

# **State of Alaska FY2009 Governor's Operating Budget**

## **Department of Health and Social Services Public Assistance Administration Component Budget Summary**

**Component: Public Assistance Administration**

**Contribution to Department's Mission**

Administer Public Assistance programs responsibly, accurately, and in compliance with law.

**Core Services**

Directs, supervises and coordinates the activities of the division in planning and directing welfare administration.

- Develop and maintain public assistance program policy, procedures, and state plans necessary for the operation of the Denali Kid Care, Medicaid, Food Stamp, Adult Public Assistance, General Relief Assistance, Chronic and Acute Medical Assistance, Alaska Temporary Assistance, Child Care Assistance (Pass I, II, and III), Permanent Fund Dividend Hold Harmless, Senior Benefits, and Family Nutrition programs.
- Provide guidance in procurement, development and management of contracts and grants for community-based services, accounting, payroll and personnel supporting division activity.
- Research, interpret and transmit public assistance program information for use by Public Assistance field offices, state and federal government and the public.
- Conduct thorough research and analysis of program data to complete required reports and to provide factual support of management decisions for the division's various programs and activities.
- Develop the division's annual budget, legislative position papers, fiscal notes, briefing documents and budget materials on public assistance issues.
- Establish performance measures and monitor progress toward the agency's stated targets, competitive bonuses and goals.
- Assure that agency programs and contracted work services maintain an even work flow between services, work quality and productivity.
- Maintain the Public Assistance claims unit for the recovery of overpayments received by public assistance recipients due to fraud, agency or client-caused payment errors.

| FY2009 Resources Allocated to Achieve Results |                   |           |
|-----------------------------------------------|-------------------|-----------|
| <b>FY2009 Component Budget: \$3,587,500</b>   | <b>Personnel:</b> |           |
|                                               | Full time         | 23        |
|                                               | Part time         | 0         |
|                                               | <b>Total</b>      | <b>23</b> |

**Key Component Challenges**

- Recipients of public assistance, by definition, live in poverty. The division continues efforts to support the original intent of welfare reform by assisting individuals and families toward self-sufficiency: to plan for the future, move off public assistance and leave poverty through employment. The division's budget in recent years reflects a shift from direct financial assistance to child care and work services that help recipients find and retain employment. The early success of this approach has also yielded significant general fund savings.
- While the Alaska Temporary Assistance Program caseload and expenditures have declined significantly since FY97, the Division of Public Assistance continues to serve working families by providing Food Stamps, Medicaid, and other employment-related support services. Caseloads have grown in programs serving individuals for whom work is less likely. As Alaska's population has grown, so has the number of elderly and disabled persons needing safety net services such as Adult Public Assistance and Medicaid.
- A number of families in Alaska live in highly stressful environments and are at risk of poor family outcomes. These families face continued reliance on public assistance and the potential loss of services if they are not self-

sufficient before they reach their 60-month lifetime limit on assistance. These families require more intensive services.

- The Division of Public Assistance's automated Eligibility Information System (EIS) is an aging and inflexible application that has become difficult to adapt to the state's and the division's diverse and ever-changing business practices. As a result, staff must devote valuable time and effort to develop various manual and semi-automated system solutions to support their day-to-day business needs. The cost and effort associated with developing, maintaining, and training new staff on these workarounds would be reduced or eliminated by replacing EIS with a modern, more comprehensive application. As the EIS technology infrastructure continues to age, both the application architecture and hardware/software platform become increasingly difficult to maintain and enhance due to a shrinking number of available support vendors in the marketplace.
- The division continues to lose long term, knowledgeable, professional staff as employees retire and leave for better paying jobs, more favorable benefits or less demanding workloads.

### **Significant Changes in Results to be Delivered in FY2009**

- Increase outreach for participation in critical safety net programs that support working families such as Food Stamps, WIC and Medicaid.
- Continue to focus on timely, accurate, and effective delivery of services for needy Alaskans, while responding to new federal program accountability requirements set for the Temporary Assistance, Medicaid and Child Care Assistance programs.
- Place a premium on cultivating seasoned staff through recruitment, retention and streamlining efforts. Eligibility screening is complex and takes years of experience to become solidly versed in the rules and regulations that underpin all of the state and federal public assistance programs – and the rules are constantly changing.

### **Major Component Accomplishments in 2007**

- Implemented electronic matching of birth records with Bureau of Vital Statistics (BVS) and other processes to more effectively address the increased workload associated with the new Medicaid citizenship verification requirements.
- Successfully and rapidly transitioned almost 7,000 Alaskan senior citizens from the former SeniorCare program to the new Senior Benefits program.
- Implemented online, web-based public assistance program and policy manuals that can be accessed from the internet by the public, staff, and partner agencies. Online documents are already improving program administration.
- Participated in state and department initiatives to improve social services, such as the Homelessness Ends in Alaska Advisory Team (HEAAT), the Food Coalition, and the Department of Corrections prisoner pre-release program.
- Began collaborative effort with the Social Security Administration and community-based organizations to improve access to Social Security benefits conducted through outreach to Anchorage's homeless population.
- Worked with Food Bank of Alaska (FBA) community-based partners to develop a food stamp outreach program to be implemented in FY 2008.
- Collaborated with FBA and the Alaska Native Tribal Health Consortium to begin the implementation of a Food Distribution program in Alaska Native villages.

### **Statutory and Regulatory Authority**

AS 47.05.010-080 - Public Assistance  
AS 47.25.975-990 Food Stamps  
AS 47.27.05-.990 Alaska Temporary Assistance Program  
AS 47.25.430-615 Adult Public Assistance  
AS 47.25.120-300 General Relief Assistance  
AS 47.45.301 – 309 Senior Benefits Program  
AS 47.07.010-900 - Medicaid  
AS 43.23.075 - Permanent Fund Dividend Hold Harmless  
AS 47.25.001 – .095 Day Care Assistance and Child Care Grants  
AS 47.32.010 - .900 Centralized Licensing and Related Administrative Procedures  
Public Law 97-35 L.I.H.E.A.P. Act of 1981  
7 AAC 44 Heating Assistance Program

**Contact Information**

**Contact:** Laura Baker, Budget Chief  
**Phone:** (907) 465-1629  
**Fax:** (907) 465-1850  
**E-mail:** Laura.Baker@alaska.gov

**Public Assistance Administration  
Component Financial Summary**

*All dollars shown in thousands*

|                                           | <b>FY2007 Actuals</b> | <b>FY2008<br/>Management Plan</b> | <b>FY2009 Governor</b> |
|-------------------------------------------|-----------------------|-----------------------------------|------------------------|
| <b>Non-Formula Program:</b>               |                       |                                   |                        |
| <b>Component Expenditures:</b>            |                       |                                   |                        |
| 71000 Personal Services                   | 1,381.7               | 1,992.9                           | 2,243.0                |
| 72000 Travel                              | 63.4                  | 34.4                              | 59.4                   |
| 73000 Services                            | 1,047.9               | 1,052.8                           | 1,139.0                |
| 74000 Commodities                         | 77.8                  | 19.9                              | 26.1                   |
| 75000 Capital Outlay                      | 0.0                   | 0.0                               | 0.0                    |
| 77000 Grants, Benefits                    | 0.0                   | 120.0                             | 120.0                  |
| 78000 Miscellaneous                       | 0.0                   | 0.0                               | 0.0                    |
| <b>Expenditure Totals</b>                 | <b>2,570.8</b>        | <b>3,220.0</b>                    | <b>3,587.5</b>         |
| <b>Funding Sources:</b>                   |                       |                                   |                        |
| 1002 Federal Receipts                     | 1,971.1               | 1,877.6                           | 1,917.7                |
| 1003 General Fund Match                   | 551.5                 | 974.3                             | 1,007.8                |
| 1004 General Fund Receipts                | 0.0                   | 199.9                             | 229.8                  |
| 1061 Capital Improvement Project Receipts | 0.0                   | 0.0                               | 264.0                  |
| 1156 Receipt Supported Services           | 48.2                  | 168.2                             | 168.2                  |
| <b>Funding Totals</b>                     | <b>2,570.8</b>        | <b>3,220.0</b>                    | <b>3,587.5</b>         |

**Estimated Revenue Collections**

| <b>Description</b>                      | <b>Master<br/>Revenue<br/>Account</b> | <b>FY2007 Actuals</b> | <b>FY2008<br/>Management Plan</b> | <b>FY2009 Governor</b> |
|-----------------------------------------|---------------------------------------|-----------------------|-----------------------------------|------------------------|
| <b>Unrestricted Revenues</b>            |                                       |                       |                                   |                        |
| Unrestricted Fund                       | 68515                                 | -23.7                 | 0.0                               | 0.0                    |
| <b>Unrestricted Total</b>               |                                       | <b>-23.7</b>          | <b>0.0</b>                        | <b>0.0</b>             |
| <b>Restricted Revenues</b>              |                                       |                       |                                   |                        |
| Federal Receipts                        | 51010                                 | 1,971.1               | 1,877.6                           | 1,917.7                |
| Receipt Supported Services              | 51073                                 | 48.2                  | 168.2                             | 168.2                  |
| Capital Improvement Project<br>Receipts | 51200                                 | 0.0                   | 0.0                               | 264.0                  |
| <b>Restricted Total</b>                 |                                       | <b>2,019.3</b>        | <b>2,045.8</b>                    | <b>2,349.9</b>         |
| <b>Total Estimated Revenues</b>         |                                       | <b>1,995.6</b>        | <b>2,045.8</b>                    | <b>2,349.9</b>         |

**Summary of Component Budget Changes  
From FY2008 Management Plan to FY2009 Governor**

*All dollars shown in thousands*

|                                                                              | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|------------------------------------------------------------------------------|----------------------|----------------------|--------------------|--------------------|
| <b>FY2008 Management Plan</b>                                                | <b>1,174.2</b>       | <b>1,877.6</b>       | <b>168.2</b>       | <b>3,220.0</b>     |
| <b>Adjustments which will continue<br/>current level of service:</b>         |                      |                      |                    |                    |
| -ETS Chargeback Redistribution                                               | 28.5                 | 0.0                  | 0.0                | 28.5               |
| -FY 09 Health Insurance Increases<br>for Exempt Employees                    | 0.1                  | 0.1                  | 0.0                | 0.2                |
| -FY 09 Bargaining Unit Contract<br>Terms: General Government Unit            | 34.8                 | 40.0                 | 0.0                | 74.8               |
| <b>Proposed budget increases:</b>                                            |                      |                      |                    |                    |
| -Eligibility Information System<br>Alternatives, phase II operating<br>costs | 0.0                  | 0.0                  | 264.0              | 264.0              |
| <b>FY2009 Governor</b>                                                       | <b>1,237.6</b>       | <b>1,917.7</b>       | <b>432.2</b>       | <b>3,587.5</b>     |

**Public Assistance Administration  
Personal Services Information**

| Authorized Positions |                   | Personal Services Costs |                                  |                  |
|----------------------|-------------------|-------------------------|----------------------------------|------------------|
|                      | <u>FY2008</u>     | <u>FY2009</u>           |                                  |                  |
|                      | <u>Management</u> | <u>Governor</u>         |                                  |                  |
|                      | <u>Plan</u>       |                         |                                  |                  |
| Full-time            | 21                | 23                      | Annual Salaries                  | 1,434,307        |
| Part-time            | 0                 | 0                       | COLA                             | 73,795           |
| Nonpermanent         | 0                 | 0                       | Premium Pay                      | 0                |
|                      |                   |                         | Annual Benefits                  | 756,803          |
|                      |                   |                         | <i>Less 0.97% Vacancy Factor</i> | <i>(21,905)</i>  |
|                      |                   |                         | Lump Sum Premium Pay             | 0                |
| <b>Totals</b>        | <b>21</b>         | <b>23</b>               | <b>Total Personal Services</b>   | <b>2,243,000</b> |

**Position Classification Summary**

| Job Class Title            | Anchorage | Fairbanks | Juneau    | Others   | Total     |
|----------------------------|-----------|-----------|-----------|----------|-----------|
| Administrative Assistant   | 0         | 0         | 1         | 0        | 1         |
| Administrative Clerk II    | 0         | 0         | 2         | 0        | 2         |
| Division Director          | 0         | 0         | 1         | 0        | 1         |
| Elig Technician I          | 0         | 0         | 1         | 0        | 1         |
| Prog Coordinator           | 0         | 0         | 2         | 0        | 2         |
| Project Asst               | 0         | 0         | 1         | 0        | 1         |
| Project Coord              | 0         | 0         | 1         | 0        | 1         |
| Project Manager            | 0         | 0         | 1         | 0        | 1         |
| Public Assist Analyst I    | 0         | 0         | 3         | 0        | 3         |
| Public Assist Analyst II   | 0         | 0         | 3         | 0        | 3         |
| Public Asst Fld Svcs Mgr I | 1         | 0         | 0         | 0        | 1         |
| Public Asst Prog Off       | 0         | 0         | 3         | 0        | 3         |
| Research Analyst III       | 0         | 0         | 1         | 0        | 1         |
| Research Analyst IV        | 0         | 0         | 1         | 0        | 1         |
| Social Svcs Prog Coord     | 0         | 0         | 1         | 0        | 1         |
| <b>Totals</b>              | <b>1</b>  | <b>0</b>  | <b>22</b> | <b>0</b> | <b>23</b> |