Trust
Alaska Mental Health Trust Authority

3745 Community Park Loop, Suite 200
Anchorage, AK 99508
Tel 907.269.7960
www.mhtrust.org

MEETING AGENDA

Meeting: Program & Planning Committee
Date: April 18, 2019
Time: 9:00 AM
Location: Trust Authority Building, 3745 Community Park Loop, Anchorage
Teleconference: (844) 740-1264 / Meeting Number: 801 117 297 # / Attendee Number: #
http://thetrust.webex.com
Trustees: Chris Cooke (Chair), Verné Boerner, Laraine Derr, Paula Easley, Mary Jane Michael, Jerome Selby, Carlton Smith

Thursday, April 18, 2019

		Page No.
9:00a	**Call to order (Chris Cooke, Chair)** Announcements Approve agenda Ethics Disclosure Approval of Minutes: • October 17, 2018 • January 3, 2019	 4 13
9:10	**Update – FY20 State Budget/Legislation**	22
9:30	**Update – Medicaid Program**	
10:00	**Update – COMP Plan**	34
10:30	**Break**	
10:45	**Update – API**	
12:00	**Catered Lunch**	
12:30	**Recess**	
2:15	**Review – Focus Areas**	40
3:15	**Overview – FY20 Budget Adjustments**	56
4:00	**Trustee Comments**	
4:15	**Adjourn**	

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Future Meeting Dates

Full Board of Trustee / Program & Planning / Resource Management / Audit & Risk / Finance

(Updated – March 22, 2019)

• Audit & Risk Committee	<cancelled>	
• Finance Committee	April 17, 2019	(Wed)
• Resource Mgt Committee	April 17, 2019	(Wed)
• Program & Planning Committee	April 18, 2019	(Thu)
• Full Board of Trustee	May 8-9, 2019	(Wed, Thu) – Fairbanks
• Program & Planning Committee	July 30-31, 2019	(Tue, Wed)
• Audit & Risk Committee	August 1, 2019	(Thu)
• Finance Committee	August 1, 2019	(Thu)
• Resource Mgt Committee	August 1, 2019	(Thu)
• Full Board of Trustee	September 10-11, 2019	(Wed, Thu) – Anchorage
• Full Board of Trustee	November 6-7, 2019	(Wed, Thu) – Anchorage
• Audit & Risk Committee	January 3, **2020**	(Fri)
• Finance Committee	January 3, **2020**	(Fri)
• Resource Mgt Committee	January 3, **2020**	(Fri)
• Program & Planning Committee	January 3, **2020**	(Fro)
• Full Board of Trustee	January 29-30, **2020**	(Wed, Thu) – Juneau

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Future Meeting Dates

Statutory Advisory Boards

(Updated – March 22, 2019)

Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse

- Executive Committee – monthly via teleconference (First Wednesday of the Month)
- September 23-27, 2019 – Kenai or Anchorage <tentative>

Governor's Council on Disabilities and Special Education

- May 14, 2019 – ZOOM/Webinar/Teleconference
- Oct 2-3, 2019 - Anchorage (pre-meeting for Autism Ad Hoc on Oct 1)

Alaska Commission on Aging

- May 1, 2019 by video/teleconference
- September 12-15, 2019 – ACOA Rural Outreach

ALASKA MENTAL HEALTH TRUST AUTHORITY

PROGRAM & PLANNING COMMITTEE

October 17, 2018
10:15 a.m.

Taken at:

Alaska Mental Health Authority
3745 Community Park Loop, Suite 120
Anchorage, Alaska 99508

OFFICIAL MINUTES

Trustees present:
Chris Cooke, Chair
Mary Jane Michael
Carlton Smith
Laraine Derr
Paula Easley
Verne' Boerner
Jerome Selby

Trust staff present:
Mike Abbott
Steve Williams
Miri Smith-Coolidge
Kelda Barstad
Andy Stemp
Luke Lind
Michael Baldwin
Carrie Predeger
Katie Baldwin-Johnson
Jimael Johnson
Valette Keller
Eric Boyer
Travis Welch
Autumn Vea

Also participating:
Monique Martin; Jillian Gellings; Liz Etheridge; Kristin Vandergriff; Sherrie Hinshaw (via Speakerphone); Thea Agnew; Denise Daniello; Alison Kulas; Patrick Reinhart; Reverend Elizabeth Schultz.

PROCEEDINGS

CHAIR COOKE calls the Program & Planning Committee meeting to order, and asks for announcements. There being none, he moves to approval of the agenda, continuing that there was discussion before the meeting to move the 1:45 items to the present time.

TRUSTEE SELBY makes a motion to approve the agenda with that change.

TRUSTEE MICHAEL seconds.

There being no objection, the motion is approved.

CHAIR COOKE asks for any ethics disclosures. There being none, he moves to the minutes from the August 1 and 2, 2018, meetings.

TRUSTEE DERR makes a motion to approve the minutes of the August 1-2, 2018, meeting.

TRUSTEE SELBY seconds.

There being no objection, the motion is approved.

CHAIR COOKE states that the next item on the agenda is developing projects, recognizing Steve Williams.

DEVELOPING PROJECTS

MR. WILLIAMS states that this is following the thread of the conversation out of the Finance Committee meeting which is looking forward to projects for needs heard about out in the community, and how the Board of Trustees might move in directions for allocating resources with excess budget reserves, which will be taken up at the November board meeting. There are three developing projects which have been mentioned. He begins with Hiland Mountain and summarizes where staff is with working with the Department of Corrections on trying to expand the women's mental health unit. He continues that trustees went out and did a site visit in September. Following that, we have details on what the Department would like to see in terms of support from the Trust with a budget revenue projection of $1,145,00. He adds that the Department of Corrections has the balance of what is needed to fully fund the project. This is an opportunity to see if trustees have any other questions. The Finance Committee is making a recommendation to the Full Board on how to use the reserves.

TRUSTEE DERR states that she will not be present at the November 17th meeting, and is in support of whatever amount of money to help that facility.

TRUSTEE MICHAEL asks about the timeline for the construction.

MR. WILLIAMS replied that they are ready to move forward with the project. The target is still 12 to 16 months to have it remodeled.

TRUSTEE EASLEY states that there is consensus to move forward on this as fast as possible, and asks to recommend this to the Full Board.

MR. ABBOTT replies that the larger grants typically go straight to the Board. He adds that he does not have an objection to a Committee recommendation.

CHAIR COOKE states that this is simply an update, with a clear consensus that the committee supports it. He moves to the Peer Support Services Building acquisitions.

PEER SUPPORT SERVICES BUILDING

MR. ABBOTT states that this is for discussion purposes, and depending on the committee's interest, we were prepared to bring a recommendation for consideration at the Board meeting in November. He continues that he would like to discuss the opportunity on the acquisition of land and facilities that the Trust would own, but would be occupied and utilized by partner agencies for the benefit of Trust beneficiaries. First is the peer support services building acquisition, commonly discussed as the CHOICES/Web Service area. These entities serve the beneficiaries that are either homeless or chronic inebriate or both. He adds that beneficiaries are currently being served from substandard facilities. These are private nonprofits that provide different services to a common group of beneficiaries. He states that staff is asking the trustees to consider the use of reserve funds for the purpose of acquiring land and structures that would require remodeling to serve as a place for peer support services; and in another case for providing crisis stabilization services. He continues that these are both service requirements that are important to the beneficiaries, to the community, and neither have current locations that are suitably providing these functions. He adds that in the case of crisis stabilization, that is not being provided anywhere, and peer support services are being provided in terrible spaces. He continues that the notion is that the facilities would be owned by the Trust and would work with the partner agency or the State to cause there to be a service provider in the space supporting the community and providing services statewide. He moves on to a separate conversation about crisis stabilization, and asks Steve Williams to continue.

MR. WILLIAMS states that crisis stabilization has been an issue for a long time with a lot of pressure on hospital emergency rooms going back to last May, which is causing delays for people who need access to API. He continues that there is an issue around API, but the bigger issue is API and the continuum of care; what is needed to help people maintain the stabilizations and the gains that were made at a hospital emergency room or an API when released, so they do not come back. He talks about discharge planning, a base community, a community behavior system and their needs. In looking at a continuum of care for emergency psychiatric services, it is that hospital level of care and looking back to the community and everything in between. Crisis stabilization services can take a number of different forms. The Department has an RFP out on the street for people to propose on how to provide those services. Work is being done by other groups in looking at what the best model would be and practices in other places around the country. He explains that the Department put out and initiated an emergency response center to look at the issues around API and the emergency psychiatric service continuum. The crisis stabilization center is one of those objectives that the working group is focusing on.

MR. ABBOTT states that the reason that the Trust owning a facility is important is that in conversations with the State and with potential providers of this crisis stabilization service it was suggested that the facility may be a barrier to the delivery of the service. He continues that owning a building that is dedicated to this purpose could encourage the State to continue to ensure that this service is delivered over the long term.

CHAIR COOKE states that the purpose of the agenda item is to simply provide information and asks what other things have to happen before it is an action item.

MR. ABBOTT replies that a recommended allocation of reserve funds for this function will likely be brought to the board in November. It would be from that 44.8 million larger allocation that was discussed at the Finance Committee.

TRUSTEE SELBY suggests putting on the record that the committee encourages the staff to continue to develop the projects that were just discussed, and to bring them forward to the Board for appropriate action at a future time.

TRUSTEE BOERNER states that she is glad this discussion is happening and adds that there is a lot of work that needs to be done. She continues that this is a critical area that needs to be addressed which does impact the beneficiaries directly, and the system as a whole.

CHAIR COOKE moves to an update on the comp plan.

COMP PLAN UPDATE

MR. BALDWIN introduces Jillian Gellings and Monique Martine from the Commissioner's office; Liz Etheridge, Director of Senior and Disability Services; and John Sherwood, Deputy Commissioner.

MS. GELLINGS states that she works in the Commissioner's office of the Department of Health and Social Services and is here to give a status update on the progress of the Comprehensive Integrated Mental Health Program Plan. The last comp plan expired in 2011 and there were some new programs that took focus, but we now want to get back on track and start with this renewed plan. The plan envisioned is that Alaskans receive comprehensive prevention treatment and support services at the appropriate level of care across the lifespan to lead meaningful lives in their home communities. What is being focused on is the Trust beneficiaries across their lifespan, and this plan being that kind of central point that weaves all of the plans across the state, all the resources, all of the programs together in this big comprehensive kind of guidebook. She states that the guide is going to be a resource allocation for decisions; a service system that meets the needs of the individual quickly; and will hopefully reduce incidents of disability conditions through prevention and early intervention. She outlines the ten goals within the plan and goes through a few examples.

MS. GELLINGS states that this is a work in progress with the intention of getting stakeholder input feedback from people running programs. There is a change agent event where those

providers will be talked to and we will get the message out that this comp plan is in progress and we are looking for any feedback before having a document, intake for public comment. She continues that "comp plan" is the new buzzword.

TRUSTEE SMITH asks if this will be a survey instrument that is designed internally, or if there will be an external consultant working on it.

MR. BALDWIN replies that they are still in the early stages of designing that stakeholder input process. It is not necessarily heading in the direction of actually doing a physical survey, but is more along the lines of some public meetings and listening sessions to gather some input and feedback.

TRUSTEE SELBY states that this discussion goes to the real heart of the matter. He encourages putting some effort in the webinars, at least to mitigate doing this in the winter in Alaska. It takes an effort. He encourages a good, hard effort to give all of Alaska the opportunity to actually see the document and get input during the time that is set aside. That is critical. He continues that the public needs to be given an opportunity to be heard, and that needs to be reflected in the final document.

MR. BALDWIN states that this is being treated seriously, recognizing the difficulties of getting the whole state in there. He adds that one of the early conversations with the folks at the Mental Health Board/ABADA is that they have expressed interest in trying to help with this process. We are engaging in a variety of those kinds of things to make sure that the representation of partners and regions in the state are received.

MS. MARTIN states that this is a huge priority for the Department. She talks about the importance of having the boards and the Trust involved regardless of if there is a change in administration. There are folks that push this as a priority, and having folks involved beyond just DHSS employees is really important.

MS. ETHERIDGE states that in drafting the comp plan the higher level is supposed to be the goals. Those higher-level goals that sets the road map for where the investment at the state level is seen. The goals are supposed to be that driver. A good example is if the goals are good, then the demonstration waiver will weave into and meet those goals. The intention is to feed the goals that are wanted to be achieved and make it clearer on how they will be met. She states appreciation for the feedback.

MR. BALDWIN states that the talk is about keeping it high, getting specific and getting into some concrete stuff. He continues, that highlights the tension and the difficulties of pulling this together. There are a lot of things that contributed to this not being updated since 2011, and many of the conversations, challenges and roadblocks come back to these differences and part of what is being waded through.

TRUSTEE SELBY thanks all for the work and states that the planning process is always difficult, at best. What this discussion has done is exactly where almost every planning process ends up. Some people want a lot of detail, and others want a worksheet of a general framework.

He suggests getting a framework done. He continues that a framework for a comprehensive mental health plan is needed for Alaska badly, and an overarching comprehensive concept plan should be done. He then recommends moving right to year one of the implementation plan. This will still be worked on five years from now because it is at a level that is going to be constantly changing, because the needs and the people are constantly changing.

TRUSTEE BOERNER supports Trustee Selby's suggestion and states that it is a great way of marrying both of the points that have been raised. Another benefit is to separate the two and keep a level of flexibility to the overall plan itself that can transcend different administrations, as well.

TRUSTEE DERR states that the comprehensive plan to build independent and healthy Alaskans, the vision, the authority and likes what this draft is. She thinks that the plan is all good.

CHAIR COOKE asks if there is also a federal level of requirement for a comprehensive plan, or whether this is strictly an Alaska subject.

MR. BALDWIN replies that there are federal plans, regulations and grant funding that push requirements down, but they do not require this level and scope.

TRUSTEE MICHAEL thanks all for their work, stating that they are an incredible administration to work with. One of the best that she has seen in many years. All are team players, and this means that all are really invested.

CHAIR COOKE thanks all and breaks for lunch.

(Lunch break).

CHAIR COOKE brings the Program & Planning Committee back into session.

APPROVALS

TRUSTEE SELBY makes a motion that the Full Board approve a $300,000 FY19 Substance Abuse Prevention and Treatment focus area allocation for Volunteers of America Alaska for treatment program for enhancement funding project.

TRUSTEE BOERNER seconds.

MS. BALDWIN-JOHNSON states Volunteers of America provides essential mental health and addiction treatment services to at-risk youth and young adults statewide between the ages of 13 and 24 via residential program, which is the ARCH program. They also provide inpatient and intensive outpatient services, drug and alcohol treatment for youth in Anchorage. ARCH is the inpatient residential treatment program, and Assist is the program that is providing the outpatient services. She states that the focus of this request is to shore up the treatment component of the services. They do much more, but the focus of this is on the addiction services to adolescents and youth. Some of the other services they provide includes services to homeless youth. They

have school-based programs that have been funded by the Trust in the past. They also operate an inventory of affordable housing in Anchorage and statewide; and provide Grandfamilies Network Program, which is a statewide support for grandparents that are raising their grandchildren. They operate a prevention and intervention program that is focused on the prevention of adolescent youth drug and alcohol use; and operate a restorative justice program for youth offenders. She states that under the new leadership of Sherrie Hinshaw a substantial look at the agency as a whole in terms of this component of service, the financial stability, and staffing was taken. VOA approached the Trust with some partial support received from Volunteers of America National and partial support from the Trust for technical assistance. The focus of that was to identify challenges and potential solutions within service deliveries and resource management processes, looking at the model of their fiscal sustainability of their programs through the expansion or enhancement of current services, and to identify potential community-based partnerships to enhance client referrals and staff recruitment.

TRUSTEE EASLEY states that she had toured the facility about 10 years ago. It was a well-run program and asked about the step-down services and its ratios.

MS. HINSHAW replies that they do have that outpatient step-down program, and it has been working, making sure that there is a strong connection between the residential and outpatient programs.

TRUSTEE MICHAEL asks about their total leveraged funds and what that represents.

MS. BALDWIN-JOHNSON replies that it is other funding that is flowing into the organization, all of their operating funding, plus additional secured and pending funding. She explains that this budget structure is the narrative specifically for the Trust portion of the costs, and the rest of that budget will be provided, if it would be helpful. The intention of this request is that the Trust funding is earmarked for some specific purposes.

MS. BEMBEN explains that the project, that is partly funded through the Trust, is to do some business analysis for VOA, and then help them change their service model in order to create a sustainable business model going forward. She goes through the analysis that has modeled different scenarios. She states that the funding that is being requested is to add new clinical physicians, and to give them some time to make all the organizational changes.

CHAIR COOKE states that there is a motion on the floor, and calls the question.

There being no objection, the motion is approved.

CHAIR COOKE moves to trustee comments.

TRUSTEE COMMENTS

TRUSTEE SELBY thanks the staff for an outstanding job of delivering program services, all the work that goes into doing the grant review and working with the grantees. It is a job very well done.

TRUSTEE MICHAEL agrees with Trustee Selby and comments on the two great projects that were brought forward today.

TRUSTEE SMITH states that he enjoyed hearing about the Volunteers of America and the technical assistance aspect of the support.

TRUSTEE BOERNER states her appreciation for this staff. She has a particular thank you to the TLO office for providing a great orientation. She also appreciates the site visits and the opportunity to interact with the various programs that support the beneficiaries overall. She also thanks those that have attended these meetings.

TRUSTEE EASLEY talks about the tour of ATLA, and the amazing gadgets that can really help people with various developmental disabilities. She has a friend with Parkinson's and introduced her to those spoons and forks that could help her eat without a problem. She was thrilled to receive them.

CHAIR COOKE thanks all for their comments and asks Mr. Abbott for an update on where things stand with the ongoing concern about API.

MR. WILLIAMS states that API has a capacity of 80 beds, but are operating at 58 beds because of staffing issues, as well as acuity levels of some of the patients currently in API filling 49 of the 58 beds. He continues that acuity has resulted in API needing to make sure that they do not admit more people than they can adequately serve safely, to patients and staff. To address the immediate crisis in the short-term and the long-term the Department has mobilized and initiated an emergency response center which is made up of folks from the Division of Public Health. The team includes folks from the Department, API, ASHNA, DOC, and a few other key entities. They have eight objectives that they are addressing, some internal and some external. He adds that another objective is the crisis stabilization center which is an objective of the emergency response team.

TRUSTEE DERR asks if something is being done at Pioneer Home.

MR. WILLIAMS replies that he thinks they are working with North Star in Anchorage. He adds that there are many pieces in play being addressed, and this team is meeting weekly.

CHAIR COOKE asks about some conversations about participating in a broader planning exercise about what was to be done in terms of institutional care and other levels of mental health treatment services.

MS. BALDWIN-JOHNSON explains that the boards are very engaged in that conversation and thinking forward in terms of structures in planning. They have also been doing a bit of research in looking at some of the issues brought up by the patient advocates, Faith and Dorrance, who have raised a lot of concerns over the years. She continues that there are several different groups engaging and wanting to be part of figuring out the solution.

MS. KULAS states that they are looking at two different pieces, and the DHHS initiating this emergency response is a part of it. Staff had done a lot of research and there is a meeting next week with patient advocates, Disability Law and relatives to put everyone together that are interested and thinking about how to move forward. She adds that it is one of the big priorities for the Alaska Mental Health Board.

MR. REINHART adds that there are a number of residents that experience intellectual developmental disability with really complex and difficult behaviors, and it is acting as an intermediate care facility for people with developmental disabilities. They are concerns, and we absolutely want to be involved in any long-term process, as well.

TRUSTEE SELBY makes a motion to adjourn the Program & Planning Committee meeting.

TRUSTEE MICHAEL seconds.

(Program & Planning Committee meeting adjourned at 2:30 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY

PROGRAM & PLANNING COMMITTEE MEETING

January 3, 2019
2:20 p.m.

Taken at:
3745 Community Park Loop, Suite 120
Anchorage, Alaska

OFFICIAL MINUTES

Trustees Present:
Chris Cooke, Chair
Mary Jane Michael
Laraine Derr (via Speakerphone)
Paula Easley
Carlton Smith
Verne' Boerner

Trust Staff Present:
Mike Abbott
Steve Williams
Miri Smith-Coolidge
Kelda Barstad
Andy Stemp
Luke Lind
Michael Baldwin
Carrie Predeger
Katie Baldwin-Johnson
Jimael Johnson
Valette Keller
Eric Boyer
Autumn Vea

Trust Land Office:
Wyn Menefee
Jusdi Doucet

Also participating:
Patrick Anderson; Dr. Heidi Brocious (via Speakerphone); Michelle Brown; Nancy Burke; Denise Daniello (via Speakerphone); Annie Dear (via Speakerphone); Jeannette Lacey Dunn (via Speakerphone); Doug Harris (via Speakerphone); Mariya Lovischuck (via Speakerphone); Corrine O'Neill; Beverly Schoonover; Tiel Smith.

PROCEEDINGS

CALL TO ORDER

CHAIR COOKE called the meeting to order and stated there was a quorum.

ROLL CALL

TRUSTEE MICHAEL noted that Trustee Selby was not present at this committee meeting, but all the other trustees are present.

CHAIR COOKE asked for any announcements.

TRUSTEE EASLEY stated that Alison Kulas is no longer with ABADA.

MR. ABBOTT added that Ms. Kulas resigned effective the beginning of December, and her position is currently vacant. Bev Schoonover is the acting director for ABADA and Mental Health Board, and is present.

CHAIR COOKE asked for a motion to approve the agenda.

APPROVAL OF AGENDA

MOTION: A motion was made to approve the agenda by TRUSTEE MICHAEL; seconded by TRUSTEE BOERNER.

There being no objection, the MOTION was approved.

ETHICS DISCLOSURES

There were no ethics disclosures.

APPROVAL OF MINUTES (October 17, 2018)

MOTION: A motion to approve the minutes of October 17, 2018, was made by TRUSTEE MICHAEL; seconded by TRUSTEE BOERNER.

TRUSTEE BOERNER referenced her comment on the importance of the comp plan on page 6 and stated that it was important that the unique aspects be reflected in the minutes. She requests that be included.

TRUSTEE MICHAEL suggested writing up what should be included, and those minutes can be approved at the next committee meeting in Juneau.

MOTION: A motion to table the approval of the minutes until the next meeting was made by TRUSTEE MICHAEL; seconded by TRUSTEE BOERNER.

There being no objection, the MOTION was approved.

JUNEAU HOUSING FIRST

MR. WILLIAMS stated that Kelda Barstad will speak to the Juneau Housing First project.

CHAIR COOKE stated that a motion was needed.

MOTION: A motion to approve a $350,000 substance abuse prevention and treatment focus area allocation to the Juneau Housing First Collaborative for the Juneau Housing First Collaborative Phase II -- the funds will be from the treatment focus area strategy -- was made by TRUSTEE DERR; seconded by TRUSTEE EASLEY.

MS. BARSTAD stated that there are several members of the Juneau Housing First Collaborative on the phone who are willing to speak in more detail about how this project has impacted their community. She continued that the Forget Me Not congregate, single-site, permanent supportive housing units are in place. Phase I is of a similar size of 32 units. Phase II is proposing an add-on to that existing building. Permanent supportive housing is an incredibly critical service for the continuum of care. It combines an opportunity for permanent housing with supportive services for individuals who are chronically homeless; that is what Forget Me Not specifically targets. She added that this proposal is going to focus on single adults. She stated that permanent supportive housing helps individuals stabilize after being homeless. This intervention is critical in moving people from crisis to being able to focus on the goals they have to get well and heal from trauma. She added that people that are homeless experience incredibly high rates of trauma; and having a home to be able to become stable and heal is incredible. She highlighted a few things for the Juneau project, and stated it is a service that works and saves money in the long term as a service system.

MS. LOVISCHUCK stated that she is the executive director of The Glory Hole and thanks all for considering this request. She addressed the question about the location of the project in Lemon Creek. The Glory Hole conducted a survey among their homeless adult patrons about whether they would want to be Downtown or in another location. About 60 percent of them said they did not want to be Downtown due to the fact of there being too much temptation to drink, and there being too much violence. She added that 30 percent did not care; and the other 10 percent wanted to stay Downtown. She explained that The Glory Hole is the emergency shelter, and the Lemon Creek location is much better. It has separated folks from the supportive housing from those who are in active trauma and crisis. Transportation has been provided for folks who need to get to the Lemon Creek facility, which is also close to the bus line.

TRUSTEE SMITH added that all the factors in the area come together in an ideal zoning approval situation for that location.

DR. BROCIOUS explained that she had been leading the evaluation on the data, which was recently updated, and noted that a median number of homeless months for each individual is 125 months. The residents that are there now have probably had ten years of homelessness. She talked about the statistics with regard to the decreased service use and stated that there was a significant reduction in use of ER visits, ambulance services, the sleep-off center, and the police services. This is quite an impact on the community. She continued that there has been a decrease in the average number of days per month that residents have had four or more drinks. It appears that drinking has gone down slightly, and that data will continue to be watched. She added that the data has been impressive in terms of the effectiveness both on the community service use and in overall resident well-being.

MR. HARRIS stated that he is the Chief Integrative Service Officer with JAMHI Health & Wellness, which is the service provider for the professional primary medical services, as well as

behavioral health service. He continued that instead of having to go to the emergency room for primary-care needs, the residents go downstairs on a walk-in basis and receive the care. There is a full-time mental health clinician, full-time case manager, a full-time patient assistant, and full-time support nurse for the PA available for all of the residents. He added that having a pharmacy has just been approved, and it will be located at Forget Me Not Manor. That service will include free bubble packing, which will significantly increase medication compliance for the folks. There will also be two nationally certified fitness trainers coming on-site on a weekly basis to provide coaching on various wellness aspects for nutrition, exercise and other activities to promote overall wellness, in addition to the physical wellness. He stated that some prime health issues have been identified that have been addressed more appropriately than through emergency services. The relationship with the clinician and case managers is phenomenal, and they have provided a barrier-free step in services and building relationships necessary for many of these people to develop and become comfortable enough to be able to deal with the traumas that they have lived with. He added that they are very prepared to be able to provide the services to the additional residents from Phase II, in addition to the continued services for the current residents. He thanked the Board for the consideration of the funding request.

MS. DUNN stated that she is the director of case management at Bartlett and added that this is a great opportunity for anyone who may have some outstanding debt at other clinics that are not willing to accept them now with their Medicaid expansion.

MR. HARRIS stated that there is one additional service which is providing medication-assisted treatments out of the clinic. There is a huge demand for that, and that is being provided out of both of the clinics with all of the prescribers.

MS. DUNN stated that the hospital partners very closely with the Midtown clinic which has made health outcomes better for the residents because now providers in the hospital can initiate some interventions that may not have been previously successful. With close follow-up from the clinic and case management, there is a lot more follow-through on initiation from anything from antibiotics to medications for chronic conditions; which will support the health outcomes in the long term. She added that, for the benefit of the residents, there is a big impact at the hospital.

TRUSTEE EASLEY stated that an amazing job is being done, and it has all been pulled together.

CHAIR COOKE stated that it is interesting that this proposal seems to be one in which the Trust's contribution has a huge multiplier effect and that the local entities and the hospital are not only supportive of it with their words, but are also putting money into the expansion. He stated appreciation for all the hard work done by all the partners in Juneau on this proposal.

TRUSTEE MICHAEL reminded trustees that the motion is on the table.

There being no objection, the MOTION was approved.

PAY FOR SUCCESS PROGRAM

MS. BARSTAD introduced Nancy Burke, Homeless and Housing Coordinator for the Municipality of Anchorage. She will talk about how the Pay for Success program has developed and will give additional detail on the next year of development and the vision for the future.

MS. BURKE stated that Anchorage will absolutely stand up to the numbers, and this work has been going forward with the Trust's support for many years. She continued that permanent supportive housing involves many different sectors, many different kinds of funding, new configurations of resources to make things easily accessible to people who are the most vulnerable and have the most challenging time getting to those resources. She explained that the Pay for Success project that HUD is supporting in about seven other communities is looking at an arc of how to bring about additional projects to scale with Housing First, as opposed to working project by project. This is a whole community view of what it would take to do Housing First in Anchorage. She continued that with her today was Michelle Brown, the president of United Way which is the sponsor and the fiscal part of the Pay for Success project, which is their expertise in this community. Also on the phone is Annie Dear from Social Finance, a technical assistance entity supporting the Pay for Success project in Anchorage. She stated that permanent supportive housing is appropriate for a large percentage of those adults that are homeless in Anchorage; there are about 1100 people each year that are homeless. Over the past two years, the Pay for Success timeline has worked on receiving the grant and then completing feasibility, which was completed in May of 2018. It is now in project design, and one of the aspects is how to get enough providers to serve the number of people targeted in this project. She talked about the pilot year for the Pay for Success project. She stated that RurAL CAP is a provider that is skilled, and has been the lead in this work for many years. This pilot year is called Year Zero, and will work in depth with providers on skills training and technical assistance. People will be housed in this first year. It will be done in an environment where all can discuss and learn before going into a formal contract in the Pay for Success model. The target will be for 60 people this first year. She explained the eligibility criteria, and then provided some detailed budgets that helped to clarify questions about where Trust funding might be used within this project. One of the things that is important for the partners in this project is that the housing providers have all recognized that it costs more to house vulnerable people with very high needs.

TRUSTEE MICHAEL asked if there is a Phase II Housing First single-site project in this to take care of the people that are the most difficult to serve; and will that level of support be provided in scattered sites.

MS. BURKE replied that this is Phase II, and explained that the allocation of those in Anchorage is about 70 or 75 percent scattered-site already being done. She stated that some people want to live in a single-site project because they feel supported; others want to be in the community where no one knows their history or who they are.

CHAIR COOKE asked if the cost for the facility was not included in this projection.

MS. BURKE replied yes, and explained that they are trying to run the capital parallel to the project.

MR. ABBOTT asked what that million dollars was going to be used for.

MS. BURKE replied that there will be capital need for future years, and that million dollars will help support that.

CHAIR COOKE asked the status of this proposal, and if it is offered as an information item.

MR. ABBOTT replied that the Trust has not funded a request like this before, and a funding source has not been identified for this yet. It is an information item.

MS. BURKE stated that the Municipality, a potential co-funder in this project, stated that their commitment to be an end funder on this project is very real. Also, new revenue from an alcohol tax proposal passed the Assembly and will be going to the voters in April in Anchorage as a potential place for payment, not only for Pay for Success, but also for ongoing needs of people in the community that are not making it or who are homeless. She added that there are also other things happening.

RURAL CAP

MS. BARSTAD introduced Patrick Anderson, the CEO of RurAL CAP, and Corrine Smith, the director of housing.

MR. ANDERSON stated that he has been the CEO of RurAL CAP for 11 months and his part of this presentation is to dispel any community discussion about troubles at RurAL CAP. There was a period of turmoil with about six interim and permanent CEOs cycling through in the last three years. He was hired in January and expects to be permanent. He continued that he has three outstanding executives working with him: Tiel Smith, chief operating officer; Corrine O'Neill, director of the division of supportive housing; and the HR manager and chief finance officer rounds out that team with a lot of experience and passion. He moved to the summary of the five years' projected funding for operation of this project. RurAL CAP initially partnered with the Anchorage Community Mental Health System, but they dropped out. Prior leadership felt that this was an important function meeting a critical need within Anchorage, continued with it and assumed the assets. That became Sitka Place, which began operating without any sustained source of funding. He explained that RurAL CAP has no other sources of funding other than what is referred to as discretionary, and we are obligated by nonprofit rules to spend what we have. The project cannot be sustained when we have responsibility to the entire state of Alaska for services.

MS. O'NEILL stated that Sitka Place is located at 1905 East 4th Avenue. That property was formed to provide housing when there were no other housing options. RurAL CAP took it over in 2014, and were lucky to work with the Division of Behavioral Health Services that understood the importance of making this into permanent supportive housing, to serve some of the people that had some of the most severe psychiatric issues. There were ongoing operations from them for three years, but they were unable to continue that this year. The gap is why RurAL CAP is challenged to sustain it, and also replicate it around the state. That is not a Medicaid billable service. She continued that seven units were set aside for the VA, and we have been involved in housing some of the highest and most challenging cases from the Choices Act Team. She talked about the challenges and asked for this year of funding to get to where they need to be.

TRUSTEE MICHAEL stated that RurAL CAP is one of the strongest organizations in town and have always been a tremendous contribution to the community. In looking at the funding for FY19 and adding it up, it is almost $820,000 a year. She asked if that was right.

MS. O'NEILL explained that what was used in the past year was other unrestricted funding, and we have pulled in profit made on other rented buildings to make the project sustainable. Also

planned is raising the rents $50 per month, which will take about a $30,000 gap out.

TRUSTEE MICHAEL stated that her recommendation would be three years of funding at $150,000, because this will not turn around in a year. Medicaid will not happen in a year, and we have already committed to organizations to bring on Medicaid. She continued that she would support the $150,000.

MR. ANDERSON agreed, and stated that the necessity of continuing to seek funding consumes a lot more of the indirect cost recovery than would ordinarily be allocated. He was not sure that it can make three years because it depends on a lot of independent variables; but this population is important.

CHAIR COOKE stated confusion on whether this is an update because he did not see a funding request. He asked for clarification.

MR. WILLIAMS replied that this is just an informational update, and more information will be brought to the Full Board when we meet in Juneau. This will come directly to the Board.

MR. ANDERSON stated that he failed to acknowledge that Nancy Burke is a member of the RurAL CAP board of directors and thanked the trustees and staff for the opportunity to discuss the many people that are served at Sitka Place.

BUDGET UPDATE

MR. WILLIAMS stated that not much has changed in the FY20 budget discussion. The new administration came in, and by statute they need to release a budget by the 14th to 15th of December. What the new administration did was use the previous administration's budget that was developed as a starting point to meet that statutory requirement. They claimed to review that budget in detail and re-release their recommendations by February 15th. He continued that they plan on releasing a revised budget by mid-January. At that time, staff will go back and re-review what those recommendations were in Governor Dunleavy's budget. The budget release on December 14th was reviewed by staff, and there was only one difference between what the trustees recommend and what was included in the budget.

LEGISLATIVE ADVOCACY ITEM

MR. WILLIAMS provided a high-level overview of what is seen as the advocacy items that will be paid particular attention to, the first being what will happen with Medicaid and Medicaid expansion. It is a very important element, and the reason why the Trust got engaged in pushing for expansion in the beginning. He stated that the other big area is criminal justice reform and looking at how the Administration and/or the Legislature will look at what was enacted through SB 91; if there are any recommendations for changing laws as a package, or whether it is through individual bills. During the election and campaign process, the Administration was pretty strong on wanting to repeal, which was also heard from legislators. He continued that the Criminal Justice Commission will have their first meeting in Juneau before the Trust meeting. There will be new commissioners that will be joining the Commission, and this will be a topic of conversation. He added that staff is collectively looking at these things. He mentioned that the Trust has been engaged with the Primary Care Association, and Trustee Boerner a member in her role as the CEO of the Alaska Native Health Board. There is also a group that are paying close attention to what actions might be taken around Medicaid to have a collective voice to provide

education.

API UPDATE

MS. BALDWIN-JOHNSON stated that this is a Trust staff update and she is not speaking on behalf of the Department. She continued that there have been some administrative and leadership changes. Gavin Carmichael, the former chief operating officer at API, has been appointed as interim CEO of API. Dr. Guris, chief of psychiatry, is the acting medical director and is providing additional stability there for medical oversight. She added that Al Wall, the new deputy commissioner, pointed out that this is not just an API issue, and we have to think about the full continuum of behavioral health care and services and how that impacts API and the role of API in that system. There are multiple groups working on this that are interested in not just the API issue, but the different components of the system. She stated that API has a governance board that appears to be meeting monthly and includes representatives of the Department, different commissioner-level folks, and folks that have been in the Department. Charlene Tautfest from the Mental Health Board is also a representative in that group. She also pointed out that the Department has established a one-year renewable contract with North Star to provide psychiatric and substance abuse services through their Arctic Recovery Program. That was an attempt to address some of the capacity issues at API to get folks into services.

TRUSTEE EASLEY asked if Duane Mayes returned to SDS.

MS. BALDWIN-JOHNSON replied that he has taken a director position with DVR in the Department of Labor.

TRUSTEE MICHAEL asked if there was any progress or comments on crisis intervention.

MR. ABBOTT replied that the Legislature appropriated $12 million for a variety of substance-use-disorder-related services, a one-time chunk of capital budget money that does not lapse. The Department received one responsive proposal to its RFP and granted $2 million to Bartlett Memorial Hospital in Juneau. They are making renovations, and were approved for 16 beds. He stated that Southcentral Foundation, Providence and others are working with staff to consider starting this service, and the conversation is continuing.

CHAIR COOKE stated that the board has always felt that this should be a process that the Trust takes an active role in and hoped that was being communicated to the new administration.

MR. ABBOTT stated that was made clear to the Commissioner and the Deputy Commissioner. He continued that the Deputy Commissioner is the one with day-to-day involvement with the API-related challenges, and that the Trust is willing to partner both on the policy, as well as a potential funder of an analysis, consultation, change, et cetera.

TRUSTEE COMMENTS

TRUSTEE SMITH stated that it was a terrific day for the beneficiaries with the land exchange and all that effort. Second, the contact with the communities and continuing to increase the public relations profile of the Trust is terrific.

TRUSTEE BOERNER congratulated staff for the work done, and seeing that come to fruition is a great feeling. She expressed her appreciation and gratitude this past quarter. She talked about

doing a radio program and that it was fantastic to be able to present with Trust staff on the Line One radio program in her capacity for the Alaska Native Health Board and the partnership work done with Alaska Primary Care Association, in addition to the joint meeting. She thanked staff for the support.

CHAIR COOKE concurred with the other comments, and stated that in preparing for this meeting he went to the Web site which was very easy to maneuver, and found what he needed and printed it out. He stated that he liked the product and thanked all.

MR. WILLIAMS shared that on December 28th Banasi Lal, who was a commissioner on the Alaska Commission on Aging, passed. He wanted to acknowledge that on the record. He stated that he met Banarsi when he first started at the Trust and that he was a genuinely authentic, caring individual, and someone engaged with the Trust in a variety of capacities. He worked at Fairbanks Native Association, was a longtime commissioner for the Commission on Aging, was a board member for the Governor's Council on Special Education and Disabilities, served on the advisory council for the Pioneer Homes. He was someone who was actively engaged in the work that we do on a regular basis out in the community and statewide. He acknowledged that a longtime advocate and a friend of the beneficiaries has been lost.

CHAIR COOKE asked for anything further. There being none, he asked for a motion.

> **MOTION:** A motion to adjourn the meeting was made by TRUSTEE EASLEY; seconded by TRUSTEE MICHAEL.
>
> *There being no objection, the MOTION was approved.*

(Program & Planning Committee meeting adjourned at 4:18 p.m.)

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MEMO

To: Chris Cooke, Chair, Program and Planning Committee
Through: Mike Abbott, Chief Executive Officer
From: Steve Williams, Chief Operating Officer
Date: April 10, 2019
Re: FY20 budget analysis

On February 13, 2019 Governor Dunleavy submitted his proposed FY20 Amended Budget. The Governor's amended budget was a significant departure from the original FY20 proposed budget submitted in December 2018. The proposed FY20 budget submitted in December was developed by the Walker administration and submitted by Governor Dunleavy to meet statutory requirements.

Governor Dunleavy's proposed FY20 Amended Budget drastically reduced the GF and GF/MH funds in the Mental Health Budget bill (HB40) and Operating Budget bill (HB39).

Below are the differences between the Governor's amended FY20 Mental Health Budget bill (HB40) and Trustee approved budget:

- With one exception, the recommended MHTAAR increments were maintained. The exception was the elimination of a MHTAAR increment for the Job Center – Corrections Reentry Liaison position in the Department of Labor and Workforce Development. The position, deemed redundant with current efforts, and $128.8 in MHTAAR was removed from the budget.
- The amended budget removed all recommended GF/MH increments in the Mental Health Budget bill. Specifically, $435.7 in GF/MH was removed from identified program projects, and $5,100.0 in GF/MH was removed from capital projects for a combined total of $5,535.7 in reductions.

The tables outline the specific differences between the Trustee approved FY20 budget recommendations and the Governor's amended FY20 Mental Health Budget bill (HB40).

FY20 Mental Health Budget Bill Comparison

		Trustee Recommended			Governor Amended	
Project	**Dept/RDU**	**MHTAAR**	**GF/MH**		**MHTAAR**	**GF/MH**
Operating						
Holistic Defense - Bethel	DOA/PDA	$193.8	$372.7		$193.8	-
IT Application/Telehealth System Improvements	DHSS/SDS	38.1	63.0		38.1	-
Job Center Liaison w/Corrections	DOLWD/ETS	128.8	-		-	-
Total Difference					$128.8	$435.7

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Project	Dept/RDU	MHTAAR	GF/MH		MHTAAR	GF/MH
Capital						
Capital – Deferred Maintenance	DHSS	250.0	250.0		250.0	-
Capital – Assistive Technology	DHSS	-	500.0		-	-
Capital – Home Modifications	DHSS	300.0	750.0		300.0	-
Capital – Homeless Assistance Project	DOR/AHFC	950.0	850.0		950.0	-
Capital – Special Needs Housing Grants	DOR/AHFC	200.0	1750.0		200.0	-
Capital – Coordinated Transportation	DOTPF	300.0	1000.0		300.0	-
Total Difference						$5,100.0

Medicaid Reductions

A significant component of the Governor's proposed FY20 budget involves significant reductions to the Medicaid program. The Department of Health and Social Services (DHSS) has proposed a two-phase approach towards achieving reductions. At this time, there are only details on Phase I, with details on Phase II to be forthcoming.

The DHSS plan for Phase I focused upon cost containment efforts, proposed reduction of approximately $102 million dollars. In contrast, the House Finance Committee is considering a Phase I reduction of approximately $58 million dollars.

For reference, staff have included three documents to this memo to provide additional information to the reductions outlined above and the Trust's response.

1. A document from Legislative Finance outlining the differences between DHSS' and the House HSS Committee's proposed reductions for Phase I of the Medicaid reductions.
2. The Trust's letter to the House Finance Committee regarding the proposed FY20 budget.
3. The Trust's letter to Commissioner Crum regarding the proposed Phase I reductions to the Medicaid program.

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Trust Beneficiary Related Bills

The Trust, with the Statutory Advisory boards and key stakeholders, are tracking a number of bills that would affect Trust beneficiaries.

The following is a list of the bills the Trust has prioritized:

- HB 114 / SB 93 Medical Provider Incentives/Loan Repayment (SHARP)
- HB 22 / SB 10 Extend the Suicide Prevention Council
- HB 49 / SB 32 Crime Bill: Crimes; Sentencing Mental Illness; Evidence
- HB 50 / SB 33 Crime Bill: Arrest; Release; Sentencing; Probation
- HB 51 / SB 34 Crime Bill: Probation; Parole; Sentences; Credits
- SB 52 Title 4 Revision

FY20 Medicaid	Phase One FY20 Reductions Proposed by DHSS (GF Only)	Phase One FY20 Reductions Proposed by House HSS Committee (GF Only)
Phase 1 Rate and Payment Adjustments		
5% Provider Rate Reduction	$ 21,123.9	
* Withhold Inflation	$ 11,093.0	$ 11,093.0
Hospital DRGs	$ 4,500.0	$ 4,500.0
Acuity Based Nursing Facility Rate	$ 2,000.0	$ 2,000.0
Cost-Based ESRD	$ 1,000.0	$ 1,000.0
Pharmacy Adjustments	$ 2,100.0	$ 2,100.0
Phase 1 Cost Containment on Service Utilization		
Limit PT/OT/Speech Therapy to 12 visits per year	$ 1,000.0	$ 1,000.0
Expand Care Management Program	$ 2,010.0	$ 2,010.0
Eliminate Adult Preventative Dental	$ 8,273.6	
Implement Nurse Hotline	$ 500.0	$ 500.0
Phase 1 Administrative and Program Changes		
Timely Filing Allowance Reduction	$ 10,000.0	$ 10,000.0
Cost of Care Collection	$ 500.0	
Reclaiming Medicare Part B premium	$ 1,188.0	$ 1,188.0
Tribal Reclaiming	$ 20,100.0	$ 20,100.0
Tribal Reclaiming Medicare Part B Premium	$ 1,955.0	$ 1,955.0
Transportation Efficiencies	$ 3,000.0	
Transition BH Grants	$ 12,000.0	
Electronic Visit Verification	$ 440.6	$ 440.6
Transition Services to 1915(k)	$ 123.0	$ 123.0
Totals	**$ 102,907.1**	**$ 58,009.6**

*** Withholding Inflation - the House HSS committee urges DHSS to hold harmless the following entities:**

1.Federally Qualified Health Centers (FQHC)

2. Critical Access Hospitals (CAH)

3. Behavioral Health Providers

4. Primary Care Providers

5. Skilled Nursing Facilities

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April 3, 2019

House Finance Committee
c/o Representative Foster and Representative Wilson, Co-Chairs
Sent via email

Subject: Operating and Mental Health Budget Appropriations

House Finance Co-Chair Foster and Co-Chair Wilson,

The Alaska Mental Health Trust Authority has a duty to educate the public and policy makers on beneficiary needs, and coordinate with state agencies on programs and services that affect beneficiaries. Trust beneficiaries include Alaskans who experience mental illness, developmental disabilities, chronic alcoholism and other substance related disorders, Alzheimer's disease and related dementia, and traumatic brain injuries. Our trustees propose budget items each year including the use of Trust funds (Mental Health Trust Authority Authorized Receipts, or MHTAAR), and recommendations for general fund spending (GF/MH) that would improve the system of care for beneficiaries and Alaska. In addition, the Trust advises the administration and legislature regarding the opportunity to use other state resources to improve the lives of Trust beneficiaries.

As you consider the FY20 operating (HB39) and mental health budget (HB40) bills, the Trust would like to offer comments relating to several budget items that impact our beneficiaries.

<u>Department of Health and Social Services</u>

- **Medicaid:** Alaska's Medicaid program, and the services it provides Trust beneficiaries, has long been a priority for the Trust. The Trust has committed $10 million of Trust funds to improve access to essential behavioral health care for Alaskans, including tens of thousands of Trust beneficiaries. When implemented, Trust-funded reforms will: (1) increase efficiencies, (2) improve effectiveness, and (3) better serve Alaskans thru a sustainable continuum of integrated care for beneficiaries.

  We are concerned that the DHSS proposed radical funding cuts to Alaska Medicaid program will significantly impact an already fragile community-based system of care, and shift service costs from lower levels of care to more expensive, higher levels of care (psychiatric hospitals, corrections, emergency rooms, etc.). This shift will negatively impact beneficiaries' access to services, as well as their health and the health of Alaska communities.

  Since most of the proposed Medicaid program changes do not require legislative approval we are focusing our efforts to reduce negative impacts on Trust beneficiaries towards DHSS. We appreciate the Committee's interest in this subject and will share our concerns with DHSS's proposed actions shortly. The primary concern we will share with DHSS is that no reductions in provider rates, optional services, or program structure can be made

until and unless DHSS is assured that they will not result in reductions in quality or quantity of care.

- **Behavioral Health Grants:** One subject included in the Medicaid discussion that could be impacted by legislative action is behavioral health grants. We encourage the Committee to fully fund the grants. Although some of the grant-funded work may transition to Medicaid as a result of the 1115 waiver, DHSS does not know how much service or how much expense will actually be billable in FY20. We are also concerned the timing of the proposed grant reductions, which are to take effect July 1, is not realistic given that the non-substance use disorder related waiver services have yet to be approved by CMS. This transition to the 1115 waiver may involve delays that will inhibit community behavioral health providers and others from being able to bill for services that are not currently reimbursable. We are concerned about the fragility of behavioral health services for Trust beneficiaries. If these grant reductions are implemented, the system will become further at risk with proposed rate reductions and future imposed cuts or caps to Medicaid in general.

- **DHSS Human Services Community Matching Grant and DHSS Community Initiative Matching Grant Program**: The Trust does not support the proposed elimination of these community matching grant programs. Any reduction in funding will adversely impact Trust beneficiaries who rely on community services provided by non-profit agencies. Trust beneficiaries who are homeless or in poverty may lose access to shelter, food, and other basic needs to survive. For many community providers, these grants represent the only public funding source available to provide these essential safety net services.

- **Senior Benefits Program:** The Trust does not support the proposed elimination of this program, for which the average recipient is 75 years old. This elimination will tighten finances for senior Trust beneficiaries, many of whom already live on a very limited and fixed budgets/, and limit their ability to meet basic needs.

- **Adult Public Assistance PFD Hold Harmless:** The Trust does not support repealing the PFD hold harmless provision. For Trust beneficiaries who rely on the public assistance program, the loss of a month or more of benefits could limit their access to shelter, food, transportation and other basic needs.

- **Medical Appliances and Assistive Technology:** The Trust does not support the proposed elimination of funding for this program. These funds support daily assistive devices that help Trust beneficiaries experiencing disabilities and seniors live in Alaska communities, in the least restrictive home environment, and promote maximum autonomy and dignity.

- **Accessibility Improvements and Deferred Maintenance Fund:** The Trust does not support the proposed elimination of the state matching funds for this program. Community based organizations that serve and support Trust beneficiaries access these funds to assist with renovations, repairs or upgrades, and accessibility improvements to program facilities. Reducing these funds could potentially reduce the amount of direct services that can be provided by community agencies, and could result in larger, more expensive facility maintenance issues in the future.

- **Home Modifications and Upgrades:** The Trust does not support the proposed elimination of the state matching funds for this program. This program funds accessibility modifications for Trust beneficiaries so that they can remain independent and in their residence. Without access to these funds, individuals are unlikely to afford and make the modifications on their own. The average cost per project in this program is $12,246; that is equal to approximately two months of Assisted Living Home care or about 2 ½ weeks of care at a skilled nursing facility.

Department of Corrections

- **Transfer of Alaskan inmates to Out-of-State Facilities:** The Trust does not support the proposed transfer of Alaskan inmates to out-of-state correctional facilities. This will likely add additional trauma and harm to inmates and their families, and is unlikely to produce significant, if any, cost saving to the state. For incarcerated Trust beneficiaries, access to rehabilitation programs, medication assisted treatment, education/vocational programs, and other reentry services are critical in preparing reentrants to successfully return to society and reducing recidivism. Connections with family and community are also important components in recidivism reduction, and can promote long term recovery efforts, particularly for beneficiaries experiencing mental illness and substance use disorders.

Department of Education and Early Development

- **Early Education Programs:** The Trust does not support the reduction to or elimination of early education programming. The Trust works in prevention and early intervention services for individuals at risk of becoming Trust beneficiaries, and these efforts start with young children. Elimination of early childhood services through early education programs including Head Start, Best Beginnings, Parents as Teachers, and the Early Education/Pre-K Grants will reduce the opportunity for trained early childhood professionals to identify trauma and developmental delays, and provide early intervention through child and family support services. Fewer early interventions will lead to increased use of costlier and less effective special education services in the K-12 education system.

- **WWAMI Program:** The Trust does not support the proposed elimination of funding for this program. Recognizing the need for trained healthcare workers to meet our growing physical and mental healthcare needs in Alaska, the Trust supports workforce development efforts that help ensure beneficiary access to quality care. The importance of building the competency and capacity of our state's healthcare workforce, is critical to the overall health of our beneficiaries and the health of Alaska communities. The elimination of this program could reduce the number of trained medical professionals and the licensed provider workforce in Alaska.

Department of Revenue

- **Housing Assistance Program (HAP) and Special Needs Housing Grant (SNHG):** The Trust does not support reductions to funding for the Housing Assistance Program and the Special Needs Housing Program. The Trust is very concerned that any reductions to these programs will place Trust beneficiaries at risk of homelessness and increase Alaska's homeless population overall. We have invested heavily over the years into proven housing models that demonstrate quantifiable and qualitative results for Trust beneficiaries. The proposed 88% reduction to HAP and 90% reduction to SNHG will result in shelters, rapid rehousing programs, and permanent supportive housing programs drastically reducing or eliminating existing services. This will have the serious effect of increasing the number of homeless people, the length of homelessness, and disrupting stable housing for housed Trust beneficiaries.

Department of Transportation

- **Coordinated Transportation Fund Reduction:** The Trust does not support the proposed elimination of the state matching funds for this program. The state funding combined with federal dollars increases the availability of affordable and accessible transportation for beneficiaries across the state. The reduction in funds may place federal funds at risk and jeopardize the availability of accessible transportation for seniors and persons with disabilities.

Thank you for your consideration of our comments. We would be happy to provide additional detail on any budget item discussed above.

Respectfully,

Michael K. Abbott
Chief Executive Officer

Cc:
House Finance Committee Members

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April 10, 2019

Commissioner Adam Crum
Alaska Department of Health and Social Services
Sent via email

RE: Proposed revisions to Alaska's Medicaid program, Phase I

Dear Commissioner Crum,

The Alaska Mental Health Trust Authority is a long-standing partner of the Department of Health and Social Services (DHSS). Together we have made big changes in Alaska that have improved the lives of Trust beneficiaries and all Alaskans. For 25 years our partnership has thrived because we are able to speak frankly to each other to make sure that the policies that guide health and social service delivery in Alaska are as productive and as efficient as possible.

It is in that spirit that we present our concerns with the proposed changes to Alaska's Medicaid program that have been described as Phase 1 and discussed for the last three weeks. We know that you bring these ideas forward with the intent to reduce the cost of the Medicaid program as part of the administration's overall intent to reduce state government expenses with the fewest service reductions possible. We appreciate your objective, but we cannot support that effort if it leads to a lesser quality or quantity of services for Trust beneficiaries. Some of our specific concerns are spelled out in this letter.

Medicaid, without a doubt, is one of the services administered by the state that most significantly impacts Trust beneficiaries. A priority for the Trust, we have committed $10 million of Trust funds into Medicaid reform efforts to improve access to essential behavioral health care for Alaskans, including tens of thousands of Trust beneficiaries. When implemented, Trust-funded reforms will: (1) increase efficiencies, (2) improve effectiveness, and (3) better serve Alaskans thru a sustainable continuum of integrated care for beneficiaries.

We are concerned that DHSS's proposed radical funding cuts to Alaska Medicaid program will significantly impact an already fragile community-based system of care, and shift service costs from lower levels of care to more expensive, higher levels of care. This shift will negatively impact Trust beneficiaries' access to services, as well as their overall health and the health of Alaska communities.

Reduction in Medicaid services will also have an impact on public safety in Alaska. By eroding access to services, especially substance misuse prevention and treatment, the community behavioral health system will reduce its ability to meet the current need. Preventing and treating substance abuse, and reducing beneficiary involvement in the criminal justice system, are shared priorities.

We also want to express our concern that these significant changes are being launched without stakeholder and healthcare provider input. Since most of the proposed Medicaid program changes do not require legislative approval we are communicating our concerns directly to you.

Phase I Medicaid Reductions

Five percent provider reimbursement rate reduction
Even with the exemptions noted by the department, this reduction could significantly impact beneficiary access to health and behavioral health services. In many cases, the current Medicaid rates fall below the cost of care. The proposed reduction will place additional financial burden on consistently underfunded community health care providers and potentially reduce access to care should/when community health care providers either limit services or close. This reduction strategy does not address underlying cost drivers, like the overall annual cost increases in health care. In addition, reducing the provider rate will discourage, not promote, providers desire to be innovative in how they implement services in Alaska. We anticipate this will significantly impact beneficiary access to health and behavioral health services.

Further, Trust beneficiaries who are seniors or who experience developmental disabilities will be adversely impacted by this reduction. While some providers have been exempted from the rate reduction, providers who offer home and community based services such as assisted living, case management, transportation, and peer support will be significantly impacted. These services save money by providing essential services in low impact settings, and maximize autonomy and independence.

The Department should be focused on expanding behavioral health care and stabilizing home and community based services and supports, and not risking reductions in necessary care for Trust beneficiaries. These rate changes should not be put into place until you are satisfied that current Medicaid clients will not be adversely impacted by either reduced access to care or reduced quality of care. The department is responsible, in partnership with the Trust, to ensure there is a comprehensive system of care.

Withhold Inflation
This action will place additional financial burden on consistently underfunded community health care providers, for many of which reimbursement rates already aren't matching price inflation, and potentially reduce access to care should/when community health care providers either limit services or close their doors. This proposal does not address underlying cost drivers, like the overall annual cost increases in health care.

Hospital diagnosis-related Group (DRGs)
Like reimbursement rate reductions, moving to this payment methodology should not be done until the department has analyzed how such a change will impact Medicaid clients and can ensure that it will not negatively impact access to care or quality of care for Trust beneficiaries.

Acuity Based Nursing Facility Rate
Trust beneficiaries who experience Alzheimer's Disease, related dementia or other challenges could be adversely impacted by the proposed rate cut and rate methodology change. Like our concerns with the 5% provider rate reduction, this change should not be implemented until the department is certain that the quality of care and access to care will not be negatively impacted. While the Trust remains an advocate for lower cost community based services for our beneficiaries, there are individuals that require the care of a skilled nursing facility and their access to that care, especially end of life care, should not be diminished.

Eliminate Adult Preventative Dental Services
In 2005, the state recognized dental care as critical to controlling overall health care costs and promoting improved health of beneficiaries and Alaskans, and included Adult Preventative Dental in the Medicaid program.

Low income adults have an increased prevalence of dental disease. Alaska's Medicaid dental services have provided a limited dental benefit, typically $1,150 per fiscal year, to address dental priorities for Medicaid recipients. Prior to these services, adults enrolled in Medicaid were typically faced with accessing Medicaid dental services when they had pain or acute infection. By eliminating this service, more Trust beneficiaries will seek emergency dental care in expensive emergency room settings, in lieu of receiving less costly preventative care. Further, these emergent services will often lead to extracting teeth if the pulp of the tooth was involved. Once a tooth is extracted options to restore function are often unaffordable to low-income adults.

Behavioral Health Grants

Grant funding is an essential component in ensuring a robust continuum of care for our beneficiaries. Unlike Medicaid reimbursements, grants allow our behavioral health and community service providers the flexibility and opportunity to plan for how to best deliver services. Grants also support necessary behavioral health related services that are not Medicaid reimbursable, such as community outreach and engagement to beneficiaries with serious mental illness and other disabilities that interfere with engagement in services.

While we are aware that some of the grant-funded work may transition to Medicaid as a result of the 1115 waiver, we cannot yet know what, and at what level, services or expenses will actually be billable in FY20. We are also concerned the timing of the proposed grant reductions, which are to take effect July 1, is not realistic given that the non-substance use disorder related waiver services have yet to be approved by CMS. The transition to the 1115 waiver may involve delays that will inhibit community behavioral health providers and others from being able to bill for services that are not currently reimbursable.

Lastly, we are concerned about the fragility of behavioral health services for Trust beneficiaries. If these grant reductions are implemented, the system will become further at risk with proposed rate reductions and future imposed cuts or caps to Medicaid in general.

Impacts to Administrative Services Organization

The Trust is also concerned about the department's commitment to proceed with contracting with an Administrative Service Organization (ASO). The reason an ASO was selected as a key path forward in Medicaid reform efforts was to support implementation of the 1115 behavioral health waiver, and ensure behavioral health Medicaid reforms first focused on the behavioral health system of care specifically, separate from healthcare to "shore-up" the stability of organizations providing behavioral health care to Trust beneficiaries as they transition to a more managed system of care with different accountabilities. The ASO is a strategy to bring additional competence and capacity to the state recognizing the department lacks the capacity to effectively implement the reforms proposed in the waiver and in SB74. Impacts to this ongoing and important effort, funded in large part by the Trust, are of significant concern.

Phase II Medicaid Reductions

Understanding that the department intends to roll out an additional phase of Medicaid program budget reduction, the Trust is concerned that additional reductions that will adversely impact our beneficiaries.

The governor's proposed budget anticipated $225M in GF reductions for the program, and Phase I of the department's reductions account for less than half of that. As you have, we have heard that the uncertainty associated with this significant, impending reduction has led some providers to

put expansion or construction activities on hold. This is concerning as it could result in not only lost opportunity to expand necessary services for our beneficiaries, but ultimately a reduction in the quality and quantity of care in Alaska.

Next Steps

With the partial exception of behavioral health grant funding, actions to implement Phase I of proposed changes to the state's Medicaid Plan lies entirely within the department's control. We encourage you to engage with Alaska's behavioral health providers and other stakeholders in the healthcare community to fully understand the impacts of these changes, and encourage further analysis of how these changes will affect the overall cost of providing care in Alaska.

As you advance implementation of Phase I, the Trust will continue to follow the process and communicate concerns or suggestions for improvement, and will always advocate for maintaining or improving beneficiary access to quality care.

Although this letter has focused on the concerns we have with potential Medicaid changes, we continue to believe that Medicaid is the best tool available to us to improve health care for Alaskans, including Trust beneficiaries. We commit that we will not object to changes from previous practices or plans unless the risk of negative impacts to Trust beneficiaries requires it. Additionally, we commit that, even when we disagree, we will do so professionally and collegially. Alaskans are counting on both of our teams to work together to get the best possible outcome. We will do our part to make that happen – we know you will too.

Respectfully,

Michael K. Abbott
Chief Executive Officer

Cc:
Senate Finance Committee Members
Senate Health and Social Services Committee Members
House Finance Committee Members
House Health and Social Services Committee Members

Strengthening the System

Alaska's Comprehensive Integrated Mental Health Program Plan FY2020-FY2024

Department of Health & Social Services

Timeline

- *Public Comment:*
  March 11 - April 12

- *Subcommittee:*
  Finalize the Plan Content
  Incorporate Data and Indicators
  April 18 – May 14

- *Plan Publication:*
  May 15 – June 15
  Final Department Review
  June 17- June 24

- *Website Development:*
  May 15 – June 30
  Plan and Website Go Live
  July 1

Public Comment Overview

Examples of comment Topics:

Will the Medicaid Waiver or new waivers be part of the plan?

Will the plan help to improve the rights for the disabled?

Concern over the access and cost of mental health treatment.

Concern over limited numbers of providers who accept Medicare and Medicaid.

STRATEGY:

Email thank you sent to each individual who provided comment.

STRATEGY:

Subcommittee will consider each comment.

STRATEGY:

Publish an overview document of all public comments online.

Strengthening the System

Comprehensive Integrated Mental Health Program Plan

STRATEGY:

Web based platform

STRATEGY:

Partnership Alignment

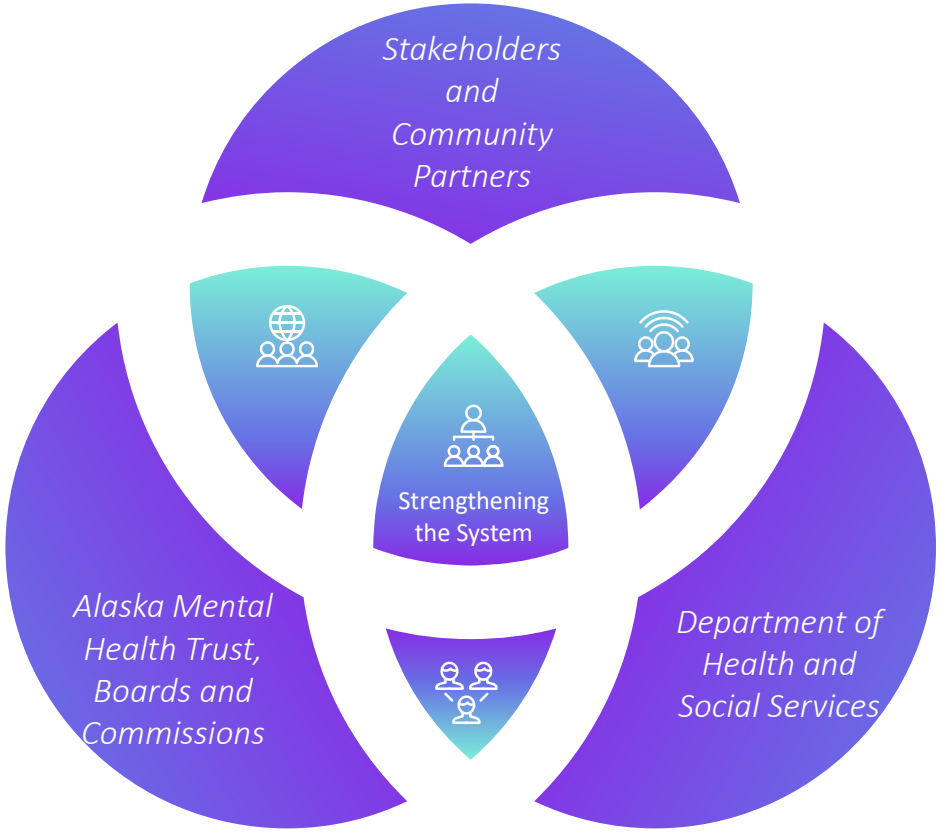
STRATEGY:

Internal workplan with action items and identified partnerships

STRATEGY:

Prevention

Trust Beneficiary



Planning for the Future

The workgroup will meet annually to focus on the following:

- *Progress: Are we meeting our indicators?*
- *Adjustments: Does the plan need to be edited to meet the indicators?*
- *Accountability: Is the Department and its Partners moving the plan forward*

Thank You

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MEMO

To: Chris Cooke, Chair, Program and Planning Committee
Through: Mike Abbott, Chief Executive Officer
From: Steve Williams, Chief Operating Officer
Date: April 10, 2019
Re: Trust Focus Areas

This memo serves to provide update the Program and Planning Committee a history of the Trust's focus area work and to update the committee on the current Trust focus areas, and concentrated work in the area of Early Childhood Prevention and Intervention.

History

As an introduction, it is important to understand why and how the Trust developed a "focus area" model to direct Trust resources, financial and staff, to improve the lives of beneficiaries. Specifically, how focus areas were identified, re-affirmed, ramped down, new focus areas identified as well as the Trust's work in early Childhood Prevention and Intervention.

In the formative years of the Trust, grant requests and funding allocations were received and approved according to individual requests aimed at positively impacting beneficiaries. The approach was responsive to immediate need, but fell short of creating long lasting systemic change. Although the projects produced positive outcomes, they were often not connected or focused at creating long-term systemic change. As a result, there was a desire by trustees to identify and implement an approach to "turn the curve" on large, complicated areas to improve the lives of and systems impacting Trust beneficiaries. Trust staff were charged to research best-practice models used in the philanthropic sector to address complex social issues and present recommendations for a new funding approach.

The Trust was, and remains, in the perfect position to identify overarching areas impacting beneficiaries and lead systemic change through catalytic funding and its role as a policy advisor and advocate. Charged with monitoring the quality of the State's comprehensive integrated mental health program and using its funds to positively affect the state's ability to provide services to our beneficiaries substantiated the desired change in approach. At the time other organizations in the philanthropic sector were using funding and influence to address complex issues. After researching frameworks used in the field, the Trust adopted the W.K. Kellogg Foundation *Logic Model* framework and would later transition to Mark Friedman's *Results Based Accountability* framework for structuring the Trust's focus area work.

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Focus Areas Timeline

CY2002

- Trustees, staff and stakeholders received training on the Kellogg Foundation's 'logic model' approach to defining problems and solutions. This helped identify and determine focus areas and the "curves" the Trust wanted to change in Alaska. It provided a framework to strategically identify strategies, projects, and resources in a comprehensive way to affect change.
- In addition to embracing this framework and approach, trustees determined Trust staff would manage identified focus areas and partner with the Trust advisory boards and other key stakeholders to implement strategies for change. This collective effort would inform and guide the implementation and Trust funding process. This remains the Trust's process today.

CY2003/2004

- The Trust conducted an online survey to solicit input for priority areas for FY06 and FY07 Trust funding.
- The Trust and partners agreed to these core tenants regarding focus areas:
  1. Sustained funding commitments are essential to completing the work outlined in the logic models.
  2. Focus areas would take priority over other projects to ensure the maximum amount of effort and resources were devoted to them over time.
  3. Focus areas would be limited until the point it was determined Trust involvement was complete in an identified areas.
- The following criteria were used to identify and select Focus Areas.
  1. Scope of the problem/issue addressed requires significant and sustained action.
  2. The nature and magnitude of positive impacts expected for Trust beneficiaries justifies substantial and sustained Trust investment.
  3. Goals and expected outcomes are clearly defined, quantifiable and congruent with Trust's goals, including: improving beneficiary safety and health, improving beneficiary access to care, increasing beneficiary independence and economic security, and decreasing reliance on institutional care to meet beneficiary needs.
  4. Broad stakeholder support for action in the area of focus is demonstrated.
  5. The commitment of key stakeholders who must act to achieve focus area goals and outcomes is demonstrated or obtainable.
  6. The proposed focus area will result in reduced costs, cost avoidance, or such improved outcomes that cost effectiveness is increased.
  7. Trust financial support will be needed to augment not replace existing funding sources or will provide short-term transitional support only.
  8. Financial sustainability of improvements, changes or new activities implemented through the focus area is demonstrated.

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9. The focus area will increase equity between rural and urban areas in service levels, accessibility, or beneficiary outcomes.
10. The focus area strategies leverage other funding sources (State, Federal and/or and private) or provide substantial opportunities for developing diverse funding partnerships.

- As a result from the aforementioned process and criteria trustees established four overarching focus areas for sustained planning, effort, and funding. The focus areas identified were:
  1. *Affordable, Appropriate Housing for Trust Beneficiaries*
  2. *Justice for Persons with Disabilities*
  3. *Bring the Kids Home*
  4. *The Beneficiary Group initiative*
- In addition to the identified focus areas, two additional efforts to initiate positive change for beneficiaries were identified - Adult Preventative Dental Medicaid Services and Workforce Development strategies to increase and enhance direct service professional capacity in areas serving beneficiaries.

CY2005

- Trust staff engaged advisory boards and key stakeholders in an expanded and concentrated effort to further plan, develop, and implement focus area strategies and projects.

CY2006

- Trustees added *Workforce Development* as the fifth focus area for the following reasons:
  1. The Trust's commitment to provide start-up funding for the State's Adult Preventative Dental Medicaid service was fulfilled
  2. Workforce Development had been identified as a focus area when the original four had been selected.
  3. The other focus areas all had workforce components that would benefit from a unified planning effort.
- In fiscal year 2008, funding for the *Workforce Development* focus area was included in the Trust's budget recommendations.

CY2012/2013

- A review of existing focus areas and the identification of potential new focus areas was conducted. Similar to the 2003/2004 process that established focus areas, the Trust and advisory boards agreed to the following core tenants. Focus areas would:
  1. be broad in scope
  2. have significant effect on beneficiaries
  3. identify results/outcomes
  4. require substantial and sustained effort over time to achieve desired impacts
  5. possess impact for community-based system

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6. create the opportunity for broad or significant partnerships that leverage additional funding/organizational activity

- This process culminated in the following outcomes:
  1. With the exception of *Bring the Kids Home*, it there was agreement that the Trust should continue supporting and directing resources to the existing focus areas.
  2. The *Housing* focus area should expand efforts to include the long term support services required for beneficiaries to remain housed. Starting in fiscal year 2015, the focus area name was changed to *Housing and Long Term Services and Supports*.
  3. *Beneficiary Projects Initiative* focus area should expand efforts for supporting beneficiaries to gain employment. Starting in fiscal year 2015 the name was changed to *Beneficiary Employment*.
  4. As a result of its success, the *Bring the Kids Home* focus area would begin a ramp down process and no longer have a focus area designation starting in fiscal year 2016. However, there would still remain a small increment to assist with the monitoring of the systems and programs implemented and the number of kids being sent out of state for treatment.
  5. *Substance Abuse Prevention and Treatment* was adopted as a new focus area starting in fiscal year 2015.

CY2014

- Included in the FY16/17 budget recommendations, a non-focus area increment was recommended and approved by trustees to monitor the systems and number of youth sent out of state for residential psychiatric care.
- The *Beneficiary Employment* focus area was renamed to *Beneficiary Employment and Engagement*. The name was changed and expanded to reflect the efforts to assist beneficiaries who are unable to attain gainful employment engaged in other activities to promote integration and de-stigmatization and prevent isolation.

CY2015

- The Trust started actively engaging with other partners to educate and raise awareness regarding Adverse Childhood Experiences (ACEs) and the correlation to increased risk for mental health and substance use disorders as well as poor physical health outcomes and other quality of life indicators.

CY2016

- There were two significant budget changes in the FY18/19 recommendations presented and approved at the September 2016 board of trustees meeting.
  1. To demonstrate the Trust's support and financial commitment to Medicaid Reform and Redesign resulting from the passage of SB74 and Criminal Justice Reform and Reinvestment resulting from the passage of SB91, these two major systems reform efforts were added as budget line items. And, previous and new

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focus area funding recommendations connected to either system reform effort were moved within the respective reform effort.

2. *Workforce Development* focus area was ramped down. However, identified existing, critical strategies main or integrated into the remaining focus areas.

CY2018

- Since 2015, the Trust advisory boards and other key stakeholders have supported the Trust's work and funding in early childhood prevention and intervention efforts. There has been overall support that the Trust should increase system change and programmatic efforts as well as funding "up stream". It is broadly accepted that by doing so there would be an increased likelihood that families will remain intact, have reduced contact with child welfare, juvenile justice and the criminal justice system. Thus, improving the physical health and other quality of life outcomes for beneficiaries. This has been conveyed to Trust staff and trustees in a variety of settings including the Trust's annual budget development process, which the advisory boards and other stakeholders are actively involved.

  As a result, Trust staff recommended and trustees approved limited funding in FY20 as a non-focus area allocation to support projects in this area. Concurrently Trust staff continued to work with the advisory boards and other stakeholders in the development of broader goals, strategies, and activities for an increased early childhood prevention and Intervention effort.

Focus Areas Today

Trust staff are working with our partners to reevaluate the FY20 focus area strategies and budget increments in light of the new Administration's priorities and policy direction. These priorities and policy directions could impact future focus area work and funding. After the reevaluation process, Trust staff will present trustees with any recommended FY20 budget adjustments at the May board of trustees meeting.

Concurrently, Trust staff are initiating their work with the Advisory boards and other stakeholders to review focus area work and the associated FY21 proposed budget recommendations. This result of this work will be presented with other programmatic and budget recommendations at the August Program and Planning committee meeting and the subsequent September board of trustees meeting for approval. Following is a high-level overview and update on each of the focus areas and our work in the area of Early Childhood Prevention and Intervention and Workforce Development. A more comprehensive review and update will be used in the FY21 budget development and recommendation process throughout the summer.

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Focus Area: Housing and Long Term Services and Supports

Housing and Long Term Services and Supports Background
The Trust's Housing and Long-Term Services & Supports (HLTSS) focus area concentrates on ensuring beneficiaries have access to a continuum of services and supports that maximize independence in their home and community. Housing is a critical component to the continuum of care. Housing First, an evidence-based practice, identifies that a person must have the safety and security of a place to live before they can commit to consistent treatment of health and behavioral health conditions, reducing or eliminating substance use, obtaining employment or education or meeting other goals. Equally important is having long-term services and supports that are person directed to achieve maximum independence, autonomy and dignity. Long-term services and supports assist a person with their activities of daily living (e.g., eating, bathing, toileting) and instrumental activities of daily living (e.g., making phone calls, paying bills, managing medication) or support the person to become more independent and engaged in their community. Some populations require services that might relate to assisting people preparing for work or vocational training as well as continuing the recovery process. These activities may include assistance with personal organization, time management, social interactions and problem solving.

Partners:
Trust staff will work with our advisory boards to identify other community, business, municipal, tribal, social services, and state/federal participants for a LTSS workgroup. A larger group may be convened in order to gather input on the focus area's priorities and activities and then a smaller core workgroup may be designated to develop specific plans. For housing projects, Trust staff continue to engage the two Homeless Coalitions, Alaska Coalition on Housing and Homelessness (annual conference), Alaska Housing Finance Corporation, local governments as represented by the housing coordinators, and members from local housing and homeless coalitions.

Impact:
- The Juneau Forget Me Not Manor, a housing first congregate permanent supportive housing project, showed an emergency room usage decrease of 65% 6 months after the residents moved into housing and a 72% decrease in contacts with the police. 100% of the residents are beneficiaries. We are partner funders for this project.
- The Aging and Disability Resource Centers (ADRCs) served 8,133 people statewide, 20% of those served identified as beneficiaries. The leveraging of existing Trust funding to supplement state and federal funds opened ADRC offices in Fairbanks and Northwest Alaska. ADRCs are the access point for the Medicaid waiver programs, and provide information and referrals for the senior and disability services systems ensuring people are linked to services across the continuum of care.
- The Homeless Assistance Program and Special Needs Housing Grants served over 13,000 individuals through shelter care or housing programs. 18% of these individuals reported that they are Trust beneficiaries, however this number is considered low as national statistics would place that number closer to 41%, and the permanent supportive housing projects have 100% of residents who are beneficiaries. We are partner funders for these projects.

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Current and future Strategies:

- Increase access to affordable and supportive housing.
- Ensure overall system of care is person directed.
- Build a robust continuum of care that supports autonomy, independence and inclusion.
- Implement a Re-entry Rapid Rehousing project to apply the rapid rehousing model to individuals returning to the community from incarceration.
- Participation in the Anchorage Built For Zero project, a community planning process used across the nation to end homelessness.
- Work with partners to improve the system response and service array for people requiring complex care such as those returning from institutions, or who experience co-occurring disorders that must be served by different systems, such as an individual with cognitive and mental health diagnoses.
- Understanding the population prevalence and service needs of senior beneficiaries.

Budgeting Considerations:

- For fiscal year 2020, trustees approved a budget of approximately **$3,000,000** for strategies impacting Housing and Long-term Services and Supports for Trust beneficiaries.
- Over $1,000,000 of those funds represent ongoing operating support for homeless shelters, rapid rehousing and permanent supportive housing. It would be ideal to transfer the ongoing support through the general fund to invest more heavily in systems change, however this will not be successful without political support.

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Focus Area: Beneficiary Employment and Engagement

Focus Area: Beneficiary Employment and Engagement
The primary goal of the Beneficiary Employment and Engagement (BEE) focus area is to improve outcomes and promote recovery for beneficiaries through integrated, competitive employment, and meaningful engagement opportunities. The Trust promotes evidence-based strategies and best practices that increase opportunities and enable beneficiaries to achieve these outcomes.

Prior to the additional goal of Beneficiary Employment in 2014, the Beneficiary Project Initiatives (BPI) focus area originated in 2004 to help beneficiaries conceive and manage programs that focus on peer-to-peer support. The purpose of the focus area was to develop safe, effective services for beneficiaries using a peer support, recovery-based model. BPI funded agencies continue to serve exceptionally vulnerable beneficiaries using peer-support recovery oriented services. Many beneficiaries served by these agencies are unable or unwilling to receive services at traditional behavioral health agencies due to intensive and complex needs. BPI is retained as a primary strategy in the recently integrated BEE focus area.

Recent data reveals that only 49 percent of Alaskans with a disability are currently employed, compared to 78 percent of those without disabilities. For some Trust beneficiary groups, the rate of employment is even lower. For example, only 30 percent of Alaskans with a cognitive disability are employed. Work is viewed as an essential part of recovery for individuals with a serious mental illness and has a positive impact on self-esteem, life satisfaction, and reducing symptoms. Additionally, employment is a way out of poverty and a way to prevent people from entering the disability system. Further, meaningful community engagement opportunities reduce isolation and promote health and well-being. In 2014, Alaska passed legislation to become an "Employment First" state. Employment First means that employment in the general workforce should be the first and preferred option for individuals with disabilities receiving assistance from publicly funded systems. The Trust is actively working with stakeholders to further identify strategies and measures of progress to implement the Employment First philosophy into policy and practice.

Partners: Primary partners include Trust advisory boards, as well as multiple state agencies such as Division of Behavioral Health, Division of Vocational Rehabilitation (DVR), and the Department of Education and Early Development. Community based organizations are also critical partners, including those contemplating or implementing supported employment services, as well as the BPI agencies continuing to provide recovery-oriented and peer support services.

Impact:

- BPI grantees served 6,300 beneficiaries statewide in FY17 through a variety of peer support and recovery-oriented services.
- The Trust partners with DVR to provide flexible funding for pre-employment transition services (Pre-ETs) related training, outreach and student work experience, among other Pre-ETs investments. In FY18, the Division of Vocational Rehabilitation reports 802 students with a disability received Pre-ETs.
- Annually, an average of 15+ Microenterprise grants are awarded to individual beneficiaries who own their own business or are looking to start their own business.

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Current and Future Strategies: The Trust supports varying strategies through both funding and advocacy that include integrated employment supports, meaningful activities, beneficiary and workforce training, and peer-based recovery support programs (i.e. peer and family support services).

- Data development and evaluation: engage stakeholders to identify common indicators and strategies to track progress and inform future employment related investment.
- Employment First implementation: Reconvene advisory boards and stakeholders to plan and promote implementation of 2014 legislation; reconvene a statewide Employment Summit in fall 2019 to inform state agency and community partners of current resources and initiatives related to supported employment for people with disabilities.
    - Statewide expansion of Individual Placements and Supports (IPS) model for beneficiaries experiencing mental illness, substance use disorder, and reentry populations
    - Increase reach and impact of Pre-ETs supports in collaboration with DVR and community partners.
- Beneficiary Project Initiatives: ongoing support of critical recovery-oriented agencies.
- Peer Support Workforce: Ongoing support of DHSS and stakeholder efforts related to training and credentialing of peer support workforce.

Budgeting Considerations: To ensure ongoing Trust support of key Beneficiary Employment and Engagement strategies, Trustees have authorized a budget of **$2,320,200** for the FY20 focus area.

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Focus Area: Substance Abuse Prevention and Treatment

Focus Area: Substance Abuse Prevention and Treatment
In 2013, recognizing the magnitude of the negative impacts of alcohol and drug abuse on Alaskans, trustees approved a substance abuse prevention and treatment (SAPT) focus area. SAPT is focused on the full continuum of care from prevention and early intervention to treatment and recovery for Trust beneficiaries.

The prevalence rates and negative consequences of alcohol and drug abuse upon Alaskans are substantial. Substance abuse and addiction constitute the largest preventable and costly health problem in the U.S. The long-term negative health effects of excessive alcohol and drug use among Alaskans is linked to any number of negative social, health and environmental consequences in Alaska. According to a May 2018 State of Alaska Epidemiology report on Health Impacts of Alcohol Misuse in Alaska, 7.6% of all emergency medical transports in Alaska were attributed to alcohol consumption, and the child welfare system and criminal justice systems are substantially over-represented with alcohol and drug related impacts. Almost half of Alaska children in out of home placements were connected to homes with parental alcohol abuse, and between 2006-2016 roughly 18% of all criminal justice convictions were attributable to alcohol.

The economic cost to the state is upwards of $3.6 billion annually. Access to treatment is of considerable concern to the Trust and partners. Statewide treatment capacity and access to timely interventions is critical for persons seeking help. A Trust 2016 statewide assessment of services revealed approximately one in nine adults were in need of treatment for an illicit drug or alcohol program, which equates to roughly 62,815 Alaskan adults.

Partners:
Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse, Alaska Commission on Aging, Governors Council on Disabilities and Special Education, Alaska Behavioral Health Association, Alaska Tribal Behavioral Health Directors and Alaska Native Health Board, state of Alaska Department of Health and Social Services and Department of Corrections, Partner agencies and foundations including Recover Alaska, the Alaska Children's Trust, the Matsu Health Foundation, Rasmuson Foundation, and local community foundations.

Impact:
- The Aleutian Pribilof Islands Association, Inc. (APIA) and Eastern Aleutian Tribes, Inc. (EAT) implemented a regional Intensive Outpatient Substance Abuse Treatment Program in the Aleutian Pribilof Islands Region (Sandpoint and Unalaska). Uniquely designed, the program pairs employment with private employers- such as the fish food processing industries and intensive outpatient substance use treatment.
- Set Free Alaska completed a facility renovation which enabled the program to double capacity to serve beneficiaries with alcohol and drug addiction. With this additional capacity, Set Free has reduced a substantial waitlist of individuals needing treatment from 60 to 16 (73.3% reduction), which is a substantial improvement in access.
- Four A's Syringe Access Program (FASAP) which works to prevent the spread of blood-borne illnesses such as HIV and Hepatitis C (HCV), and to reduce the harm associated with injection drug use implemented a new model to provide access to sterile syringes, rapid HIV and HCV testing, harm reduction counseling, and treatment referrals through

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mobile outreach to injection drug users in Anchorage and Matsu. This program uniquely increases access to evidenced-based harm reduction interventions for Trust beneficiaries.

Current and Future Strategies:
Targeting the negative impacts of alcohol and drug abuse of current and future beneficiaries by educating the public and policymakers regarding beneficiary needs; collaborating with partners on data collection, implementation of evidence based practices and primary care integration; supporting public awareness campaigns targeting social norms about alcohol/drugs; enhancing access to treatment; and improving state policy through statutory and regulatory revisions and development.

Implementation of the 1115 behavioral health waiver creates opportunities for the Trust to partner with organizations and/or communities as they move forward with implementation of the new and expanded treatment capacity proposed in the Substance Use Disorder portion of the waiver.

Budget Considerations:
To ensure ongoing Trust support to improve access to treatment interventions, trustees have authorized a budget of **$900,000** for the FY20 focus area.

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Focus Area: Disability Justice/Criminal Justice Reform and Reinvestment

Focus Area: Disability Justice/Criminal Justice Reform and Reinvestment
Since 2005, the Trust's board of trustees have directed significant funding and staff resources towards criminal justice reform efforts in Alaska to address this and other justice related issues affecting beneficiaries, including reducing the involvement and recidivism in the criminal justice system as well as preventing the victimization of beneficiaries.

In 2014, the Trust funded a study of the prevalence and characteristics of Trust beneficiaries who entered, exited, or resided in an Alaska Department of Corrections facility between July 1, 2008 and June 30, 2012. The study identified over 60,000 unique individuals, of which 30 percent identified as Trust beneficiaries. Additionally, Trust beneficiaries accounted for more than 40 percent of the incarcerations each year.

According to the Alaska Scorecard 2018, the Alaska Department of Corrections has become the largest provider of mental health services in the State of Alaska and has the highest growth rate for incarceration per capita in the U.S.; since 2000, the average number of sentenced inmates in Alaska has increased each year by an average of 2.4% per year higher than the national average.

Trust beneficiaries are at increased risk of involvement with the criminal justice system both as defendants and as victims. Limitations and deficiencies in the community emergency response, treatment, and support systems make criminal justice system the default emergency response to Trust beneficiaries experiencing a crisis as a result of their disorder. The median length of stay for Trust beneficiaries is significantly longer than for non-Trust beneficiary offenders. Among those committing felonies, it is double; for misdemeanors, it is 150% longer.

In recent years, criminal justice reform and reinvestment have been a top priority of the Alaska Legislature and administration. In 2016, an omnibus criminal justice reform bill, Senate Bill 91, was passed. This bill is working to build a more effective system for appropriately serving justice-involved Alaskans, inclusive of Trust beneficiaries. Highlights of the bill include: individualized case management, expanded institutional substance use treatment programs, strengthened community supervision, and implementation of pretrial enforcement division among many others. SB 91 also formed the Criminal Justice Commission, of which the Trust is a member.

Partners:
The Trust Advisory Boards, community providers, tribal behavioral health partners, Alaska Department of Corrections (DOC), Alaska Court System, Alaska Justice Information Center, Law enforcement agencies, Alaska Office of Public Assistance (OPA), Alaska Public Defender Agency and Alaska Legal services, Alaska Division of Juvenile Justice (DJJ), University of Alaska Anchorage Center for Human Development, statewide prisoner Reentry coalitions

Impact:
- Through the Trust disability justice focus area/strategies and other statewide efforts to reduce criminal justice recidivism Alaska has seen a 5% decrease in its recidivism rate.

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The rate has dropped from the mid to high 60's to 61% for the 2015-2018 cohort of individuals being released from prison.

- The Bethel Holistic Defense project and therapeutic courts worked to divert beneficiaries out of the traditional court process and assist them with receiving services ranging from criminal defense and civil representation, to mental health counseling and case management. The Bethel Holistic Defense project served 150 beneficiaries in FY18 and the Trust-supported therapeutic courts served a monthly average of 74 beneficiaries with 49 graduating the program throughout 2018.

Current and Future Strategies:

- The Trust uses the Sequential Intercept Model (SIM) as the foundation for making funding and policy decision with the overall goals being:
    1. Developing criminal justice and community behavioral health partnerships
    2. Diverting Trust beneficiaries from the criminal justice system
    3. Maintaining public safety by improving the health of beneficiaries and Alaska communities.
- In order to continue and build upon the momentum of the work which is already underway the Trust will continue to support justice reform efforts through supporting and possible expansion of therapeutic courts and the holistic defense project, supporting reentry coalitions and forensic peer support, and continuing to expand projects or programs which educate beneficiaries, providers, law enforcement officials and court staff, as well as our law makers and communities as a whole and justice involved beneficiaries.

Budgeting Considerations: To ensure that the Trust can continue to provide funding for programs which serve beneficiaries involved in the criminal justice system or to prevent future involvement, Trustees have authorized a budget of **$2,498,900** for the FY20 Disability/Criminal Justice and Reinvestment focus area.

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Non-Focus Area: Workforce Development

Workforce Development – (non-focus area)
The Trust utilizes workforce development strategies to support recruitment and retention of healthcare employees across Alaska who provide in-patient and community-based care to our beneficiaries. Keeping a focus on improving and increasing the workforce is integral to Trust Medicaid reform and redesign efforts, as well as criminal justice reform and reinvestment. To provide quality care for our beneficiaries we must have a robust health care system in Alaska's communities that can provide necessary care and on-going support. This level of care helps in the long-term with beneficiaries' quality of life and their ability to remain in their home community.

The AK Department of Labor and Workforce Development (DOLWD) predicts the health care industry will increase 21.4% by 2026, which equates to over 10,000 new jobs. At the same time, our workforce demographic, 18-64 year olds, is declining. This means we not only need to focus on growing our own workers, but simultaneously recruit heavily from outside Alaska. According to DOLWD, 47 of Alaska's 50 fastest-growing occupations are in the healthcare sector, and the Alaska Healthcare Workforce Coalition is leading efforts to supporting that job growth. Further, health care workforce development is essential to maintaining the state's overall economic health during this period of low oil prices and associated impacts.

Partners: The Alaska Health Workforce Coalition is a group of industry associations, tribal health, state departments, and universities who come together monthly to develop a coordinated, cohesive, and effective approach to addressing the critical needs for health workers in Alaska.

Impact:

- SHARP direct incentive/loan repayment program supported 328 provider loan-repayment contracts over last 8 years**.** SHARP clinicians provided care to 49,414 patients in 2017, which breaks down to 9,797 behavioral health, 6,670 dental, and 32,947 medical patients.
- AK Training Cooperative, which is meeting the needs of direct service provider staff, trained 4,000 individuals each year over the last five years. These individuals are a part of the workforce serving Trust beneficiaries.
- The Alaska Area Health Education Centers (AHEC) had 267 youth and teachers participate in Health Career Pathway Intensives, which is a collection of camps and academies designed to encourage students to consider healthcare professions. Camps are aimed at young Alaskans ages 15-19.

Current and Future Strategies:

- Another demographic impact is the state's growing 65 and over population, which will need a health care workforce to provide for their needs. One solution involves expanding the Path Academy model to address senior care. The Path Academy is piloting a three-week pre-apprenticeship training in healthcare - with an emphasis on working with the 65 and over demographic - in which graduates receive a stipend and are job-ready for a direct service provider position with agencies such as Access Alaska and the ARC of Anchorage.

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- SHARP 3- SB 93/HB 114, will improve recruitment, retention, and distribution of health professionals in Alaska by expanding loan repayment, partnership funding, and administration fees. There will be a need to expand the financial support for participating agencies through collaborating with additional contributing funders.
- Health T.I.E (Testbed for Innovative Enterprises): Health T.I.E. is a project to create a structure for innovative approaches to challenging health and human service issues. A collaboration of the Trust, Matsu Health Foundation, the UAA Business Enterprise Institute (BEI), and Champney Consulting is working to build a business plan for creating an Alaskan-based accelerator focused on creating an ecosystem that encourages start-ups and innovative entrepreneurs to tackle "wicked problems" specific to health and human services, i.e., workforce shortages.

Budget Considerations: Workforce is not a stand-alone focus area, rather is embedded throughout the work of other focus areas and initiatives. Trustees authorized **$1,304,000** in FY20 for workforce related strategies/initiatives.

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Non-Focus Area: Early Childhood Prevention & Intervention

Placeholder

<to be distributed separately prior to meeting date>

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MEMO

To: Chris Cooke, Chair, Program and Planning Committee
Through: Mike Abbott, Chief Executive Officer
From: Steve Williams, Chief Operating Officer
Date: April 10, 2019
Re: Staff FY20 Budget Adjustments

As a follow-up to the January 2019 board of trustees meeting, this memo serves to update the Program and Planning Committee on the work of Trust staff to review the trustee approved FY20 budget for any potential adjustments.

In January Trust staff informed trustees that the Trust may need to amend its FY20 budget approved in September 2018. This statement was based on the following:

1. the approved FY20 budget was developed with Governor Walker's administration and his Administration's policy direction;
2. the unknown of Governor Dunleavy's proposed FY20 Amended Budget and the related policy direction for his Administration; and,
3. the uncertainty of the Alaska economy, impacting available revenue for the State's FY20 budget.

During an election year, the Trust anticipates and expects a degree of uncertainty and change with a new Administration. However, the amount of uncertainty and policy change experienced to date is more than in previous Administration transitions. The change in policy direction for the Medicaid program is one example of something that could not have been fully anticipated. On February 13th the Governor released his proposed FY20 Amended Budget. Trust reviewed the proposed budget and there were significant reductions to the trustees' GF/MH recommendations for the Mental Health Budget (HB40) as well as significant changes to the General Operating Budget (HB39) that will impact Alaska's continuum of care as well as the lives of beneficiaries.

In light of this, Trust staff are reviewing the previously trustee approved FY20 Trust Authority Grant and Mental Health Trust Authority Authorized Receipts (MHTAAR) funding. The review is to assess the likelihood that approved funded projects will be implemented and utilized as expected. A preliminary review indicates there could be up to $6 million of previously approved FY20 Trust funding that could be reallocated. This projected amount could be reduced, depending on factors like the Department's decision on when to advance the Administrative Services Organization (ASO) and if some of the MHTAAR capital increments in the final FY20 budget do not include any additional GF/MH increments. A detailed review with staff recommendations for any adjustments will be presented to the board of trustees at the May meeting.