

**2019 Legislature - Operating Budget  
Transaction Compare - Governor Structure  
Between 20Adj Base and 20Gov 12/15**

<b>Numbers and Language Differences Agencies: H&amp;SS</b>
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**Agency: Department of Health and Social Services**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Alaska Psychiatric Institute</b>													
<b>Alaska Psychiatric Institute</b>													
L	Reverse Operational Costs for Acute Mental Health Services (Sec12c Ch19 SLA2018 P27 L27 (SB142) (FY18-FY19))	20Gov 12/15	OTI	-3,100.0	-3,100.0	0.0	0.0	0.0	0.0	0.0	-20	0	0
	Reverse language section transaction from the base budget.												
	1004 Gen Fund (UGF)			-1,736.0									
	1007 I/A Rcpts (Other)			-682.0									
	1108 Stat Desig (Other)			-682.0									
	Maintain Operational Costs for Acute Mental Health Services	20Gov 12/15	IncM	3,100.0	3,100.0	0.0	0.0	0.0	0.0	0.0	20	0	0

The Alaska Psychiatric Institute (API) provides emergency and court-ordered inpatient psychiatric services to support recovery from mental illness. The facility serves a critical role in Alaska as the only state-run psychiatric hospital, and requires additional resources to keep up with the demand for its services.

API can only operate 58 of its 80-bed capacity with current staffing levels. Alaskans who are in need of acute mental health services are unable to access these services, and are currently being housed in emergency departments across the state.

The department recommends a three-pronged approach to address the needs of these patients: 1.) Increasing the number of nursing positions at the hospital; 2.) Offering a competitive wage to nurses employed at the facility; and 3.) Providing recruitment incentives to enhance our ability to hire and keep nurses employed at the facility.

**Nursing positions and competitive wages**

API has 52 registered nurse (RN) positions; however, there are 10 nursing vacancies and 9 additional nurses on extended leave (i.e. FMLA and Worker's Comp, etc.). This means API has 33 RNs, not 52, available to work. While API has been able to contract with five temporary RNs, the hospital is unable to reopen beds without additional nursing staff. Twenty RN positions are needed to ensure a full complement of nurse's onsite, allowing all 80 beds at the facility to be open and available. However, making more positions available is not an effective solution if the wages for these positions are not competitive with nursing jobs elsewhere. A salary study for the psychiatric nursing positions is underway as a priority action item. Nonetheless, we anticipate the results of such a study could not be implemented until early FY2019. In the meantime, our best estimate is that raising the salaries of the existing 52 RN positions to a competitive level would cost a total of \$0.7 million. (The salary increase is based on best estimates of the current market).

The estimated cost of both adding extra psych nurse positions to ensure there is always a full complement of nurses available and paying them a competitive wage is:

New RNs at a competitive wage  
20 RN IIs =\$2.4 million

Funding for this request would be broken out as follows:

22% Statutory Designated Program Receipts  
56% GF (currently uses GF Mental Health funds)  
22% Interagency Receipts

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<b>Alaska Psychiatric Institute (continued)</b>													
<b>Alaska Psychiatric Institute (continued)</b>													
Maintain Operational Costs for Acute Mental Health Services (continued)													
Recruitment and incentive bonuses for psychiatric nurses are estimated at \$10,000 each. With turnover estimated at 42% annually based on a total of 72 positions, the total cost to offer these incentives would be \$0.3 million.													
			1004 Gen Fund (UGF)	1,736.0									
			1007 I/A Rcpts (Other)	682.0									
			1108 Stat Desig (Other)	682.0									
	20Gov 12/15	Inc	<b>7,020.1</b>	7,020.1	0.0	0.0	0.0	0.0	0.0	0.0	80	0	2
Additional Staffing to Address the Independent Investigative Report and Center for Medicare and Medicaid Services													
			1007 I/A Rcpts (Other)	4,275.9									
			1037 GF/MH (UGF)	1,340.8									
			1108 Stat Desig (Other)	1,403.4									
			<b>* Allocation Difference *</b>	<b>7,020.1</b>	7,020.1	0.0	0.0	0.0	0.0	0.0	80	0	2
			<b>** Appropriation Difference **</b>	<b>7,020.1</b>	7,020.1	0.0	0.0	0.0	0.0	0.0	80	0	2

**Behavioral Health**

**Behavioral Health Treatment and Recovery Grants**

Increased Behavioral Health Opioid Grants	20Gov 12/15	Inc	<b>4,000.0</b>	0.0	0.0	0.0	0.0	0.0	4,000.0	0.0	0	0	0
Combating the opioid crisis has been on the forefront of legislative discussion for the past several years. In February 2017, the Governor issued a disaster declaration, citing opioid abuse as a public health crisis. The Substance Abuse & Mental Health Services Administration of the Department of Health and Human Services (SAMHSA) has made additional federal dollars available to states to utilize in this effort. This additional federal authority would allow the division to continuously apply for federal awards to combat this public health and safety crisis, without the consequence of underspending, or underutilizing federal dollars due to lack of federal authority. If this increment request is denied, the department would in turn need to have a greater reliance on general fund dollars to provide the necessary services in order for the department to effectively carry out the intent of the Governor's disaster declaration. Currently, the division has a federal State Opioid Response award (\$4,000.0 annually for 2 years) that cannot be fully expended without additional federal authority. The division has also just received a five year award from the Department of Health and Human Services, Health Resources and Services Administration (HRSA) for \$436.2 annually. In addition to the above mentioned awards, division staff are continuously working on budgets and narratives for new applications on an ongoing basis.													
1002 Fed Rcpts (Fed)			4,000.0										
Grants for Mental Health and Substance Abuse Services	20Gov 12/15	Inc	<b>215.0</b>	0.0	0.0	0.0	0.0	0.0	215.0	0.0	0	0	0
Fiscal note HB216 changes the distribution of the restorative justice fund. This funding increment will provide grants for mental health and substance abuse services to comply with the request of the fiscal note.													
1171 Rest Just (Other)			215.0										
			<b>* Allocation Difference *</b>	<b>4,215.0</b>	0.0	0.0	0.0	0.0	4,215.0	0.0	0	0	0

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<b>Behavioral Health (continued)</b>													
<b>Behavioral Health Administration</b>													
MH Trust: Reform Consultation	20Gov 12/15	IncOTI	50.0	0.0	0.0	50.0	0.0	0.0	0.0	0.0	0	0	0
<p>This focuses both on the Department's continuing work to refine the very specific content of the Alaska's 1115 application (the waiver's target populations, its array of services, proposed costs, the implementation plan, etc.), and the drafting of an RFP for ASO services, as well contributing to the RFP evaluation criteria. This consultant must also work very closely with the actuarial contractor to ensure that CMS-driven changes to the State's 1115 application are directed appropriately and understood by the contractor. The expertise of this consultant makes it possible for the consultant to provide DHSS and Trust staff with quick, expert advice on responses and approaches to the public, the Legislature, and other entities potentially impacted by both the evolution of the waiver content and the final ASO solicitation, both complex and important Medicaid Reform projects called for in SB74.</p>													
1092 MHTAAR (Other)			50.0										
Year Two (FY20) Increment to Implement Marijuana Education and Treatment Program	20Gov 12/15	Inc	125.0	7.0	70.0	-17.0	65.0	0.0	0.0	0.0	0	0	0
<p>Ch73 SLA2018 (SB104) (formerly SB128) Fiscal Note from SB128</p> <p>The 2018 Legislature worked on SB128, an act establishing the marijuana education and treatment fund and adding to the list of duties of the Department of Health and Social Services the administration of a comprehensive marijuana use education and treatment program. Late in the legislative session, the contents of SB128 were included in SB104, which was passed and signed into law.</p> <p>In FY2020 and future years, the Division of Behavioral Health will perform substance abuse screening, brief intervention, and referral to treatment.</p> <p>A Mental Health Clinician III will dedicate ten percent effort to substance abuse screening, brief intervention, and referral to treatment. Travel is needed for training and conferences. The division will enter into contracts to develop training videos, web-based training materials, for translation services, and for an evaluation of the project. Alcohol and drug screening tools, training manuals, videos, compact discs, and paper handouts will utilize commodities funds.</p>													
1254 MET Fund (DGF)			125.0										
Increased Behavioral Health Opioid Grants	20Gov 12/15	Inc	790.0	0.0	0.0	790.0	0.0	0.0	0.0	0.0	0	0	0
<p>In February 2017, the Governor issued a disaster declaration, citing opioid abuse as a public health crisis. The Substance Abuse &amp; Mental Health Services Administration of the Department of Health and Human Services (SAMHSA) has made additional federal dollars available to states to utilize in this effort. Additional federal authority would allow the division to continuously apply for federal awards to combat this public health and safety crisis, without the consequence of underspending, or underutilizing federal dollars due to lack of federal authority.</p> <p>If this increment request is denied, the department would have a greater reliance on general fund dollars to provide the necessary services in order for the department to effectively carry out the intent of the Governor's disaster declaration.</p> <p>Currently, the division has a federal State Opioid Response award (\$4,000.0 annually for two years) that cannot be fully expended without additional federal authority. The division has also received a five-year award from the Department of Health and Human Services, Health Resources and Services Administration (HRSA) for \$436.2 annually. In addition to the above mentioned awards, division staff are continuously working on new applications.</p>													

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<b>Behavioral Health (continued)</b>													
<b>Behavioral Health Administration (continued)</b>													
Increased Behavioral Health Opioid Grants (continued)													
		1002 Fed Rcpts (Fed)	790.0										
<b>* Allocation Difference *</b>			<b>965.0</b>	7.0	70.0	823.0	65.0	0.0	0.0	0.0	0	0	0
<b>Alaska Mental Health Board and Advisory Board on Alcohol and Drug Abuse</b>													
		MH Trust: Cont - ABADA/AMHB Joint Staffing	479.5	320.6	87.0	60.3	11.6	0.0	0.0	0.0	0	0	0
20Gov 12/15 IncM This Trust funding provides a supplement to the basic operations of the merged staff of Advisory Board on Alcoholism and Drug Abuse (ABADA) and Alaska Mental Health Board (AMHB) and requires the boards to meet the data, planning and advocacy performance measures negotiated with the Trust.													
		1092 MHTAAR (Other)	479.5										
<b>* Allocation Difference *</b>			<b>479.5</b>	320.6	87.0	60.3	11.6	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>			<b>5,659.5</b>	327.6	157.0	883.3	76.6	0.0	4,215.0	0.0	0	0	0
<b>Children's Services</b>													
<b>Children's Services Management</b>													
		Align with Cost Allocation Plan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
20Gov 12/15 FndChg Align authority from general fund to general fund match with cost allocation plan changes implemented July 1, 2018.													
		1003 GF/Match (UGF)	3,452.0										
		1004 Gen Fund (UGF)	-3,452.0										
<b>* Allocation Difference *</b>			<b>0.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>Front Line Social Workers</b>													
		Year Two (FY20) to Fully Fund Positions for Foster Care Legislation Ch. 15 SLA 2018 (HB151) Sec2 SLA2018 P42 L7 (HB286)	381.1	515.5	0.0	0.0	-134.4	0.0	0.0	0.0	0	0	0
20Gov 12/15 Inc HB 151 sets manageable caseload limits, strengthens the search for family members for a placement with a family member, increases and provides necessary training for new employees including assigning mentors to train and support new employees, provides for efficiencies in day-to-day decision-making surrounding the child, improves the decision timeline for license applications within 45 days, and enables youth 14 and older to participate in their case plan and permanent home goals.													
		1002 Fed Rcpts (Fed)	103.2										
		1004 Gen Fund (UGF)	277.9										
<b>* Allocation Difference *</b>			<b>381.1</b>	515.5	0.0	0.0	-134.4	0.0	0.0	0.0	0	0	0
<b>Foster Care Special Need</b>													
		Align Authority for Payments on Behalf of Office of Children's Services Clients	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
20Gov 12/15 FndChg Align general fund match and general fund to provide for payments to providers of goods and services for children in foster care and their families. Payments are related to clothing, equipment, services, and travel for client visitation.													

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<b>Children's Services (continued)</b>												
<b>Foster Care Special Need (continued)</b>												
Align Authority for Payments on Behalf of Office of Children's Services Clients (continued)												
	1003 GF/Match (UGF)	-2,500.0										
	1004 Gen Fund (UGF)	2,500.0										
<b>* Allocation Difference *</b>		<b>0.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>Subsidized Adoptions &amp; Guardianship</b>												
	Align with Adoption and Subsidy Expenditures		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Align general fund and general fund match for adoption and subsidy payments based on the prior year federal reimbursement ratio for Title IV-E eligible children.												
	1003 GF/Match (UGF)	1,600.0										
	1004 Gen Fund (UGF)	-1,600.0										
<b>* Allocation Difference *</b>		<b>0.0</b>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>		<b>381.1</b>	515.5	0.0	0.0	-134.4	0.0	0.0	0.0	0	0	0
<b>Health Care Services</b>												
<b>Medical Assistance Administration</b>												
	Fourth Year Medicaid Reform; Telemedicine; Drug Database Ch25 SLA2016 (SB74) (Sec2 Ch3 4SSLA2016 P48 L27 (HB256))		109.2	109.2	0.0	0.0	0.0	0.0	0.0	0	0	0
Fiscal Note 47 - SB74												
Reverse one-time costs associated with implementing SB74.												
	1003 GF/Match (UGF)	109.2										
<b>* Allocation Difference *</b>		<b>109.2</b>	109.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>		<b>109.2</b>	109.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>Senior Benefits Payment Program</b>												
<b>Senior Benefits Payment Program</b>												
	Fully Fund Upper Tier in Senior Benefits Payment Program (Sec2 Ch17 SLA2018 P44 L3 (HB286) (Ch8 SLA2018 (HB236)))		4,057.9	0.0	0.0	0.0	0.0	0.0	4,057.9	0.0	0	0
Extend the Senior Benefits Payment Program and create its own appropriation.												
	1004 Gen Fund (UGF)	4,057.9										
<b>* Allocation Difference *</b>		<b>4,057.9</b>	0.0	0.0	0.0	0.0	0.0	4,057.9	0.0	0	0	0
<b>** Appropriation Difference **</b>		<b>4,057.9</b>	0.0	0.0	0.0	0.0	0.0	4,057.9	0.0	0	0	0
<b>Public Health</b>												
<b>Public Health Administrative Services</b>												
	Additional Federal Authority for Increased Opioid Grant Funding		2,830.0	100.0	74.0	2,046.7	529.3	80.0	0.0	0	0	0
The Office of Substance Misuse and Addiction Prevention (OSMAP) is requesting an increase of \$2,830.0 in												

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<b>Public Health (continued)</b>													
<b>Public Health Administrative Services (continued)</b>													
Additional Federal Authority for Increased Opioid Grant Funding (continued)													
federal authority in its operating budget. This authority will support efforts addressing Alaska's response to the opioid epidemic. OSMAP, established in July 2017, uses a public health approach to prevent and reduce substance use disorders and supports community-based activities across Alaska. OSMAP received a U.S. Department of Justice grant that will support the formation of the Alaska Overdose Death Review Committee (\$330.0 per year for 3 years) and a new Center for Disease Control and Prevention grant (\$2,500.0/year) on-going as a follow up to the one-time crisis grant awarded in FY2019. The Center for Disease Control and Prevention grant supports providers' and health systems' response to the opioid crisis, builds partnerships with public safety and first responders, shares data to advance evidence-based strategies, and empowers individuals to make informed choices and reduce additional exposure to harm. The majority of funds will go to support health care providers and the public through an Alaska Provider's Hotline for pain and opioid consultation at no charge to the provider; customized provider trainings; an addiction medicine fellowship to add competency and board certification in addiction medicine; a public education campaign; and mental health first aid training for the public. This request will not have an impact on general funds.													
1002 Fed Rcpts (Fed)			2,830.0										
Year Two (FY20) Increment to Implement Marijuana Education & Treatment Program Ch73 SLA2018 (SB104) (formerly SB128)	20Gov 12/15	Inc	1,550.0	0.0	0.0	317.5	0.0	0.0	1,232.5	0.0	0	0	0
Fiscal Note from SB128													
The 2018 Legislature worked on SB128, an act establishing the marijuana education and treatment fund and adding to the list of duties of the Department of Health and Social Services the administration of a comprehensive marijuana use education and treatment program. Late in the legislative session, the contents of SB128 were included in SB104, which was passed and signed into law.													
In FY2020 and future years, the Division of Public Health will administer a marijuana use education treatment program that includes the following:													
(A) a community-based marijuana misuse prevention component that includes a youth services grant program;													
(B) marijuana public education designed to communicate messages to help prevent youth initiation of marijuana use, educate the public about the effects of marijuana use, and educate the public about marijuana laws;													
(C) surveys of (i) youth and adult populations concerning knowledge, awareness, attitude, and use of marijuana products and (ii) the need for trained professionals;													
(D) a training plan for professionals working in these organizations; and													
(E) monitoring of population health status related to consequences of marijuana use.													
Public Health will use a full-time, range 18, Anchorage Public Health Specialist (06-2057) to serve as a consultant and subject matter expert in planning and implementing programmatic evaluations, health surveys and assessments, health education materials, and the delivery of community program services.													
1254 MET Fund (DGF)			1,550.0										
Second Year Public Health Fees Ch68 SLA2018 (HB215)	20Gov 12/15	Inc	600.0	0.0	0.0	600.0	0.0	0.0	0.0	0.0	0	0	0
Fiscal Note 2 - HB215													

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<b>Public Health (continued)</b>													
<b>Public Health Administrative Services (continued)</b>													
Second Year Public Health Fees Ch68													
SLA2018 (HB215) (continued)													
HB215 expands the authority of the Department of Health and Social Services to collect fees to support the administration of public health programs and allows the use of program receipts to support public health operations. Previously fees were allowed only for certain clinical services for maternal and child health, preventive medical services, public health nursing, nutrition, health education, and laboratories.													
The Division of Public Health will utilize fees to support existing, vacant positions in addition to shifting the financial support of some positions from general fund toward general fund program receipts.													
1005 GF/Prgm (DGF)			600.0										
Second Year Public Health Fees Ch68	20Gov 12/15	Dec	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0	0.0	0	0	0
SLA2018 (HB215)													
Fiscal Note 2 - HB215													
HB215 expands the authority of the Department of Health and Social Services to collect fees to support the administration of public health programs and allows the use of program receipts to support public health operations. Previously fees were allowed only for certain clinical services for maternal and child health, preventative medical services, public health nursing, nutrition, health education, and laboratories.													
The Division of Public Health will utilize fees to support existing, vacant positions in addition to shifting the financial support of some positions from general fund toward general fund program receipts.													
1003 GF/Match (UGF)			-200.0										
Increased Opioid Response	20Gov 12/15	Inc	1,000.0	0.0	50.0	600.0	350.0	0.0	0.0	0.0	0	0	0
Increase interagency receipt authority so that currently unbudgeted reimbursable services agreements for opioid crisis response activities will be budgeted. This provides a more transparent accounting of the resources being utilized to combat the opioid epidemic.													
1007 I/A Rcpts (Other)			1,000.0										
<b>* Allocation Difference *</b>			<b>5,780.0</b>	100.0	124.0	3,364.2	879.3	80.0	1,232.5	0.0	0	0	0
<b>** Appropriation Difference **</b>			<b>5,780.0</b>	100.0	124.0	3,364.2	879.3	80.0	1,232.5	0.0	0	0	0

**Senior and Disabilities Services**

**Commission on Aging**

MH Trust: Cont - Alaska Commission on Aging Planner (02-1554)	20Gov 12/15	IncM	126.1	126.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
This project funds one of two Alaska Commission on Aging (ACOA) planner positions. The planner is responsible for supporting the Executive Director in coordination between the ACOA and the Trust, including gathering data for reporting, coordination of advocacy and planning, and preparing ongoing grant progress reports to the ACOA and the Trust. The planner also works with staff to maximize other state and federal funding opportunities for Mental Health Trust Authority authorized receipts (MHTAAR) projects and to ensure effective use of available dollars. In addition, the planner position acts as liaison with the other beneficiary boards, including participating in the development of state plans, working on collaborative projects, and other duties. Outcomes and reporting requirements are negotiated with the Trust annually.													
1092 MHTAAR (Other)			126.1										

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<b>Senior and Disabilities Services (continued)</b>													
<b>Commission on Aging (continued)</b>													
<b>* Allocation Difference *</b>													
			126.1	126.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>Governor's Council on Disabilities and Special Education</b>													
MH Trust: Cont - Research Analyst III (06-0534)	20Gov 12/15	IncM	131.2	131.2	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The Research Analyst III is a continuing project to provide the Governor's Council on Disabilities & Special Education with information about the needs of individuals with developmental disabilities. The position and associated travel and operating funds help ensure Council activities are conducted within the framework of the Mental Health Trust Authority's guiding principles while still meeting Congressional requirements. The Research Analyst is a staff member of the Governor's Council and funds go directly to the Council.													
The Council is federally funded to fulfill specific roles mandated by Congress. It is an expectation of the Trust that the Council will participate in planning, implementing and funding a comprehensive integrated mental health program that serves people with developmental disabilities and their families. The position enables the Council to provide up-to-date, valid information to the Trust on consumer issues, identify trends, participate in Trust activities, enhance public awareness, and engage in ongoing collaboration with the Trust and partner boards.													
1092 MHTAAR (Other)			131.2										
MH Trust: Beneficiary Employment - Beneficiary Employment Technical Assistance & Program Coordination	20Gov 12/15	IncM	200.0	0.0	0.0	200.0	0.0	0.0	0.0	0.0	0	0	0
The Governor's Council on Disabilities and Special Education will provide assistance to the Trust with the implementation of the Beneficiary Employment and Engagement Initiative in addition to technical assistance to Trust stakeholders as needed. The Council will serve as a liaison to the Department of Labor and Workforce Development Disability Employment Initiative, facilitate planning and implementation of Employment First and Supported Decision Making Agreement legislation, provide technical assistance to the Departments of Health and Social Services, Labor and Workforce Development, provider agencies and others who serve Trust beneficiaries.													
1092 MHTAAR (Other)			200.0										
<b>* Allocation Difference *</b>													
			331.2	131.2	0.0	200.0	0.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>													
			457.3	257.3	0.0	200.0	0.0	0.0	0.0	0.0	0	0	0
<b>Departmental Support Services</b>													
<b>Administrative Support Services</b>													
Office of Information Technology Salary Adjustment Billed to Agencies	20Gov 12/15	Inc	104.5	0.0	0.0	104.5	0.0	0.0	0.0	0.0	0	0	0
The Office of Information Technology (OIT) supports staff through billable rates charged to state agencies. This increase supports the portion of OIT salary adjustments, agreed to through the GGU and SU contract negotiations, that will be billed to executive branch agencies. Agencies pay the billable rates to OIT through a variety of fund sources, this increment has been adjusted down to remove the portion of rates that will be paid through non-general fund sources.													
1004 Gen Fund (UGF)			104.5										
<b>* Allocation Difference *</b>													
			104.5	0.0	0.0	104.5	0.0	0.0	0.0	0.0	0	0	0
<b>Information Technology Services</b>													



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<b>Numbers and Language Differences Agencies: H&amp;SS</b>
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**Agency: Department of Health and Social Services**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Departmental Support Services (continued)</b>													
<b>Information Technology Services (continued)</b>													
Replace General Fund with General Fund Match	20Gov 12/15	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<p>The Alaska Public Employees Association, supervisory unit, was required to take 15 hours of furlough for each permanent full-time employee in each year from July 1, 2016 to June 30, 2018. That cost saving deduction is reversed in the FY2020 Governor's Budget. With the reversal, the funding tied to the original reduction was returned in the same form.</p> <p>In FY2019, Information Technology Services replaced general fund with general fund match to accurately reflect use of general fund authority as match to federal revenues based on prior year actual expenditures and revenue.</p> <p>This fund switch aligns the general fund that was returned in the Supervisory Unit furlough contract terms with the fund switch from general fund to general fund match in FY2019.</p>													
1003 GF/Match (UGF)			7.1										
1004 Gen Fund (UGF)			-7.1										
<b>* Allocation Difference *</b>			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>			104.5	0.0	0.0	104.5	0.0	0.0	0.0	0.0	0	0	0

**Medicaid Services**

**Behavioral Health Medicaid Services**

MH Trust: Administrative Services Organization	20Gov 12/15	IncOTI	2,650.0	0.0	0.0	2,650.0	0.0	0.0	0.0	0.0	0	0	0
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This funding is for DHSS to contract with an Administrative Service Organization for assisting to manage the behavioral health system transformation. As part of the development of the 1115 Behavioral Health System Reform effort, DHSS will contract with an ASO to provide quality and outcomes management, provider network development, data management, utilization management, cost management, claims processing and coordination with larger Medicaid Resign efforts.

1092 MHTAAR (Other)			2,650.0										
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Year Two (FY20) Increment for Marital Family Therapy Licensure and Medical Assistance	20Gov 12/15	Inc	950.8	0.0	0.0	0.0	0.0	0.0	950.8	0.0	0	0	0
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Ch75 SLA2018 (SB105)  
Fiscal Note 4 - SB105

SB105 adds licensed marriage and family therapist services to the AS 47.07.030 list of Medicaid optional services for which the state will reimburse. In FY2020 and future years, an estimated 633 recipients will receive marriage and family therapist services through Medicaid at a cost of \$1,581 per recipient per year. The anticipated federal blended match rate is 66 percent, resulting from a mixture of regular and expansion Medicaid population.

1002 Fed Rcpts (Fed)			635.5										
1003 GF/Match (UGF)			315.3										

Fourth Year Medicaid Reform; Telemedicine; Drug Database Ch25 SLA2016 (SB74)	20Gov 12/15	Inc	6,950.0	0.0	0.0	2,850.0	0.0	0.0	4,100.0	0.0	0	0	0
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Fiscal Note 55 - SB74

The costs of implementing SB74 in FY2020 are anticipated to cost an additional \$4,100.0 over FY2019 on the

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<b>Numbers and Language Differences Agencies: H&amp;SS</b>
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**Agency: Department of Health and Social Services**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Medicaid Services (continued)</b>													
<b>Behavioral Health Medicaid Services (continued)</b>													
Fourth Year Medicaid Reform; Telemedicine;													
Drug Database Ch25 SLA2016 (SB74)													
(continued)													
grants line due to Medicaid redesign initiatives and by \$2,850.0 on the services line for an administrative service organization contract.													
			1002 Fed Rcpts (Fed)	3,672.0									
			1037 GF/MH (UGF)	3,278.0									
<b>* Allocation Difference *</b>			<b>10,550.8</b>	0.0	0.0	5,500.0	0.0	0.0	5,050.8	0.0	0	0	0
<b>Health Care Medicaid Services</b>													
	20Gov 12/15	IncM	Fourth Year Medicaid Reform; Telemedicine;	754.3	0.0	0.0	0.0	0.0	754.3	0.0	0	0	0
			Drug Database Ch25 SLA2016 (SB74)										
			Fiscal Note 63 - SB 74										

SB 74 section 34 (b) allows the Department to assess interest on recoveries for audits performed under AS 47.05.200 as well as other audits and reviews conducted by the state and federal government. There is no additional cost to the department to implement interest penalties on identified overpayments, but recoveries will increase. The Department estimates it will take three years to reach the current volume of outstanding appeals subject to interest penalties. Interest penalty recoveries are calculated by taking the current amount of outstanding appeals and applying an estimated recovery percentage. The result is multiplied by the statutory rate for post-judgment interest of 3.75% and phased in over a period of three years, as shown below. Recoveries will be categorized as revenue receipts, recorded under new fund code #1247, Medicaid Monetary Recoveries.

Section 36 47.05.270 Medical assistance reform program (a) (2) requires the department to provide an electronic distribution of an explanation of medical assistance benefits to recipients for health care services received under the program. It is the intent of the department to fully implement this section of statute through the My Alaska Portal. The department estimates that it will cost \$707.5 (90% federal/10% GF) to fully implement the electronic distribution of an explanation of medical assistance benefits in FY2017. After the initial set-up, estimated on-going costs are the concurrent user license, \$76.5, and the yearly maintenance fee, \$17.0, for a total of \$93.5 (50% federal/50% GF) annual costs.

Section 37 directs the department to implement the Primary Care Case Management system authorized under AS 47.07.030(d). This is a foundational component to other initiatives and projected savings. This system would assign Medicaid enrollees to a case manager in order to increase use of primary and preventive care, and decrease the use of specialty care and hospital services. The department proposes expansion of an existing case management contract, at \$500.0 across FY2017-2018 (50% federal/50% GF match). The contractor will case manage at \$3.85 per member per month to approximately 30,000 recipients. This approach would reduce implementation timelines.

The Prescription Drug Monitoring Program (PDMP) is an integral part of this initiative, as it is required to help prevent the misuse and abuse of opioids prescribed or administered through emergency departments. Access to the PDMP database by physicians and pharmacists could be improved if the current stand-alone system was integrated into the Health Information Exchange (HIE). The following costs are one-time in addition to \$20.0 annual operating costs:

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**Agency: Department of Health and Social Services**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Medicaid Services (continued)</b>													
<b>Health Care Medicaid Services (continued)</b>													
Fourth Year Medicaid Reform; Telemedicine; Drug Database Ch25 SLA2016 (SB74) (continued)													
FY2017 PDMP system and interface to the HIE is \$285.0 (90%federal/10%GF), and FY2017 costs to connect pharmacies is \$480.0 (90%federal/10% GF)													
Section 39 (47.07.039)(C) authorizes the department to contract with one or more entities to demonstrate the use of local, provider-led coordinated care entities that agree to monitor care across multiple care settings and that will be accountable to the department for the overall cost and quality of care. This demonstration project will be implemented in three regions of the state. Planning and development would begin in FY2017, with implementation starting in FY2019. An estimated 30,000 Medicaid recipients would be enrolled to receive services through this demonstration project. For purposes of estimation, the Department assumes the entities would be reimbursed on a fee-for-service basis plus shared-savings, with the entities receiving a portion of any savings accrued to the state Medicaid program, for the first two years. The department's best estimate at this time is approximately \$1,500.0 in GF savings. The state's fiscal agent will require 3 additional staff members for the additional work in provider enrollment, claims processing, and telephone inquiries as a result of the change - increase contract by \$318.0 (50% federal/50% GF). These individuals will provide support across the primary care case management project, health homes, and the hospital emergency room project as well.													
	1002 Fed Rcpts (Fed)		754.3										
MH Trust: Actuarial Analysis	20Gov 12/15	IncOTI	475.0	0.0	0.0	475.0	0.0	0.0	0.0	0.0	0	0	0
Contractual funding for a consulting firm to assist State personnel with the initial cost neutrality projections contained within the 1115 Behavioral Health waiver application and to assist the State in responding to questions about such projections. Additionally, this contractual support will assist the state through the negation process, with necessary changes or refinements to the waiver's target populations, service descriptions, service rates, or the phasing of the implementation plan as proposed. The actuarial firm will run additional projections to determine if any of the changes impact the waiver's original budget neutrality calculations, which is a requirement of 1115 waivers.													
	1092 MHTAAR (Other)		475.0										
FY20 Medicaid Projection True-up	20Gov 12/15	Inc	51,476.3	0.0	0.0	0.1	0.0	0.0	51,476.2	0.0	0	0	0
	1002 Fed Rcpts (Fed)		4,812.1										
	1003 GF/Match (UGF)		29,054.2										
	1004 Gen Fund (UGF)		5,118.4										
	1007 I/A Rcpts (Other)		12,490.0										
	1092 MHTAAR (Other)		0.1										
	1108 Stat Desig (Other)		1.5										
L Open-ended authorization to spend unanticipated Federal Receipts in the Medicaid Services Appropriation	20Gov 12/15	Lang	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
The department is continually making efforts to seek options to leverage federal funds to provide Medicaid services within the state and mitigate the effect of demographic changes on general fund expenditures. Though the department is confident that projections accurately reflect federal revenues, unanticipated changes may provide for opportunities to leverage additional federal receipt authority.													
<b>* Allocation Difference *</b>			52,705.6	0.0	0.0	475.1	0.0	0.0	52,230.5	0.0	0	0	0

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**Agency: Department of Health and Social Services**

	Column	Trans Type	Total Expenditure	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants	Misc	PFT	PPT	TMP
<b>Medicaid Services (continued)</b>													
<b>Senior and Disabilities Medicaid Services</b>													
Fourth Year Medicaid Reform; Telemedicine; Drug Database Ch25 SLA2016 (SB74) Fiscal Note 57 - SB 74	20Gov 12/15	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
In part, SB74 authorizes DHSS to apply for federal waivers and options to reform the Medicaid program and to assess the most cost-effective method for revising expansion coverage.													
Section 36 charges the Department with "reducing the cost of... senior and disabilities services provided to recipients of medical assistance under the state's home and community-based services waiver."													
1002 Fed Rcpts (Fed)			9,500.0										
1003 GF/Match (UGF)			-9,500.0										
<b>* Allocation Difference *</b>			0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
<b>** Appropriation Difference **</b>			63,256.4	0.0	0.0	5,975.1	0.0	0.0	57,281.3	0.0	0	0	0
<b>*** Agency Difference ***</b>			86,826.0	8,329.7	281.0	10,527.1	821.5	80.0	66,786.7	0.0	80	0	2
<b>**** All Agencies Difference ****</b>			86,826.0	8,329.7	281.0	10,527.1	821.5	80.0	66,786.7	0.0	80	0	2

## Column Definitions

**20Adj Base (FY20 Adjusted Base)** - FY19 Management Plan less one-time items, plus FY20 adjustments for position counts, funding transfers, line item transfers, temporary increments (IncT) from prior years, and additions for statewide items (risk management and most salary and benefit increases). The Adjusted Base is the "first cut" of the FY20 budget; it is the base to which the Governor's and the Legislature's increments, decrements, and fund changes are added.

**20Gov 12/15 (FY20 Governor Request 12/15)** - Includes FY20 Adjusted Base plus the Governor's operating budget bill requests for increases (increments), decreases (decrements), fund source changes, and language transactions submitted by the Governor on December 15, 2018. This is a placeholder budget and will be amended by Governor Dunleavy on the 30th day of the 2019 legislative session.