

SENATE CS FOR CS FOR HOUSE BILL NO. 285(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Offered: 4/11/18

Referred: Today's Calendar

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 **"An Act making appropriations for the operating and capital expenses of the state's**
2 **integrated comprehensive mental health program; and providing for an effective date."**

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

4 (SECTION 1 OF THIS ACT BEGINS ON PAGE 2)

1 * **Section 1.** The following appropriation items are for operating expenditures from the
 2 general fund or other funds as set out in section 2 of this Act to the agencies named for the
 3 purposes expressed for the fiscal year beginning July 1, 2018 and ending June 30, 2019,
 4 unless otherwise indicated. A department-wide, agency-wide, or branch-wide unallocated
 5 reduction set out in this section may be allocated among the appropriations made in this
 6 section to that department, agency, or branch.

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
	* * * * *	* * * * *		
	* * * * * Department of Administration * * * * *			
	* * * * *	* * * * *		
12	Legal and Advocacy Services	2,409,500	2,129,000	280,500
13	Office of Public Advocacy	2,034,800		
14	Public Defender Agency	374,700		
15	* * * * *	* * * * *		
16	* * * * * Department of Corrections * * * * *			
17	* * * * *	* * * * *		
18	Population Management	1,000,000	1,000,000	
19	Community Residential	1,000,000		
20	Centers			
21	Health and Rehabilitation Services	9,159,000	8,771,100	387,900
22	Behavioral Health Care	6,544,300		
23	Substance Abuse Treatment	2,614,700		
24	Program			
25	* * * * *	* * * * *		
26	* * * * * Department of Education and Early Development * * * * *			
27	* * * * *	* * * * *		
28	Education Support and Admin Services	427,800	377,800	50,000
29	Student and School	427,800		
30	Achievement			
31	* * * * *	* * * * *		

	Appropriation	General	Other
	Allocations	Items	Funds
	Funds		Funds
* * * * * Department of Health and Social Services * * * * *			
* * * * *			
It is the intent of the legislature that the department review fund sources in all allocations and reduce excess receipt authority where the department believes the collection of receipts is not achievable.			
Alaska Pioneer Homes	16,132,200	16,132,200	
Pioneer Homes	16,132,200		
The amount allocated for Pioneer Homes includes the unexpended and unobligated balance on June 30, 2018, of the Department of Health and Social Services, Pioneer Homes care and support receipts under AS 47.55.030.			
Behavioral Health	81,288,900	79,741,300	1,547,600
Behavioral Health Treatment and Recovery Grants	54,260,200		
Alcohol Safety Action Program (ASAP)	1,461,700		
Behavioral Health Administration	5,617,600		
Behavioral Health Prevention and Early Intervention Grants	5,915,100		
Designated Evaluation and Treatment	3,794,800		
Alaska Psychiatric Institute	6,421,200		
Alaska Mental Health Board and Advisory Board on Alcohol and Drug Abuse	903,300		
Suicide Prevention Council	657,700		
Residential Child Care	2,257,300		
Children's Services	2,191,900	2,191,900	
Children's Services	69,500		

		Appropriation	General	Other
		Allocations	Funds	Funds
		Items		
1				
2				
3	Management			
4	Front Line Social Workers	148,500		
5	Family Preservation	726,000		
6	Foster Care Augmented Rate	500,000		
7	Foster Care Special Need	747,900		
8	Health Care Services		422,300	130,100
9	Residential Licensing	130,100		
10	Medical Assistance	292,200		
11	Administration			
12	Juvenile Justice		1,418,300	1,260,600
13	McLaughlin Youth Center	739,100		
14	Fairbanks Youth Facility	117,300		
15	Bethel Youth Facility	64,300		
16	Probation Services	497,600		
17	Public Assistance		13,200	13,200
18	Public Assistance	13,200		
19	Administration			
20	Public Health		2,025,800	1,775,800
21	Nursing	98,200		
22	Women, Children and Family	796,300		
23	Health			
24	Public Health	319,100		
25	Administrative Services			
26	Emergency Programs	762,200		
27	Chronic Disease Prevention	10,000		
28	and Health Promotion			
29	Bureau of Vital Statistics	40,000		
30	Senior and Disabilities Services		13,307,800	12,119,200
31	Senior and Disabilities	1,180,600		
32	Community Based Grants			
33	Early Intervention/Infant	7,424,500		

		Appropriation	General	Other
		Allocations	Items	Funds
				Funds
3	Learning Programs			
4	Senior and Disabilities	3,439,300		
5	Services Administration			
6	It is the intent of the legislature that the Department of Health & Social Services re-examine			
7	service delivery models to ensure eligible senior and disabled populations receive appropriate			
8	services irrespective of where they live in Alaska. The Department of Health and Social			
9	Services shall submit a report to co-chairs of the Finance Committees and the Legislative			
10	Finance Division on the status of the service no later than February 15, 2019.			
11	It is the intent of the legislature that the State of Alaska proceed expeditiously to establish			
12	companion services under Section 1915(c) of the Social Security Act to complement and			
13	support the services provided through the Medicare/Medicaid waiver programs. The			
14	Department of Health and Social Services shall submit a report to co-chairs of the Finance			
15	Committees and the Legislative Finance Division on the status of the service no later than			
16	January 31, 2019.			
17	It is the intent of the legislature that funding for day habilitation be sufficient to provide up to			
18	624 hours annually per recipient. The request for additional day habilitation over the annual			
19	"soft cap" of 624 hours may be approved to avoid institutional care or for the safety of			
20	Medicaid recipients.			
21	General Relief/Temporary	740,300		
22	Assisted Living			
23	Commission on Aging	119,600		
24	Governor's Council on	403,500		
25	Disabilities and Special			
26	Education			
27	Departmental Support Services		552,300	552,300
28	Commissioner's Office	202,300		
29	It is the intent of the legislature that the department work with Tribal Health Organizations			
30	for care coordination agreements with non-tribal providers in order to increase valid referrals			
31	for Indian Health Service eligible recipients to maximize the 100% FMAP. It is further the			
32	intent of the legislature that the department clearly outline requirements for 100% FMAP for			
33	services provided to an IHS beneficiary receiving Medicaid benefits thereby reducing general			

	Appropriation	General	Other
	Allocations	Items	Funds
			Funds
1			
2			
3	fund dependency by approximately \$35 million.		
4	HSS State Facilities Rent	350,000	
5	Medicaid Services	74,902,900	72,409,400
6	It is the intent of the legislature that the department work with the Legislative Finance		
7	Division to prepare a template for reports to be delivered to the co-chairs of the finance		
8	committees and the Legislative Finance Division related to actual Medicaid expenditures and		
9	projections for the remainder of FY19 on October 15th, January 15th, March 15th, and June		
10	15th. It is further the intent that the template provide FY20 expenditure projections.		
11	It is the intent of the legislature that the department significantly increase its efforts to reduce,		
12	by approximately \$40 million, the state share of Medicaid service costs by managing		
13	Medicaid utilization to index with the national average per enrollee cost. In doing so, the		
14	department should take into consideration a multiplier to the national average to account for a		
15	reasonably higher cost of health care in Alaska.		
16	Behavioral Health Medicaid	74,900,400	
17	Services		
18	Health Care Medicaid	2,500	
19	Services		
20	* * * * *	* * * * *	
21	* * * * * Department of Labor and Workforce Development * * * * *		
22	* * * * *	* * * * *	
23	Commissioner and Administrative	75,000	75,000
24	Services		
25	Labor Market Information	75,000	
26	Employment and Training Services	125,500	125,500
27	Workforce Services	125,500	
28	* * * * *	* * * * *	
29	* * * * * Department of Law * * * * *		
30	* * * * *	* * * * *	
31	Civil Division	100,200	100,200
32	Human Services	100,200	
33	* * * * *	* * * * *	

	Appropriation	General	Other
	Allocations	Items	Funds
* * * * * Department of Natural Resources * * * * *			
* * * * *			
5	Administration & Support Services	4,539,200	4,539,200
6	Mental Health Trust Lands	4,539,200	
7	Administration		
* * * * *			
* * * * *			
* * * * * Department of Public Safety * * * * *			
* * * * *			
11	Council on Domestic Violence and	2,000,000	2,000,000
12	Sexual Assault		
13	Council on Domestic	2,000,000	
14	Violence and Sexual Assault		
* * * * *			
* * * * *			
* * * * * Department of Revenue * * * * *			
* * * * *			
18	Alaska Mental Health Trust Authority	5,130,100	994,800
19	Mental Health Trust	4,635,300	
20	Operations		
21	Long Term Care Ombudsman	494,800	
22	Office		
* * * * *			
* * * * *			
* * * * * University of Alaska * * * * *			
* * * * *			
26	University of Alaska	2,483,400	805,800
27	Anchorage Campus	2,433,400	
28	Fairbanks Campus	50,000	
* * * * *			
* * * * *			
* * * * * Judiciary * * * * *			
* * * * *			
32	Alaska Court System	227,000	227,000
33	Trial Courts	227,000	

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Therapeutic Courts		3,156,200	2,936,800
4	Therapeutic Courts	3,156,200		219,400
5	(SECTION 2 OF THIS ACT BEGINS ON THE NEXT PAGE)			

1 * **Sec. 2.** The following sets out the funding by agency for the appropriations made in sec. 1 of
 2 this Act.

3 Funding Source	Amount
4 Department of Administration	
5 1037 General Fund / Mental Health	2,129,000
6 1092 Mental Health Trust Authority Authorized Receipts	280,500
7 *** Total Agency Funding ***	2,409,500
8 Department of Corrections	
9 1037 General Fund / Mental Health	7,771,100
10 1092 Mental Health Trust Authority Authorized Receipts	387,900
11 1246 Recidivism Reduction Fund	2,000,000
12 *** Total Agency Funding ***	10,159,000
13 Department of Education and Early Development	
14 1037 General Fund / Mental Health	377,800
15 1092 Mental Health Trust Authority Authorized Receipts	50,000
16 *** Total Agency Funding ***	427,800
17 Department of Health and Social Services	
18 1037 General Fund / Mental Health	160,701,500
19 1092 Mental Health Trust Authority Authorized Receipts	5,929,600
20 1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	22,124,500
21 1246 Recidivism Reduction Fund	3,500,000
22 *** Total Agency Funding ***	192,255,600
23 Department of Labor and Workforce Development	
24 1092 Mental Health Trust Authority Authorized Receipts	200,500
25 *** Total Agency Funding ***	200,500
26 Department of Law	
27 1037 General Fund / Mental Health	100,200
28 *** Total Agency Funding ***	100,200
29 Department of Natural Resources	
30 1092 Mental Health Trust Authority Authorized Receipts	4,539,200
31 *** Total Agency Funding ***	4,539,200

1	Department of Public Safety	
2	1246 Recidivism Reduction Fund	2,000,000
3	*** Total Agency Funding ***	2,000,000
4	Department of Revenue	
5	1037 General Fund / Mental Health	494,800
6	1094 Mental Health Trust Administration	4,135,300
7	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	500,000
8	*** Total Agency Funding ***	5,130,100
9	University of Alaska	
10	1037 General Fund / Mental Health	805,800
11	1092 Mental Health Trust Authority Authorized Receipts	1,677,600
12	*** Total Agency Funding ***	2,483,400
13	Judiciary	
14	1037 General Fund / Mental Health	2,645,800
15	1092 Mental Health Trust Authority Authorized Receipts	219,400
16	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	518,000
17	*** Total Agency Funding ***	3,383,200
18	* * * * * Total Budget * * * * *	223,088,500
19	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

1 * **Sec. 3.** The following sets out the statewide funding for the appropriations made in sec. 1 of
2 this Act.

3	Funding Source	Amount
4	Unrestricted General	
5	1037 General Fund / Mental Health	175,026,000
6	*** Total Unrestricted General ***	175,026,000
7	Designated General	
8	1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	23,142,500
9	1246 Recidivism Reduction Fund	7,500,000
10	*** Total Designated General ***	30,642,500
11	Other Non-Duplicated	
12	1092 Mental Health Trust Authority Authorized Receipts	13,284,700
13	1094 Mental Health Trust Administration	4,135,300
14	*** Total Other Non-Duplicated ***	17,420,000

15 (SECTION 4 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 4.** The following appropriation items are for capital projects and grants from the
 2 general fund or other funds as set out in section 5 of this Act by funding source to the
 3 agencies named for the purposes expressed and lapse under AS 37.25.020, unless otherwise
 4 noted.

	Appropriation	General	Other
	Allocations	Items	Funds
	* * * * *	* * * * *	
	* * * * * Department of Health and Social Services * * * * *		
	* * * * *	* * * * *	
10	MH Essential Program Equipment (HD 1-	500,000	250,000
11	40)		250,000

12 (SECTION 5 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 5.** The following sets out the funding by agency for the appropriations made in sec. 4 of
2 this Act.

3	Funding Source	Amount
4	Department of Health and Social Services	
5	1092 Mental Health Trust Authority Authorized Receipts	250,000
6	1139 Alaska Housing Finance Corporation Dividend	250,000
7	*** Total Agency Funding ***	500,000
8	***** Total Budget *****	500,000

9 (SECTION 6 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 6.** The following sets out the statewide funding for the appropriations made in sec. 4 of
2 this Act.

3	Funding Source	Amount
4	Unrestricted General	
5	1139 Alaska Housing Finance Corporation Dividend	250,000
6	*** Total Unrestricted General ***	250,000
7	Other Non-Duplicated	
8	1092 Mental Health Trust Authority Authorized Receipts	250,000
9	*** Total Other Non-Duplicated ***	250,000

10 (SECTION 7 OF THIS ACT BEGINS ON THE NEXT PAGE)

1 * **Sec. 7. PURPOSE.** In accordance with AS 37.14.003 and 37.14.005, the appropriations
2 made in this Act are for the state's integrated comprehensive mental health program.

3 * **Sec. 8. NONGENERAL FUND RECEIPTS.** (a) Alaska Mental Health Trust Authority
4 authorized receipts (AS 37.14.036) or administration receipts (AS 37.14.036) that exceed the
5 amounts appropriated in this Act are appropriated conditioned upon compliance with the
6 program review provisions of AS 37.07.080(h).

7 (b) If Alaska Mental Health Trust Authority authorized receipts (AS 37.14.036) or
8 administration receipts (AS 37.14.036) fall short of the estimates used as the basis of the
9 appropriation, the affected appropriation is reduced by the amount of the shortfall in receipts.

10 * **Sec. 9. SALARY AND BENEFIT ADJUSTMENTS.** (a) The appropriations made in sec.
11 1 of this Act include amounts for salary and benefit adjustments for public officials, officers,
12 and employees of the executive branch, Alaska Court System employees, employees of the
13 legislature, and legislators and to implement the terms for the fiscal year ending June 30,
14 2019, of the following collective bargaining agreements:

15 (1) Alaska State Employees Association, for the general government unit;

16 (2) Alaska Vocational Technical Center Teachers' Association, National
17 Education Association, representing the employees of the Alaska Vocational Technical
18 Center;

19 (3) Confidential Employees Association, representing the confidential unit;

20 (4) Public Safety Employees Association, representing the regularly
21 commissioned public safety officers unit.

22 (b) The appropriations made to the University of Alaska in sec. 1 of this Act include
23 amounts for salary and benefit adjustments for the fiscal year ending June 30, 2019, for
24 university employees who are not members of a collective bargaining unit and to implement
25 the terms for the fiscal year ending June 30, 2019, of the following collective bargaining
26 agreements:

27 (1) University of Alaska Federation of Teachers (UAFT);

28 (2) Alaska Higher Education Crafts and Trades Employees, Local 6070;

29 (3) Fairbanks Firefighters Union, IAFF Local 1324;

30 (4) United Academic - Adjuncts - American Association of University
31 Professors, American Federation of Teachers;

1 (5) United Academics - American Association of University Professors,
2 American Federation of Teachers.

3 (c) If a collective bargaining agreement listed in (a) of this section is not ratified by
4 the membership of the respective collective bargaining unit, the appropriations made in this
5 Act applicable to the collective bargaining unit's agreement are adjusted proportionately by
6 the amount for that collective bargaining agreement, and the corresponding funding source
7 amounts are adjusted accordingly.

8 (d) If a collective bargaining agreement listed in (b) of this section is not ratified by
9 the membership of the respective collective bargaining unit and approved by the Board of
10 Regents of the University of Alaska, the appropriations made in this Act applicable to the
11 collective bargaining unit's agreement are adjusted proportionately by the amount for that
12 collective bargaining agreement, and the corresponding funding source amounts are adjusted
13 accordingly.

14 (e) Appropriations made in sec. 1 of this Act for salary and benefit adjustments as
15 described in (a) and (b) of this section are for the benefit of the state's integrated
16 comprehensive mental health program only and do not necessarily affect every group of
17 noncovered employees or every collective bargaining unit listed in (a) and (b) of this section.

18 * **Sec. 10.** This Act takes effect July 1, 2018.