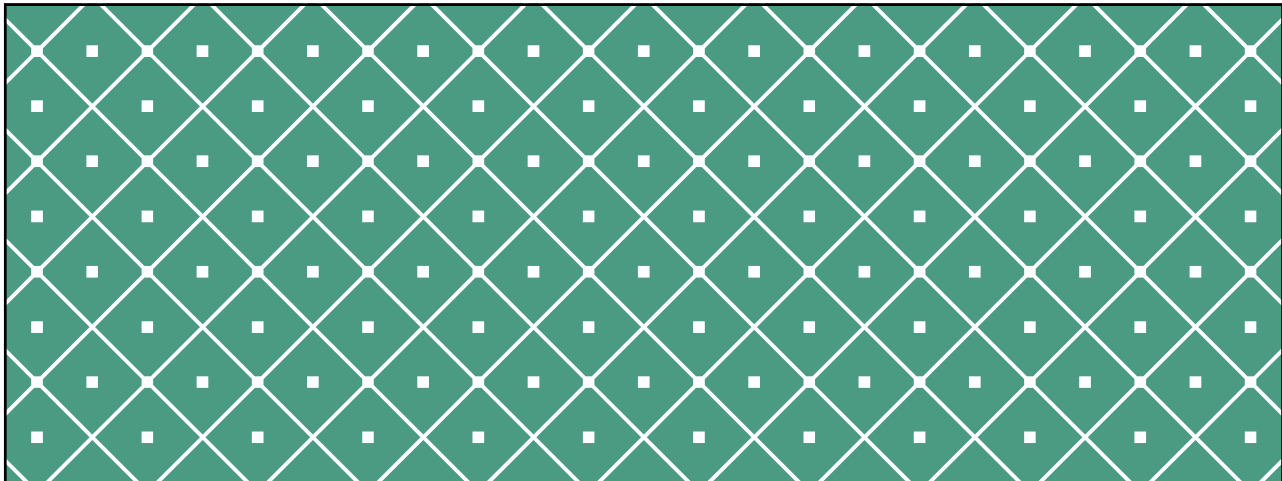


WINTER, 2017



CORE SERVICES



STATE-FUNDED CORE SERVICES

Many Alaska Mental Health Trust Authority beneficiaries rely on publicly funded programs to meet their most basic needs:

- Food
- Shelter
- Safety
- Health Care
- Education
- Community Inclusion



PROGRAMS SUPPORTING BENEFICIARIES' BASIC NEEDS

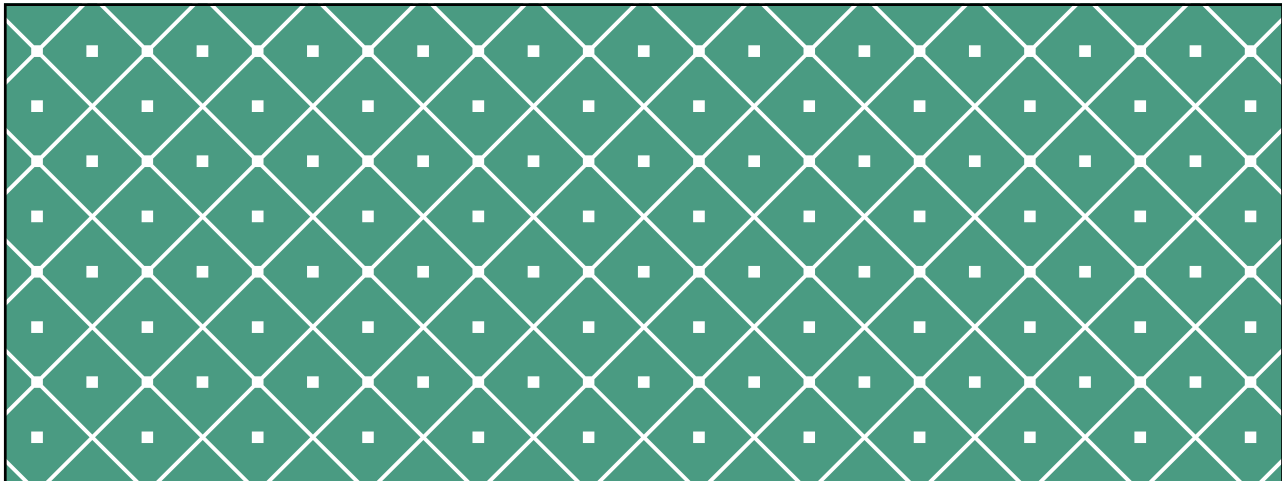
Temporary Assistance for Need Families (TANF)
 Supplemental Nutrition Assistance Program (SNAP)
 Women, Infants and Children (WIC)
 Adult Public Assistance (APA)
 Medicaid
 General Fund Health Programs
 State Employee Health Insurance
 State Employee Retirement Benefits
 Pioneer Homes
 Assisted Living and General Relief

Public Housing
 Homeless Assistance Program
 Special Needs Housing
 Energy and Heating Assistance
 Base Student Allocation (BSA) for Education
 Special Education Services
 Para-Transport and Accessible Transportation
 State and local law enforcement
 Village Public Safety Officers
 Victim's Services



PROGRAMS SUPPORTING BENEFICIARIES' ACCESS AND INCLUSION IN THE COMMUNITY

- Para-Transport and Accessible Transportation
- Peer Support
- Division of Vocational Rehabilitation, Job Centers
- PreK-12 Education
- Special Education
- Post-Secondary Education



FY17 BUDGET IMPACTS



CUMULATIVE IMPACT

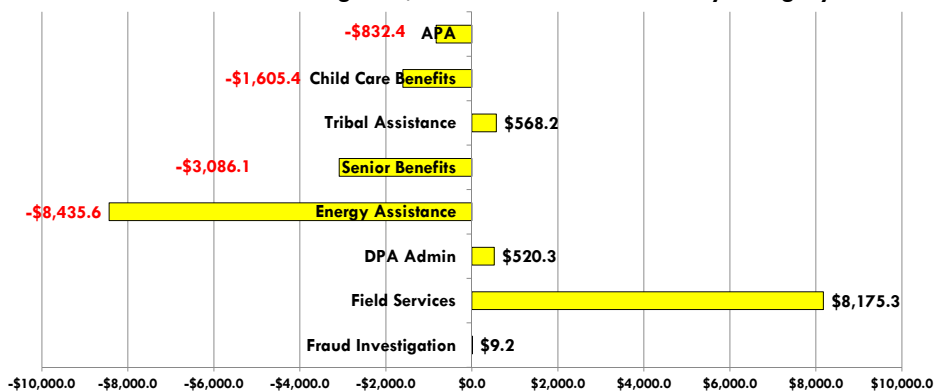
Looking at changes in program budgets compared to the past year does not show the cumulative impact of budget reductions (or increases), nor does it show where implicit and explicit policy shifts have occurred.

Looking at change since FY2013, the peak before the current trough in state revenue and spending, provides a more nuanced picture of how programs serving beneficiaries have fared.



BASIC NEEDS - PUBLIC ASSISTANCE

Public Assistance Programs, Difference FY13 to FY18 by Category



Source: Legislative Finance, Enacted Budget Reports for FY2013, FY2018

BASIC NEEDS - PUBLIC ASSISTANCE

While TANF, SNAP/Food Stamps, and WIC are formula programs (and somewhat insulated from state budget fluctuations), there are public assistance program on which beneficiaries rely that haven't fared as well.

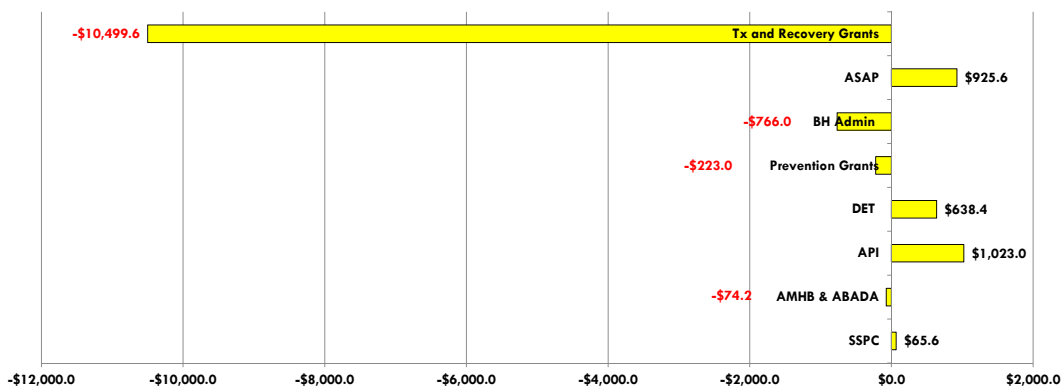
The entire state portion of the heating assistance program was cut in FY17. Reduced demand and reduced cost of heating oil were some of the reasons given for discontinuing the state supplementation of the LIHEAP program. However, community organizations continue to report need for assistance with the costs of heat for needy families, elders, and people with disabilities.

The FY18 Governor's Proposed Budget increases Tribal Assistance by 3% and Public Assistance Field Services by 12%.



HEALTH CARE

Behavioral Health Programs, Difference FY13 to FY18 by Category



Source: Legislative Finance, Enacted Budget Reports for FY2013, FY2018

TREATMENT & RECOVERY GRANTS

Behavioral health treatment and recovery grants were flat funded for many years, followed by reductions in FY16-17. The 8.2% reduction in FY17 is mitigated in part by Medicaid Expansion. The FY18 Governor's Proposed Budget reduces behavioral health treatment and recovery grants by \$1,182,100 – resulting in a 14.2% reduction in the program since FY13.

A gradual transition from General Funds to Medicaid is only possible due to Medicaid Expansion. However, It is also important to keep in mind that a certain level of General Funds for grants will be necessary to maintain certain services for beneficiaries which will never be considered “medically necessary” and thereby Medicaid-reimbursable.

Joint Advocacy Note: The four advisory boards and AMHTA have prioritized protection of home and community based service capacity for trust beneficiaries and their families.



ALCOHOL SAFETY ACTION PROGRAM (ASAP)

ASAP is a key component to the success of SB 91.

The FY18 Governor's Proposed Budget increases the ASAP budget by \$389,400. This program budget has seen an 22% increase FY13-FY18, 8.5% of which occurred since FY16.

Joint Advocacy Note: The four advisory boards and AMHTA have prioritized criminal justice reform on behalf of trust beneficiaries. Access to the services that allow for successful diversion of non-violent offenders.



RESIDENTIAL CHILD CARE

Residential Child Care is the program that supports residential treatment programs for children and youth. These funds also support therapeutic emergency shelter and crisis programs. In FY15, 618 youth were served by these providers. The FY18 Governor's Proposed Budget decreases the program by \$980,200. This is a primarily General Fund program (78% GF or GF/MH), and has been reduced 44.4% since FY13.

Joint Advocacy Note: Reduced demand for this service is due in part to investments made in community behavioral health services through the Bring the Kids Home Initiative. Protection of home and community based services is essential with continued reduction in more acute capacity.



BEHAVIORAL HEALTH PREVENTION

Behavioral health prevention funding, which is about 2/3 state funding and 1/3 federal funding, has been relatively stable since FY2013. This reflects policymaker support for evidence-based prevention programs – especially those related to suicide, substance abuse, and interpersonal violence.

The FY18 Governor's Proposed Budget is \$1,098,700 more than FY17. That increase reflects a federal grant received by DBH for medication assisted treatment capacity. The GF portion of the prevention budget is decreased \$306,300 in FY18.



DESIGNATED EVALUATION AND TREATMENT, API

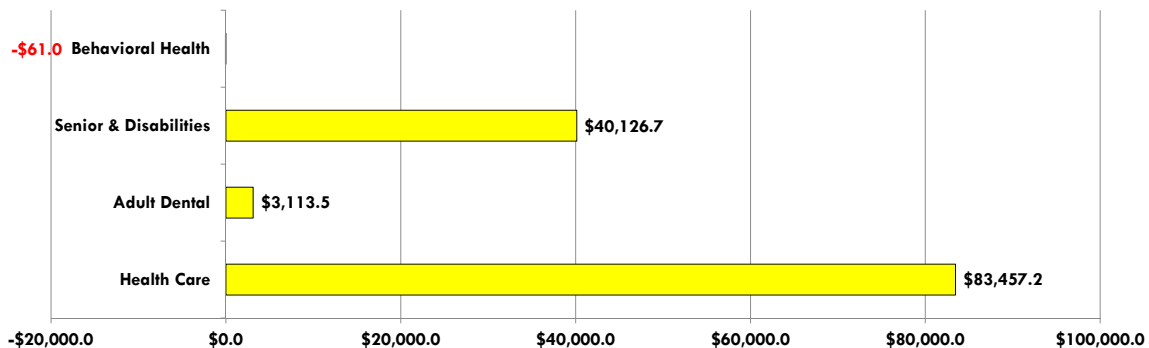
The state psychiatric hospital budget has been relatively flat funded since FY2013.

Designated Evaluation and Treatment (DET) funding supports mental health units in community hospitals. The General Funds appropriated for DET are matched with federal funds. Significant increases to DET were made in FY16 to help address the increased demand for local services. The FY18 Governor’s Proposed Budget decreases the DET budget 4%.



MEDICAID

Medicaid Programs, Difference FY13 to FY18 by Category



Source: Legislative Finance, Enacted Budget Reports for FY2013, FY2018

MEDICAID

The FY18 Governor's Proposed Budget includes a 7.8% increase in Behavioral Health Medicaid, however, this is due in part to shifting \$10 million Children's Medicaid (which separately accounted for behavioral rehabilitative services) to this line. The overall growth since FY17 is about 3%. There is a 1% increase in Medicaid Health Care, and maintenance of the Adult Dental Program.

The Adult Dental Medicaid program has grown nearly 25% since FY2013. This particular program may see continued increased scrutiny as legislators look at optional Medicaid services as an area for reduction.

The total state Medicaid budget is 73% federal in FY18. It was 64% federal in FY16.

Joint Advocacy Note: The four advisory boards and AMHTA support the continuation of effort under SB 74.



PUBLIC HEALTH NURSING

The public health nursing program has borne a significant portion of the public health reductions since FY2013. While the FY18 Governor's Proposed Budget increases the Public Health Nursing budget by \$616,100 over the FY17 budget. The FY18 proposed budget is 14% less than the FY13 budget.

Public health nurses are a major source of health education and preventative care in rural Alaska. The public health nursing program has responded to the needs of their client population by integrating SBIRT in its service array, in order to better serve individuals and communities.



HOUSING

In FY13, the Special Needs Housing Grant component was funded at \$1.75 million (UGF, AHFC) and the Homeless Assistance Program at \$8 million. In the FY18 Governor’s Proposed Budget is \$1.5 million GF/MH. The Basic Homeless Assistance Program at \$6.85 million (12% less than FY17).

State of Alaska Homeless Population



2016 Point in Time Count - Statewide

1,007	persons in emergency shelter
491	persons in transitional housing
442	persons unsheltered
	56 veterans
	36 youth (18-24 years)
155	adults experiencing SMI
270	adults experiencing SUD



HOUSING — FY18 PROPOSED CAPITAL BUDGET



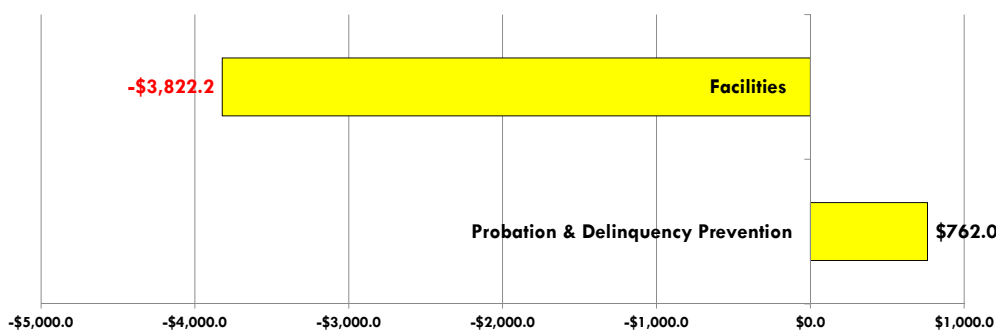
	UGF	DGF	Other	Federal	Total
Revenue	16,700.0	1,500.0	1,150.0	22,200.0	41,550.0
AHFC Housing and Urban Development Federal HOME Grant	750.0	0.0	0.0	3,750.0	4,500.0
AHFC Rental Assistance for Victims - Empowering Choice Housing Program (ECHP)	0.0	1,500.0	0.0	0.0	1,500.0
AHFC Senior Citizens Housing Development Program	1,000.0	0.0	0.0	0.0	1,000.0
AHFC Supplemental Housing Development Program	3,000.0	0.0	0.0	0.0	3,000.0
AHFC Teacher, Health and Public Safety Professionals Housing	1,750.0	0.0	0.0	0.0	1,750.0
AHFC Weatherization Program	0.0	0.0	0.0	1,500.0	1,500.0
MH: AHFC Beneficiary and Special Needs Housing	1,500.0	0.0	200.0	0.0	1,700.0
MH: AHFC Homeless Assistance Program	6,850.0	0.0	950.0	0.0	7,800.0



Joint Advocacy Note: The two capital increments in the Mental Health Budget are long standing programs supported by the four advisory boards and AMHTA.

SAFETY AND SECURITY

Juvenile Justice Programs, Difference FY13 to FY18 by Category



Source: Legislative Finance, Enacted Budget Reports for FY2013, FY2018

SAFETY AND SECURITY

In Alaska and nationally, there is a downward trend in the number of youth held in the custody of juvenile justice agencies. This is due in part to investments in evidence-based intervention and probation programs in communities. This is reflected in the shift in resource allocation over time. The FY18 Governor’s Proposed Budget includes a 4% increase in funds for delinquency prevention and probation.

While the number of youth in custody has decreased, the needs of those youth – who often experience behavioral health and/or developmental disabilities as well as the consequences of childhood trauma – are more acute. The Ketchikan facility closed in August, 2016. The F18 Governor’s Proposed Budget anticipates closing the Nome Youth Facility.



EDUCATION

Public schools provide services for the youngest beneficiaries. When school districts must reduce local budgets, the support services that young beneficiaries need to succeed are often the ones that get reduced first. Young beneficiaries in rural school districts also experience disparities due to challenges those districts experience in providing core academic programs and the lack of local access to certain professional services for students with disabilities. While there is enhanced funding (by a factor of 13) for the most disabled students, special needs funding for students with less intensive special education needs does not always stretch far enough.



EDUCATION

In FY2017, K-12 Aid to Schools Foundation Program (which funds the base student allocation) is \$1,214,775,500 (\$1.2b), after Governor Walker's \$6.35 million veto. The FY18 Governor's Proposed Budget includes \$1,289,877,400 for K-12 education.

Because this funding flows according to the number of students, rural/smaller school districts may or may not receive adequate funds to provide core academic programs, leaving aside support services for young beneficiaries.

Overall budget reductions and associated economic constriction has and will continue to impact local effort (city/borough contributions to school district funding), since most communities rely on property taxes and/or sales taxes for those funds.



TRANSPORTATION

The FY18 Governor's Proposed Capital Budget includes \$1 million GF and \$300,000 MHTAAR for coordination transportation projects. This is maintenance of effort of a long-standing program that provides access to community services, employment, education, and activities to trust beneficiaries.



STATE SUPPORT FOR LOCALLY FUNDED SERVICES

Human Services Matching Grants have decreased 23% since FY2013 and the FY18 Governor's Proposed Budget includes flat funding at the FY17 budget (\$1,387,000).

Community Initiative Matching Grants, \$861,700 in FY2017 and in the FY18 Governor's Proposed Budget, has decreased 4% since FY2013.

These funds help local communities contribute to many social services programs, including special needs and affordable housing projects.

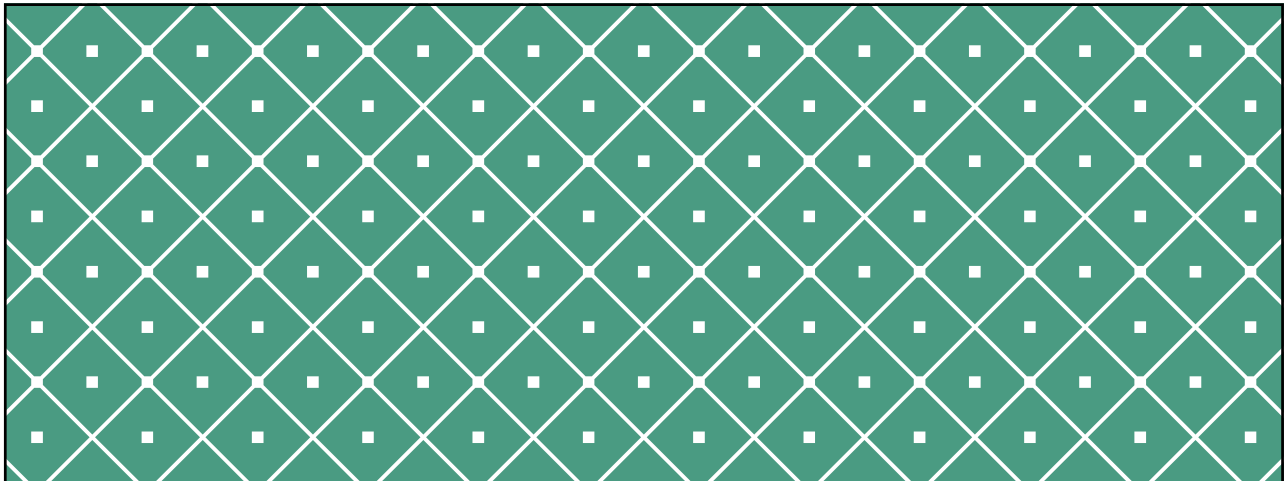


STATE SUPPORT FOR LOCALLY FUNDED SERVICES

Revenue sharing is a source of revenue for local governments, which then is used to support local services – many of which are critical to trust beneficiaries.

State budget cuts shift costs for necessary public services to municipalities. Reductions in revenue sharing means local governments have less funding to address that cost-shifting.

Between 2008 and 2014, communities received about \$60 million a year. In 2015, \$57.3 million was shared with communities In 2016, it was \$38.2 million.



LEGISLATION



REVENUE BILLS

There is no preserving the core services – the programs critical to the health, safety, and welfare of beneficiaries – without expanding and diversifying reliable revenue streams available for public services.

Governor's Bills

HB 60/SB 25 Fuel taxes – doubles motor fuel tax to 16 cents, adds 8 cents in 2018

Increases aviation, marine fuel taxes

Creates a transportation maintenance fund

HB 61/SB 26 Permanent Fund – allows appropriation of a 5.25% of average market value (POMV) over past 5 years of the PF to the GF; allows for 20% of the POMV and 20% of mineral royalties for dividends, with \$1,000 cap for the first 2 years



REVENUE BILLS

SB 12 (Bishop) Creates a tax on self-employment income, to be appropriated for educational facilities, maintenance, and construction fund established under AS 37.05.560

HB 36 (Gara) Removes exemptions from the state corporate income tax, requires shareholders to pay taxes on income attributed to the stake in the corporation

There is no alcohol tax bill (yet).



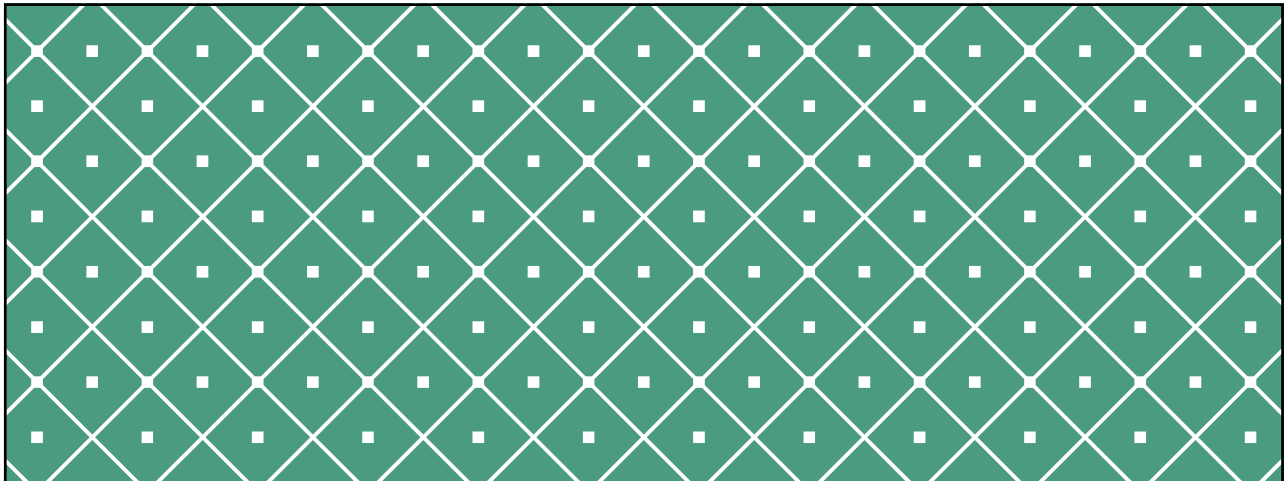
BILLS

HB 10 (Wilson) - Revises CINA statutes

HB 12 (Wilson) - Limits authority of OCS to remove a child absent “emergency”

HB 24/SB 20 (Millett/Meyer) – Adds “pink” (synthetic opioid) to state controlled substances schedule IA

HB 34 (Tarr) - Extends distance between church, school and alcohol retailer to 500 ft



POLICY



REFORM

Managing public and policymaker expectations about the monumental reform efforts launched in SB 91 and SB 74 – what a reasonable timeline for implementation is, what savings can be reasonably expected in the short and long-terms, etc. is critical.



Juneau sees steep rise in property crime in 2016, police say January 18, 2017

“There are some really good things in SB 91,” Johnson emphasized, including the move away from incarceration to treatment. “But there needs to be a stick there.”

Many crimes such as trespassing and disorderly conduct have a 24-hour cap of incarceration and suspects are released on their own recognizance, Johnson said.

“We take them to jail, they are processed and released,” he said. “They go in and they get out, quite quickly, even if we arrest them.”



OPIOID ADDICTION

The Alaska Opioid Policy Task Force recommendations follow a public health framework for addressing substance misuse and addictions.

Some of the strategies recommended are:

- Increase access to prescription drug take back/disposal;
- Promote evidence-based prevention in communities and schools;
- Adopt a chronic disease model for treating opioid and other substance use disorders;
- Increase access to withdrawal management (detoxification) services, long-term treatment, and medication assisted treatment;
- Increase access to naloxone to prevent overdose deaths, and syringe exchange programs to reduce the harms associated with IV drug use;
- Increase access to recovery supports, peer support, and services that prevent relapse by supporting re-entry into the community from residential treatment or corrections.



OPIOID ADDICTION

In his 2017 State of the State Address, Governor Walker spotlighted five recommendations made by the Alaska Opioid Policy Task Force:

- Implementing opioid prescribing limits;
- Strengthening the Prescription Drug Monitoring Program;
- Giving regulatory authority to classify illicit opioids as controlled substances as they emerge;
- Restricting transport of illegal opioids and heroin into rural communities with improved screening and enforcement measures; and
- Requiring licensed health care providers to complete opioid addiction education as part of their continuing education requirements.



QUESTIONS, COMMENTS?



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Thank you!