

HOUSE / SENATE FINANCE COMMITTEE MINUTES - 1967-1982 2693

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE

Eliminate State WIC Program

Legislative Changes Required ☐ Yes, explain ☒ No, explain

Main Reduction

Eliminate the State's coordination and administration of the WIC Program

345

Briefly Describe Effect on Service Delivery

The WIC program is largely federally supported and the intent is to improve nutrition of infants and pregnant or lactating women. The program currently operates in Juneau, Anchorage and four communities in the North Slope Borough. Limitation in federal funds have precluded expansion. Federal program requirements have resulted in expenditure of state general funds for administrative support. With elimination of state funds, the entire program will be eliminated.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	95.2
200	TRAVEL	6.3
300	CONTRACTUAL SERVICES	8.2
400	COMMODITIES	170.3
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	200.0
800	MISCELLANEOUS	
TOTAL		480.0
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		415.5
GF MATCH.		
GEN. FUND		64.5
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		

NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
(2)	(7)	()	49

PRIORITIES			
DIVISION	Agency		GOVERNOR
/	/		ACCEPT
			REJECT

Division Public Health BRU Family Health COMPONENT Nutrition

DATE REVISED 2/23/79

HOUSE FINANCE COMMITTEE

REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE Staff Reduction		5			
tutory Changes Required <u> </u> Yes, explain <u> </u> No, explain		CODE	EXPENDITURES BY OBJECT	AMOUNT	
Main Reduction Staff Reduction in Personal Services Anchorage: Regional Audiologist (One Audiologist remaining) Clerk Typist III Fairbanks: Regional Audiologist Clerk Typist III Audiologist Trainee Sitka: Regional Audiologist Clerical Support (1 PPT, 1 PFT) Total: \$198,076		100	PERSONAL SERVICES	198.1	
		200	TRAVEL		
		300	CONTRACTUAL SERVICES		
		400	COMMODITIES		
		500	EQUIPMENT		
		600	LANDS, BLDGS., ETC.		
		700	GRANTS, CLAIMS, ETC.		
		800	MISCELLANEOUS		
		TOTAL		198.1	
		I-A TRANS. (non-add)			
FED. RECEIPTS - CODE:					
GF MATCH.					
GEN. FUND		198.1			
I-A RCPTS.					
PGM RCPTS.					
OTHER					
OTHER					
Describe Effect on Service Delivery This reduction would result in severe curtailment in audiologic services in most of the State. The Bethel position would be maintained in order to provide essential hearing evaluation services in an area with the highest incidence of otitis media. The remaining audiologist and the chief of the program in Anchorage would have to provide limited services to other areas of the state with priority given to other communities or areas with known high incidence of disease. Case finding and rehabilitation services would be severely limited. Possibly some of the deficit might be picked up by ANHS, but it is doubtful that adequate services could continue to be provided.		NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
		(7)	()	()	90
		B PRIORITIES			
		DIVISION	Agency		GOVERNOR
					ACCEPT
					REJECT

ision Public Health BRU Family Health COMPONENT Communicative Disorders DATE REVISED 2/23/79

HOUSE FINANCE COMMITTEE

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE EMS Advisory Council

cutory Changes Required ☒ Yes, explain ☐ No, explain

lain Reduction

Deletion of the travel, per diem and contractual services necessary for the EMS Advisory Council to meet.

AS 18.08.020-070 requires the establishment of an 11 member advisory council and that they meet at least twice a year. This reduction eliminates the financial support for this council.

A Manpower and Training Committee of the Advisory Council has been appointed to develop regulations, training and certification requirements for Emergency Medical Technicians as required in 18.08.082.

efly Describe Effect on Service Delivery

1. Inability of EMS Council to function. Development of standards for EMT certification which is required by law would be very much delayed.
2. No public input to policies on EMS to the Commissioner and/or EMS state staff.
3. Federal guidelines require maintenance and/or plans for increase of local and state financial participation in order to continue to receive federal funds. Local communities do provide large amounts of in-kind contributions, however this cut eliminates the state support to the program.

5			
CODE	EXPENDITURES BY OBJECT	AMOUNT	
100	PERSONAL SERVICES		
200	TRAVEL	28.9	
300	CONTRACTUAL SERVICES	2.1	
400	COMMODITIES		
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.		
700	GRANTS, CLAIMS, ETC.		
800	MISCELLANEOUS		
TOTAL		31.0	
I-A TRANS. (non-add)			
FED. RECEIPTS - CODE:			
GF MATCH.			
GEN. FUND		31.0	
I-A RCPTS.			
PGM RCPTS.			
OTHER			
OTHER			
NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
()	()	()	()
B PRIORITIES			
DIVISION	Agency	GOVERNOR	
/	/	ACCEPT	
		REJECT	

sion Public Health Emergency Medical Services Administration DATE 2/22/79

COMPONENT

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

Emergency Medical Services

Statutory Changes Required	Yes, explain	X No, explain
1. The proposed changes are necessary to ensure that the company's financial statements are presented in a clear and concise manner.		X
2. The proposed changes are necessary to ensure that the company's financial statements are presented in a consistent manner.		X
3. The proposed changes are necessary to ensure that the company's financial statements are presented in a transparent manner.		X
4. The proposed changes are necessary to ensure that the company's financial statements are presented in a reliable manner.		X
5. The proposed changes are necessary to ensure that the company's financial statements are presented in a timely manner.		X
6. The proposed changes are necessary to ensure that the company's financial statements are presented in a fair manner.		X
7. The proposed changes are necessary to ensure that the company's financial statements are presented in a balanced manner.		X
8. The proposed changes are necessary to ensure that the company's financial statements are presented in a comprehensive manner.		X
9. The proposed changes are necessary to ensure that the company's financial statements are presented in a detailed manner.		X
10. The proposed changes are necessary to ensure that the company's financial statements are presented in a thorough manner.		X

Plain Reduction

This would eliminate the following grants:

Fairbanks - Interior grant (Fairbanks Physicians Services)	\$ 85,000
---	-----------

Anchorage - Southern Region EMS Council	114,000
---	---------

\$199,000

348

Effectively Describe Effect on Service Delivery

Eliminate planning for the Advanced Life Support Phase of the program and delay implementation indefinitely. Would eliminate probability of comprehensive Northern Regional EMS systems plan & coordination.

Deletion of SGF for Southern Region would eliminate most of the training costs for EMTs in urban and bush areas of the state.

Federal guidelines require maintenance and/or plans for increase of local and state financial participation in order to continue receiving federal funds. Might well eliminate most, if not all of EMS federal monies for FY 80.

	5		
CODE	EXPENDITURES BY OBJECT		AMOUNT
100	PERSONAL SERVICES		
200	TRAVEL		
300	CONTRACTUAL SERVICES		
400	COMMODITIES		
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.		
700	GRANTS, CLAIMS, ETC.		199.0
800	MISCELLANEOUS		
	TOTAL		199.0
	I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:			
GF MATCH.			
GEN. FUND			
1-A RCPTS.			
PGM RCPTS.			
OTHER			
OTHER			
NO. PFT	NO. PFT	NO. TEMP	NO. MONTHS
()	()	()	
8 PRIORITIES			
DIVISION	Agency		GOVERNOR
/	/		ACCEPT
			REJECT

Public Health pru Emergency Medical Service COMPONENT EMS Grants

DATE 2/23/79
REVISED

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

30 REV. TITLE Emergency Medical Services Communications & Publications		5		
Statutory Changes Required ☐ Yes, explain ☐ No, explain		CODE	EXPENDITURES BY OBJECT	AMOUNT
		100	PERSONAL SERVICES	
		200	TRAVEL	
		300	CONTRACTUAL SERVICES	20.0
		400	COMMODITIES	.5
		500	EQUIPMENT	
		600	LANDS, BLDGS., ETC.	
		700	GRANTS, CLAIMS, ETC.	
		800	MISCELLANEOUS	
		TOTAL		20.5
		I-A TRANS. (non-add)		
		FED. RECEIPTS - CODE:		
		GF MATCH.		
		GEN. FUND		
		I-A RCPTS.		
		PGM RCPTS.		
		OTHER		
		OTHER		
Briefly Describe Effect on Service Delivery		NO. PFT	NO. PPT	NO. TEMP
1. Lack of method of informing EMS people throughout the state of training availability, new developments, resources, skills, etc.		()	()	()
2. Eliminate yearly symposium for correlation and education of Emergency Medical Services providers & coordination with Paramedical Assoc. skills competition.				
3. Elimination of purchase of communications equipment for Valdez/Glennallen Highway.		PRIORITIES		
4. Funding for fuel for ambulances at Healy and Cooper Landing will have to be searched for elsewhere.		DIVISION	Agency	GOVERNOR
		/	/	ACCEPT
				REJECT

Division Public Health BRU Emergency Medical Services COMPONENT EMS Administration DATE REVISED 2/23/79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

Staff Reduction

1

5

CODE

EXPENDITURES BY OBJECT

AMOUNT

100

PERSONAL SERVICES

40.3

200

TRAVEL

350

CONTRACTUAL SERVICES

400

COMMODITIES

500

EQUIPMENT

600

LANDS, BLDGS., ETC.

700

GRANTS, CLAIMS, ETC.

800

MISCELLANEOUS

TOTAL

40.3

I-A TRANS. (non-add)

FED. RECEIPTS - CODE:

GF MATCH.

GEN. FUND

40.3

I-A RCPTS.

PGM RCPTS.

OTHER

OTHER

NO. PFT

NO. PPT

NO. TEMP

NO. MONTHS

(1)

()

()

12

8

PRIORITIES

DIVISION

Agency

GOVERNOR

ACCEPT

REJECT

Statutory Changes Required ☐ Yes, explain ☒ No, explain

Explain Reduction

Elimination of the Assistant Chief, Environmental Health

Personal Services \$40,337

Briefly Describe Effect on Service Delivery

Elimination of this position would place the entire administrative and technical workload on one position, that of the Chief of the Section. Response time to public enquiries, requests for assistance, coordination of efforts in investigation and correction of foodborne disease outbreaks and initiation of enforcement proceedings would be prolonged.

Perhaps some relief at Central Office level could be provided through the Southeast Regional Sanitation Supervisor, but there would then be a similar effect on regional activities and a reduction in local direct services provided by the southeast supervisor.

Division Public Health BRU Environmental Health COMPONENT Sanitation

DATE
REVISED 2/23/79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY!

350

se/c

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE	Close Southeast Regional Laboratory		
Laboratory Changes Required	Yes, explain ☐ No, explain ☒		
Main Reduction	Closure of the Southeastern Regional Laboratory: Transfer of two professional positions and \$21,600 for postage and supplies to the Anchorage Regional Laboratory will be necessary to enable some specialized services to be handled by the Anchorage Laboratory.		
351	CODE	EXPENDITURES BY OBJECT	AMOUNT
	100	PERSONAL SERVICES	190.6
	200	TRAVEL	
	300	CONTRACTUAL SERVICES	92.2
	400	COMMODITIES	36.4
	500	EQUIPMENT	3.2
	600	LANDS, BLDGS., ETC.	
	700	GRANTS, CLAIMS, ETC.	
	800	MISCELLANEOUS	
	TOTAL		322.4
	I-A TRANS. (non-add)		
	FED. RECEIPTS - CODE:		
	GF MATCH.		
	GEN. FUND		322.4
	I-A REPTS.		
PGM REPTS.			
OTHER			
OTHER			
Effectively Describe Effect on Service Delivery	NO. PFT	NO. PPT	NO. TEMP
Closure of this laboratory would require that the approximately 20,000-25,000 tests performed there be done elsewhere, primarily in the Anchorage laboratory. There would be delays in availability of test results and therefore in diagnosis and treatment. Increased workload in Anchorage might also cause delays there. Increased transit time to Anchorage would also increase the number of unsatisfactory specimens. Laboratory support in microbiology and serology done on contract with Bartlett Memorial Hospital would be eliminated and time would have to be allowed for the Hospital to make other arrangements. Alternative arrangements would also have to be made for work done for the Department of Natural Resources and for commercial fish processing concern.	6	3	90
PRIORITIES			
DIVISION	Agency		GOVERNOR
/	/		ACCEPT
			REJECT

Division Public Health CRU Laboratories Regional Laboratories COMPONENT Regional Laboratories DATE 2/23/79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

REV. TITLE

Reduce Nursing Supervision

tutory Changes Required ☐ Yes, explain ☒ No, explain

plain Reduction

Reduce Nursing Supervisors for Northern Region from 2 to 1.

352

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	48.3
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	
800	MISCELLANEOUS	
TOTAL		48.3
I-A TRANS. (non-addl)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		48.3
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
(1)	()	()
		12
PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

riefly Describe Effect on Service Delivery

This reduction would diminish quality of public health nursing services because of lessened capacity for adequate orientation of new staff, decreased frequency in in-service training and staff supervision and less satisfactory coordination with other agencies in patient care and program planning.

vision Public Health BRU Nursing COMPONENT Nursing Administration

DATE
REVISED 2-22-79

HOUSE FINANCE COMMITTEE

FY 80

Reduce Field Nursing Staff

Plain Reduction

Staff Reduction:

Unalakleet: Public Health Nurse III
Clerk, Typist II, PPT
Custodial Worker, PPT

Unalakleet Total	\$ 63,547
------------------	-----------

Craig: Public Health Nurse III
Clerk II

Homer: Public Health Nurse II

Craig & Homer	83,569
---------------	--------

Total	<u>\$147,116</u>
-------	------------------

Briefly Describe Effect on Service Delivery

1. Elimination of public health preventive services in Unalakleet, Decreased service to Koyuk, Shaktoolik, Stebbins and St. Michael.
2. Diminished preventive services to Craig, Klawock and Thorne Bay logging camp.
3. Reduction in public health nursing activities in Homer, Tyonek, Port Graham and English Bay.

These sites were selected because there is at least potential access to some curative services and, perhaps, limited preventive services due to the availability of other health providers in the general area. However, there would be a definite reduction in preventive services such as immunization, prenatal care, well child supervision, etc. as well as in on-the-job training for health aides. There is also the factor of increased cost to area residents if they elect to travel to receive services. An attempt would be made to provide limited services by re-allocation of duties to remaining public health nurses.

		5			
CODE	EXPENDITURES BY OBJECT			AMOUNT	
100	PERSONAL SERVICES			147.1	
200	TRAVEL				
300	CONTRACTUAL SERVICES				
400	COMMODITIES				
500	EQUIPMENT				
600	LANDS, BLDGS., ETC.				
700	GRANTS, CLAIMS, ETC.				
800	MISCELLANEOUS				
			TOTAL	147.1	
1-A TRANS. (non-add)					
FED. RECEIPTS - CODE:					
GF MATCH.					
GEN. FUND				147.1	
1-A RCPTS.					
PGM RCPTS.					
OTHER					
OTHER					
NO. PFT		NO. PPT		NO. TEMP	
(4)		(2)		()	
				60	
2 PRIORITIES					
DIVISION		Agency		GOVERNOR	
/		/		ACCEPT	
				REJECT	

Division Public Health and Nursing COMPONENT Field Nursing

DATE
REVISED 2/23/79

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
February 27, 1979
9:05 a.m.

Chairman Meekins convened the meeting at approximately 9:05 a.m. All committee members were present with the exception of Representatives Smith and Schaeffer. Also in attendance were representatives from the Dept. of Health & Social Services: Dr. Robert Fraser, Director, Division of Public Health; Cathy Lloyd, Deputy Commissioner for Administrative Management; and Mrs. Fran Fleek from the Division of Public Health. John Lucas, Fiscal Analyst, and John Crandahl, Administrative Assistant to the Chairman also attended in addition to various administrative assistants assigned to committee members.

PRESENT

<u>TAPE #</u>	<u>DESCRIPTION</u>	<u>HEALTH CATEGORY</u>
<u>HFC-79 #51 Side 1</u>		
261	Call to order. Continuation of Committee review of HEALTH CATEGORY, p. 23, <u>Environmental Health</u> .	
267	Committee attention directed to staffing chart for above component. Statement by Dr. Fraser concerning function of section.	
279	Mr. Moss raised questions concerning responsibility for regulation of rural eating establishments such as those along the Taylor Highway.	
302	Response by Dr. Fraser that City of Anchorage has assumed the inspection function within its boundaries; in Fairbanks some inspection support is provided by the City; the State provides rural inspection.	INSPECTION FUNCTION
312	Rogers inquired concerning when the regulations were last rewritten (updated). Dr. Fraser responded "about two years ago."	
319	Rogers attested to problems in the Fairbanks area concerning interpretation of regulations. Every time the area gets a new inspector, new interpretations seem to be imposed, i.e.,	

2/27/79

employees shouldn't wear dark clothing, food shouldn't be placed in self-service bins, etc. When questioned, inspectors advise that problems result from outdated regulations.

- 342 Dr. Fraser advised that the Dept. is interested in learning of such problems. The Department has taken the position that its function is to protect the public--not to force restaurant operators to do something they don't want to--but to help the operators protect the public.
- 356 Rogers attested to problems surrounding temporary food service such as that available at fairs, advising that the Dept. seems to be trying to force urban standards on rural areas.
- 367 Mr. Freeman advised of a remedy for such regulation problems, stating that if one does not receive satisfaction, one should simply put the problem in writing and submit it to the Regulation Review Committee.
- 375 Mr. Moss attested to the fact that restaurant operators in rural areas should not be expected to comply with urban requirements. "The Dept. is asking for installations in the rural areas that just aren't workable. I feel the regulations are too tight where the small rural lodges are concerned. Again, the problem is with interpretation of regulations when the inspectors change." URBAN REGULATIONS APPLIED TO RURAL AREAS
- 430 Mrs. Fran Fleek attested to the fact that some regulations are standardized by the Federal Food and Drug administration.
- 439 Dr. Fraser advised that he had made note of the problem and expressed appreciation at having been made aware of its existence.
- 440 Chairman Meekins advised that the Finance Committee has "only one blunt tool" with which to deal in problem areas--decrease the budget. He further advised that he would not wish to endanger anyone's health by decreasing sanitation, requesting that Dr. Fraser work with Reps. Moss and Rogers in an attempt to resolve the above problems.

2/27/79

- 473 Mr. Moss further advised of problems arising from the fact that rural areas have to contend with nine separate regulatory agencies.
- 484 Chairman Meekins directed that Reps. Moss and Rogers meet (Thursday, March 1) with department representatives to work on problems arising within the discussed component, advising that the area of ENVIRONMENTAL HEALTH would be held open for later committee review and recommendation.
- 490 CHILD & FAMILY HEALTH Family Planning, p. 31. Dr. Fraser attested to federal administrative requirements on the program, advising that the reduction in the program is due to inability to provide administrative support. One nursing position has been changed due to changes in Title X funding.
- 533 CHILD & FAMILY HEALTH Maternal & Child Health, p. 33. Dr. Fraser advised that the component shows a \$50 thousand figure in federal receipts for specialized care of pregnancies, stating that such funding represents an estimate. The Dept. is not sure what level of funding it will receive through the program. The program involves no state match and appears to be very workable.
- 551 Chairman Meekins inquired concerning whether the indicated vacancies remain unfilled, and Mrs. Fleek replied that the positions are still vacant but frozen by the Dept.
- 559 Cathy Lloyd advised that the Dept. requires monthly projections by its divisions in an attempt to provide better fiscal management but "this (frozen positions?) is the net result of it."
- 574 CHILD & FAMILY HEALTH Handicapped Children, p. 35. Questioned concerning the indicated supplemental appropriation, Dr. Fraser advised that such funding was used to "settle the full cost of care with the hospitals."
- 582 Mr. Moss raised a question concerning the number of children involved, and Mrs. Fleek responded approximately 1,600 to 1,800.

ENVIRON-
MENTAL
HEALTH
HELD OPEN

VACANT
POSITIONS
FROZEN BY
DEPARTMENT

2/27/79

- 594 Mr. Rogers raised questions concerning the transfer of funds from Otitus Media. OTITUS MEDIA
- 631 Cathy Lloyd responded that original legislative intent funded \$100 thousand in otitus media money to YKAC. The intent was vetoed and only \$50 thousand of the funding remained. There was some confusion concerning whether that funding could appropriately go to YKAC. The Dept. has spoken with YKAC within the last two weeks. YKAC has submitted a plan for use of the funding and the money should be transferred within the next few weeks. FUNDING TO YKAC
- 654 Dr. Fraser expounded further on Dept. confusion concerning intent, advising that one interpretation stated that the money could not be given as a grant, so the Dept. took the position that it would just let the money sit and then lapse. Now, however, the money is in the process of being granted.
- 665 Chairman Meekins inquired further concerning the funding, advising that it is his understanding "you are not going to use this money to reduce vacancy; YKAC will get the whole \$50 thousand," and Cathy Lloyd responded "yes."
- 672 Chairman Meekins alluded to a statement from the attorney general that it is illegal to veto intent and yet use the funding. The Legislature has the constitutional power to appropriate money and place such funding where it sees fit. LEGISLATIVE INTENT
- 685 He further advised that the Legislature has treated Depts. which have ignored intent very harshly. The Dept. of Transportation during the current fiscal year implemented all legislative intent even though some of the language was vetoed. He advised that the Legislature is going to sue the Governor on the issue of vetoing intent and yet using the funding, and the Legislature will look harshly on any agency which does not follow legislative intent. COMMITTEE TO BE NOTIFIED
- 704 Chairman Meekins requested that Mrs. Lloyd notify the committee when funding is transferred to YKAC, TO YKAC and she agreed to do so. OF TRANSFER

2/27/79

710 Mr. Rogers inquired concerning the relationship between the \$57.5 and \$210.7 listed under Grants and Claims, and John Lucas advised that the inflation factor based on 15% represents a Budget and Management error.

CHILD & FAMILY HEALTH - Communicative Disorders, p. 37 - no questions raised.

741 Chairman Meekins requested that Cathy Lloyd provide the committee information on vacant positions frozen by the Department.

DEPT. TO
SUPPLY
LISTING OF
FROZEN
POSITIONS

CHILD & FAMILY HEALTH - Child Development Service, p. 39. Chairman Meekins advised that he understood this component has a vacant position. Dr. Fraser responded that the position requires a highly specialized psychiatrist and the Dept. has had problems recruiting for the position. Several false starts have been made, but in the end qualified individuals have not wished to make the move.

HFC 79-51, Side 2

001 CHILD & FAMILY HEALTH - Administration, p. 41, no questions raised.

027 CHILD & FAMILY HEALTH - Nutrition, p. 43
Discussion re: large amount in commodities and federal funding.

053 Mr. McKinnon raised questions concerning why this project represents one of the Department's first priorities. Dr. Fraser responded that it represents a federal program--a very difficult one to implement in Alaska because of the formula for administrative costs.

083 Mr. Moss raised questions concerning qualification for the program, and Dr. Fraser replied that individuals are qualified on the basis of income.

CHILD & FAMILY HEALTH - Special Education Grants, p. 45.

106 Dr. Fraser advised that the above program consists of grants to local communities for specialized training of staff in the infant

2/27/79

stimulation program. It applies to children--birth through four years--who have learning problems. It attempts to stimulate early development, treatment, and education.

INFANT
STIMULATION

- 130 Chairman Meekins asked if the funding is used for screening or treatment, and Dr. Fraser replied that it is used for treatment such as training parents to administer muscle movement exercises to help coordinate muscle reflexes so a child with muscular deficiencies can learn to feed himself, etc.
- 154 Mr. Moss asked if the program included unusually talented children within the definition of "exceptional," and Dr. Fraser replied "no."
- 163 Chairman Meekins asked if the increase is due to Chapter 77, SLA 1978, and Mrs. Fleek responded "yes."
- 172 Chairman Meekins excused representatives from Health & Social Services at approximately 9:45 a.m., advising that the committee would continue Department budget review later in the day.

When representatives from the Department had left the meeting, Chairman Meekins addressed committee members, stressing the need for priorities within Capital Budget funding.

CAPITAL
BUDGET

He further advised that agreement must be reached between both houses of the Legislature regarding the Joint Resolution for general fund appropriations. Chairmar. Meekins stated that he believed in the goals established by such a Resolution, but he feels House Finance has already set realistic goals, and a formal Resolution is unnecessary. Still, the statutory requirement for the Resolution remains, and he called for suggestions for dealing with the requirement. Rep. Montgomery inquired concerning what might happen should the Resolution not issue, and Chairman Meekins advised that the Committee might be subject to criticism but that is about all. Chairman Meekins advised that legislative staff has recommended something be done concerning the Resolution. Discussion on the issue among

GENERAL
FUND
RESOLU-
TION

committee members followed. Upon conclusion of such discussion Chairman Meekins announced that the Resolution would be held in abeyance for the present time.

The meeting adjourned at approximately 9:55 a.m.

ADJOURN

HFC-79 #51 Side 1 (261-end)
Side 2 (start-172)

2/27/79

HOUSE FINANCE COMMITTEE
February 27, 1979
1:30 p.m.

All members of the Committee were in attendance, except Representative Smith. Representatives Rogers, McKinnon, Duncan and Guy arrived later in the meeting. Also in attendance from the Department of Health and Social Services: Commissioner Helen Beirne; Catherine Lloyd, Deputy Commissioner, Administrative Management; Richard Lee, Program Budget Analyst, Division of Administrative Services; Dr. Robert Fraser, Director, and Frances Fleek, Division of Public Health; Rod Betit, Director, Division of Public Assistance; Joe Betit, Coordinator, State Health Planning and Development; Dave Davidson, Native Health Services; John Lucas; Division of Legislative Finance.

PRESENT

TAPE #

DESCRIPTION

HFC 79-51 Side 2

- 172 Call to order. Continuation of HEALTH budget category. Meekins complimented H&SS for their response on HFC 15% reduction request.
- 196 Short form page 49, Laboratories: Fraser discussed three regional offices--Anchorage, Fairbanks, Juneau. Stated they provide some services for Fish & Game, Public Safety and Environmental Conservation in Natural Resources.
- [Representative Rogers arrived at this time.]
- 222 Fraser stated one new position. Advised this is dependent on a grant for gas pipeline and funding from the AlCan gas pipeline.
- 235 Short form page 51, Administration: Fraser stated maintenance budget.
- 245 Page 59, Public Health Administration: Fraser stated ties together widespread services of Public Health Division. Noted grant made to Fairbanks Breast Cancer Center.
- 260 Fraser commented on medical records system developed over the last 10 years by the Indian Health Services to simplify the maintenance of medical records. Stated this information is privileged; it avoids duplication.

HEALTH BUDGET

[Representative McKinnon arrived at this time.]

- 651 Lee stated they have this same program for Social Services programs available to Social Service providers, such as foster care services, etc.
- 665 DMS mailbox system terminals in the field to save costs of telephone calls (see Attachment 1). Can also send registered mail and replies. Lee advised this is located in the local printer's central office and Anchorage office right now. He commented on the security system protecting the clients right to privacy.
- 710 Lee advised this is strictly maintenance budget, with the exception of two new positions. Beirne noted no 15% budget reductions offered in this particular budget because the program is too important and will save the Department time and money and federal audit exceptions.

HFC 79-52 Side 1

- 001 Discussion on data processing chargeback. Lee stated they have centralized all the positions in this BRU instead of putting them out in the various budgets.
- 049 Page 105, Vital Statistics: Lee advised this is continuation budget, with the exception of 1-1/2 federally funded positions.
- 084 Page 73, Medicaid: Beirne noted Public Assistance was separated out from Social Services, which has made it a much more succinct program.
- 126 Joe Betit stated revenue sharing under medicaid goes directly to the hospital.
- 151 J. Betit distributed handout (see Attachment 2) and discussed last three pages. Noted an increase in FY 79 of 29% over FY 78 expenditures; increase in FY 80 of 26% over FY 79.
- 250 Discussed eligibility determination for AFDC program. Will be submitting budget amendments.
- 306 Discussion medicaid versus general relief medicaid. Betit advised medicaid includes AFDC, in addition to those who are blind, disabled and not employable. General relief medical is where the mother and child income is below AFDC standard. Medicaid is reimbursable 50-50.
- 367 Betit advised of requirements for application for medicaid.

308 Discussion on PCIS system. Machine in Tuscon;
terminals in Alaska. Fraser stated all on-going
programs with some new ones.

340 Page 61, Health Education: Fraser stated this
is maintenance program.

340 Page 63, Grant to GAAB: Fraser advised this is
grant to municipality of Anchorage; should no
longer be called GAAB.

[Representative Duncan arrived at this time.]

Meekins questioned what would happen if this were
zeroed out. Beirne stated could do this but are
dealing with half the population of the State and
feels this is a good deal for the State. Discussion
on health powers.

400 Page 65, Emergency Medical Services: Fraser
stated this section is dedicated to carrying
out the responsibility for developing EMS
program thru grants. Examples: cardio-
vascular training, purchasing emergency vehicles,
etc. A lot federally funded.

470 Page 103, Data Services: Lee gave computer
display presentation (see Attachment 1). He
advised this is designed to make available to
all user groups all the Department's services.
Stated saves time, postage, etc.

[Representative Guy arrived at this time.]

Lee stated computer system has security device;
need key to operate. Data made available on this
terminal known by case number and also by name.

520 Discussion on program being interfaced with the
federal programs--SSA and SSI. Data can be
broken out by region.

554 Lee advised eligibility determination with the
machine is more accurate than in the field.

570 Can compute Adult Public Assistance.

595 Provide tax computations--tax tables. Lee
stated this is for the grant or case assistance
programs.

606 Lee stated machine provides information for food
stamps that is more current than in the files,
and it saves time.

- 380 Schaeffer requested breakout by race of those eligible for medicaid. Guy requested breakdown by region. REQUEST
- 440 Page 85, Indian Health Service: Question on duplication of services. Betit advised it is user option as to whether they apply for this program or medicaid.
- 491 Davidson explained the differences between the two programs and advised the number using the medicaid program. He noted Carter administration placed a freeze on Native Health Services. He stated this has added to the decline in the use of the program.
- 530 Beirne advised of a switch-over to the private health sector.
- 580 Montgomery asked about invalid claims and was advised this is generally not the case. He asked if abortion was available and was informed on a very restricted basis.
- [The meeting recessed at 2:45 p.m. and reconvened RECESS at 3:35 p.m.]
- 600 Page 87, General Relief Medical: Brief discussion on statute pertaining to this program.
- 627 Page 99, Public Assistance Administration: Rod Betit passed out handout (see Attachment 4) and advised this is not the field portion. Stated it includes director's office, medical review section, financial management, medical program and recipient benefits.
- 660 Brief discussion on the Quality Control BRU. Terminal hookup is expected to happen in FY 80.
- 700 Page 111, Planning & Research: Joe Betit distributed a handout (see Attachment 5) on SHIPDA and explained this was moved out of the Division of Public Health.

HFC 79-52 Side 2

- 001 R. Betit stated received a letter from Region 10 today stating the funding has been dropped in Certification & Licensing, page 55, by \$50.0. He stated this is not reflected in the budget. He advised this would show in Resource Development, page 113. Further discussion.

100 Betit advised page 55 is where FY 79 will be
losing the \$50.0. He stated this will affect
the position that the Legislature had authorized
last year.

120 Meekins requested the Department provide John REQUEST
Lucas with information and material regarding
how this traces thru the budget.

146 Rogers questioned what happens when the federal
funds do not materialize. Cathy Lloyd advised
then the funds are restricted on the books.

170 Discussion on how decision is reached for per-
sonnel layoff. Betit advised the position would
be cut, but the person would not have to be.

196 Discussion on rural health study under medicaid.
Davidson advised this is new service that went
into effect a year ago. Stated the first year,
it was designed to be open-ended. Advised this
is an auditing approach to come up with a stand-
ardized approach for the nationwide program.
Stated only about four clinics in the State so far.

260 Meekins advised bill assignments for Friday's
meeting: HB 107 - Meekins; HB 119 - Moss;
HB 124 - Haugen; HB 53 - McKinnon; HB 203 -
Meekins; HB 208 - Rogers; HB 296 - Duncan;
HB 155 - Meekins; HB 158.

398 Meeting adjourned at 4:55 p.m. ADJOURN

STATE
of ALASKA

MEMORANDUM

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

DATE: February 25, 1979

FILE NO:

TELEPHONE NO: 465-3061

FROM: 
Richard C. Lee
Program Budget Analyst IV
Division of Administrative ServicesSUBJECT: 15% Reduction
Office of Information Systems

The Office of Information Systems (OIS) provides services to other Divisions and Offices within the Department of Health and Social Services. A reduction in the services provided by OIS may effect a wide variety of programs and may have an effect greater than a simple 15% reduction would indicate. Therefore, it is important that any reductions made in OIS be carefully coordinated with reductions in other offices and divisions. Neither I nor OIS have had an opportunity to fully review the reductions made in other parts of the department to see where reductions might be made in OIS and do not want to make reductions of a predetermined amount without such a review.

I can offer the following suggestions where reductions may be feasible. The Division of Public Assistance has proposed that the Foodstamp program be eliminated and, if this is done, the data processing costs associated with this program could be eliminated. Likewise, if the General Relief Medical Program were eliminated, there would be a reduction in the workload for data processing for medical claims, although any reductions in this area should be carefully weighed against the current difficulties in the Medicaid Programs. The Office of Information Systems has begun to review the cost-effectiveness of the AJIS system and there may be possible cost savings in this area. Finally, in the Vital Statistics component, the least objectionable area for a reduction, would be in a reduced operation of the Center for Health Statistics.

It should be noted that OIS was broken out from the former Office of Planning and Research and that reductions have been made in areas that were formerly part of the Office of Planning and Research such as Human Services Planning.

366

Cost of sending and receiving a message on the DMS mailbox system under charge back:

1. Assumption: Message is stored after sending and before receiving for one day. (Most are not stored for even one hour.)
2. Rather than CPU seconds and sio charges, Administration will charge flat rates for connect time and computing services. Since sending messages precludes the use of the terminal for other uses, the pro-rated connect and computing costs are used herein rather than the much lower actual costs of machine and communication resources expended.
3. Sending and receiving a message is assumed to take four (4) minutes. (This is a worst case assumption.)

Storage costs .00018

(.000647 megabytes x \$8.00/mo.) ÷ 30 days

Computing costs .009

\$100.00/mo. or \$100.00/43200 min.

4 x (100.00 ÷ 43200) = .009

Communication costs .013

\$150.00/mo or \$150.00/4320 min.

4 x (150.00 ÷ 43200) = .013

Total cost \$0.02218

OR 2.2¢

Note: A local phone call costs 10¢

Initialed	Date
Prepared By	Tik 2/26
Approved By	

Division of Public Assistance
District Properties Summary

	FY 75			FY 79			FY 80			
	Authorized	Rejected	Supplemental	Authorized	Rejected	Supplemental	Authorized	Rejected	Supplemental	
Hospitals	4115.2	4115.2	-0-	4731.9	5279.9	5180.0	5617.7	6684.1	1066.7	
Physician Services	1874.0	2485.2	611.2	2130.4	2188.6	1050.2	2219.2	4036.3	1817.6	
Other Workers	322.4	720.9	198.5	501.4	924.9	423.5	735.1	1170.9	435.8	
SEST	1249.2	1249.2	-0-	1524.8	1731.2	206.2	1552.4	2191.5	639.1	
Nursing Homes	11305.2	12240.3	<20574>	16288.3	15304.5	<10843>	16199.0	17541.6	1342.6	
Total District	20162.0	18719.0	<12470>	25779.3	26728.9	11510	26953.4	31025.2	4701.0	
General Relief Unit										
Hospitals	301.0	3309.0	3720	3271.1	4218.1	12758	4117.9	5504.7	1386.8	
Physician Services	715.0	1262.1	504.5	1061.0	1619.2	555.3	1150.1	2050.0	979.7	
Other	437.8	1015.1	157.0	1179.3	1340.1	161.2	1211.1	1677.5	466.4	
Nursing Homes	506.7	506.7	-0-	728.6	504.2	<34.3>	672.9	915.6	242.7	
Catastrophe Relief	450.0	450.0	-0-	510.5	601.8	267.2	754.2	1542.0	-0-	
Total GRU	2201.5	6654.9	4380	6770.5	8844.4	10753	7906.2	15925.8	2961.8	

366

Division of Public Assistance
Nursing Home Projection FY 79
Summary

COLUMN - WRITE

1	<u>Medicaid:</u>	
2		
3	Authorized FV79	\$14,883.8
4		
5	Projected Expenditures:	
6		
7	Intermediate Care Facility	\$10,538
8	Skilled Nursing Facility	32,469
9	ICF-MR	14,887
10	Estimated Cost Settings	9,151
11		<u>158,045</u>
12		
13	Projected Supplemental Need	<u>9,108,413</u>
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		

369

Division of Public Assistance
Medicaid FY 79 Projections
Nursing Homes
Intermediate Care Facilities

Prepared By	Date
Approved By	

	1	2		3		4		5	6	7	8	9
		FY 79 FTE		Daily Rates		Expended		Projected	Projected			
		Certified Capacity	Auth.	Projected	FY 79 Auth	FY 79 Current	As of 12/31/78	1/1 - 6/30/79	FY 79 Costs			
CARRAGE House	101	0250	50.00		83.58	55.00	442.8	596.8	1039.6			
CARRAGE North	101	01.30	61.30		117.72	24.50	623.6	1124.0	1752.6			
NAKOVIA	191	60.00	111.25		114.03	103.00	1277.4	2489.0	3766.4			
Island View	48	36.20	44.16		72.13	63.57	361.1	657.1	1018.2			
Potomacburg	12	2.00	9.00		64.63	57.99	6.7	113.9	180.0			
Valley Hospital	6	1.77	3.00		87.83	104.85	38.8	63.3	107.1			
CORONA		-	5.68		113.62	93.17	36.5	114.8	151.3			
Wesleyan	64	57.53	57.53		53.12	4230	316.6	317.2	638.8			
Warrigell	14	9.00	15.02		66.68	70.00	122.2	197.8	320.0			
St. Ann's	15	-	18.00		-	84.38	121.2	329.6	450.8			
South Peninsula	1	1.00	1.00		135.00	103.00	33.2	23.4	56.6			
Norton Sound	6	3.54	4.02		180.87	223.50	125.3	199.3	324.6			
AURORA	N/A	1.00	1.00		2090	1364	27	40	67			
Hacienda	N/A	1.00	1.00		1895	1685	18	37	55			
Virginia Manor	N/A	1.00	1.00		1759	2338	0.2	51	83			
Interlake Manor	N/A	-	1.00		-	31.46	-	6.8	6.8			
Kodiak	19.0	-	15.00		-	100.00	-	325.5	325.5			
		354.24	597.07		1174.70	1290.59	3578.1	6575.7	10153.8			

Division of Public Assistance
Medicaid FY 79 Projections
Nursing Homes

Skilled Nursing Facilities

Prepared By	Initials	Date
Approved By		

		FY 79 FTE		Daily		Rates		Expended	Projected	Projected
	Certified Capacity	Auth	Projected	FY 79 Auth.	FY 79 Current	As of 12/31/78	1/1-6/30/79	FY 79 Costs		
Cerro Aliz North	101	1247	29.25	11968	9300	2913	5911	8824		
Nakovia	100	7267	12.00	15625	12500	9843	11393	21241		
Inland View	48	163	163	8015	8015	—	184	184		
Potosiburg	12	100	2.00	7187	5700	151	252	403		
Cardova	6	—	148	—	9660	—	693	693		
Warrigell	14	181	181	7343	7700	—	228	228		
St. Ann's	45	—	196	—	8250	71	161	232		
Olympic Crest	N/A	—	122	—	2300	29	50	79		
Pinehurst Park	N/A	100	100	2569	2572	21	56	77		
United Care Delmar Center	N/A	—	1100	—	3191	44	69	113		
Whidbey Island	N/A	210	200	2098	2250	41	98	139		
South Peninsula	4	—	—	15000	15000	—	—	—		
Valley Hospital	6	—	—	—	—	—	—	—		
Olympic	N/A	100	1100	—	2377	—	85	85		
South Haven	N/A	200	2100	—	2273	—	83	83		
Winslow	N/A	100	1100	—	2221	—	83	83		
		5428	2163	69805	93072	13118	19351	32469		

371

2-27-79

Division of Public Assistance
Nursing Home Projections FY 80
Summary

COLUMN - WRITE

1 2

3

4

5

6

FY80 Authorization

161990

Projected Expenditures:

Inpatient Care Facilities 123336

Skilled Nursing Facilities 35407

ICF-MR 16673

Total Projected Expenditures

175416

Projected Amendment

13426

Division of Public Assistance
Medicaid FY80 Projections
Nursing Homes
Intermediate Care Facilities

Facility	Certified Capacity	FY79 FTE		FY80 FTE		FY79 Current	Daily Rates		FY80 Projected	Total Cost		Total Cost (+)	
		Actual	Projected	Actual	Projected		FY80 Budgeted	FY80 Projected		FY80 Budgeted	FY80 Projected	FY80 Budgeted	FY80 Projected
Careage Home	101	92.50	50.00	88.86	50.00	5500	71.87	61.60	2231.0	1124.2	1124.2	<1206.5>	<1206.5>
Careage North	101	61.30	61.30	57.03	60.60	8450	97.17	94.64	2022.7	2093.3	2093.3	706	706
Nakovia	191	60.00	111.36	88.71	110.20	10200	118.45	115.36	3835.3	4640.1	4640.1	804.8	804.8
Island View	43	36.20	44.40	37.03	43.20	6857	55.08	76.80	717.6	1211.0	1211.0	493.4	493.4
Petersburg	12	8.00	9.00	8.80	9.0	5799	58.99	64.95	129.5	213.4	213.4	239	239
Valley Hospital	6	1.77	3.00	1.62	3.0	10485	110.96	117.43	65.6	128.6	128.6	650	650
Cordova		-	5.68	3.40	5.68	93.17	83.62	104.35	103.8	216.3	216.3	112.5	112.5
Westview	64	57.53	57.53	57.06	54.56	4250	46.00	47.38	958.0	597.7	597.7	<360.3>	<360.3>
WRangel	11	9.00	13.02	8.85	14.02	7000	80.50	78.40	260.0	373.6	373.6	112.6	112.6
St. Ann's	45	-	18.00	49.13	18.00	8438	36.25	94.50	155.2	620.9	620.9	465.7	465.7
South Peninsula	4	1.00	1.00	2.10	2.10	10800	124.20	120.96	95.2	92.7	92.7	<2.5>	<2.5>
Norton Sound	6	3.54	4.02	3.35	4.02	22350	262.77	255.92	221.2	375.5	375.5	54.3	54.3
Aurora	N/A	1.00	1.00	1.01	1.01	1864	17.35	19.20	64	7.1	7.1	.7	.7
Hacienda	N/A	1.00	1.00	.83	1.00	1685	19.61	17.36	59	6.3	6.3	.4	.4
Virginia Manor	N/A	1.00	1.00	.97	1.00	2338	22.91	24.08	83	8.9	8.9	.6	.6
Interlake Manor	N/A	-	1.00	-	1.00	3146	-	32.04	-	11.8	11.8	11.8	11.8
Kulink	19.0	-	15.00	-	15.00	10000	-	112.00	-	613.2	613.2	613.2	613.2
		304.24	397.07	344.57	361.59	129059	125374	143697	110757	123336	123336	12579	12579

Division of Public Assistance
Medicaid FY80 Projections
Nursing Homes
Intermediate Care Facilities

Prepared By	Initials	Date
Approved By		

COLUMBIA WRITE	1 2 3 4 5 6 7 8 9											
	Certified Capacity	FY79 FTE		FY80 FTE		Daily Rates			Total Cost	Total Cost	<+> - FY80 Amendment	
		Actual	Projected	Budgeted	Projected	FY79 Current	FY80 Budgeted	FY80 Projected	FY80 Budgeted	FY80 Projected		
	CARAGE House	101	92.50	50.00	88.80	50.00	55.00	71.87	61.60	2,331.0	1,124.2	<1,206.8>
	CARAGE North	101	61.30	61.30	57.03	60.60	84.50	97.17	94.64	2,022.7	2,093.3	70.6
	NAKOVIA	191	60.00	111.36	88.71	110.20	108.00	118.45	115.36	3,835.3	4,640.1	804.8
	Island View	48	36.20	44.46	37.03	43.20	63.57	53.09	76.80	717.6	1,211.0	493.4
	Petersburg	12	8.00	9.00	8.80	9.0	57.99	58.99	64.95	184.5	213.4	23.9
	Valley Hospital	6	1.77	3.00	1.62	3.0	104.85	110.96	117.42	65.6	128.6	63.0
	Cordova	-	-	5.68	3.40	5.68	93.17	83.62	104.35	103.8	216.3	112.5
	Wesleyan	64	57.53	57.53	57.06	34.56	42.30	46.00	47.38	958.0	577.7	<360.3>
	Warrigell	14	9.00	13.02	8.25	13.02	70.00	80.50	78.40	260.0	373.6	113.6
	St. Ann's	45	-	18.00	4.93	18.00	84.28	86.25	94.50	155.2	620.9	465.7
	South Peninsula	4	1.00	1.00	2.10	2.10	108.00	124.20	120.96	95.2	92.7	<2.5>
	Norton Sound	6	3.94	4.02	3.35	4.02	223.50	262.77	255.92	321.2	375.5	54.3
	AURORA	N/A	1.00	1.00	1.01	1.01	18.64	17.35	19.20	6.4	7.1	.7
	Hacienda	N/A	1.00	1.00	.83	1.00	16.85	19.61	17.36	5.9	6.3	.4
	Virginia Manor	N/A	1.00	1.00	.99	1.00	23.38	22.91	24.08	8.3	8.9	.6
	Interlake Manor	N/A	-	1.00	-	1.00	31.46	-	32.04	-	11.8	11.8
	Kuhik	19.0	-	15.00	-	15.00	100.00	-	112.00	-	613.2	613.2
			334.24	397.07	364.57	366.59	1,290.59	1,253.74	1,436.97	1,107.57	1,233.6	125.79

Division of Public Assistance
Medicaid FY80 Projections
Nursing Homes

Skilled Nursing Facilities

Prepared By	Initials	Date
Approved By		

COLUMBIA WHITE	Certified Capacity	FY 79 FTE		FY 80 FTE		Daily Rates			Total Cost FY 80	Total Cost FY 80	(+) - FY 80
		Auth	Projected	Budget	Projected	FY 79 Current	FY 80 Budgeted	FY 80 Projected	Budgeted	Projected	Amendment
Crescent North	101	1247	29.29	1353	28.78	9300	10695	10495	5282	10833	551
Nakovia	100	7247	12.00	6439	12.00	12500	14375	14000	33732	21462	(12270)
Island View	48	163	.63	48	.48	8015	5899	8977	103	157	54
Interbury	12	100	2.04	109	1.92	5700	6555	6334	258	447	189
Cardova	6	-	1.98	-	1.98	9660	-0-	10819	-	782	782
Warrangell	14	.81	.81	.41	.41	7700	5405	8624	81	129	48
St. Ann's	45	-	.90	12	.90	8250	9487	9240	73	304	231
Olympic Crest	N/A	-	1.00	.83	1.00	2300	2235	2369	68	86	18
Pinehurst Park	N/A	1.00	1.00	.91	1.00	2572	2204	2650	73	97	24
United Cerebral Palsy Center	N/A	-	1.00	.99	1.00	3194	3037	3290	110	120	10
Whitaker Island	N/A	2.0	2.00	2.33	2.00	2250	2163	2318	184	169	(15)
South Peninsula	4	-	-	.09	.09	15000	13800	16800	45	55	10
Valley Hospital	6	-	-	.82	.82	-	15180	17000	454	509	55
Olympic	N/A	1.00	1.00	-	1.00	2327	-0-	2392	-	87	87
South Haven	N/A	2.00	2.00	-	2.00	2273	-0-	2341	-	85	85
Winslow	N/A	1.00	1.00	-	1.00	2271	-0-	2339	-	85	85
		74.58	86.65	85.97	85.88	93312	91035	120043	40463	35407	5056

Division of Public Assistance
General Relief medical FY 79 Projections
Nursing Homes Component

Prepared By	Initials	Date
Approved By		

Intermediate Care Facilities	FY 79 FTE		Daily Rates		Expended as of 12/31/78	Projected 1/1 - 6/30/79	Projected FY 79 Costs
	Certified Capacity	Auth	FY 79 Auth	FY 79 Current			
Careage North	271	2.7	9625	8450	-	495	495
Careage House	412	2.0	7813	5500	105	716	821
Nakoria	-	6.0	-	10300	416	1320	1736
Wrangell	110	2.6	5288	7000	57	304	341
Wesleran	110	4.0	4250	4230	259	367	626
		-					
	8.9	16.7	26976	35480	817	3202	4019

Skilled Nursing Care:

Careage North	110	2.0	12687	9300	69	403	472
Nakoria	67	2.0	15625	12500	722	543	1265
Wrangell	77	2.7	5875	7700	-	1287	1287
	154	11.7	32187	29500	791	2233	3024

Supplemental Total

7043

Division of Public Assistance
General Relief Medical FY 80 Projections
Nursing Homes Component

Prepared By	Initials	Date
Approved By		

COLUMBIA WISCONSIN	Certified Capacity	2		3		4		5		6		7		8		9	
		FY 79 FTE		FY 80 FTE		Daily Rates		Total Cost		Total Cost		FY 80		FY 80		FY 80	
		Auth	Projected	Budget	Projected	FY 79 CURRENT	FY 80 Budgeted	FY 80 Projected	FY 80 Budgeted	FY 80 Projected	FY 80 Budgeted	FY 80 Projected	FY 80 Budgeted	FY 80 Projected	FY 80 Budgeted	FY 80 Projected	(+) - FY 80 Amendment
<u>Intermediate Care Facilities:</u>																	
	Careage North			.55		8450	97.17	-0-	19.5	-0-							<19.5>
	Careage House			.585	2.0	5500	71.87	61.60	153.5	45.0							<108.5>
	Nakovin			-	6.0	10300	-0-	115.36	-0-	252.6							252.6
	Wanngell			1.02	2.0	7000	69.00	78.40	25.7	57.2							31.5
	Westman			.82	4.0	4230	46.00	47.38	13.8	69.2							55.4
	St. Ann's			.13	.18	8438	86.25	94.50	5.7	6.2							5
									218.2	430.2							212.0
<u>Skilled Nursing Care:</u>																	
	Careage North			1.01	2	9300	106.95	104.95	39.4	76.6							37.2
	Nakovin			8.12	8	12500	113.75	140.00	426.0	408.8							<17.2>
	St. Ann's			.01	-	8250	94.87	-0-	.3	-0-							<.3>
				9.14	10	30050	345.57	244.95	465.7	485.4							19.7

Total ~~Sup~~ Amendment

231.7

PUBLIC ASSISTANCE
MEDICAL ASSISTANCE BUDGETING (GR MEDICAL AND MEDICAID)

Budgets for Medical Assistance will increase by 28.3% for FY79 and 26.6% for FY80.

During FY79, the caseload increase will be 9%, the utilization rate increase will be 6.3%, and the inflation rate for medical care will be 10.7%. The product of these increases will be $1.09 \times 1.063 \times 1.107 = 1.2826$, or 28.3%

During FY80, the caseload increase will be 8.29%, the utilization rate increase will be 5.92%, and the inflation rate for medical care will be 10.37%. The product of these increases will be $1.0829 \times 1.0592 \times 1.037 = 26.6\%$.

A caseload increase reflects the increased number of people eligible to receive services. A utilization rate increase reflects the increased percentage of eligibles actually receiving services. The rate of inflation shows the increases in the cost of the services provided.

The product of these three factors reflects the amount that Medical Assistance budgets will rise for the Fiscal Year being considered.

- SOURCES:
1. Caseload - H&SS Research Section has projected the number of cases for the categorical programs AFDC, AD, AB, and OAA. There are an average of 2.6 people per AFDC case.
 2. Utilization - The number of times people actually receive medical services is reported to DHEW on a "Monthly Statistical Report on Medical Care". Medical services recipients divided by Medicaid eligibles yields the utilization rate of services by eligibles.
 3. Inflation - Consumer Price Indices of Anchorage medical care costs are shown for each quarter in the January 1979 issue of the Alaska Economic Information and Reporting System. The CPI for a given quarter divided by the CPI for the year-earlier will give the rate of inflation for Anchorage medical care costs for that year.

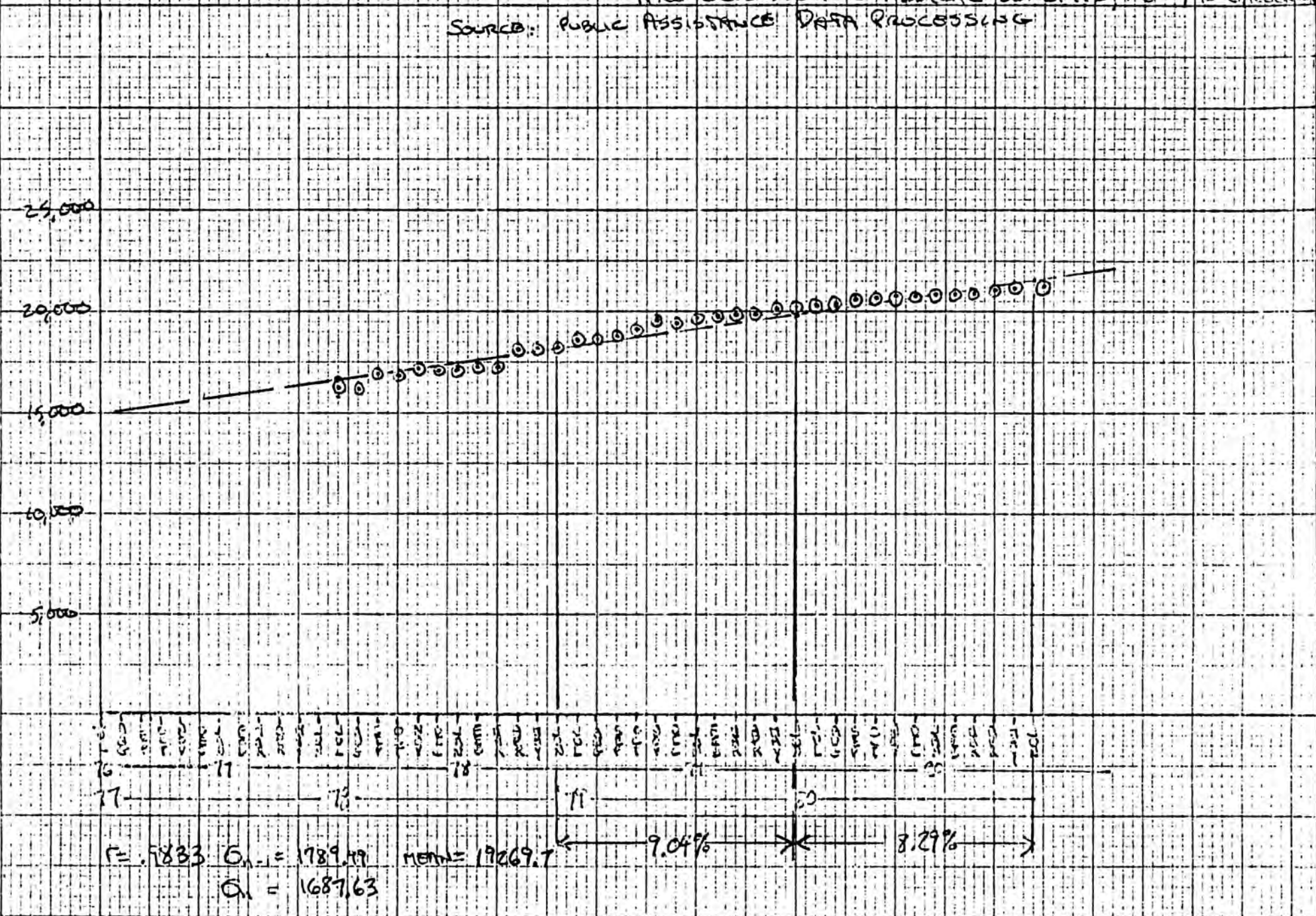
ELIGIBLE FOR MEDICAL

CASELOAD (in PEOPLE)
PER MONTH

$$\text{CASELOAD} = (\text{OAA} + \text{AFDC} + \text{AB} + \text{AD}) + \frac{2}{3} \text{FC} \text{ (1)}$$

NOTE 1: PROGRAM PERSONNEL SAY 2/3 OF FOSTER CARE CHILDREN ARE ELIGIBLE FOR MEDICAL BENEFITS; FC = 9% CASELOAD

SOURCE: PUBLIC ASSISTANCE DATA PROCESSING



UTILIZATION RATES

$$\text{UTILIZATION} = \frac{\text{NUMBER OF BENEFICIARIES ACTUALLY RECEIVING MEDICAL CARE}}{\text{NUMBER OF PEOPLE ELIGIBLE TO RECEIVE MEDICAL CARE}}$$

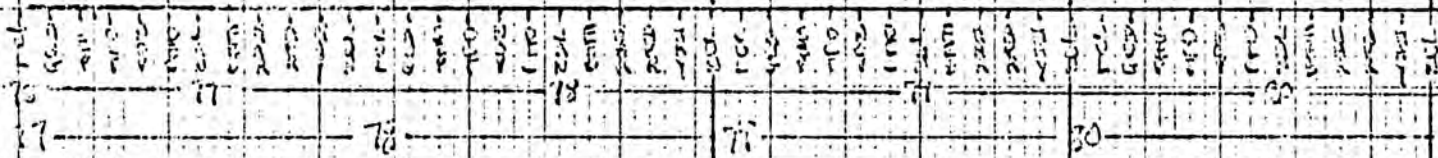
SOURCES: NUMBER OF BENEFICIARIES FROM
DHEW "MONTHLY STATISTICAL REPORT ON MEDICAL CARE"
NUMBER OF ELIGIBLES FROM PUBLIC ASSISTANCE
DATA PROCESSING

UTILIZATION
RATE

30%

20%

10%

 $\bar{x} = 16.92$ $S_{n-1} = .0104$ $mean = .1668$ $S_n = .0097$

6.27%

5.92%

CONSUMER PRICE INDEX - ANCHORAGE MEDICAL CARE

SOURCE: TABLE II, "ANCHORAGE MEDICAL CARE COSTS"
ALASKA ECONOMIC INFORMATION AND REPORTING SYSTEM
JANUARY 1979

NOTE: THIS GRAPH SHOWS MEDICAL CARE COSTS TO CONSUMERS.
COST OF MEDICAL SUPPLIES FOR HOSPITALS ARE
ESTIMATED TO BE 13% FOR FY 79 AND 12% FOR FY 80,
ACCORDING TO OMB

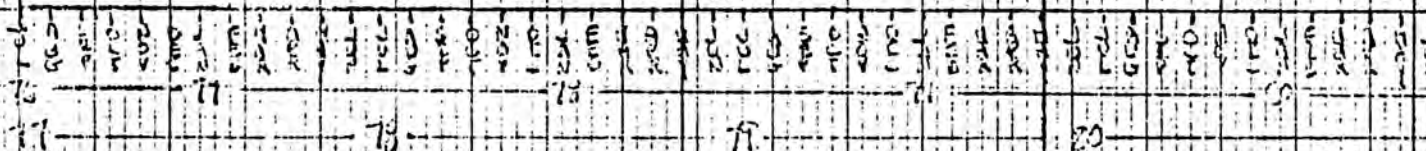
1967=100

CPI

300

200

100

 $r = .99646$ $C_n = .1791$

MEAN = 2.4667

 $C_n = .1699$

← 10.68% →

→ 10.37% ←

STATE
of ALASKA

MEMORANDUM

TO: [Helen D. Beirne, Commissioner
Department of Health and Social Services

DATE: February 22, 1979

FILE NO:

TELEPHONE NO:

FROM: *RB*
Rod Betit, Director
Division of Public AssistanceSUBJECT: House Finance Committee
Budget Request for FY80

The House Finance Committee has asked for a budget submission based on a 15% cut from the 1979 appropriation level. The Committee's request has been understood to mean a FY80 budget of General Fund (GF) dollars which is 85% of the FY79 GF level authorized prior to FY79 supplementals, none of which have yet been approved.

The FY79 GF total for Public Assistance Division budget components is \$36,622.9. The House Finance Committee budget level for FY80 would be 85% of that amount, which totals \$31,129 GF.

The Governor's Request for FY80 includes increases due to changes in caseload, utilization, inflation, and program content directed by State and Federal legislation, regulation, and court action. The Governor's Request for FY80 totals \$43,846.9 GF, which is \$12,717.4 above the amount proposed by the House Finance Committee. Cuts both deep and severe are required to reduce the Governor's Request by the 29% necessary to reach the House Finance Committee level.

In preparing the House Finance Committee budget, the Division of Public Assistance has left untouched the payment levels to "categorical" recipients. There are three reasons for leaving categorical payments at current levels: 1) The Division's primary mission is to provide assistance to the needy and the categorical recipients are the most in need; 2) Payment levels to categorical recipients are already near federal poverty levels; 3) Categorical recipients only include people who are unable, because of physical reasons, to change their need status. (The categorical programs are: Aid to Families with Dependent Children (AFDC), Aid to the Blind (AB), Aid to the Permanently Disabled (AD or APD), and Old Age Assistance (OAA)).

All other programs of the Division will have to be eliminated or reduced to bring the Governor's FY80 Request down to the House Finance Committee budget level. These changes are shown by budget component on the accompanying forms and by program in the table labeled "Programmatic Budgeting Reductions." General Relief (GR), General Relief - Medical (GR-M), and Foodstamps (FS) programs were eliminated; Medicaid (M) payments are reduced.

Vendor payments under GR had totaled \$866.4 GF in the FY80 Governor's Request. Medical provider payments under GR-M (including Hospitals, Physicians, Other Services, Nursing Homes, and Catastrophic Illness components) had totaled \$7,960.7 GF for FY80. The FY80 Foodstamp amendment, which would have been required due to a court decision and federally mandated program changes, had totaled \$262.4 GR.

Helen D. Bairne
February 22, 1979
Page Two

According to random moment time studies performed quarterly within the Division, Foodstamp document processing takes up 34.5% of Eligibility Determination reviewers' time, while document processing for General Relief and General Relief - Medical takes up 10.14% of the reviewers' time. (Foodstamps is 50% Federally-funded, however, while General Relief programs are 100% General Funds.) When Eligibility Determination and Staff Development are reduced by the appropriate percentages to account for the ending of FS, GR, and GR-M, and estimated \$1,153.4 GF is saved.

A portion of Quality Control is also concerned with Foodstamps. In discussions with QC program personnel, the Division found that 2.5 FTE positions should be cut, together with associated travel, when Foodstamps ends. Since FS is only 50% GR, the Gf Savings in QC will total only \$43.3.

When GR-M is eliminated, a portion of the Medical Assistance Payments Section workload will also disappear. Two current positions and two positions requested and approved for FY80 will not be necessary when GR-M ends, so Public Assistance Administration can be reduced by \$70.1 GF.

Medicaid payments will need to be reduced by at least \$2,361.3 GR for the Division budget to stay within the House Finance Committee level, even after ending FS, GR, and GR-M. Reductions in health standards, utilization rates, payments schedules are combined with program changes to reduce Medicaid components (Hospitals, Physicians, Other Services, EPSDT, and Nursing Homes) by \$2,574.5 GF.

The total reductions achieve through th's plan are \$12,938.1. The Public Assistance budget remaining under the House Finance Committee restrictions is \$30,908.7, which is slightly under the House Finance Committee target of \$31,129.5 GF. Savings of such magnitude are not achieved without a real and substantial cost in lowered social, economic and health standards throughout the state.

RB:ams

Attachment

Programmatic Budgeting Reductions
Within Public Assistance Division
For House Finance Committee Budget Request

		<u>General Fund Only</u>
END	General Relief	
	Vendor Payments	866.4
	Eligibility Determination (est.)	80.0
	Staff Development (est.)	3.6
		<u>950.0</u>
END	General Relief - Medical	
	Hospital Payments	4,147.9
	Physicians' Payments	1,150.3
	Other Services Payments	1,224.1
	Nursing Homes Payments	683.9
	Catastrophic Illness Payments	754.2
	Eligibility Determination (est.)	331.4
	Staff Development (est.)	14.8
	Public Assistance Administration	70.1
		<u>8,376.7</u>
END	Foodstamps	
	Eligibility Determination (ED)	699.9
	FY 80 Amendment, ED	262.4
	Staff Development	31.3
	Quality Control (est.)	43.3
		<u>1,036.9</u>
REDUCE	Medicaid	
	Hospital Payments	797.8
	Physician Payments	214.3
	Other Services Payments	139.9
	EPS DT Payments	207.6
	Nursing Homes Payments	1,214.9
		<u>2,574.5</u>
	Total General Fund Reductions	<u>\$ 12,938.1</u>

PUBLIC ASSISTANCE DIVISION BUDGETS

GENERAL FUNDS ONLY

BY BRU

	GOVERNOR'S REQUEST	BUDGET VERSION CHANGE	HOUSE FINANCE	% CUT
Assistance Payments (AFDC, AB, AD, & OAA)	18,266.5	-0-	18,266.5	00.0%
Eligibility Determination (ED, SD, & FS Amendment)	2,382.8	1,423.4	959.4	59.7%
Quality Control	284.7	43.3	241.4	15.2%
Medicaid (Hospitals, Physicians, Other, EPSDT, & Nursing Homes)	13,447.8	2,574.5	10,873.3	19.1%
General Relief	866.4	866.4	-0-	100.0%
General Relief - Medical (Hospitals, Physicians, Other, Nursing Homes, & Catastrophic Illness)	7,960.4	7,960.4	-0-	100.0%
Public Assistance Administration	638.2	70.1	568.1	11.0%
TOTALS	<u>\$43,846.9</u>	<u>\$12,938.2</u>	<u>\$30,908.7</u>	<u>29.5%</u>

DIVISION SUMMARY OF GENERAL FUNDS ONLY

FY79 Auth
General Funds

FY80
Target

FY80
Governors
Budget

Reductions

$\$ 36,622.9 \times .85$ $\$31,129.5$ - $\$43,846.9$ = ($\$12,717.4$)

COMPONENT SUMMARY OF GENERAL FUNDS ONLY

Component	FY80 Gov Budget		Reductions		Revised FY80 Gov Budget	
	GF	Other	GF	Other	GF	Other
AFDC - Aid to Families w/Dependent Child	11,367.3	11,367.3			11,367.2	11,367.2
AC - Aid to the Blind	118.8				118.8	
AD - Aid to the Perman- ently Disabled	3,659.4				3,659.4	
QAA - Old Age Assistance	3,121.1				3,121.1	
GR - General Relief	866.4		866.4		-0-	
ED - Eligibility Deter- mination	2,028.6	2,028.5	1,111.3	699.8	917.3	1,328.7
SD - Staff Development, ED	91.8	89.6	49.7	31.3	42.1	58.3
FS - FY80 Foodstamps Amendment, ED	262.4	262.5	262.4	262.5	-0-	-0-
QC - Quality Control	284.7	284.6	43.3	43.3	241.4	241.3
M - Medicaid, Hospitals' Services	2,808.9	2,808.8	797.8	797.7	2,011.1	2,011.1
M - Medicaid, Physicians' Services	1,407.1	1,412.1	214.3	219.3	1,192.8	1,192.8
M - Medicaid, Other Services	276.6	458.5	139.9	169.0	136.7	289.5
M - Medicaid EPSDT	855.7	855.8	207.6	207.8	648.1	648.0
M - Medicaid, Nursing Homes	8,099.5	8,099.5	1,214.9	1,214.9	6,884.6	6,884.6
M - Medicaid, State Institutions	TRANSFERRED TO MENTAL HEALTH					
GR-M- General Relief Hospitals	4,147.9		4,147.9		-0-	
GR-M - General Relief, Physicians	1,150.3		1,150.3		-0-	
GR-M - General Relief, Other	1,224.1		1,224.1		-0-	
GR-M - General Relief, Nursing Homes	683.9		683.9		-0-	
GR-M - General Relief, Catastrophic Ill.	754.2		754.2		-0-	
PA - Public Assistance Administration	638.2	430.9	70.1		568.1	430.9
TOTAL	43,846.90	28,098.10	12,938.10	3,645.60	30,908.70	24,452.40

385

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 GENERAL RELIEF ASSISTANCE for the SINGLE EMPLOYABLE NEEDY PROGRAM

Statutory Changes Required Yes, explain X No, explain
 Authority will Continue, Though Appropriation is Eliminated

Explain Reduction

Emergency Vendor Payments on behalf of 1,245 Alaskans per month
 (individuals and family members) will be eliminated.

300

Briefly Describe Effect on Service Delivery

Emergency rent, food, clothing, fuel oil or other emergency needs of
 Alaskans in extreme financial crises will not be paid. Increases in
 malnourishment, disease, , out-migration, crime and
 subsistence hunting and fishing are expected.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	866.4
800	MISCELLANEOUS	
TOTAL		866.4
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		866.4
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
8 PRIORITIES		
	DIVISION	Agency
	/	/
		GOVERNOR
		ACCEPT
		REJECT

Division PUBLIC ASSISTANCE

BRU

ASSISTANCE PAYMENTS

COMPONENT

GRA

DATE

REVISED FEB. 21, 1979

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBREV. TITLE

1 ELEGIBILITY DETERMINATION, ELIGIBILITY
Statutory Changes Required ☐ Yes, explain ☐ No, explain

Explain Reduction

According to random moment time studies, eligibility workers spend 34.5% of their time on Foodstamp applications and 10.4% of their time on General Relief and General Relief - Medical applications. Foodstamp programs are 50% Federally funded; GR & GR-M are 100% GF. Proportionate reductions have been made in Eligibility Determination to accord with the elimination of Foodstamps, GR, and GR-M programs.

307

Briefly Describe Effect on Service Delivery

Delivery of Foodstamp; General Relief, and General Relief - Medical Services ceases under this scenario. Eligibility Determination of related applications ceases likewise.

5		AMOUNT	
CODE	EXPENDITURES BY OBJECT		
100	PERSONAL SERVICES	1397.9	
200	TRAVEL	27.9	
300	CONTRACTUAL SERVICES	338.8	
400	COMMODITIES	13.5	
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.	33.0	
700	GRANTS, CLAIMS, ETC.		
800	MISCELLANEOUS		
TOTAL		1811.1	
I-A TRANS. (non-afld)			
FED. RECEIPTS - CODE:		699.8	
GF MATCH.		699.9	
GEN. FUND		411.4	
I-A RCPTS.			
PGM RCPTS.			
OTHER			
OTHER			
NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
(53)	()	()	636
B		PRIORITIES	
DIVISION	Agency	GOVERNOR	
/	/	ACCEPT	
		REJECT	

Division PUBLIC ASSISTANCE BRU ELIGIBILITY DETERMINATION COMPONENT ELIGIBILITY

DATE
REVISEDHOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 Eligibility Determination, Foodstamps Amendment

Statutory Changes Required Yes, explain X No, explain Program authority will remain even though program will not be funded.

Explain Reduction

The Foodstamp amendment to the FY80 budget will be reduced to zero along with the total elimination of the Alaskan Foodstamp program. This amendment would have been required to meet court-ordered agent fee levels and federally-mandated speedier document processing requirements for Foodstamp applications. Federally-ordered ending of purchase price requirements would also have resulted in substantial caseload and dollar increases which the ending of the Foodstamp program avoids.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	
800	MISCELLANEOUS	
TOTAL		524.9
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		262.5
GF MATCH.		262.4
GEN. FUND		
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		

NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
()	()	()	

PRIORITIES				GOVERNOR
DIVISION	Agency			ACCEPT
/	/			REJECT

Briefly Describe Effect on Service Delivery

Improvements in service delivery will not occur since the entire program is being cut. For the month of December, 1978, the last month for which data is currently available, the Foodstamp program supplied coupons worth \$816.8 to 18,300 Alaskans, or an average of \$44.59 each. During calendar 1978, the program brought \$6,817.8 in Federal coupon repayments to Alaskan grocers in return for that value of food delivered to Alaskans in need. The number of Alaskans qualifying for and needing Foodstamps would be likely to rise if the Alaskan government, the state's largest employer, limits its FY80 budget to 85% of the FY79 level, so ending the Foodstamp program prevents a substantial rise in program caseload and costs. Likely results include increases in malnourishment, disease, crime, outmigration, and subsistence hunting and fishing, with lower income and employment for grocers. Multiplier effects of the dollars that would have been respend by grocers will be felt throughout Alaska.

Division Public Assistance BRU Eligibility Determination COMPONENT Public Assistance Foodstamps DATE REVISED

HOUSE FINANCE COMMITTEE

REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABREV. TITLE		5			
1	ELEGIBILITY DETERMINATION, STAFF DEVELOPMENT	CODE	EXPENDITURES BY OBJECT	AMOUNT	
Statutory Changes Required ☐ Yes, explain ☐ No, explain		100	PERSONAL SERVICES	35.1	
Explain Reduction According to random moment time studies, eligibility workers spend 34.5% of their time on Foodstamp applications and 10.14% of their time on General Relief and General Relief - Medical applications. Foodstamp programs are 50% Federally Funded; GR & GR-M are 100% GF. Proportionate reductions have been made in staff development to accord with the elimination of Foodstamps, GR, and GR-M programs.		200	TRAVEL	38.7	
		300	CONTRACTUAL SERVICES	6.3	
		400	COMMODITIES	.9	
		500	EQUIPMENT		
		600	LANDS, BLDGS., ETC.		
		700	GRANTS, CLAIMS, ETC.		
		800	MISCELLANEOUS		
		TOTAL		81.0	
		I-A TRANS. (non-add)			
		FED. RECEIPTS - CODE:		31.3	
GF MATCH.		49.7			
GEN. FUND					
I-A RCPTS.					
PGM RCPTS.					
OTHER					
OTHER					
Briefly Describe Effect on Service Delivery Delivery of Foodstamp, General Relief, and General Relief - Medical Services ends with this budget level. Staff development for staff associated with these programs likewise ends, since associated staff positions are no longer funded or filled.		NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
		(1)	()	()	12
		8 PRIORITIES			
		DIVISION	Agency	GOVERNOR	
				ACCEPT	
				REJECT	

 Division PUBLIC ASSISTANCE BRU ELIGIBILITY DETERMINATION COMPONENT STAFF DEVELOPMENT DATE REVISED _____
HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 QUALITY CONTROL - SOCIAL SERVICES
Statutory Changes Required Yes, explain No, explain

Explain Reduction

That portion of Quality Control concerning Foodstamps will be eliminated when Foodstamps program is defunded. Program personnel at QC estimate a reduction of 2 1/2 FTE QC reviewer positions (range 16B). Travel to verify Foodstamp claims will be proportionally reduced.

390

Briefly Describe Effect on Service Delivery

Foodstamp program changes mandated by Federal regulation would be expected to cause Administrative difficulties in QC. The elimination of Foodstamps will to some degree ease the QC reviewing problem, allowing greater concentration on AFDC and Medicaid QC, with an improved likelihood of program compliance.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	70.5
200	TRAVEL	16.1
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	
800	MISCELLANEOUS	
TOTAL		86.6
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		43.3
GF MATCH.		43.3
GEN. FUND		
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
B PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Division PUBLIC ASSISTANCE BRU QUALITY CONTROL COMPONENT

DATE
REVISED

HOUSE FINANCE COMMITTEE

Attachment 3

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 Medicaid - Hospital Services

Statutory Changes Required Yes, explain XX No, explain Program authority remains, even though service levels are reduced.

Explain Reduction

1. Either (a) implementation of prospective budgeting by hospitals (no cost settlement) or (b) definition of reasonable cost per bed per day based on a minimum occupancy rate of 75 percent.
2. Require uniform cost accounting and cost reporting.
3. Limit all non-emergency outpatient services to those pre-authorized.
4. Limit all non-emergency surgery and in-patient treatments to those pre-authorized.
5. Limit payment to 18 days per year of inpatient hospital care.
6. Eliminate payment for all cosmetic surgery and treatment.
7. Eliminate payment for hospital-provided occupational and physical therapy.
8. Eliminate payment for all mobile care services.

391

Briefly Describe Effect on Service Delivery

Quality of service and caseloads will decrease. Number of people permanently disabled, crippled, and unemployable will increase.

5		AMOUNT	
CODE	EXPENDITURES BY OBJECT		
100	PERSONAL SERVICES		
200	TRAVEL		
300	CONTRACTUAL SERVICES		
400	COMMODITIES		
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.		
700	GRANTS, CLAIMS, ETC.	1,595.5	
800	MISCELLANEOUS		
TOTAL		1,595.5	
I-A TRANS. (non-add)			
FED. RECEIPTS - CODE:		797.7	
GF MATCH.		797.8	
GEN. FUND			
I-A RCPTS.			
PGM RCPTS.			
OTHER			
OTHER			
NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
()	()	()	
B PRIORITIES			
DIVISION	Agency	GOVERNOR	
/	/	ACCEPT	
		REJECT	

Division Public Assistance BRU Medicaid COMPONENT Hospital Services

DATE
REVISED

HOUSE FINANCE COMMITTEE

2-27-79

Attachment 3

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 Medicaid - Physicians' Services

Statutory Changes Required ☐ Yes, explain ☐ No, explain

Explain Reduction

1. Keep physician reimbursement at or below FY78 levels through continued use of FY78 individual fee profiles, through implementation of a schedule of maximum allowances, or through limiting reimbursement to the 50th or 60th percentile of all physician charges rather than the current 75th percentile.
2. Eliminate payment for all cosmetic surgery and treatment.
3. Require prior authorization on all non-emergency surgery.
4. Limit payment to one home or office visit per month.
5. Limit payment to one hospital visit per day.
6. Limit payment to two skilled nursing facility (SNF) or one intensive care facility (ICF) visit per month.
67. Limit payment to two visits per month for new and acute conditions.
68. Limit payment to two consultations per condition.

Briefly Describe Effect on Service Delivery

Quality of service and caseloads will decrease. Number of people permanently disfigured or incorrectly diagnosed will increase.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	433.6
800	MISCELLANEOUS	
TOTAL		433.6
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		219.3
GF MATCH.		214.3
GEN. FUND		
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
B PRIORITIES		NO. MONTHS
DIVISION		GOVERNOR
Agency		ACCEPT
		REJECT

Division Public Assistance

BRU Medicaid

COMPONENT Physicians' Services

DATE
REVISED

HOUSE FINANCE COMMITTEE

2-27-79

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ADDREV. TITLE

1 Medicaid - Other Services

Statutory Changes Required ☐ Yes, explain ☐ No, explain

Explain Reduction

1. Provide all glasses, hearing aids, prosthetic devices, and medical supplies through a state bulk purchasing program.
2. Maintain optometrists' and opticians' reimbursement for eye examinations and visual dispensing services at FY78 levels.
3. Limit non-emergency community mental health clinic visits to two per month.
4. Establish uniform rates for community mental health clinic reimbursement.
5. Establish uniform rates for speech, language and hearing services.
6. Require prior authorization of all non-emergency out-patient surgery.
7. Limit rural health clinic service provision in a manner similar to the limits placed on physicians' services.
8. Eliminate payment for all mobile care services.
9. Require prior authorization for all eyeglasses.

395

Briefly Describe Effect on Service Delivery

Quality of service and caseloads decline. Cost reductions available through bulk purchasing.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	308.9
800	MISCELLANEOUS	
TOTAL		308.9
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		169.0
GF MATCH.		139.9
GEN. FUND		
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Division Public Assistance Medicaid Other Services COMPONENT DATE

REVIS

HOUSE FINANCE COMMITTEE

Attachment 3

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBREV. TITLE

1 Medicaid - EPSDT

Statutory Changes Required ☐ Yes, explain ☐ No, explain

Explain Reduction

1. Reduce the Reimbursable Service Agreement with the Division of Public Health below the FY78 level or transfer central office administration to the Division of Public Assistance.
2. Lower the cost of administration of the dental services contract with Delta Dental or implement state administration of the dental program.
3. Maintain dental reimbursement at or below the FY78 levels through the continued use of the FY78 individual fee profiles, through implementation of a schedule of maximum allowances, or through limitation of reimbursement to the 50th or 60th percentile of all dentists' charges.
4. Require prior authorization of all non-emergency services and supplies.
5. Eliminate the optional coverage of physical therapy under EPSDT.
6. Require prior authorization of all non-emergency dental care.

Briefly Describe Effect on Service Delivery

Quality of service and caseloads decrease.

5		AMOUNT	
CODE	EXPENDITURES BY OBJECT		
100	PERSONAL SERVICES		
200	TRAVEL		
300	CONTRACTUAL SERVICES		
400	COMMODITIES		
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.		
700	GRANTS, CLAIMS, ETC.	415.4	
800	MISCELLANEOUS		
TOTAL		415.4	
I-A TRANS. (non-add)			
FED. RECEIPTS - CODE:		207.8	
GF MATCH.		207.6	
GEN. FUND			
I-A RCPTS.			
PGM RCPTS.			
OTHER			
OTHER			
NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
()	()	()	
PRIORITIES			
DIVISION		Agency	GOVERNOR
/		/	ACCEPT
			REJECT

Division Public Assistance BRU Medicaid COMPONENT EPSDTDATE
REVISED

HOUSE FINANCE COMMITTEE

2-27-79

HOUSE FINANCE COMMITTEE REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 Medicaid - Nursing Homes

Statutory Changes Required ☐ Yes, explain ☐ No, explain

Explain Reduction

1. Implement a system of prospective budgeting within nursing homes (no cost settlement) and/or require that the reasonable cost definition establish a per bed per day calculation based on a minimum occupancy rate of 75 percent.
2. Require that a state-employed social worker directly participate in discharge planning, in formulating a patient's plan of care, and in reviewing facility utilization.
3. Require uniform cost accounting and cost reporting.

395

Briefly Describe Effect on Service Delivery

Inefficient nursing Homes forced to revise procedures and lower costs or go out of business. Possible reduced availability of Nursing Home care with consequent caseload reductions.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	2429.8
800	MISCELLANEOUS	
TOTAL		2429.8
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		1214.9
GF MATCH.		1214.9
GEN. FUND		
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
8 PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Division Public Assistance BRU Medicaid COMPONENT Nursing Homes

DATE
REVISED

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABOVEV. TITLE 1 GENERAL RELIEF - MEDICAL, HOSPITALS		5			
Statutory Changes Required <u>Yes</u> , explain <u>X</u> No, explain Program Authority Remains, though Program is not Funded		CODE	EXPENDITURES BY OBJECT	AMOUNT	
Explain Reduction Entire General Relief - Medical Program ends.		100	PERSONAL SERVICES		
		200	TRAVEL		
		300	CONTRACTUAL SERVICES		
		400	COMMODITIES		
		500	EQUIPMENT		
		600	LANDS, BLDGS., ETC.		
		700	GRANTS, CLAIMS, ETC.	4,147.9	
		800	MISCELLANEOUS		
				TOTAL	4,147.9
				I-A TRANS. (non-add)	
Briefly Describe Effect on Service Delivery Ends State-funded delivery of emergency and general hospital services to low-income Alaskans not qualifying under rules for Categorical Programs. Some - but not all - of these services may be provided by hospitals through the use of Hill - Burton Funds. Remaining low-income Alaskans requiring hospitalization will be likely to become disabled, turn to crime, migrate, communicate disease, ... The number of abortions is likely to decrease, while the AFDC caseload is likely to increase.		FED. RECEIPTS - CODE:			
		GF MATCH.			
		GEN. FUND			4,147.9
		I-A RCPTS.			
		PGM RCPTS.			
		OTHER			
		OTHER			
		NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
		()	()	()	
		B PRIORITIES			
		DIVISION	Agency		GOVERNOR
		/	/		ACCEPT
					REJECT

Division PUBLIC ASSISTANCE DRU GENERAL - RELIEF MEDICAL COMPONENT HOSPITALS

DATE
REVISED

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ADDREV. TITLE		5		
1	GENERAL RELIEF - MEDICAL, PHYSICIANS	CODE	EXPENDITURES BY OBJECT	AMOUNT
Statutory Changes Required <u> </u> Yes, explain <u> </u> X No, explain		100	PERSONAL SERVICES	
Program Authority Remains. Though Program is not Funded		200	TRAVEL	
Explain Reduction		300	CONTRACTUAL SERVICES	
		400	COMMODITIES	
		500	EQUIPMENT	
		600	LANDS, BLDGS., ETC.	
		700	GRANTS, CLAIMS, ETC.	1150.3
		800	MISCELLANEOUS	
		TOTAL		1150.3
		I-A TRANS. (non-add)		
		FED. RECEIPTS - CODE:		
		GF MATCH.		
		GEN. FUND		
		I-A RCPTS.		
		PGM RCPTS.		
		OTHER		
		OTHER		
		NO. PFT	NO. PPT	NO. TEMP
		()	()	()
		B PRIORITIES		
		DIVISION	Agency	GOVERNOR
		/	/	ACCEPT
				REJECT
Briefly Describe Effect on Service Delivery				
Ends State-Funded Provision of Emergency and General Physicians' services to low-income Alaskans not qualifying under rules for Categorical Programs. Some (small?) percentage of this group may be cared for by physicians providing care without fee. Remaining low-income Alaskans without medical care reserves will be likely to become disabled, turn to crime, migrate, communicate disease, The number of abortions is likely to decrease, while the AFDC caseload is likely to increase, both from live-births and abandonment increases.				

Division PUBLIC ASSISTANCE BRU GENERAL RELIEF - MEDICAL COMPONENT PHYSICIANS DATE REvised

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE

1 GENERAL RELIEF - MEDICAL, OTHER

Statutory Changes Required Yes, explain X No, explain
Program Authority Remains, Though Program is not Funded

Explain Reduction

Entire General Relief - Medical Program ends.

398

Briefly Describe Effect on Service Delivery

Ends State-Funded Provision of Pharmaceutical needs; eyeglasses; physical, occupational, speech, hearing, and language therapy; medically-related transportation; prosthetic devices and hearing aids; and drugs to low-income Alaskans not qualifying under categorical program rules. No portion of these needs is likely to be supplied by other groups. Alaskans formerly cared for will be likely to suffer permanent impairments, become disabled, remain unemployed, turn to crime, migrate, communicate disease,

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	1224.1
800	MISCELLANEOUS	
TOTAL		1224.1
1-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		1224.1
1-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
B PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Division PUBLIC ASSISTANCE OR GENERAL RELIEF - MEDICAL COMPONENT OTHER

DATE
REVISED

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBREV. TITLE

1 GENERAL RELIEF - MEDICAL, NURSING HOMES

Statutory Changes Required Yes, explain ☒ No, explain ☐
Program Authority Remains, though Program is not Funded

Explain Reduction

Entire General Relief - Medical Program ends.

399

Briefly Describe Effect on Service Delivery

Ends State-Funded Provision of Nursing Home care to low-income Alaskans not qualifying under categorical program rules. No portion of these needs is likely to be supplied by other groups. Alaskans formerly cared for will be likely to suffer permanent impairments, remain disabled, communicate disease.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	683.9
800	MISCELLANEOUS	
TOTAL		683.9
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		683.9
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
B PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Division PUBLIC ASSISTANCE BRU GENERAL RELIEF - Medical COMPONENT NURSING HOMES

DATE
REVISED

HOUSE FINANCE COMMITTEE

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABRREV. TITLE

1 GENERAL RELIEF - MEDICAL, CATASTROPHIC ILLNESS

Statutory Changes Required Yes, explain X No, explain
Program Authority Remains, though Program Funding Ends

Explain Reduction

Entire General Relief - Medical Program ends.

400

Briefly Describe Effect on Service Delivery

Ends State-Funded Assumption of any portion of medical bills for single illness or injuries which leave medical expenses of \$1,000 or more after all other sources of payment are exhausted, no matter how low the income or assets of the patient. Alaskans formerly qualifying for help through this program will be likely to go bankrupt, lose their homes, turn to crime,

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	754.2
800	MISCELLANEOUS	
TOTAL		754.2
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		754.2
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
()	()	()
B PRIORITIES		
DIVISION	Agency	GOVERNOR
/	/	ACCEPT
		REJECT

Division Public Assistance and General Relief - Medical COMPONENT Catastrophic Illness

DATE
REVISED

HOUSE FINANCE COMMITTEE

Attachment 3

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBRV. TITLE
1 Medical Assistance Payments Section, Public Assistance Administration
Statutory Changes Required Yes, explain No, explain Partial reduction
to reflect defunding of of one of several programs

Explain Reduction
Ending General Relief - Medical programs reduces the workload of the Medical Assistance Payments Section: Two current positions and two requested and approved FY80 positions will be eliminated from the Medical Assistance Payments Section to reflect that workload reduction.

Briefly Describe Effect on Service Delivery
Since the General Relief---Medical program is completely eliminated, there will be no payments made for GR-M. Consequently, reducing the number of people processing payments no longer being made will have no additional effect on service delivery.

5		AMOUNT
CODE	EXPENDITURES BY OBJECT	
100	PERSONAL SERVICES	70.1
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	
800	MISCELLANEOUS	
TOTAL		70.1
I-A TRANS. (non-add)		
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		70.1
I-A RCPTS.		
PGM RCPTS.		
OTHER		
OTHER		
NO. PFT	NO. PPT	NO. TEMP
4		
		48
8 PRIORITIES		
DIVISION	Agency	GOVERNOR
		ACCEPT
		REJECT

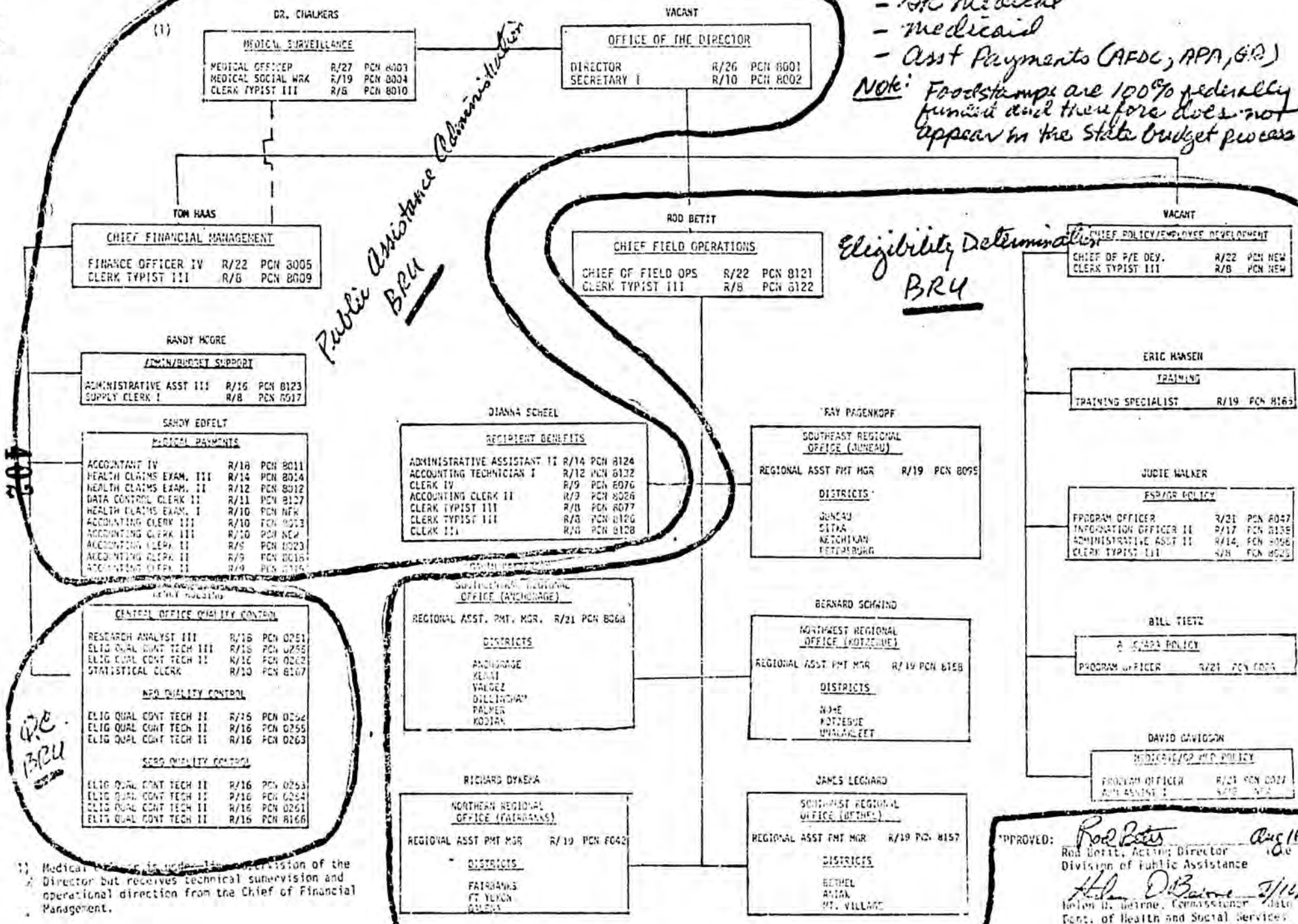
2-27-79 Division Public Assistance BRU Administration COMPONENT Medical Assistance Payments DATE REVISED

DIVISION OF PUBLIC ASSISTANCE

Benefit BRs:

- GR Medical
- Medicaid
- Asst Payments (AFDC, APA, G.D.)

Note: Foodstamps are 100% federally funded and therefore does not appear in the state budget process.



1) Medical Services is under the supervision of the Director but receives technical supervision and operational direction from the Chief of Financial Management.

MEMORANDUM

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

DATE: February 26, 1979

FILE NO.

TELEPHONE NO.

FROM: *KE*
Joe Betit
Coordinator
State Health Planning & Development

SUBJECT: 15% Budget Reduction

The attached is submitted as required by your memo of 2/20/79.

Funding under Sec. 1525 of P.L. 93-641 will not be made available if the States's expenditures for SHPDA functions under Sec. 1523 of P.L. 93-641 for the year of the grant request are less than the average of the expenditure for the three previous years for Sec. 1523 functions. Consequently, great caution must be exercised in reducing the State share of 25% in the health planning, need certification and construction licensing or we will lose the 75% Federal financial participation available for this essential effort.

Further, if we lose recognition of SHPDA, and do not have an agreement with DHEW, the Secretary thereof would be precluded from making available to Alaska any grant, loan, or guarantee of funds under the Public Health Services Act, Community Mental Health Centers Act, or the Comprehensive Alcohol Abuse ... Act of 1970.

Funding of the certification and licensing function is a mixed bag of Medicare, Medicaid, and State money. The crucial element in this area is that without proper annual certification/licensing of medical facilities (including nursing homes and ICF's) the Medicaid funding in those areas is thrown into jeopardy. At present, our understaffed survey team is working unpaid overtime roughly equivalent to one man year annually, and is not caught up. Reduction of funding could only worsen that situation.

It is with the utmost regret that the HSA State funding is pointed out; however, the 375.0 that is provided on the basis of 125.0 per HSA per annum is neither mandatory for matching nor mandatory for maintenance of effort under P.L. 93-641. As pointed out in the attachment, reduction of State funding to HSA is not recommended and if done will require statutory change.

I cannot conscientiously recommend reduction in any area of this small BRU and have delivered these reduction areas only because so ordered.

JB:ss

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ADDED TITLE

: Deletion of Position

Statutory Changes Required ☐ Yes, explain ☒ No, explain

Explain Reduction

Research Analyst-I PCN 0309 Health Planning 25.4

Grants Administrator PCN 0267 Administrations 34.7

G		AMOUNT	
CODE	EXPENDITURES BY OBJECT		
100	PERSONAL SERVICES	60.1	
200	TRAVEL		
300	CONTRACTUAL SERVICES		
400	COMMODITIES		
500	EQUIPMENT		
600	LANDS, BLDGS., ETC.		
700	GRANTS, CLAIMS, ETC.		
800	MISCELLANEOUS		
TOTAL			
I-A TRANS. (non-add)		60.1	
FED. RECEIPTS - CODE:			
GF MATCH.			
GEN. FUND		60.1	
I-A RCPTS.			
PCM RCPTS.			
OTHER			
OTHER			
NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
(2)	(--)	(--)	24
B		PRIORITIES	
DIVISION	Agency	GOVERNOR	
/	/	ACCEPT	
		REJECT	

Briefly Describe Effect on Service Delivery

The loss of the Grants Administrator position would have drastic adverse impact on the ability of SHPDA to assist in administrations of its complex budgetary/fiscal systems involving several funding sources at varying funding levels for each source and the bond or other general State funding made available through SHPDA to eligible applicants for health facilities, and to advise and counsel HSA staffs and provider applicants for Federal and State grant funds. However, because this position is federally funded, it would produce a proportionately greater effect toward reaching the forced 15% reduction total for SHPDA and is listed for that reason.

The Research Analyst I position assists the Health Planning Team in the collection, analysis and presentation of health systems data. These data are vital to SHPDA's Federal and State mandated missions of working to coordinate a

Division HASS

DRU

Planning & Research

COMPONENT

Health Planning
Administration

DATE

REVISED

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

Attach went 51

404

2-27-79

Continued

Statewide effort to word improved health delivery services and the cost containment of those services. The production of data necessary in this effort would be delayed with resultant delay and derogating effect on the SHPDA missions.

Attachment 5

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

DEBREV. TITLE
Deletion of Equipment Purchase

Statutory Changes Required Yes, explain X No, explain

Explain Reduction
Cancel Purchase of 2 typewriters

Health Planning	.8
Administration	.8
	<u>1.6</u>

5		
CODE	EXPENDITURES BY OBJECT	AMOUNT
100	PERSONAL SERVICES	
200	TRAVEL	
300	CONTRACTUAL SERVICES	
400	COMMODITIES	
500	EQUIPMENT	1.6
600	LANDS, BLDGS., ETC.	
700	GRANTS, CLAIMS, ETC.	
800	MISCELLANEOUS	
	TOTAL	
	I-A TRANS. (non-add)	1.6
FED. RECEIPTS - CODE:		
GF MATCH.		
GEN. FUND		
I-A RCPTS.		1.6
PGM RCPTS.		
OTHER		
OTHER		

406 Briefly Describe Effect on Service Delivery

The reduction of funding for this equipment will produce delays if the old equipment on hand mal functions. Consequently, like other reductions forced out of SHPOA by the 15% factor, this one would probably prove penny-wise and pound foolish.

NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
(—)	(—)	(—)	—
8 PRIORITIES			
	DIVISION	Agency	GOVERNOR
			ACCEPT REJECT

Visited 11355 BRU Planning & Research COMPONENT Health Planning DAT REVISED

2-27-79
2-1008

HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

FY 80

ABBREV. TITLE		5			
Reduction of HSA Grants		CODE	EXPENDITURES BY OBJECT	AMOUNT	
Statutory Changes Required ☒ Yes, explain ☐ No, explain		100	PERSONAL SERVICES		
Explain Reduction Grants are made per Statute: AS Title 18 Chapter 7 as follows: 125,000 - Southeast Alaska Health System Agency 125,000 - Southcentral Alaska Health System Agency 125,000 - Northern Alaska Health Resources Association, Inc. 375,000 Total - per year The full reduction would lower the amount awarded to 48.9 for each of the three agencies. The suggested reduction, if one must be made against the SHPDA allocation is to the \$100.0 figure projected in AS 18.7 to become effective in FY 81.		200	TRAVEL		
		300	CONTRACTUAL SERVICES		
		400	COMMODITIES		
		500	EQUIPMENT		
		600	LANDS, BLDGS., ETC.		
		700	GRANTS, CLAIMS, ETC.	153.3	
		800	MISCELLANEOUS		
				TOTAL	
		1-A TRANS. (from add)		153.3	
		1-D. RECEIPTS - CODE:			
		GEN. MATCH.			
		GEN. FUND		153.3	
		1-A REPTS.			
		PGM REPTS.			
		OTHER			
		OTHER			
Briefly Describe Effect on Service Delivery In 1981 the award is scheduled to decrease to 100,000. annually. This reduction will require statutory change to accelerate and increase the reduction of the HSA grants; however, it will not affect the federal funding HSA receives annually of 175.0. The reduction will force serious cutbacks in staff and travel at a time when the HSA's are making good progress in their relatively newly assumed roles of coordination of health services delivery in their geographical areas of responsibility. The reduction would undoubtedly adversely affect HSA efforts toward medical services cost containment.		NO. PFT	NO. PPT	NO. TEMP	NO. MONTHS
		()	()	()	()
		S PRIORITIES			
		DIVISION	Agency	GOVERNOR	
		/	/	ACCEPT	
				REJECT	

Division H&SS

BRU Planning & Research

COMPONENT Health Planning

DATE
REVISED 2/22/79HOUSE FINANCE COMMITTEE
REDUCTION REQUEST

ONE PAGE ONLY

DIVISION SUMMARY OF GENERAL FUNDS ONLY

FY79 Auth
General Funds

FY80
Target

FY80
Governors
Budget

Reductions

$$\underline{715.3} \times .85 = \underline{608.0} - \underline{823.7} = (\underline{215.7})$$

COMPONENT SUMMARY OF GENERAL FUNDS ONLY

Component	FY80 Gov Budget		Reductions		Revised FY80 Gov Budget	
	GF	Other	GF	Other	GF	Other
Health Planning	462.2	169.2	179.5	-0-	282.7	169.2
Administration	131.5	-0-	35.5	-0-	96.0	-0-
SHCC	26.6	67.4	-0-	-0-	26.6	67.4
Resource Development	<u>203.4</u>	<u>390.8</u>	<u>-0-</u>	<u>-0-</u>	<u>203.4</u>	<u>390.8</u>
TOTALS	823.7	627.4	215.0	-0-	608.7	627.4

HOUSE FINANCE COMMITTEE

February 28, 1979

1:35 p.m.

Chairman Meekins called the meeting to order at 1:35 p.m. Members present were: Representatives Meekins, Moss, Rogers, Freeman, Montgomery, Schaefer, McKinnon, Guy, Duncan and Haugen. Also present were: fiscal analyst John Lucas, from the Department of Health and Social Services Dr. Helen D. Beirne, Commissioner, Catherine M. Lloyd, Deputy Commissioner, Bob Cole with Alcoholism & Drug Abuse, Maurice Plotnick, Office on Aging, Roger Lange, Office of Internal Review, V. L. Iverson, Division of Administrative Services, Rod Betit, Division of Public Assistance, Art Holmberg, Division of Social Services and members of the press.

PRESENT

<u>TAPE #</u>	<u>DESCRIPTION</u>
<u>HFC-79 #52 Side 2</u>	
402	Call to order. Continuation of overview of SOCIAL SERVICES. Operating Budget Summary handout (attached to these minutes).
419	<u>Pioneers Homes</u> , P. 23. 41 new positions were allowed, all general fund. Last year a union agreement provided 38 of those positions.
432	P. 5, <u>Alaska Plan</u> - There will be some federal funds coming from other programs.
446	P. 11, <u>Longevity Bonus</u> - 521 new participants at \$150 per month in FY 80. Rep. Rogers requested totals by districts for each district.
474	P. 13 - <u>Pioneer Homes</u> - extra in Palmer, Fairbanks, & Sitka; new food coupon programs.
487	P. 21 - <u>Kotzebue Pioneer Home</u> - \$659,000 coming from Native Association.
500	P. 29 - <u>Child Support Enforcement</u> - from FY 79 to FY 80 there was an increase in federal funds from 60 to 70%.
514	P. 33 - <u>Youth Employment Services</u> - maintenance budget.
518	P. 37 - <u>Assistance Payments - AFDC</u> - \$4.4 million increase. 50% of that is general funds. Supplemental for FY 79 of \$2.4 million. 14,675 clients for FY 80 at average cost of \$129 per month.

- 530 P. 41 - Aid to the Disabled - Increase in general funds. Supplemental for \$550,000. 872 participants.
- 551 P. 43 - General Relief - The Attorney General has indicated it would be illegal to remove those persons included in the FY 79 Intent from the roll.
- 562 P. 45 - Public Assistance Eligibility - \$397,000 increase; \$250,000 of this is in general funds, \$140,000 is for 6 positions, balance mainly salary adjustments. Requesting \$87,000 for communications inflation.
- 580 P. 47 - Eligibility Determination. Question by Guy regarding eligibility workers and how a required move made some of the eligibility workers quit. Intent from last year required 12 positions be placed in rural districts.
- 627 Question from Rogers: What is United Crow Band in Tok? Mr. Lucas did not know.
- 638 P. 49 - Staff Development - will go to in-house training programs.
- 646 P. 51 - Program Services - \$160,000 increase in home makers.
- 648 P. 55 - Foster Care - losing most federal receipts. FY 78 supplement request for \$478,000; FY 79 supplemental request for \$500,000; \$764,000 FY 80 general fund increase because they did not meet eligibility requirements.
- 665 Question by Rogers regarding eligibility requirements. In FY 79 the requirements changed for institutional and foster care and therefore funds will be reduced.
- 685 P. 57 - Institutional Care - Increase of general funds of \$1,412 million. FY 78 supplemental request for \$652,000; FY 79 supplemental request for \$860,000.
- 596 Question by Rogers: Why can they go ahead and spend federal funds if the federal funds aren't there? Answer by Mr. Lucas.
- 707 P. 59 - Day Care - Federal funds will not be available during FY 80. This program is for hardship cases that don't qualify for C & RA. There are 49 full time kids at \$12.00 a day.

720 P. 61 - Youth Services - This program is basically for temporary shelter for children who are run-away youth. It's a new federal program, contracted out to private individuals. Last year took care of 290 youths. Rep. Rogers asked if this program was federally reimbursable. Mr. Lucas said he believed so.

745 P. 65 - Southcentral Region - No new positions.

748 P. 77 - Southern Region - Wrangell is combined with this region.

754 P. 83 - Central Office - a federally funded program which requires a 25% match.

P. 85 - Staff Development - Main increase is due to increase in federal funds.

HFC 79-53 both sides ruined

HFC 79-54 side 1

7 P. 97 - Title IX - 2 positions may be cut.

17 P. 99 - Old Age Assistance - \$547,000 general fund increase. \$130 per month to 2,000 participants.

39 P. 101 - Administration - Maintenance budget with only 6.5% increase for total budget. Comment concerning Intent from last year on Alaskan hospitals. Question from Haugen regarding Medicaid and Medicare.

77 Comment from Rogers concerning positions added last year for Child Abuse in Fairbanks. However, no new positions shown here.

102 P. 115 - Human Services Planning - position transferred in from planning and research.

110 P. 117 - Administration - There has been a loss of funds in Hospital and Institutional Care. There will be a supplemental request for \$50,000 on Internal Review.

119 P. 129 - Quality Control - 4 new positions because of Medicaid requirements.

133 P. 131 - Title XX Offset - no comments.

138 P. 139 - Unemployment Insurance - 10 new positions requested. 2 Accounting Clerk III to be general fund monies. Add 2 new positions, transfer 4 positions from permanent part time to permanent full time. Comment on positions by Duncan.

- 189 P. 143 - Fraud Investigation - 5 positions transferred in for Employment Insurance and 2 new positions.
- 196 Guy: question regarding how extensive fraud is in this area. Answer: Unknown. However, they requested an increase in this area because they can't keep up with the work.
- 212 P. 147 - WIN (DOL) - Fairbanks office funded with 1 position that has been vacant since 1976.
- 223 P. 157 - Veterans Services - 2 positions provided and a maintenance budget. This program helps veterans claim their benefits.
- 231 Schaeffer questioned location of this office. Explained that funds are given to American Legion and Veterans of Foreign Wars to do the work.
- 240 P. 163 - Renters' Equivalency, Rebate - went down.
P. 165 - Water & Sewer Asses. Defer - went up.
P. 167 - Motor Vehicle Exemption - stayed same.
- 264 P. 171 - Child Assistance - \$135,000 increase in general fund for Day Care. 2350 children in 15 communities.
- 262 P. 173 - Winterization - based on federal grants.
- 265 P. 187 - CETA - Administration - 41.9 will be eliminated so will show 0. Travel funds increased 345.
- 284 P. 191 - Senior Citizen Housing Develop - no real change. There is a new effort to get another commission going.
- 293 Question by Freeman on summary page on beginning differences in FY 78 and FY 79 in personal services - 32 to 36% increase.

CHANGE TO HEALTH BUDGET

Department of Health & Social Services in to testify. Bob Cole, Office of Alcohol & Drug Abuse began testifying.

- 326 P. 121 - Administration - full time positions should remain 15 and 2 part time positions. 192 man months.
- 353 Comments by Bob Cole: Operated under four-man state statutes. Total administrative costs for over-all operation is 19.5%, staff costs 11.2%, balance goes to local programs, mainly Ketchikan Juneau, Anchorage & Fairbanks. Vast majority of budget (about 80%) goes back to the local communities.

- 390 Question by Guy regarding alcohol and drug abuse in schools with answer by Mr. Cole with funding for one visit from Apostolic Village Council.
- 425 Remarks by Guy regarding elders traveling to schools to talk on drug abuse. They could do it only in their native language rather than English which was a distinct disadvantage for the children.
- 457 Meekins: Would like to be provided with a list of where grants go.
- 470 Discussion of pages 1172 and 1184 in the Red Books for the Social Services budget.
- 486 P. 121 - Administration - Duncan asked if any of the new positions had been filled. Mr. Cole said one trainer and one planner.
- 494 Mr. Rogers asked if any of the training money duplicated any funds at U of A. Mr. Cole said not actually duplicated. The basic "stuff" is being taken care of by the Native Council. Also the National Council of Drug Abuse goes around doing training. This office matches needs with training available.
- 527 Question from Rogers: Is there a statutory mandate for training? Answer: Yes.
- 530 Mr. Meekins wanted to know if the Studio Club received any training through this program. Answer: No, though they are certainly eligible.
- 545 P. 1172 of the Red Book. Question from Meekins regarding grants. Why did they look at the Studio Club but not the Salvation Army? Mr. Cole said their records indicated that the Salvation Army referred about 55 people to the Studio Club.
- 574 Mr. Meekins asked if the committee put money in this program for the Studio Club, would it go to them. Mr. Cole: Can't guarantee that. It depends on the Health Department.
- 585 Dr. Helen Beirne - report on what the Studio Club has done.
- 615 Question from Haugen on page 1172 of the red book. Wanted to know the amount spent in his area - Petersburg. Explained by Mr. Cole.
- 652 Question and answer regarding federal appropriation outside of this program.

- 681 Mr. Cole remarked that they have some control over about half of the funds with the least amount of control over Veteran funds.
- 696 Mr. Meekins asked how many clients have returned later with information on how they have been helped and are continuing from that help. Mr. Cole said it's easier in the smaller communities to obtain that information. However, they do not usually do follow up on clients. And the clients are not required to answer any personal questions following help from the program.

(2:45 p.m. - Schaeffer left meeting)

- 746 Mr. Meekins expressed thanks to Mr. Cole for his testimony.

At 2:47 p.m. the committee took a break. The meeting was resumed at 3:07 p.m.

HFC-79 #54 Side 2

- 1 Cathy Lloyd introduced Rod Betit. Rod stated that he had submitted a changed budget to the Governor's Office about three weeks ago. So far he has had no response. Mr. Betit handed out a graph (copy attached) with information concerning his programs.
- 62 Russ Meekins: Statement on graph - contrasting low periods to high periods.
- 78 Aid for Dependent Children - case load has grown alarmingly. Projection for FY 79 was 5622 cases. Actual count - 6096 cases. New budget of 23,847.5 with 50% federal and 50% state funds.
- 124 FY 79 was a bad year in this program. Now there is a supplemental in for around \$3 million.
- 130 Meekins: Difference of figures. Explain "guess high" or "guess low".
- 144 Rod: talking about mother and child with only \$350 per month. Late last year it looked like they would go over their budget. Department was faced with should it cut back or continue funding.
- 175 Rod: P. 39 - Aid to the Blind - 100% state money. No change in budget. Must be legally blind in order to be eligible for program. Payment is \$377 per month.
- 206 Cost of Living Allowance wording included in budget.

211 Meekins: Do these people have only the \$377 per month or is there any more? Rod: No more than \$377 per month with all assistance programs.

225 Longevity bonus made a big difference to them.

233 Meekins: Do they pay taxes on the assistance payment? Answer: No. Lucas: Presently not exempted. Rogers: Feds looking other way.

247 Freeman: Do you have to be "poor" to get this assistance? Rod: Poor and blind

267 Beirne: Question to Rod regarding blind person being put in a home. Longevity bonus made living expenses bearable for many people on these assistance programs.

297 Meekins: Any actual data on this? Beirne: Yes.

301 P. 41 - Aid to the Disabled - If Social Security increases their payments, the State has to increase by the same amount.

322 Question by Moss regarding case loan decreases between September and October. Why? No answer.

352 Meekins: Request to Cathy Lloyd that she work with and provide information to Senator Ferguson on contractual arrangements between State and original corporation for home makers services and relief nursing. Will there be a cost savings and is it feasible? Contact Chris Foster.

377 P. 43 - General Relief - hand out from Attorney General (copy attached).

396 Remarks regarding court case as result of General Relief Assistance.

404 Rental Assistance - statute containing word "needy" does not really define it properly.

425 \$200,000 could probably be saved by eliminating these two groups.

431 Meekins: What are problems with requiring eviction notice. Answer by Rod.

443 How fast are those requests processed? Answer: pretty quickly.

458 P. 98 - Old Age Assistance Payments - all state money.

- 476 Rogers: Will Governor sponsor budget substitute? Depends on conference between Senator Sackett and Russ Meekins.
- 490 P. 47 - Eligibility Determination - there is an amendment in on this one for \$500,000. Federal government changed food stamp program. 10 new positions requested but not approved by Governor.
- 518 Meekins: What happens if you don't comply with government regulations? Rod: Federal regulations say they can withhold their federal funds.
- 538 Alaska is not the only state that has a problem with this. The average food stamp applicant: 27 years of age and has not been in Alaska long.
- 557 Question by McKinnon regarding staff. Answer by Rod: 4 positions still not distributed.
- 570 McKinnon: What is average case loan? Answer: 117 per month.
- 576 McKinnon: Question regarding how new computer affects this. Rod: Saving us time and money. Need more terminals. Could do away with a lot of manual work if we had more terminals.
- 603 Meekins: More terminals requested in data processing budget. Rod: estimate we need 30 more terminals. FY 80 budget has request for 10 terminals. Meekins: With time shortened from 3 weeks to 1 day, seems you are saving money. Rod: As a general rule it pays for itself.
- 632 Request to Cathy Lloyd to provide information regarding force containment.
- 637 Rogers: I would also be interested in contractual and commodities savings.
- 647 Beirne: Question on what the totally implemented system would cost. Is this what you want? Yes, and information on terms of efficiency.
- 662 McKinnon: Would this system put us in compliance with the federal regulations? Rod: Not necessarily.
- 675 Meekins: What would happen if we gave back on the federal funds and required certain length of time in state before people are eligible. Answer by Rod.
- 687 Meekins: How close have you been to this in the field? Rod: I was food stamp administrator. There wasn't a lot of evidence regarding fraud in this area.

- 705 Rod: Our people go into some of the homes to get "same" information as given in the office. It's usually the same. 40% or more fall into the destitute category.
- 722 Rod: It is a requirement that a work registration form be filled out which we give to the Employment Department. Usually by the time the Employment Department gets them lined up for a job, the person is long gone.
- 733 Rogers: What is the impact of food stamps on grocery stores? Rod: A lot of stores in the bush would be pretty hard hit without food stamp customers.

HFC-79 #55 Side 1

- 1 Anchorage gets about 50% of the food stamps.
- 10 P. 49 - Staff Development - no questions.
- 17 P. 128 - Quality Control - The only BRU is in the Division of Public Assistance. The Governor went for additional positions requested. Federal government has expanded number of people who have to be visited.
- 66 Meekins: Didn't we give 2 or 3 positions last year? Rod: Yes.
- 75 Cathy Lloyd introduced Art Holmberg, Director of Social Services.
- 83 P. 53 - Homemakers Services - Asking for rate increase of 49¢ per hour. Last year they were on contract with Alaska Federation of Natives. This year asking for bids on a regional basis.
- 117 Moss: Please explain homemakers. Main thrust is to keep adults out of nursing homes. Do house work, shop, carry water, chop wood, etc.
- 170 P. 55 - Foster Care - for children in custody of state - largely children who are victims of child abuse.
- 190 P. 59 - Day Care - 10% increase due to inflation; 6% COLA increase.
- 217 P. 61 - Youth Services - contracts that we go out to the various communities in the state to provide prevention services. Request to give list to John Lucas of communities served.