APPROVED <input type="checkbox"/> | BALANCE | APPROVED <input type="checkbox"/> | BALANCE | APPROVED <input type="checkbox"/> | BALANCE |
|-----------------------|--------|-----------|---------------|--|---------|-----------------------------------|---------|-----------------------------------|---------|-----------------------------------|---------|
| 01 PERSONAL SERVICES  | 200.3  |           | 200.3         |  | 200.3   |                                   |         |                                   |         |                                   |         |
| 02 TRAVEL             | 20.0   |           | 20.0          |  | 20.0    |                                   |         |                                   |         |                                   |         |
| 03 CONTRACTUAL        | 141.3  |           | 141.3         |  | 141.3   |                                   |         |                                   |         |                                   |         |
| 04 COMMODITIES        | 3.5    |           | 3.5           |  | 3.5     |                                   |         |                                   |         |                                   |         |
| 05 EQUIPMENT          | 2.5    |           | 2.5           |  | 2.5     |                                   |         |                                   |         |                                   |         |
| 06 LANDS, BUILDINGS   |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 07 GRANTS, CLAIMS     | 7000.0 |           | 7000.0        |  | 7000.0  |                                   |         |                                   |         |                                   |         |
| 08 MISCELLANEOUS      |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 000 UNALLOCATED       |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| TOTAL                 | 7367.6 |           | 7367.6        |  | 7367.6  |                                   |         |                                   |         |                                   |         |
| 729 FEDERAL           | 7183.8 |           | 7183.8        | 183.8  | 7367.6  |                                   |         |                                   |         |                                   |         |
| FEDERAL               |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| FEDERAL               |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| FEDERAL               |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| FEDERAL               |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| FEDERAL               |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 1002 FEDERAL TOTAL    | 7183.8 |           | 7183.8        | 7367.6                                       | 7367.6  |                                   |         |                                   |         |                                   |         |
| 1003 G/F MATCH        | 183.8  |           | 183.8         | <183.8>                                      |         |                                   |         |                                   |         |                                   |         |
| 1004 GENERAL FUND     |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 1005 I/A RECEIPTS     |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 1006 PROGRAM RECEIPTS |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| DEFERRED REVENUE      |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 15 FULL TIME          | 8.0    |           | 8.0           |  | 8.0     |                                   |         |                                   |         |                                   |         |
| 16 PART TIME          | 4.0    |           | 4.0           |  | 4.0     |                                   |         |                                   |         |                                   |         |
| 17 TEMPORARY          |        |           |               |  |         |                                   |         |                                   |         |                                   |         |
| 18                    | 96.0   |           | 96.0          |  | 96.0    |                                   |         |                                   |         |                                   |         |

## MEMORANDUM

State of Alaska

TO: Ron Lehr, Director  
Division of Budget & Management  
Office of the Governor

DATE:

FILE NO:

TELEPHONE NO:

FROM: Helen D. Beirne  
Commissioner  
Department of Health & Social Services

SUBJECT: "Delete and Add" FY81  
Assistance Payments BRU,  
AFDC Allocation  
Old Age Assistance

The Department of Health and Social Services requests an FY81 "delete and add" supplemental appropriation for the Division of Public Assistance.

This "delete and add" request is identified as follows:

| <u>BRU</u>                                      | <u>Allocation</u>  | <u>Appro-<br/>priation</u> | <u>General<br/>Fund</u> | <u>Other Funds<br/>(Federal)</u> |
|---|--------------------|----------------------------|-------------------------|----------------------------------|
| Old Age Assistance                              | Old Age Assistance | 4479.5                     | 4479.5                  | 0                                |
| Delete GF and Add to AFDC<br>FY81 OAA Amended   |                    | (200.0)<br>4279.5          | (200.0)<br>4279.5       |                                  |
| Assistance Payments                             | AFDC               | 32144.0                    | 16072.0                 | 16072.0                          |
| Add 200.0 GF and 200.0 FED<br>FY81 AFDC Amended |                    | 400.0<br>32544.0           | 200.0<br>16272.0        | 200.0<br>16272.0                 |

AFDC and OAA are identified as nondiscretionary funded programs. The legislative intent directs the Department to operate these programs at the full statutory level, and if caseload or other cost increases generate total payments which exceed the amount of the appropriation, the Department may not reduce the program without prior legislative review.

Summary of FY81 AFDC:

|                             | <u>Caseload</u> | <u>Average<br/>Payment</u> | <u>Months</u> | <u>Total</u> |
|-----------------------------|-----------------|----------------------------|---------------|--------------|
| FY81 FCC Authorization      | 6835            | 342.56                     | 12            | 28096.7      |
| SCSCSHB-968                 | 6835            | 49.35                      | 12            | 4047.3       |
| FY81 Actual July 80-Feb. 81 | 6438            | 390.39                     | 8             | (20106.7)    |
| FY81 Proj. March 81-June 30 | 6925            | 449.00                     | 4             | (12437.3)    |
| FY81 Projected Shortfall    |                 |                            |               | (400.0)      |

The actual FY81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB-968. SCSCSHB-968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB-968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

Summary of FY81 OAA:

|                             | <u>Caseload</u> | <u>Average<br/>Payment</u> | <u>Months</u> | <u>Total</u>    |
|-----------------------------|-----------------|----------------------------|---------------|-----------------|
| FY81 FCC Authorization      | 2266            | 164.73                     | 12            | 4479.5          |
| HB-60 Funding               |                 |                            |               | 44.1            |
| FY81 Actual July 80-Feb. 81 | 2192            | 150.08                     | 8             | (2635.4)        |
| FY81 Proj. March 81-June 81 | 2241            | 154.10                     | 4             | <u>(1381.4)</u> |
| FY81 Projected Surplus      |                 |                            |               | + 506.8         |

The actual FY81 OAA expenditure will be less than funded in the FY81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted.

FY 81

REVISED PROGRAM SUMMARY

by  
BUDGET COMPONENT

FY 81

|                     |  |
|---------------------|--|
| CATEGORY            | SOCIAL SERVICES                        |
| COVER PROGRAM       | SOC. + ECON ASSIST FOR THE GEN POP     |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES |
| DIVISION            | PUBLIC ASSISTANCE                      |
| BUDGET REQUEST UNIT |  |
| BUDGET COMPONENT    |  |
| APPROPRIATION       | ASSISTANCE PAYMENTS                    |
| ALLOCATION          | AFDC                                   |

BUDGET STRUCTURE 02-21-01-01  
COLLOCATION CODE(S) 06-21-6-010

06-81-66  
JVS/MSA  
8/27/80

APPROVED DATE 7-17-80

APPROVED DATE 8/17/80

FY81 SUPP ADD

APPROVED DATE \_\_\_\_\_

APPROVED DATE \_\_\_\_\_

|                               | FCC     | GOV. VETO | INITIAL AUTH. | LOG NO. 14<br>RP _____<br>VO. 910275 | BALANCE | LOG NO. 05<br>RP _____<br>VO. 811284 | BALANCE | LOG NO. _____<br>RP _____<br>VO. _____ | BALANCE | LOG NO. _____<br>RP _____<br>VO. _____ | BALANCE |
|-------------------------------|---------|-----------|---------------|--------------------------------------|---------|--------------------------------------|---------|--|---------|--|---------|
| 000 UNALLOCATED               |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 01 PERSONAL SERVICES          |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 02 TRAVEL                     |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 03 CONTRACTUAL                |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 04 COMMODITIES                |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 05 EQUIPMENT                  |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 06 LANDS, BUILDINGS           |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 07 GRANTS, CLAIMS             | 28096.7 |           | 28096.7       | 4047.3                               | 32144.0 |                                      | 34144.0 | 400.0                                  | 32514.0 |  |         |
| 08 MISCELLANEOUS              |         |           |               |                                      |         |                                      |         |  |         |  |         |
| TOTAL                         | 28096.7 |           | 28096.7       | 1047.3                               | 32144.0 |                                      | 32144.0 | 400.0                                  | 32514.0 |  |         |
| 726 FEDERAL TITLE II A-110125 |         |           | 14048.3       | 2023.6                               | 2023.6  | 1                                    | 2023.7  | 200.0                                  | 16211.9 |  |         |
| FEDERAL                       |         |           |               |                                      |         |                                      |         |  |         |  |         |
| FEDERAL                       |         |           |               |                                      |         |                                      |         |  |         |  |         |
| FEDERAL                       |         |           |               |                                      |         |                                      |         |  |         |  |         |
| FEDERAL                       |         |           |               |                                      |         |                                      |         |  |         |  |         |
| FEDERAL                       |         |           |               |                                      |         |                                      |         |  |         |  |         |
| FEDERAL                       |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 1002 FEDERAL TOTAL            | 14048.3 |           | 14048.3       | 2023.6                               | 16071.9 |                                      | 16071.9 | 200.0                                  | 15271.9 |  |         |
| 1003 G/F MATCH                | 14048.4 |           | 14048.4       | 2023.7                               | 16072.1 |                                      | 16072.1 | 200.0                                  | 15272.1 |  |         |
| 1004 GENERAL FUND             |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 1005 I/A RECEIPTS             |         |           |               |                                      |         |                                      |         |  |         |  |         |
| DEFERRED REVENUE              |         |           |               |                                      |         |                                      |         |  |         |  |         |
| G/F RESTRICTED                |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 15 FULL TIME                  |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 16 PART TIME/SEAS.            |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 17 NONPERMANENT               |         |           |               |                                      |         |                                      |         |  |         |  |         |
| 18 MONTHS                     |         |           |               |                                      |         |                                      |         |  |         |  |         |

Pg. 476  
ARR 8/11/80

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8/11/80

FY 81

REVISED PROGRAM SUMMARY

by  
BUDGET COMPONENT

FY 81

|                     |  |
|---------------------|--|
| CATEGORY            | Social Services                        |
| COVER PROGRAM       | Social + Community Services            |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES |
| DIVISION            | Pulitic Assistance                     |
| BUDGET REQUEST UNIT |  |
| BUDGET COMPONENT    |  |
| APPROPRIATION       | Ch 50 507 1st Sec. 13                  |
| ALLOCATION          | Old Age Assistance - FY 1981           |

BUDGET STRUCTURE 02-22-18-02-00  
COLLOCATION CODE(S) 06-22-0-028

FY 81 APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

APPROVED  
DATE \_\_\_\_\_

|                      | FCC | GOV. VETO | INITIAL AUTH. | LOG NO. | BALANCE | LOG NO. | BALANCE | LOG NO. | BALANCE | LOG NO. | BALANCE |
|----------------------|-----|-----------|---------------|---------|---------|---------|---------|---------|---------|---------|---------|
|                      |     |           |               | RP      |         | RP      |         | RP      |         | RP      |         |
|                      |     |           |               | VO      |         | VO      |         | VO      |         | VO      |         |
| 000 UNALLOCATED      |     |           |               |         |         |         |         |         |         |         |         |
| 01 PERSONAL SERVICES |     |           |               |         |         |         |         |         |         |         |         |
| 02 TRAVEL            |     |           |               |         |         |         |         |         |         |         |         |
| 03 CONTRACTUAL       |     |           |               |         |         |         |         |         |         |         |         |
| 04 COMMODITIES       |     |           |               |         |         |         |         |         |         |         |         |
| 05 EQUIPMENT         |     |           |               |         |         |         |         |         |         |         |         |
| 06 LANDS, BUILDINGS  |     |           |               |         |         |         |         |         |         |         |         |
| 07 GRANTS, CLAIMS    |     |           | 94.8          |         |         |         |         |         |         |         |         |
| 08 MISCELLANEOUS     |     |           |               |         |         |         |         |         |         |         |         |
| TOTAL                |     |           | 94.1          |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| FEDERAL              |     |           |               |         |         |         |         |         |         |         |         |
| 1032 FEDERAL TOTAL   |     |           |               |         |         |         |         |         |         |         |         |
| 1033 G/F MATCH       |     |           |               |         |         |         |         |         |         |         |         |
| 1034 GENERAL FUND    |     |           | 94.1          |         |         |         |         |         |         |         |         |
| 1035 WA RECEIPTS     |     |           |               |         |         |         |         |         |         |         |         |
| DEFERRED REVENUE     |     |           |               |         |         |         |         |         |         |         |         |
| G/F RESTRICTED       |     |           |               |         |         |         |         |         |         |         |         |
| 15 FULL TIME         |     |           |               |         |         |         |         |         |         |         |         |
| 16 PART TIME, SEAS.  |     |           |               |         |         |         |         |         |         |         |         |
| 17 NONPERMANENT      |     |           |               |         |         |         |         |         |         |         |         |
| 13 MONTHS            |     |           |               |         |         |         |         |         |         |         |         |

FY 81

REVISED PROGRAM SUMMARY  
by  
BUDGET COMPONENT

FY 81

|                     |  |
|---------------------|--|
| CATEGORY            | SOCIAL SERVICES                        |
| COVER PROGRAM       | SOCIAL + ECON ASSIST AGED              |
| AGENCY              | DEPARTMENT OF HEALTH & SOCIAL SERVICES |
| DIVISION            | PUBLIC ASSISTANCE                      |
| BUDGET REQUEST UNIT |  |
| BUDGET COMPONENT    |  |
| APPROPRIATION       | OLD AGE ASSISTANCE PAYMENTS            |
| ALLOCATION          |  |

BUDGET STRUCTURE 02-22-18-01  
COLLOCATION CODE(S) 06-22-6-020

|                                    | FCC    | GOV. VETO | INITIAL AUTH. | APPROVED DATE _____                   | BALANCE | APPROVED DATE _____                   | BALANCE | APPROVED DATE _____                   | BALANCE | APPROVED DATE _____ | BALANCE |
|------------------------------------|--------|-----------|---------------|---------------------------------------|---------|---------------------------------------|---------|---------------------------------------|---------|---------------------|---------|
|                                    |        |           |               | LOG NO. _____<br>RP _____<br>VO _____ |         | LOG NO. _____<br>RP _____<br>VO _____ |         | LOG NO. _____<br>RP _____<br>VO _____ |         |                     |         |
| 00 UNALLOCATED                     |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 01 PERSONAL SERVICES               |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 02 TRAVEL                          |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 03 CONTRACTUAL                     |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 04 COMMODITIES                     |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 05 EQUIPMENT                       |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 06 LANDS, BUILDINGS                |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 07 GRANTS, CLAIMS                  | 4479.5 |           | 4479.5        |                                       | 4479.5  | <200.0>                               | 4279.5  |                                       |         |                     |         |
| 08 MISCELLANEOUS                   |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| TOTAL                              | 4479.5 |           | 4479.5        |                                       | 4479.5  | <200.0>                               | 4279.5  |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| FEDERAL                            |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 09 FEDERAL TOTAL                   |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 10 G/F MATCH                       |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 11 GENERAL FUND                    | 4479.5 |           | 4479.5        |                                       | 4479.5  | <200.9>                               | 4279.5  |                                       |         |                     |         |
| 12 I/A RECEIPTS                    |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| DEFERRED REVENUE<br>G/F RESTRICTED |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 3 FULL TIME                        |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 5 PART TIME SEAS.                  |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 7 NONPERMANENT                     |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |
| 8 MONTHS                           |        |           |               |                                       |         |                                       |         |                                       |         |                     |         |

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A32 2/21/80  
pg 44#

# STATE OF ALASKA

OFFICE OF THE GOVERNOR

BUDGET & MANAGEMENT

JAY S. HAMMOND, GOVERNOR

POUCH AM  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2211

March 27, 1981

Honorable Sam Cotten  
Chairman, House Finance Committee  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

Amendment to HB 358  
Various Appropriation Adjustments  
Department of Health and Social  
Services & Department of Labor  
For Additional Program Costs

Dear Representative Cotten:

Please revise HB 358 to include the following adjustments:

1. Delete Section 2 an appropriation for \$69,500 general funds to the Department of Health and Social Services, Division of Social Services, to pay additional FY 81 program costs in the Kotzebue area. The Department has advised that Social Services can continue to be provided throughout the region with existing funds.
2. Chapter 120, SLA 80, section 51 should be amended as follows:

Category: Social Services; Page 25, Line 12

| <u>Allocations</u> | <u>Appropriations</u>          | <u>GF</u>                      | <u>Other</u>                   |
|--------------------|--------------------------------|--------------------------------|--------------------------------|
| Assist. Pmts.      | <u>34,129,300</u> [33,729,300] | <u>19,881,000</u> [19,681,000] | <u>14,248,300</u> [14,048,300] |

AFDC

28,496,700 [28,096,700]

Category: Social Services; Page 28, Line 18

|                       |                              |                              |
|-----------------------|------------------------------|------------------------------|
| Old Age Assist. Pmts. | <u>4,279,500</u> [4,479,500] | <u>4,279,500</u> [4,479,500] |
|-----------------------|------------------------------|------------------------------|

The purpose of this adjustment is to fund a projected AFDC shortfall resulting from insufficient funding for the AFDC grant increase legislative in SCSCSIB 968 in 1980. The actual FY 81 Old Age Assistance expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly payments being slightly less than originally budgeted. The general fund increase in AFDC will be matched by \$200,000 in federal receipts.

RECEIVED  
MAY 31 1981

Budget Section

Honorable Sam Cotten

March 27, 1981

Page 2

3. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services; Page 29, Line 16

| <u>Allocations</u> | <u>Appropriations</u>          | <u>GF</u>                | <u>Other</u>                   |
|--------------------|--------------------------------|--------------------------|--------------------------------|
| Emplo. Secur.      | <u>26,137,800</u> [24,457,300] | <u>619,100</u> [204,600] | <u>25,518,700</u> [24,252,700] |
| WIN                | <u>1,680,500</u>               |                          |                                |

Category: Social Services; Page 29, Line 25

|     |                      |                    |                      |
|-----|----------------------|--------------------|----------------------|
| WIN | <u>0</u> [1,680,500] | <u>0</u> [414,500] | <u>0</u> [1,266,000] |
|-----|----------------------|--------------------|----------------------|

The purpose of this adjustment is to simplify the procedures required to charge the Employment Security and WIN program for costs incurred by each program where a transfer of appropriation would be necessary to reimburse the program for those costs. The Departments FY 82 budget will also be structured in this manner. The transfer will also streamline federal accounting and reporting requirements.

4. Please add a new section to read as follows:

The sum of 1,331,000 of which 665,500 is federal funds and 665,500 is from general funds is appropriated to the Division of Public Assistance to fund a project shortfall attributed to insufficient funding for the AFDC grant increases legislated in SCSCSHB 968 in 1980.

5. Chapter 120, SLA 80, Section 51 should be amended as follows:

Category: Social Services, Page 29, Line 16

|                | <u>Appropriation</u> | <u>GF</u>                | <u>Other</u>                   |
|----------------|----------------------|--------------------------|--------------------------------|
| Employ. Secur. | 24,457,300           | <u>452,600</u> [204,600] | <u>24,004,700</u> [24,252,700] |

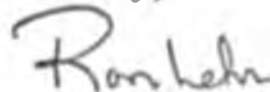
The purpose of this amendment is to replace federal funds with general funds in the Unemployment Insurance component stemming from a reduction in federal monies available for additional computer and equipment lease cost during the transition period of converting to Departments new IBM 370/140 computer.

6. Please add a new section appropriating \$237,000 general funds as a replacement for federal funds originally authorized on RP #80-282 and RPL #81-60 for the Department of Labor, Unemployment Insurance

Honorable Sam Cotten  
March 27, 1981  
Page 3

System Redesign capital project. The shortfall in federal receipts on this project is due to a decision made by the U.S. Department of Labor to not fund a third party computer operations contract made by the Alaska Department of Labor in order to meet a legislative deadline of October 1, 1980 for implementation of the new Unemployment Insurance law. That contract provided an interim training and operations computer mode so that benefits could be paid on October 1, 1980.

Sincerely,



Dr. Ronald D. Lehr  
Director

cc: Jay Hogan, Legislative Finance  
Keith Specking, Office of the Governor  
Jalmar Kerttula, President of the Senate  
Jim Duncan, Speaker of the House  
✓ Donald Clocksin, Chairman, Health, Education and Social Services  
Honorable Don Bennett and Ed Dankworth, Co-Chairmen, Senate  
Finance Committee

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358

Title "An Act making a supplemental appro. to the Department of Health and Soc. Svcs..."

Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services

Program Category Affected Social Services

BRU, Program, or Subprogram(s) Affected PA Eligibility, Eligibility Determination

(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 81         | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 |
|--------------------------|---------------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    | 1298.9        |       |       |       |       |       |
| 200 TRAVEL               | 12.0          |       |       |       |       |       |
| 300 CONTRACTUAL          | 120.6         |       |       |       |       |       |
| 400 COMMODITIES          | 1.2           |       |       |       |       |       |
| 500 EQUIPMENT            | 25.0          |       |       |       |       |       |
| 600 LAND & STRUCTURES    |               |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. |               |       |       |       |       |       |
| <b>TOTAL</b>             | <b>1457.7</b> |       |       |       |       |       |

FUNDING (Thousands of Dollars)

|                             | FY 81  | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 |
|-----------------------------|--------|-------|-------|-------|-------|-------|
| GENERAL FUND                | 1009.6 |       |       |       |       |       |
| FEDERAL FUNDS               | 1.1    |       |       |       |       |       |
| OTHER (Specify Fund Source) |        |       |       |       |       |       |

POSITIONS

|           | FY 81 | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 |
|-----------|-------|-------|-------|-------|-------|-------|
| FULL TIME | 52    |       |       |       |       |       |
| PART TIME | 0     |       |       |       |       |       |
| TEMPORARY |       |       |       |       |       |       |

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

Funds personal service cost for 56.5 FTE positions and Eligibility Worker series reclassification (1298.9); travel for new position training (12.0); guard service in Anchorage and Fairbanks, office space in Anchorage, and U.S. Postal Services contract (redeeming ATP transaction) shortfall (120.6); misc. office commodities (1.2); and equipment purchase for positions (25.0). An "add & delete" supplemental of 183.8 general fund is directly applied to the FY 81 supplemental need resulting in the "net additional" appropriation funding required of 1273.9.

IV. DATE April 3, 1981

PREPARED BY Helen Anderson

AGENCY Department of Health and Social Services

PHONE 465-3331

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

*Alfred 7/10/81*

THE LEGISLATURE OF THE STATE OF ALASKA  
TWENTY-NINTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental approl. to the Department of Health and Soc. Svcs."  
 Requested by Rules Committee by request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Energy Assistance Program  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 81          | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 |
|--------------------------|----------------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |                |       |       |       |       |       |
| 200 TRAVEL               |                |       |       |       |       |       |
| 300 CONTRACTUAL          |                |       |       |       |       |       |
| 400 COMMODITIES          |                |       |       |       |       |       |
| 500 EQUIPMENT            |                |       |       |       |       |       |
| 600 LAND & STRUCTURES    |                |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. | (183.8)        |       |       |       |       |       |
| <b>TOTAL</b>             | <b>(183.8)</b> |       |       |       |       |       |

FUNDING (Thousands of Dollars)

|                             |         |  |  |  |  |  |
|-----------------------------|---------|--|--|--|--|--|
| GENERAL FUND                | (183.8) |  |  |  |  |  |
| FEDERAL FUNDS               |         |  |  |  |  |  |
| OTHER (Specify Fund Source) |         |  |  |  |  |  |
|                             |         |  |  |  |  |  |

POSITIONS

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

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

The Department requests that the 183.8 general funds included in the FY 81 Energy Assistance Program (EAP) appropriation be directly applied to the FY 81 Supplemental request for the Eligibility Determination BRU. On April 25, 1980 the Department submitted a FY 81 Budget Amendment that requested funding for the EAP BRU. The Department had been advised by federal authorities that EAP administrative costs in FY 81 would be shared between federal (50%) and state (50%). Consequently, the FY 81 EAP appropriation of 7367.6 includes 183.8 state general funds for the anticipated 50% administrative match. However, on October 6, 1980 the Department was notified that this EAP matching requirement has been modified such that the state general fund portion of the EAP appropriation will not be required.

IV. DATE April 3, 1981 PREPARED BY Mason Anderson  
 AGENCY Department of Health and Social Services  
 PHONE 465-3331  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named) M. Hubbard 4/6/81

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

**I. REQUEST**

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."  
 Requested by Rules Committee by Request of the Governor Date 4/3/81

**II. FISCAL DETAIL**

Agency Affected Department of Health and Social Services  
 Program Category Affected Social and Economic Assistance for the General Population  
 BRU, Program, or Subprogram(s) Affected Assistance Payments, AFDC  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)  
**EXPENDITURES** (Thousands of Dollars)

|                          | FY 81        | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 |
|--------------------------|--------------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |              |       |       |       |       |       |
| 200 TRAVEL               |              |       |       |       |       |       |
| 300 CONTRACTUAL          |              |       |       |       |       |       |
| 400 COMMODITIES          |              |       |       |       |       |       |
| 500 EQUIPMENT            |              |       |       |       |       |       |
| 600 LAND & STRUCTURES    |              |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. | 400.0        |       |       |       |       |       |
| <b>TOTAL</b>             | <b>400.0</b> |       |       |       |       |       |

**FUNDING** (Thousands of Dollars)

|                             |       |  |  |  |  |  |
|-----------------------------|-------|--|--|--|--|--|
| GENERAL FUND                | 200.0 |  |  |  |  |  |
| FEDERAL FUNDS               | 200.0 |  |  |  |  |  |
| OTHER (Specify Fund Source) |       |  |  |  |  |  |

**POSITIONS**

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

**III. ANALYSIS** (See Fiscal Note Preparation Instructions, Section III)  
Summary of FY 81 AFDC:

|                              | Caseload | Average Payment | Months | Total      |
|------------------------------|----------|-----------------|--------|------------|
| FY 81 FCC Authorization      | 6835     | 342.56          | 12     | 28,096.7   |
| SCSCSHB 968                  | 6835     | 49.35           | 12     | 4,047.3    |
| FY 81 Actual July 80-Feb. 81 | 6438     | 390.39          | 8      | (20,106.7) |
| FY 81 Proj. March 81-June 30 | 6925     | 449.00          | 4      | (12,437.3) |
| FY 81 Projected Shortfall    |          |                 |        | (400.0)    |

The actual FY 81 AFDC caseload has continued to increase each month beginning July 1980. However, the actual 12 month caseload average will be less than the caseload funded in the FY 81 authorization (6835 Auth. vs. 6600 Actual). The projected AFDC (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson  
 AGENCY Department of Health and Social Services  
 Original: Legislative Finance PHONE 465-3331  
 cc: Budget and Management  
 Prime Sponsor (Fin. Legislative Named)

*M. Hubbard*  
4/14/81

shortfall of \$400.0 is attributed to insufficient funding for the AFDC grant increase legislated in SCSCSHB 968. SCSCSHB 968 authorization (4047.3) includes the approximate cost of the July 1, 1980 "COLA" increase (14.3%); but does not include funding for the January 1, 1981 "base" increase. These funds were apparently not appropriated due to oversight. In summary, the potential surplus caused by the reduced caseload average does not completely offset the underfunding condition of the SCSCSHB 968 appropriation which neglected the cost associated with the January 1, 1981 base increase.

A FY 81 "delete and add" Supplemental adds 200.0 G.F. from Old Age Assistance BRU. This general fund addition is matched by 200.0 appropriation in federal receipts.

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 358  
 Title "An Act making a supplemental appro. to the Department of Health & Soc. Svcs..."  
 Requested by Rules Committee by Request of the Governor Date 4/3/81

II. FISCAL DETAIL

Agency Affected Department of Health and Social Services  
 Program Category Affected Social Services  
 BRU, Program, or Subprogram(s) Affected Old Age Assistance  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

|                          | FY 81   | FY 82 | FY 83 | FY 84 | FY 85 | FY 86 |
|--------------------------|---------|-------|-------|-------|-------|-------|
| 100 PERSONAL SERVICES    |         |       |       |       |       |       |
| 200 TRAVEL               |         |       |       |       |       |       |
| 300 CONTR. CTUAL         |         |       |       |       |       |       |
| 400 COMMODITIES          |         |       |       |       |       |       |
| 500 EQUIPMENT            |         |       |       |       |       |       |
| 600 LAND & STRUCTURES    |         |       |       |       |       |       |
| 700 GRANTS, CLAIMS, ETC. | (200.0) |       |       |       |       |       |
| TOTAL                    | (200.0) |       |       |       |       |       |

FUNDING (Thousands of Dollars)

|                             |         |  |  |  |  |  |
|-----------------------------|---------|--|--|--|--|--|
| GENERAL FUND                | (200.0) |  |  |  |  |  |
| FEDERAL FUNDS               |         |  |  |  |  |  |
| OTHER (Specify Fund Source) |         |  |  |  |  |  |
|                             |         |  |  |  |  |  |
|                             |         |  |  |  |  |  |

POSITIONS

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

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

Summary of FY 81 OAA:

|                              | Case load | Average Payment | Months | Total     |
|------------------------------|-----------|-----------------|--------|-----------|
| FY 81 FCC Authorization      | 2266      | 164.73          | 12     | 4,479.5   |
| HB 60 Funding                |           |                 |        | 44.1      |
| FY 81 Actual July 80-Feb. 81 | 2192      | 150.08          | 8      | (2,635.4) |
| FY 81 Proj. March 81-June 81 | 2241      | 154.10          | 4      | (1,381.4) |
| FT 81 Projected Surplus      |           |                 |        | + 506.8   |

The actual FY 81 OAA expenditure will be less than funded in the FY 81 authorization. The projected surplus balance is a result of both caseload and average monthly pay- (continued)

IV. DATE April 3, 1981 PREPARED BY Mason Anderson  
 AGENCY Department of Health and Social Services  
 PHONE 465-3331  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

*M. Anderson 4/6/81*

ments being slightly less than originally budgeted.

A FY 81 "delete & add" supplemental deletes 200.0 G.F. from Old Age Assistance BRU and adds 200.0 G.F. to the Assistance Payments BRU/AFDC component.

H B  
3650

COMMITTEE REPORT

HOUSE

3/19/81

FURTHER: FINANCE

(5)

Date: \_\_\_\_\_

Mr. Speaker:

The Committee on HEALTH, EDUCATION & SOCIAL SERVICES has had HB 365

"An Act making a special appropriation to the City of Cordova for a feasibility study for hospital care; and providing for an effective date."

under consideration and reports it back as follows:

- do pas .  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 365  same title  new title
- and recommends do pass
- AND attaches a "Letter of Intent"  New Fiscal Note
- reports it back without recommendation
- referred to the \_\_\_\_\_ Committee

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
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Love Martin De Council  
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\_\_\_\_\_  
CHAIRMAN

alaska  
state  
hospital  
association

319 Seward St., Juneau, Alaska 99801 (907) 586-1790

REPRESENTING ACUTE, LONG TERM AND OUTPATIENT FACILITIES

President  
Sister Barbara Haase  
Ketchikan General Hospital  
Ketchikan

President Elect  
Tom Mingen  
Fairbanks Memorial Hospital  
Fairbanks

Secretary/Treasurer  
Ron Pavetta  
Alaska Hospital & Medical  
Center  
Anchorage

Immediate Past President  
Al Camosso  
Providence Hospital  
Anchorage

Executive Director  
Dennis L. DeWitt  
Juneau

MAR 12 1981

March 6, 1981

The Honorable Bette Cato  
State House of Representatives  
Pouch V, State Capitol Building  
Juneau, Alaska 99811

Dear Representative *Bette* Cato:

The Alaska State Hospital Association wishes to inform you of its support of an appropriation of approximately \$600,000 for a feasibility study on the need and design of a new physical plant for Cordova Community Hospital. The Association will be pleased to assist you and Cordova Community Hospital in achieving that goal.

Sincerely,

*Dennis L. DeWitt*  
Dennis L. DeWitt  
Executive Director

DLD/b

cc: Ed Zeine

Phone: (907) 424-3237  
or 424-3238

# CITY OF CORDOVA

Box 1210 602 Railroad Ave.

CORDOVA, ALASKA 99574

"The Friendly City"

Reply to:

FEB 9 1981

February 2, 1981

Commissioner Helen D. Beirne  
Dept. of Health & Social Services  
Pouch H-01, Mail stop 0600  
Juneau, AK 99811

*Rec'd 2-9-81*

Dear Commissioner:

I want to thank you for the opportunity to meet and talk with you about my concerns for increased revenue sharing for small hospitals and a State-funded capital improvement program to upgrade and replace obsolete facilities.

It appears that several bills are in the hopper to increase revenue sharing to hospitals including the bill to be introduced and supported by the Alaska Hospital Association. Talking with Keith Specking and several legislators, it appears that some form of assistance will be authorized.

You indicated that you felt that the administration could be enticed to fund a capital improvement program to upgrade and/or replace obsolete hospitals, but it would constitute a major policy decision. I want to encourage you to move forward with this approach, and I believe I speak for most, if not all of the hospitals, that you can count heavily on our support.

Please keep me advised of the steps you are taking to accomplish this goal, and I will keep you posted of our inter-action with the legislature. Our cooperative goal is to produce the very best medical facilities possible for our citizens.

Again, thank you very much for your time and kind words.

Very truly yours,

Perry D. Lovett  
City Manager

cc: Senator J. Karttula  
Representative B. Cato  
Representative E. Hagen  
Dennis L. DeWitt  
Ed Zeine

Phone: (907) 424-3237  
or 424-3238

## CITY OF CORDOVA

Box 1210 602 Railroad Ave.

CORDOVA, ALASKA 99574

"The Friendly City"

Reply to:

February 2, 1981

Dennis DeWitt  
Executive Director  
Alaska State Hospital Association  
319 Seward Street  
Juneau, AK 99801

*Rec'd  
2-6-81*

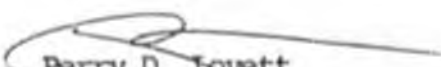
Dear Dennis:

I wish to thank you for the courtesy extended to me on my trip to Juneau. Your activities with the legislature are very impressive. With your on-the-spot timing and our support, I believe that a bill to increase revenue sharing to hospitals is almost assured. Both the legislature and administration appear to be very receptive to the idea. Hopefully, our work last year softened them up to the idea, and with your steady pressure, it will become a reality.

Commissioner Beirne spoke of consideration and possible support for a capital improvement program to replace or upgrade obsolete hospitals. She spoke of Cordova, Palmer, Petersburg and Wrangell as the four worse facilities in the State and the most need for replacement. She spoke of a loan program, but I advised her that we surely wouldn't be asking for increased revenue sharing to shore-up our operating losses if we could afford to pay back loans. She made note of "grants." With the oil revenues the State now receives, it appears to me that we should take advantage of that money to make capital improvements before the Federal government starts taking a larger cut.

Dennis, you have Cordova's support on both of these items. Please advise if we can be of assistance. Good luck!

Very truly yours,

  
Perry D. Iqvett  
City Manager

cc: Ed Zeine  
Cordova Community Hospital Advisory Board  
Senator J. Kerttula  
Representative B. Cato

# CORDOVA COMMUNITY HOSPITAL

P. O. Box 160 Phone: (907) 424-7551  
CORDOVA, ALASKA 99574

FEB 17 1981

February 6, 1981

The Honorable Bette Cato  
State House of Representatives  
Pouch V (MS 3100)  
Juneau, Alaska 99811

Dear Mrs. Cato:

Thank you for your interest in small rural hospitals.

I certainly appreciate your contacting me regarding small hospitals in Alaska. I will try to respond in an objective way and place our dilemma in proper perspective.

## OCCUPANCY EQUALS REVENUE

Occupancy or utilization is a problem that is the most difficult for small hospitals to cope with. We must have nursing staff (RN's and aides) on duty 24 hours a day for inpatients as well as emergency room coverage. We must staff cooks, housekeepers, and maintenance personnel as bare necessities of patient care. This is true whether we have 3 patients in the hospital or 10 patients. We must provide diagnostic services so the physicians can order drugs and other services to heal the patient - other services being lab, x-ray and pharmacy.

We must also have equipment, i.e. cardiac monitor, apnea monitors, sterilizers, whirlpool, hospital beds, oxygen, defibrillators, etc.

In addition, of course, we must heat the building, provide food, electricity, water, sewer, and garbage. All of these are fixed costs and regardless of how well or poorly a small hospital is managed there is little one can do effectively regarding these costs. We cannot staff a half of a person, purchase less costly equipment, or heat half of our building when occupancy is down.

I feel confident that you are aware of this information but I thought I should state it anyway.

Inflation in the health care area has placed a heavy financial burden on hospitals. Following are some cost comparisons so you can have specific examples of the problem.



The Cordova Community Hospital

Honorable Bette Cato  
 State House of Representatives  
 Pouch V (MS 3100)  
 Juneau, Alaska 99811

page 2

COST COMPARISONS

| <u>ITEM</u>                      | <u>79/80</u>    | <u>80/81</u>       |         |
|----------------------------------|-----------------|--------------------|---------|
| MICA                             | \$18,027.14     | \$25,236.00 (est.) |         |
| Salaries                         | 9% over 78/79   | 10% over 79/80     |         |
| Retirement                       | 6.13%           | 6.65%              |         |
| Health Insurance                 |                 |                    |         |
| Single                           | 36.78/mo        | 42.96/mo           |         |
| Married                          | 79.95/mo        | 93.38/mo           |         |
| Family                           | 111.46/mo       | 130.18/mo          |         |
| Air Freight -to Anchorage        | 16.45 Min.      | 18.10 Min.         |         |
| Sea Land per 100#                | 35.79 Min.      | 43.21 Min.         |         |
| Sea Land -Fuel surcharge         | 5%              | 3%                 |         |
| Air fare to Anchorage round trip | 90.00           | 94.00              |         |
| X-ray film 11 x 14               | 440.96/case 100 | 725.10/case 100    |         |
| Developer                        | 41.63/case      | 49.95/case         |         |
| Fixer                            | 20.84/case      | 24.50/case         |         |
| IV solution 5% Dextrose/water    | 6.67/case       | 9.56/case          |         |
| Toilet tissue                    | 34.66/case      | 71.25/case         |         |
| Plastic Can Liners               | 33.95/case      | 52.75/case         |         |
| Eggs                             | 36.00/case      | 45.00/case         |         |
| Milkman                          | 28.14/case      | 33.88/case         |         |
| Coffee                           | 84.50/case      | 81.75/case         |         |
| Electricity rate                 | .085/1,000kw    | .088/1,000kw       |         |
| Fuel Escalation                  | 33%             | 47%                |         |
| Electricity - cost               | 1979            | 1980               | 1981    |
| February                         | 1252.89         | 1657.23            | 1949.15 |
| Fuel Rates - February            | .493            | .866               | .981    |

Normally, businesses would attempt to increase sales (for hospitals that's increase occupancy) to offset their costs. Hospitals in rural areas serve a fixed population and are unable to control occupancy.

Hospitals have worked together to reduce costs but rural hospitals must work with high fixed costs to comply with patient safety needs and the various regulatory agencies that control our business. Some examples of cost containment programs are:

- 1: Shared purchasing - Through the Alaska State Hospital Association we have established a shared purchasing program through the Sisters of Providence Hospitals (Providence Hospital in Anchorage). Because of the many

Honorable Bette Cato  
State House of Representatives  
Pouch V (MS 3100)  
Juneau, Alaska 99811

page 3

hospitals under the management of the Sisters of Providence they are able to contract for volume purchase of supplies at reduced costs. Small rural hospitals enjoy the ability to purchase small quantities but at the same volume price contracted to Sisters of Providence, a real savings to the small hospitals.

2: Rural hospitals are able to contract with large metropolitan hospitals in the southcentral area for highly specialized technical maintenance and repair personnel. The cost to the hospital is the actual one time cost for the service, i.e. hourly salary plus benefits and expenses. This is much less expensive to the rural hospital as the only other choice is to fly a technician in from a for-profit corporation in Seattle. They charge hourly from the time the technician leaves his shop in Seattle until he returns, plus expenses.

3: Other shared services have been established by the Alaska State Hospital Association such as audio/visual training films, micro filming, etc. Hospitals are trying to contain costs in these and many other ways.

All hospitals must comply with Medicare/Medicaid and federal regulations. There is no difference in interpretation of the requirements whether the hospital is located in New York City, Seattle, Anchorage, Valdez, or Cordova. Obviously the cost of complying with most regulations is much higher in rural areas where there are fewer people than in more highly populated areas because of the lack of available technical people to carry out the regulatory requirements.

Cordova Community Hospital operating expenses exceed operating revenue by \$120,907 according to the audited financial statements for year ending June 30, 1980. Revenue sharing has kept our doors open for operation with no equipment purchases, maintenance or replacements.. Attached is a graph indicating the problem of small hospitals as it relates to occupancy.

I hope this information provides you with the necessary data that may assist you in working with our rural hospitals in Alaska. Please feel free to call on me at any time and if I do not know the answers to your questions I would be happy to pursue to obtain the answers.

Best Regards,

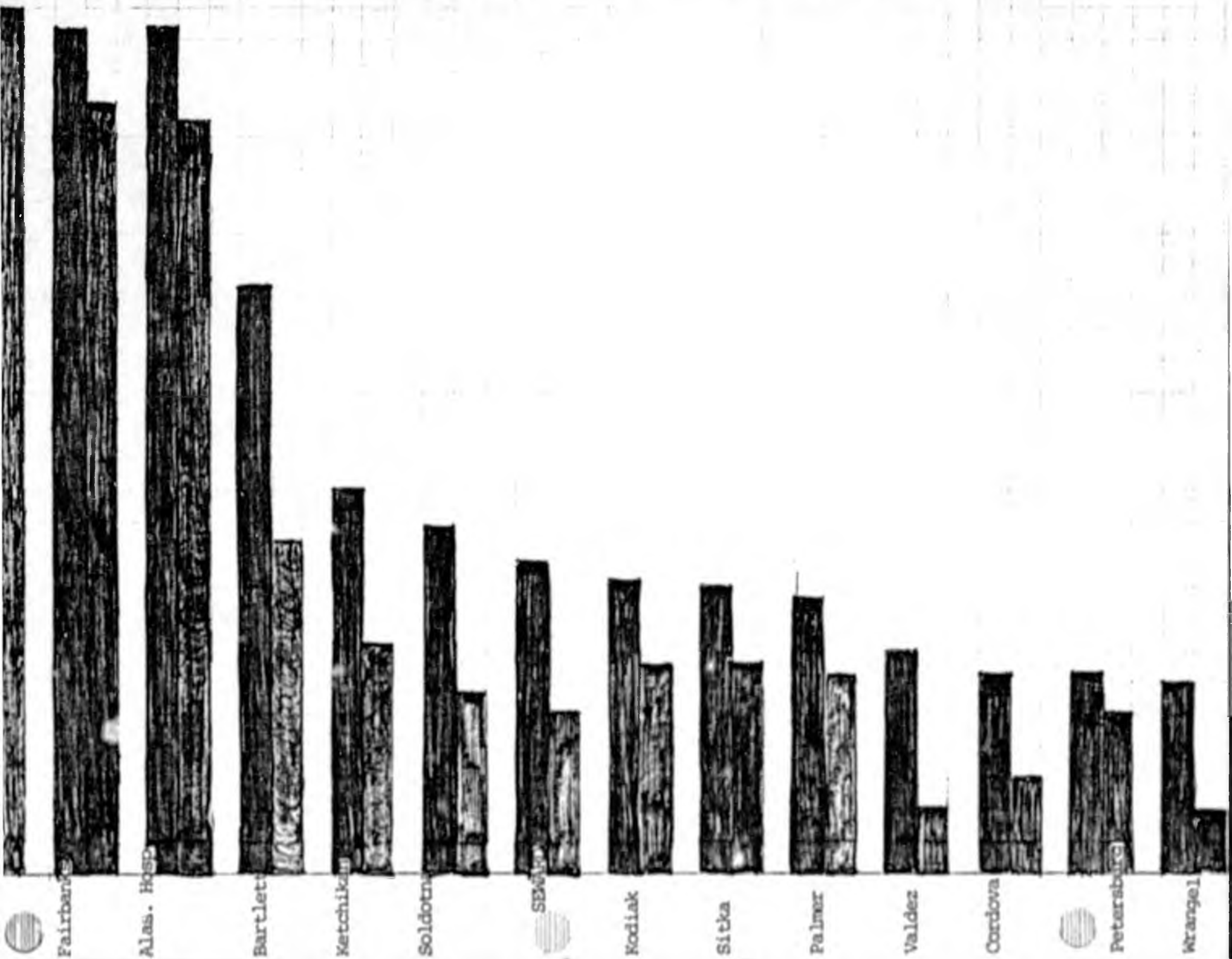
  
Edward Zeine  
Administrator

EZ/ml

enclosure

ACUTE CARE BEDS/ CENSUS

LICENSED BEDS '78  
 Av. Daily Census '78



CORDOVA COMMUNITY HOSPITAL  
MENTAL HEALTH AND ALCOHOL CLINIC

P.O. Box 160

Phone: (907) 424-7131

CORDOVA, ALASKA 99574

April 21, 1981

Bette Rato  
Pouch 5  
MS 3100  
Juneau, Alaska 99811

Dear Bette:

As co-directors of the MHAC in Cordova, we have interfaced extensively with the youth of the community both directly and through the Eyak Youth Center. We feel that prevention programs for youth are a priority for our community for many reasons, including the decreased costs of subsequent state intervention requiring detention/rehabilitation. Therefore we strongly support a direct appropriation of \$899,120 to the Division of Family and Youth Services to meet the current requests for youth prevention programs.

Sincerely,

*Dianne Bailey Frost*      *K. Bradley Frost*

Dianne Bailey Frost, PhD  
Co-Director

K. Bradley Frost, PhD  
Co-Director

DBF/KBF/pkh



The Cordova Community Hospital

CITY OF CORDOVA  
RESOLUTION 81-22

A RESOLUTION OF THE CITY OF CORDOVA ENDORSING THE PASSAGE OF  
HB 223.

WHEREAS, the City of Cordova is a rural, isolated community that  
has available Health Care services for all its citizens,

WHEREAS, Pioneers in Cordova have had to leave their community  
to obtain Health Care Pioneer benefits,

WHEREAS, Cordova Pioneers leaving their family and friends to  
obtain Health Care Pioneer benefits outside of Cordova has caused  
great loneliness, mental anguish and undue hardship, and,

WHEREAS, Cordova Community Hospital provides acute care and long  
term care for the community, and,

WHEREAS, House Bill 223 would enable Pioneers to remain in Cordova  
when in need of long term health care

NOW THEREFORE, BE IT RESOLVED that the City Council of Cordova  
strongly endorses the passage of this bill by the Alaska State  
Legislature.

PASSED AND APPROVED THIS 30 DAY OF April, 1981.

Hollis Honrich  
Mayor

Marva M. Steady  
City Clerk

Phone: (907) 424-9227  
or 424-3238

# CITY OF CORDOVA

Box 1210 602 Railroad Ave.

CORDOVA, ALASKA 99574

"The Friendly City"

Reply to:

## 1981 City of Cordova's Legislative Priorities List

1. Water Development - Phase II - \$1,500,000
2. Alternate Energy Funds
3. 100% School Funding
4. Increase financial assistance to hospital from \$75,000 to \$200,000 and \$650,000 funds for a study and design of a new hospital
5. Marine Facilities Financing:
  - a. \$700,000 final rock cover
  - b. \$1,000,000 Marine ways and appertenances
6. Property tax relief
7. Funds for street improvements:
  - a. Breakwater Avenue - \$425,000
  - b. Residential streets - \$500,000
8. Repair of Ocean Dock (\$200,000) to include cathodic protection
9. Harbor electrical and water - \$200,000
10. Funds for W-Itshed-Copper River Highway-Eccles Creek \$1,200,000

PLEASE NOTE: THE FOLLOWING PAGES WERE TREATED  
AS A UNIT IN THE ORIGINAL DOCUMENT.

# CORDOVA COMMUNITY HOSPITAL

P. O. Box 160

Phone: (907) 424-7551

CORDOVA, ALASKA 99574

February 24, 1981

**To:** Mr. Perry D. Lovett  
City Manager

**From:** Cordova Community Hospital Medical Director  
Cordova Community Hospital Administrator

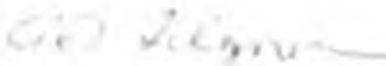
**Subject:** Cordova Community Hospital Building Status

Attached is documentation of the City's Hospital's Structural/Building deficiencies as experienced by the hospital's medical, and nursing staff and Administrator.

Also attached are two additional documents, i.e.

1. Survey of Cordova Hospital by Robert McFarlane, Architect, Division of State Health Planning and Development conducted 15 September, 1980.
2. Report on Hospital and Health Facility Operation and Construction Assistance by Department of Health and Social Services, Helen D. Beirne, Commissioner, dated 1 Feb. 1981.

These reports are submitted to assist you and the City of Cordova in obtaining State funds to conduct a study as to the feasibility of correcting the deficiencies or constructing a new facility.

  
Arthur D. Filgner, M. D.  
Medical Director

  
Edward Leino  
Administrator

ADT-EZ/ml

enclosures



The Cordova Community Hospital

Cordova Community Hospital was constructed in 1955 and has been serving the community and Prince William Sound area for the last 26 years. The structure is wood framed with concrete floor erected on solid rock formation. Original structure was a main floor consisting of an operating room and delivery room, central supply, x-ray, laboratory, Administrative office, 10 patient rooms (designed to house 22 patients) a small dining room and kitchen. The lower section of the hospital consisted of a store room, a laundry, a PHN clinic and boiler room.

In 1976 a PHS grant was obtained to add a physicians' clinic, a Mental Health and Alcohol clinic and State Social Services offices.

The laundry equipment was eliminated in 1972 and the area was eventually modified for a laboratory facility. In 1980, the old laboratory area on the main floor was converted to offices for the Director of Nursing and the Business Office Manager. An area which was the labor room was converted to the Administrator's office.

In 1972 modification was made to the existing structure for a new roof and sprinkler fire system. The roof had rotted from water leakage and ceiling plasterboard sections of the hospital had fallen to the floor.

This 26 year old structure continues to present major problems in meeting Federal and State regulations as well as meeting acceptable present day health care standards. Except for two patient rooms which have their own toilet, the patients must cross the hall to avail themselves of a community toilet and bath facility. The roof continues to leak and dry rot is present through out the wood frame structure. The 26 year old diesel fueled boilers have not been modified since installation. Their present use of high cost fuel to perform their design functions is a great financial burden on the hospital, besides a great waste of energy. The hospital is heated by the hot water circulated through the boilers. Attempts have been made to install zone controls in patient rooms but are ineffective in controlling heat to the areas. Windows must be opened for ventilation. The air circulation system has not been updated in the last 26 years and is non-operable due to malfunction of the power plant system. Cost estimates 2 years ago to repair the air circulation system was \$50,000. To meet acceptable standards of temperature control for drug room, medical supplies, operating and delivery room as well as patient rooms would require individual air conditions. Because of the expense involved and the cost of electricity, this is not an acceptable alternative.

Water pipes, elbows, and turn valves are rusted and corroded inside the pipes to the point that little water is allowed to pass through the pipes.

Flooring throughout the hospital is badly worn and is unsightly. Broken tile have been replaced with various mismatched colors through the years.

Adequate storage space for medical supplies and equipment is totally lacking, in fact, it is necessary to allow certain equipment to remain in hallways as there is no place to store the items.

The operating room is outdated for many reasons, i.e. no air flow (ventilation), no humidity control, inadequate lighting system; all of major importance for infection control and safe operating procedures.

The entrance to the hospital emergency room is through the hospital's main doors which is in close proximity to the hospital rooms. During an emergency situation, usually, in the evening, this is very disturbing to the sick inpatients.

There is no acceptable security of the patients and staff at night as the only access to the hospital is through unlocked main entrance doors. These unlocked doors provide access to the entire hospital and nursing home.

The below data is an excerpt from "Cordova Comprehensive Development Plan" conducted by Alaska Consultants Inc., Anchorage, Alaska.

"...it is predicted that the population of the Cordova planning area will be 3,360 by 1985 and, by 1995, it will range between 2,700 and 7,000 with the "most probable" population estimated to be about 4,500."

The 1980 census for Cordova is 2,800 which is 800 higher than the 1975 census of 2000.

Following is a summary of the major areas of deficiency revealed by the many state and federal inspectors over the past years as well as the practicing physicians, and medical technicians that use the hospital to care for patients.

- Patient rooms without toilet or bath facilities.
- Hospital building is a wood structure with dry rot throughout.
- Scalding hot water flows directly from boilers to patient rooms.
- Boiler of 1955 vintage.
- No heat or shut off temperature controls in hospital.
- No air circulation due to malfunction and obsolete system.
- No adequate storage area for equipment.
- Leaking roof with support structure rotted.
- Water pipe system rusted to the point of restricting water flow.

Attached is a recent survey of the hospital conducted by an Alaskan State employed architect. His recommendations is that a study and design of a new, replacement structure be implemented.

Because of the financial difficulties of this small rural city owned and managed facility it is necessary to look for state funding to conduct the appropriate study and design and eventual replacement hospital.

# MEMORANDUM

# State of Alaska

TO: Phoebe A. Lindsey  
Director  
Division of State Health  
Planning and Development

DATE:

FILE NO:

TELEPHONE NO:

FROM: Robert MacFarlane  
Architect

SUBJECT:

THRU: Dave Williams  
Economist

On the week of September 15, 1980 I conducted a survey of the Hospital in Cordova. Cordova is an old hospital built in 1954-55. In 1975 the present elevator was installed and improvements were made to the basement. Later the basement was finished to house a Doctor's office, a community mental health facility and public health nurse. The Hospital laboratory was re-located in the basement. The hospital is clean, brightly painted and is generally a cheerful atmosphere.

It is located on a noisy street that interferes with the operation of the hospital. The property provides limited parking. Access to the building is difficult; either through the main entry or into the basement. There is no emergency entrance except through the main entrance.

The hospital was designed with the following deficiencies:

1. There is no place to store wheel chairs and stretchers out of corridors and normal circulation patterns.
2. The sprinkler system is an exposed pipe sprinkler system. This kind of installation is impossible to keep clean.
3. The exterior of the building was sheathed with corrugated asbestos cement board. The exterior walls were not insulated. On part of the building the asbestos cement board has been replaced with plywood and insulation was added. Extensive dryrot was encountered in the studs.
4. During the 1975 remodeling a metal roof was removed and a built-up roof was installed. The roof leaks.
5. The domestic water is distributed directly from the boiler. The water that is circulated is too hot.
6. The heating system is a steam system. There are no local controls and the system is not well balanced.
7. The ventilation system that was installed is inoperable. When it does operate it is not capable of maintaining proper pressure relationships in the building.
8. Not all closets required by current codes exist. There is no protection between patient rooms and corridors. Many of the closets that do exist are improperly adjusted.

Phoebe A. Lindsey  
Director

9. Doors to the main entry are key locked without panic hardware. When they are locked they block exiting from the hospital. There is a smoke door that separates the acute care side of the hospital from the long term care side. When the door is locked the acute care corridor is one long dead end corridor with only one exit, provided of course, that the main doors are not also locked; in which case there are no exits.
10. Medical records is too small.
11. The emergency area has no on grade direct entry. There is no waiting area; no storage area for stretchers and wheel chairs. There is no staff work area or charting area. There is no convenient patient toilet and no clean and soiled workroom.
12. The room designed for a surgical recovery room has been remodeled to the Administrator's office.
13. The delivery room is too small. It is 214 square feet. 300 square feet is required. There is no labor room. All service facilities are shared with the surgery. The lights in the delivery room are concentric ring fixtures which are difficult to clean.
14. The surgery is too small. It is 340 square feet. It is required to be 360 square feet. Missing from the service area is:
  - a. a control station
  - b. a supervisor's office
  - c. drug distribution station
  - d. surgical soiled workroom
  - e. fluid waste disposal
  - f. clean workroom
  - g. staff clothing change
  - h. stretcher storage
  - i. surgical lounge and toilet
15. The portion of the xray that exists is inadequate in size; however, a portion of it is being used as an office for the director of nursing. There is no waiting space either for the ambulatory patients or for a patient in a bed to wait out of the corridor. There are no dressing rooms.
16. An ICU is scheduled to be established in the room which was formerly the laboratory. This can work if proper visual access is provided from the nurses station which is across the hall.
17. All corridors are less than the 8 foot minimum width; 7'11" in acute care and the corridor leading to surgery; 7'5" in front of the nurses station and 7'5" in long term care where hand rails have been installed.

Phoebe A. Lindsey  
Director

The corridor in front of the elevator is being used as a lounge for housekeeping personnel.

18. The present ICU is also being used as a cardiac care unit. It is a two bed room which is not permitted for cardiac care. There is no toilet except across the corridor for this room. There is a window from the corridor into the room but the nurses do not have direct visual access from the nurses station.
19. The long term care rooms do not have direct access to the toilets except across the corridor. There are not sufficient toilets to provide toilets at the rate of 1 toilet to 4 beds as required. Some acute care beds lack access to toilets in the same manner.
20. Nursery has 4 cribs and 1 isolet. There is no public viewing directly into the nursery. Babies are wheeled into the work room for public viewing. There is no infant examination and treatment room. There is no gowning area. The space is adequate for 5 cribs if it were arranged properly.
21. The nurses station has the following deficiencies:
  - a. The Director of Nurses does not have an office.
  - b. The charting facilities are inadequate.
  - c. There is no storage area for administrative supplies.
  - d. There is no lounge and locker space for the nursing staff.
  - e. The staff conference room is remote in the basement.
  - f. There is no space for wheel chairs and stretchers.
  - g. There is no storage space for emergency gear, crash cart, etc.
  - h. The temperature cannot be controlled in the drug room.
22. The Administrator proposes to make 3 small rooms in the basement into a laundry with access from a chute in the acute care corridor. A hall outside the existing linen storage area will be enclosed to become a clean linen folding area and the present clean linen closet will continue to be used. This modification is badly needed. The old laundry was converted to a laboratory. Present laundry service is obtained by filling an old station wagon with dirty laundry, putting the station wagon on a ferry which takes it to Valdez where it is reloaded and transhipped to Anchorage. The clean laundry from Anchorage is loaded into the old station wagon in Valdez and ferried to Cordova.
23. According to utilization formulae the lab is large enough. Lab technicians complain they don't have enough work counter space. The laboratory facility is newly completed.
24. The hospital has not incorporated the required barrier free design for the handicapped.
25. Existing heating and ventilating systems are obsolete. To incorporate modern energy saving equipment, insulation, lighting, etc., will be very difficult and expensive.

*Make copies of  
this document  
Not sure if*

**Report on  
Hospital and Health Facility Operation  
and  
Construction Assistance**

**Prepared for  
Alaska Legislature**

**by**

**\*Department of Health & Social Services  
Helen D. Beirne, Commissioner**

**February 1, 1981**

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## Introduction

The report that follows describes the condition of Alaska's health care facilities based on reports and inventories prepared by the Division of State Health Planning and Development. This report examines existing programs of state aid for hospital and health facility construction and operation in Alaska. Options for changes in the program and the rationale and bases for these options follow.

## Current Alaska Facilities

Alaska has 17 public and private hospitals, seven of which include an intermediate and/or skilled nursing component. There are also eight facilities (exclusive of the Pioneer Home System) for intermediate care and/or intermediate care for the mentally retarded which are not associated with a hospital. It should be noted that a certificate of need application is currently being reviewed which requests authorization for a specialized hospital. Should this certificate be granted, there will be a total of 18 hospitals in the state (exclusive of Public Health Service and U.S. military hospitals).

Another major provider of care in Alaska is its system of public health clinics scattered throughout the state. The 1981 proposed State Health Plan lists unverified data indicating that 127 clinics, either free-standing structures or existing as a part of a community center or multipurpose building, are located throughout the state. The state has made available through the sale of bonds approximately \$3.7 million since 1973 to construct and/or equip clinics in some 38 locations.

Other health care facilities defined by the revenue sharing act include maternity homes (of which there is one in the state), community mental health centers (of which there are 23 in the state according to the 1981 proposed State Health Plan), facilities for the mentally or physically handicapped (there are at least 9 facilities which receive revenue sharing funds in this category), nursing home or convalescent center (this capability is noted above, since nursing homes are licensed facilities). In addition, a number of drug abuse and alcoholism facilities receive revenue sharing funds.

#### Current Status of the Hospital and Health Facility Revenue Sharing Program

The hospital and health facility revenue sharing program was modified during the 1980 Legislative session to provide construction funds to general hospitals only (and not to other health facilities). Currently only three hospitals (Fairbanks Memorial and Providence Hospital and Alaska Hospital and Medical Center in Anchorage) are receiving construction funds. Attachment 1, based on data provided by the Department of Community and Regional Affairs, indicates where and in what amounts revenue sharing dollars were distributed in 1980.

#### Further Changes in the Health Facility Revenue Sharing Program

The health facility revenue sharing program, which was originated to relieve health facilities of financial strains placed on them because of uncollected debts, has undergone changes in support levels and perhaps in its philosophy since it was established in 1971. There have been efforts to increase the minimum amounts available in recent legislative sessions. There is also some interest in tying requirements for specific types of services to the receipt of revenue

sharing funds. It has been suggested, for example, that community hospitals willing to designate psychiatric care beds should receive a revenue sharing incentive for this designation. Such an incentive could relieve the overcrowded situation at the Alaska Psychiatric Institute and perhaps avert the need for constructing other psychiatric hospitals in the state. Yet another interest expressed is in restoring the availability of construction funds to facilities other than hospitals.

#### DISS Approach in Developing Report

Recognizing the significant scope of work this report suggests, staff reviewed existing data and accelerated their schedule of inventories for rural hospitals. The revenue sharing program was discussed with staff in the Department of Community and Regional Affairs, the current program administrators. Input was requested as well from recipients of the revenue sharing funds - municipalities, hospitals and other health facilities (see Attachment 2). Several discussions were held with hospital administrators to gain further information regarding the impact of hospital revenue sharing on health care services. Information on current facility status was derived from the 1981 proposed State Health Plan, from reports of deficiencies resulting from annual licensure and certification surveys and from on-site review of the physical plant for architectural condition of hospitals. The inventories focused on the more rural hospitals, and those facilities identified in the proposed State Health Plan as needing immediate attention (Valley Hospital at Palmer, Cordova Community Hospital and Petersburg General Hospital) were inventoried first. Other rural hospitals with the exception of those at Kodiak and Valdez have been inventoried, the larger, more metropolitan hospitals have not yet been inventoried.

A Review of Current Programs of State Aid for Hospital and Health Facility  
Construction and Operation

There are three major sources of state aid for hospital and health facility construction and operation in Alaska, as follows:

- 1) revenue sharing -- the current bill provides operation and/or construction support to non-federal, non-state health care facilities. Funds are made available on the basis of facility size (number of beds) and a minimum amount is available per facility.
  
- 2) The Alaska Medical Facility Authority -- created by AS 18.26.010 to provide financing through the issuance of tax-exempt bonds for non-profit facilities to finance capital projects. One major project has been financed to date -- Fairbanks Memorial Hospital in the amount of approximately \$12 million. Alaska Hospital and Medical Center in Anchorage is currently working with the Authority to determine the viability of this funding approach to assist them with refinancing their facility and possibly acquiring the adjacent Professional Office Building.

The Medical Facilities Authority is an excellent source of funds for those private non-profit facilities which generate sufficient revenues eventually to repay the loans. However, in communities such as Palmer, and Glenallen where there is little possibility that hospital income

would be sufficient for operational costs as well as loan repayment, the Authority as it is presently structured is not a viable financing option.

- 3) Direct legislative funding (through the sale of bonds or from general funds to support projects) is the final source of state support for health care facility construction and operation. Since 1973, some \$17,882,671 (exclusive of Hill-Burton matching funds) has been made available through the sale of bonds to support 38 clinic construction projects and 12 hospital or other health facility construction projects. This is an important source of funds, especially for rural facilities in more isolated areas. There are several difficulties with this approach. The amount of funds made available is often not adequate to construct an acceptable facility.

In non-hospital facility construction consideration is not always given to the availability of water systems, sewage systems and solid waste disposal systems, all of which are integral to a functional clinic. There is no assessment of the community's need for a clinic, what type and size of clinic should be developed or whether it could be integrated with another community function (part of a multi-purpose facility, for example).

Other sources of funds (a combination of state and federal funds) which have assisted with health facility operation and construction in past years but are no longer available include Hill-Burton funds (Title VI of the Public Health Service

Act), and funds under the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. Hospitals in Kodiak and Homer are receiving final payments under the Hill-Burton Act; no new funds will be available under this Act. Title XVI of the Public Health Service Act authorized federal funds to be used with state funds for health facility construction; to date, no federal funds have been appropriated for this purpose under this title.

#### Considerations in Determining Appropriate State Support to Health Care Facilities

The State's role in assisting in the construction and operation of health care facilities is an incremental one based, presumably, on its interest in protecting and promoting the health and well being of its citizens. With its vast geographic area, climatic extremes, transportation and communication problems, there is a need for health care facilities in key places to provide at least primary care not only to residents but to seasonal populations and visitors. The need for these facilities is not necessarily related to a community's ability to fully support the facility.

Historically, the state has put funds into health facility construction and/or operation, starting with the Hill-Burton program (established in 1947). The State's construction and operation of the Pioneer Home system is further evidence of a policy to provide health care facilities (and indeed health care services) to its citizens.