



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Office of the Governor

OFFICE OF MANAGEMENT AND BUDGET
Pat Pitney, Director

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March 27, 2017

The Honorable Anna MacKinnon
Co-Chair, Senate Finance Committee
Alaska State Legislature
State Capitol, Room 516
Juneau, AK 99801-1182

The Honorable Lyman Hoffman
Co-Chair, Senate Finance Committee
Alaska State Legislature
State Capitol, Room 518
Juneau, AK 99801-1182

The Honorable Paul Seaton
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 505
Juneau, AK 99801-1182

The Honorable Neal Foster
Co-Chair, House Finance Committee
Alaska State Legislature
State Capitol, Room 410
Juneau, AK 99801-1182

Re: FY 2017 Supplemental Budget Amendments HB 95/SB 43

Dear Finance Committee Co-Chairs,

Enclosed, please find proposed amendments to the FY 2017 supplemental budget. These amendments total \$2.1 million in reduced unrestricted general fund authority.

The amendments include:

- \$238.5 million in additional federal receipt authority for increases to federal claiming associated with Medicaid reform; business redesign; and corrective actions taken to remedy the Alaska Medicaid Health Enterprise System conversion defects.
- \$10.0 million transfer from the power project fund to the unrestricted general fund.
- \$5.9 million in unrestricted general fund authority for judgments and settlements against the State of Alaska, including \$5.7 million associated with Flint Hills Resources.
- \$2.0 million in unrestricted general fund authority for physical health care costs of correctional center inmates.
- \$7.8 million capital reappropriation for the Arctic Strategic Transportation and Resources project.

Thank you for your consideration of these budget amendments.

Sincerely,

A handwritten signature in blue ink that reads "Pat Pitney". The signature is written in a cursive style with a long, sweeping underline.

Pat Pitney
Director

Enclosures

cc: David Teal, Director, Legislative Finance Division