



The Alaska Mental Health Trust Authority

The Honorable Chairs of the House and Senate Finance Committees,  
Representative Mark Neuman  
Representative Steve Thompson  
Senator Pete Kelly  
Senator Anna MacKinnon

January 15, 2015

To the Honorable Chairs of the House and Senate Finance Committees,

This report is in response to the Alaska Legislature's request that the Alaska Mental Health Trust Authority "assess the potential impact of expanded broadband use on the long term general fund operating costs."

### ***Existing Broadband Capacity***

In Alaska, the broadband communications network across the state consists of terrestrial and satellite technology systems.

Existing broadband infrastructure capacity, and the current level of need across the state, has been identified through the work of the Alaska Broadband Taskforce.<sup>1</sup> In particular, the Taskforce report, *A Blueprint for Alaska's Broadband Future*<sup>2</sup>, highlights existing infrastructure, infrastructure currently being planned, and infrastructure that is needed to achieve targets of connecting all Alaskan communities with a minimum performance level of data transfer speeds.

While identifying the existing broadband networks across the state, the report unfortunately did not break the existing broadband capacity down to the level of the specific users (i.e., Educational/School Districts, Tribal Health Networks). Identifying the individual systems and specific capacity data is a complex process requiring a greater commitment of time and resource beyond that which could be allotted for this report.

### ***Capacity Needed to Improve Healthcare Access***

While not able to provide specific capacity data, possible broadband network users and the potential for collaboration across the state, educational and tribal health care systems have

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<sup>1</sup> Alaska Broadband Taskforce <http://www.alaska.edu/oit/bbtaskforce/homepage.html>

<sup>2</sup> Alaska Broadband Taskforce report, October 2014; <http://www.alaska.edu/oit/bbtaskforce/docs/Statewide-Broadband-Task-Force-Report-FINAL.pdf> (access verified 1/14/15).

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been identified. The potential outcomes, and cost savings of these partnerships across different networks and programs appear to be significant.

*Tribal Healthcare System Partnerships* – Preliminary feedback from the information and telemedicine leadership in the tribal healthcare system suggests a definite interest in developing collaboration between the State and Tribal organizations. This partnership could maximize the use of existing broadband infrastructure and resources to improve access to health and behavioral health related services.

Initial feedback also indicated that the general perception is that the remaining barriers to increasing use of telemedicine in the tribal health system, including the use of telebehavioral resources, are programmatic and not insufficient broadband capacity. The existing programmatic and policy aspects lag behind the technology. The primary issue of concern raised for the tribal health care system is ensuring that Federal funding is not jeopardized by collaborations with non-tribal entities.

*Educational System Partnerships* – The educational system offers a number of possibilities for collaboration and partnering of resources. There are approximately 56 public school districts across the state, and each is likely to have their own broadband connectivity at some level, as well as public libraries participating in the Alaska Online with Libraries broadband program.

The Online With Libraries<sup>3</sup> (OWLs) program, operated through the Alaska Department of Education and Early Development, is an example of an existing program that is potentially able to collaborate with healthcare providers. The goal of the OWLs program is to increase computer technology and broadband access to allow for increased access activities, such as videoconferencing, in public libraries across the state. Approximately 70% (n=69) of the public libraries in the state have upgraded to broadband service as a result of the OWLs program, of which 41 libraries are in off-road rural communities.<sup>4</sup> Public libraries participating in the OWL broadband network have allowed non-profit organizations and State entities to use the network for key meetings. Additionally, there have been anecdotal reports of legal and healthcare professionals using the system for meeting with clients.<sup>5</sup>

The Alaska Mental Health Trust Authority recently funded a pilot project that is already demonstrating the potential of using a school district's broadband resources to facilitate behavioral health related treatment. The Trust awarded funding to the Alaska Child and Family Services organization to implement telebehavioral health services in a rural region. As part of the pilot project, the Alaska Child and Family Services, based in Anchorage, has developed a

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<sup>3</sup> Alaska Online With Libraries (OWLs) program <http://library.alaska.gov/dev/owl.html>

<sup>4</sup> Alaska Broadband Taskforce report, page 21, (access verified 1/14/15)

<sup>5</sup> Personal communication with Shane Southwick; OWLs program manager (1/14/15)

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cooperative arrangement with the village schools of Lower and Upper Kalskag in the Kuspuk School District to gain access to the Kuspuk School Districts broadband network for individual, child and family behavioral health treatment. This has been accomplished by including the students behavioral health needs as part of their special education related individualized education plan. We believe these types of partnerships could be expanded to increase the system of care, as well as save considerable money through the efficiencies of sharing resources, and programmatic synergy that comes with coordinating efforts.

## ***Costs and Barriers to expanding broadband***

There are a number of potential barriers to expanding broadband capacity in Alaska. In particular several stand out; cost of broadband infrastructure development and maintenance, capacity of the network to handle increased shared use, and the funding mechanisms used to fund broadband services.

*Infrastructure Development and Maintenance* – The primary cost and barrier to expanding broadband capacity is the capital investment in the development and maintenance of the broadband infrastructure. The Alaska Broadband taskforce estimated the capital investment required to bring the Alaska broadband infrastructure to the level needed by 2020 at approximately \$1.2 billion.<sup>6</sup> While such an investment and development of infrastructure is an option, it is clear that better utilization through collaborative efforts could achieve general fund savings even in the absence of substantial capital investment.

*Capacity of Broadband Networks for Shared Use* – Collaborations between healthcare and the educational network would have to be evaluated on a system by system basis to determine whether the network capacity would be able to sustain the demands of each system without negatively impacting either system speed or performance. The Department of Administration is currently engaged in several pilot projects focused upon demonstrating methods for increasing broadband speed and performance for state agencies in a number of rural communities.

*Funding of Broadband Services* – The cost of broadband service can be prohibitive. For that reason, broadband services are largely federally subsidized. The recipients of federal funding for broadband are subject to use restrictions. The National Broadband Plan<sup>7</sup>, for example, highlights restrictions on funding for the educational uses of broadband provided through federal programming. In particular, recipients are required to certify that the funding will be used solely for educational purposes. However, as described above, creative collaboration can gain access to these systems without jeopardizing federal funding, similarly Tribal Health systems can also be accessed for additional services.

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<sup>6</sup> Alaska Broadband Taskforce report, page 33, (access verified 1/14/15).

<sup>7</sup> National Broadband Plan <http://www.fcc.gov/national-broadband-plan> (access verified 1/14/15)

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After these barriers are addressed, and cooperative use partnerships occur, the challenges will then shift more heavily to programmatic issues and policy barriers. For example, there will likely be policy issues related to professional licensing and accreditation in Alaska for providers in other states. Programmatically, healthcare providers will need to address healthcare confidentiality and privacy issues in non-healthcare settings.

While some of the challenges can potentially be addressed through the updating of regulations, policies and program standards, the solution to a number of the barriers may require congressional action pursuant to tribal and state agreement.

### ***Potential long-term general fund savings attributable to expanding broadband access***

It is difficult to put a specific dollar amount on the magnitude of long-term general fund savings that might occur as a result of expanding broadband access. However, we strongly believe that targeting these kinds of systems partnerships to share existing and future resource can be used to help reduce the General Fund expense.

It is reasonable to expect savings as a result of increased access to care, and the efficiency and streamlining of services. Over time, significant savings could include, but are not limited to:

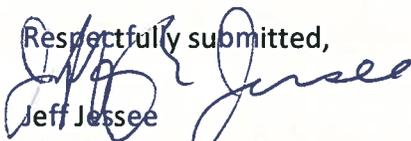
- A reduction in travel costs for healthcare providers and patients.
- A reduction in costs associated with treatment in the more intense and expensive higher levels of care in residential and hospital settings.

Additionally, savings may be possible from other collaboration and partnerships, including public safety agencies, NGOs, and even private entities. Cost savings can also clearly be expected from a reduction of duplicative broadband infrastructure.

In summary, while we were unable to derive specific system capacity data or cost information in the time allotted, our initial explorations clearly show the potential for significant cost savings and improved access to healthcare services through collaborations among key partners.

If the Alaska Legislature so desires, the Alaska Mental Health Trust Authority is willing to facilitate continued efforts towards linking the Tribal Health System and State organizations towards the goal of coordinated and collaborative care and the sharing of broadband telemedicine and telebehavioral health resources.

Respectfully submitted,



Jeff Jessee

Chief Executive Officer

Alaska Mental Health Trust Authority