

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

## **Department of Health and Social Services Commissioner's Office Component Budget Summary**

## Component: Commissioner's Office

### Contribution to Department's Mission

The mission of the Office of the Commissioner is to provide support and policy direction to the divisions and offices within the department to ensure the promotion and protection of the health and well-being of Alaskans.

### Core Services

The Office of the Commissioner advises the Governor on all policy matters, represents the Governor, and provides executive leadership for the principal department of state government on health and social services issues. The Office reviews and approves all department policies, regulations, significant contract or grant awards and appeals, budgets, fiscal notes, and various other financial documents. The Office initiates and participates in numerous public forums, responds to inquiries from the press and general public, and provides direct testimony or coordinates the testimony of other department employees before the Legislature on health and social services matters.

### FY2009 Resources Allocated to Achieve Results

<b>FY2009 Component Budget: \$51,708,500</b>	<b>Personnel:</b>	
	Full time	13
	Part time	0
	<b>Total</b>	<b>13</b>

### Key Component Challenges

The Commissioner's Office takes the lead role in assuring that intra-departmental and inter-departmental activities are planned and executed in a manner that will maximize the generation of federal and other non-state revenues. Quality control and program review efforts are underway to ensure more effective quality assurance.

Continued progress is also being made on the following projects:

- Development of in-state residential and community-based treatment options for children and youth with an emphasis on minimizing the number and duration of out-of-state placements, in a project named Bring the Kids Home.
- Maximization of Medicaid refinancing opportunities.
- Implementation of legislation passed in 2006 including Medicaid Adult Dental program and reforms to Medicaid and child protection programs; legislation passed in 2007 for increasing eligibility for Denali KidCare.
- Preparation and planning with federal, state, and community partners for a potential influenza pandemic.
- Implementation of a department-wide Quality Management program through the Commissioner's Office that incorporates the elements of Program Integrity (fraud detection and audit, with particular emphasis on the Payment Error Rate Measurement project), Quality Assurance (internal controls), and Quality Enhancement (corrective action).
- Construction of a new virology lab in Fairbanks.

- Evaluation and identification of potential solutions regarding the lack of access to affordable quality health care for Alaskans, working with the Governor's Health Care Strategies Planning Council.
- Promotion of services that focus on enhancing health and well-being and preventing illness through development of a comprehensive state policy that includes reduction of alcohol and substance abuse.
- Improvements to child abuse prevention and protection efforts, particularly with Alaska Native partners.
- Development of the new Medicaid Management Information System.
- Development of new regulations to implement statutory revisions to the department's various licensing functions including fine tuning requirements relating to employment of persons with criminal histories.
- Development of new comprehensive Medicaid regulations (these may be filed in the spring of 2008) which will clarify coverage and payment rules for the program and will provide for greater accountability for both the department and health care providers.
- Identification of and resolving issues relating to the recruitment and retention of qualified employees to allow the department to fulfill its ongoing mission.
- Development of regulations and recommended reforms for the certificate of need (CON) program, through input by the CON Negotiated Regulation-Making Committee.
- Implementation of a home and community-based waiver program for Severely Emotionally Disturbed Children diagnosed with Fetal Alcohol Spectrum Disorder.

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

In FY09, several positions will be transferred into the Commissioner's Office component from the Office of Program Review in conjunction with the department's realignment.

Also we are asking for Comprehensive Rate Increases across the whole department and removing the one-time funding for SB 61.

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

Secured passage of new legislation and promulgated new regulations creating the Senior Benefit program to provide cash assistance to low-income Alaskan Seniors.

Continued to work with providers through the Bring the Kids Home project to develop in-state residential and community-based treatment options for children and youth with an emphasis on minimizing the number and duration of out-of-state placements. As of June 30, 2007 there were 287 children in out-of-state placement, compared to 429 out of state in spring 2006.

- Established new Medicaid eligibility regulations that promote efficient program administration by both the department and providers of Medicaid services as well as provide Medicaid clients with clear guidance as to their rights and responsibilities.
- Implemented a home and community-based waiver program for Severely Emotionally Disturbed Children diagnosed with Fetal Alcohol Spectrum Disorder, which began in fall 2007.
- Provided leadership for the Alaska Health Care Strategies Planning Council, established through Administrative Order No. 232, to advise the Governor and Legislature on ways to effectively provide access to quality health care and to help reduce the costs of health care for Alaskans.
- Realigned senior management positions in the department, including creating the position of Chief Medical Officer, to better promote and protect the health of all Alaskans.

- Broke ground and began construction of a new virology lab in Fairbanks.
- Dedicated and received certification by the U.S. Department of Veterans Affairs to begin operation of the first state Veteran's Home, the Alaska Veterans and Pioneers Home.
- The Office of Children's Services evaluated operations and based on recommendations, continued systems improvement to better serve and protect the children of the state.
- The Office of Faith-Based and Community Initiatives used a \$500,000 grant from the federal Health and Human Services Compassion Capital Fund for a demonstration project to help local faith-based, grassroots and community organizations strengthen their outreach.

### Statutory and Regulatory Authority

AS 18 Health, Safety and Housing

AS 44.29 Department of Health and Social Services

AS 44.62 Administrative Procedures Act

AS 47.05 Welfare, Social Services and Institutions, Administration of Welfare, Social Services and Institutions

Contact Information
<p><b>Contact:</b> Laura Baker, Budget Chief <b>Phone:</b> (907) 465-1629 <b>Fax:</b> (907) 465-1850 <b>E-mail:</b> Laura.Baker@alaska.gov</p>

**Commissioner's Office  
Component Financial Summary**

*All dollars shown in thousands*

	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	776.9	893.9	1,582.9
72000 Travel	98.0	24.3	77.7
73000 Services	53.2	1,016.9	182.9
74000 Commodities	23.9	8.4	12.2
75000 Capital Outlay	0.0	0.0	0.8
77000 Grants, Benefits	0.0	1,352.0	49,852.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>952.0</b>	<b>3,295.5</b>	<b>51,708.5</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	130.0	1,554.0	25,852.1
1003 General Fund Match	239.7	130.5	24,612.8
1004 General Fund Receipts	127.8	1,215.3	285.0
1007 Inter-Agency Receipts	449.0	389.4	847.2
1037 General Fund / Mental Health	0.0	0.0	105.0
1061 Capital Improvement Project Receipts	5.5	6.3	6.4
<b>Funding Totals</b>	<b>952.0</b>	<b>3,295.5</b>	<b>51,708.5</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
<b>Unrestricted Revenues</b>				
None.		0.0	0.0	0.0
<b>Unrestricted Total</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	130.0	1,554.0	25,852.1
Interagency Receipts	51015	449.0	389.4	847.2
Capital Improvement Project Receipts	51200	5.5	6.3	6.4
<b>Restricted Total</b>		<b>584.5</b>	<b>1,949.7</b>	<b>26,705.7</b>
<b>Total Estimated Revenues</b>		<b>584.5</b>	<b>1,949.7</b>	<b>26,705.7</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>1,345.8</b>	<b>1,554.0</b>	<b>395.7</b>	<b>3,295.5</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer in Positions and Funding from Office of Program Review for Realignment to Commissioner's Office	369.3	181.2	0.0	550.5
-Transfer out PCN 06-0400 to Public Affairs	0.0	-135.5	0.0	-135.5
-Back out FY08 funding for Legislative Medicaid Review Report Implementation	-1,132.5	-1,182.5	0.0	-2,315.0
-FY 09 Health Insurance Increases for Exempt Employees	0.1	0.4	0.6	1.1
-FY 09 Bargaining Unit Contract Terms: General Government Unit	2.6	0.0	0.8	3.4
<b>Proposed budget increases:</b>				
-Increase Interagency funds for 3 positions	0.0	0.0	456.5	456.5
-Comprehensive Rate Increase Across All Programs	24,417.5	25,434.5	0.0	49,852.0
<b>FY2009 Governor</b>	<b>25,002.8</b>	<b>25,852.1</b>	<b>853.6</b>	<b>51,708.5</b>

**Commissioner's Office  
Personal Services Information**

<b>Authorized Positions</b>		<b>Personal Services Costs</b>		
<b>FY2008 Management Plan</b>				
		<b>FY2009 Governor</b>		
Full-time	9	13	Annual Salaries	1,095,930
Part-time	0	0	COLA	21,180
Nonpermanent	1	1	Premium Pay	13,450
			Annual Benefits	471,945
			<i>Less 1.22% Vacancy Factor</i>	(19,605)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>10</b>	<b>14</b>	<b>Total Personal Services</b>	<b>1,582,900</b>

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	1	0	0	0	1
Chief Medical Officer	1	0	0	0	1
Commissioner	0	0	1	0	1
Dep Commissioner	3	0	0	0	3
Exec Secretary III	0	0	1	0	1
Health Program Mgr IV	0	0	1	0	1
Project Coordinator	0	1	0	0	1
Secretary	1	0	1	0	2
Special Staff Assistant	1	0	0	0	1
Student Intern III	0	0	1	0	1
<b>Totals</b>	<b>7</b>	<b>1</b>	<b>6</b>	<b>0</b>	<b>14</b>