

CONFERENCE CS FOR HOUSE BILL NO. 285

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE CONFERENCE COMMITTEE

Offered: 5/10/18

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)

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

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
	* * * * *	* * * * *		
	* * * * * Department of Administration * * * * *			
	* * * * *	* * * * *		
Legal and Advocacy Services		2,414,500	2,134,000	280,500
Office of Public Advocacy	2,039,800			
Public Defender Agency	374,700			
	* * * * *	* * * * *		
	* * * * * Department of Corrections * * * * *			
	* * * * *	* * * * *		
Population Management		1,000,000	1,000,000	
It is the intent of the legislature that the Commissioner of the Department of Corrections will prioritize funding and implement solutions, that may include, but not be limited to transitional housing and diversion programs, that reduce the disparity in Alaska Native incarceration throughout the state.				
Community Residential Centers	1,000,000			
Health and Rehabilitation Services		9,242,400	8,854,500	387,900
Behavioral Health Care	6,620,000			
Substance Abuse Treatment Program	2,622,400			
	* * * * *	* * * * *		
	* * * * * Department of Education and Early Development * * * * *			
	* * * * *	* * * * *		

		Appropriation	General	Other
	Allocations	Items	Funds	Funds
1				
2				
3	Education Support and Admin Services	427,800	377,800	50,000
4	Student and School	427,800		
5	Achievement			
6	*****	*****		
7	***** Department of Health and Social Services *****			
8	*****	*****		
9	It is the intent of the legislature that the department review fund sources in all allocations and			
10	reduce excess receipt authority where the department believes the collection of receipts is not			
11	achievable.			
12	It is the intent of the legislature that the Department of Health and Social Services submit a			
13	report to the co-chairs of the Finance Committees and the Legislative Finance Division by			
14	November 15 of 2019 and 2020 on 1) disbursement and use of federal Disproportionate Share			
15	Hospital (DSH) dollars by community and regional hospitals, 2) the annual amount of federal			
16	DSH funds which the state is not claiming, and 3) future strategies for claiming those funds,			
17	including the possibility of hospitals matching those funds, to improve outcomes for patients,			
18	providers and the public.			
19	Alaska Pioneer Homes	16,386,200	16,386,200	
20	Pioneer Homes	16,386,200		
21	The amount allocated for Pioneer Homes includes the unexpended and unobligated balance			
22	on June 30, 2018, of the Department of Health and Social Services, Pioneer Homes care and			
23	support receipts under AS 47.55.030.			
24	Behavioral Health	81,411,800	79,857,500	1,554,300
25	Behavioral Health Treatment	54,260,200		
26	and Recovery Grants			
27	Alcohol Safety Action	1,479,700		
28	Program (ASAP)			
29	Behavioral Health	5,675,600		
30	Administration			
31	Behavioral Health	5,915,100		
32	Prevention and Early			
33	Intervention Grants			

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Designated Evaluation and	3,794,800		
4	Treatment			
5	Alaska Psychiatric	6,468,100		
6	Institute			
7	Alaska Mental Health Board	903,300		
8	and Advisory Board on			
9	Alcohol and Drug Abuse			
10	Suicide Prevention Council	657,700		
11	Residential Child Care	2,257,300		
12	Children's Services		2,191,900	2,191,900
13	Children's Services	69,500		
14	Management			
15	Front Line Social Workers	148,500		
16	Family Preservation	726,000		
17	Foster Care Augmented Rate	500,000		
18	Foster Care Special Need	747,900		
19	Health Care Services		424,500	132,300
20	Residential Licensing	132,300		
21	Medical Assistance	292,200		
22	Administration			
23	Juvenile Justice		1,438,000	1,271,500
24	McLaughlin Youth Center	746,600		
25	Fairbanks Youth Facility	117,300		
26	Bethel Youth Facility	64,300		
27	Probation Services	509,800		
28	Public Assistance		13,200	13,200
29	Public Assistance	13,200		
30	Administration			
31	Public Health		2,029,600	1,779,600
32	Nursing	98,200		
33	Women, Children and Family	798,100		

		Appropriation	General	Other
		Allocations	Funds	Funds
1				
2				
3	Health			
4	Public Health	319,100		
5	Administrative Services			
6	Emergency Programs	764,200		
7	Chronic Disease Prevention	10,000		
8	and Health Promotion			
9	Bureau of Vital Statistics	40,000		
10	Senior and Disabilities Services	13,339,800	12,147,100	1,192,700
11	Senior and Disabilities	1,180,600		
12	Community Based Grants			
13	Early Intervention/Infant	7,424,500		
14	Learning Programs			
15	Senior and Disabilities	3,471,300		
16	Services Administration			
17	It is the intent of the legislature that the Department of Health & Social Services re-examine			
18	service delivery models to ensure eligible senior and disabled populations receive appropriate			
19	services irrespective of where they live in Alaska. The Department of Health and Social			
20	Services shall submit a report to co-chairs of the Finance Committees and the Legislative			
21	Finance Division on the status of the service no later than February 15, 2019.			
22	It is the intent of the legislature that the State of Alaska proceed expeditiously to establish			
23	companion services under Section 1915(c) of the Social Security Act to complement and			
24	support the services provided through the Medicare/Medicaid waiver programs. The			
25	Department of Health and Social Services shall submit a report to co-chairs of the Finance			
26	Committees and the Legislative Finance Division on the status of the service no later than			
27	January 31, 2019.			
28	It is the intent of the legislature that funding for day habilitation be sufficient to provide up to			
29	624 hours annually per recipient. The request for additional day habilitation over the annual			
30	"soft cap" of 624 hours may be approved to avoid institutional care or for the safety of			
31	Medicaid recipients.			
32	General Relief/Temporary	740,300		
33	Assisted Living			

		Appropriation	General	Other
		Allocations	Funds	Funds
Commission on Aging	119,600			
Governor's Council on	403,500			
Disabilities and Special				
Education				
Departmental Support Services		552,300	552,300	
Commissioner's Office	202,300			
It is the intent of the legislature that the department work with Tribal Health Organizations for care coordination agreements with non-tribal providers in order to increase valid referrals for Indian Health Service eligible recipients to maximize the 100% FMAP. It is further the intent of the legislature that the department clearly outline requirements for 100% FMAP for services provided to an IHS beneficiary receiving Medicaid benefits thereby reducing general fund dependency by approximately \$30 million.				
HSS State Facilities Rent	350,000			
Medicaid Services		84,649,300	82,155,800	2,493,500
It is the intent of the legislature that the department work with the Legislative Finance Division to prepare a template for reports to be delivered to the co-chairs of the finance committees and the Legislative Finance Division related to actual Medicaid expenditures and projections for the remainder of FY19 on October 15th, January 15th, March 15th, and June 15th. It is further the intent that the template provide FY20 expenditure projections.				
It is the intent of the legislature that the department significantly increase its efforts to reduce the state share of Medicaid service costs by managing Medicaid utilization to index with the national average per enrollee cost. In doing so, the department should take into consideration a multiplier to the national average to account for a reasonably higher cost of health care in Alaska.				
Behavioral Health Medicaid	84,646,800			
Services				
Health Care Medicaid	2,500			
Services				
	* * * * *	* * * * *		
	* * * * *	Department of Labor and Workforce Development	* * * * *	
	* * * * *	* * * * *		

1		Appropriation	General	Other
2		Allocations	Funds	Funds
3	Commissioner and Administrative	79,000		79,000
4	Services			
5	Labor Market Information	79,000		
6	Employment and Training Services	125,500		125,500
7	Workforce Services	125,500		
8		*****	*****	
9		***** Department of Law *****		
10		*****	*****	
11	Civil Division	100,200	100,200	
12	Human Services	100,200		
13		*****	*****	
14		***** Department of Natural Resources *****		
15		*****	*****	
16	Administration & Support Services	4,539,200		4,539,200
17	Mental Health Trust Lands	4,539,200		
18	Administration			
19		*****	*****	
20		***** Department of Public Safety *****		
21		*****	*****	
22	Council on Domestic Violence and	2,000,000	2,000,000	
23	Sexual Assault			
24	Council on Domestic	2,000,000		
25	Violence and Sexual Assault			
26		*****	*****	
27		***** Department of Revenue *****		
28		*****	*****	
29	Alaska Mental Health Trust Authority	5,136,100	1,000,800	4,135,300
30	Mental Health Trust	4,635,300		
31	Operations			
32	Long Term Care Ombudsman	500,800		
33	Office			

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

Funding Source	Amount
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Department of Administration

1037 General Fund / Mental Health	2,134,000
1092 Mental Health Trust Authority Authorized Receipts	280,500
*** Total Agency Funding ***	2,414,500

Department of Corrections

1037 General Fund / Mental Health	7,854,500
1092 Mental Health Trust Authority Authorized Receipts	387,900
1246 Recidivism Reduction Fund	2,000,000
*** Total Agency Funding ***	10,242,400

Department of Education and Early Development

1037 General Fund / Mental Health	377,800
1092 Mental Health Trust Authority Authorized Receipts	50,000
*** Total Agency Funding ***	427,800

Department of Health and Social Services

1037 General Fund / Mental Health	170,862,900
1092 Mental Health Trust Authority Authorized Receipts	5,949,200
1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	22,124,500
1246 Recidivism Reduction Fund	3,500,000
*** Total Agency Funding ***	202,436,600

Department of Labor and Workforce Development

1092 Mental Health Trust Authority Authorized Receipts	204,500
*** Total Agency Funding ***	204,500

Department of Law

1037 General Fund / Mental Health	100,200
*** Total Agency Funding ***	100,200

Department of Natural Resources

1092 Mental Health Trust Authority Authorized Receipts	4,539,200
*** 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	500,800
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 ***	5,136,100
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 * * * * *	233,367,900
19	(SECTION 3 OF THIS ACT BEGINS ON THE NEXT PAGE)	

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

Funding Source	Amount
Unrestricted General	
1037 General Fund / Mental Health	185,281,800
*** Total Unrestricted General ***	185,281,800
Designated General	
1180 Alcohol and Other Drug Abuse Treatment & Prevention Fund	23,142,500
1246 Recidivism Reduction Fund	7,500,000
*** Total Designated General ***	30,642,500
Other Non-Duplicated	
1092 Mental Health Trust Authority Authorized Receipts	13,308,300
1094 Mental Health Trust Administration	4,135,300
*** Total Other Non-Duplicated ***	17,443,600

(SECTION 4 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 (5) Public Employees Local 71, for the labor, trades, and crafts unit;

23 (6) Alaska Public Employees Association, for the supervisory unit.

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

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

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

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

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

3 (5) United Academics - American Association of University Professors,
4 American Federation of Teachers.

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

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

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

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