

Finance Committee

Date: January 27, 2015

Alaska Permanent Fund Corporation

Hugh Malone Board Room

801 West 10th Street, Juneau, AK 99801

**Trustees: Laraine Derr (Chair), Larry Norene, Paula Easley, Mary Jane Michael,
Russ Webb, John McClellan, Mike Barton (ex-officio)**

Call in number: (866)-469-3239; Session Number: 807 319 372 #; Attendee Number: #

			<u>Page No.</u>
1:30 pm	<u>Call Meeting to Order (Laraine Derr, Chair)</u>		
	Roll Call / Announcements / Ethics Disclosure		
	Approve Agenda		
	Approve Minutes – 10/22/14		3
1:45 pm	<u>Staff Report Items/Approvals</u>		
	• Cash Management Reports – Kevin Buckland, CFO		Hand-Out
	• Motion - FY2015 Pay-Out - Kevin Buckland, CFO		13
	• FY2016 Budget Update - Jeff Jessee, CEO		
2:15 pm	<u>Investment Update</u>		
	• Pamela Leary, CPA, Division Director, Department of Revenue Treasury Division		
	• Bob Mitchell, CFA, Investment Officer, Department of Revenue Treasury Division		
3:00 pm	<u>Approvals</u>		
	Trust Land Office Items for Approval		
	• C2 Utility Extension	\$ 600,000	15
	• Yosemite Utility Extension	\$ 900,000	21
	Designated Grants – Unobligated Funds – \$25,000		
	• Medicaid Expansion Technical Assistance & Consultation Contract (FY15)	\$ 400,000	27
	• 1915i Medicaid State Plan Service Implementation Plan Contract (FY15); Statutory Advisors and The Trust	\$ 200,000	39
	• Behavioral Health Needs Assessment & Gap Analysis for SE Youth (FY15); Bartlett Regional Hospital	\$ 25,000	43
	Trust Authority Items for Approval		
	• Motion – Increase Designated Authority Grant Funds - (Row 7 of Spreadsheet)	\$ 500,000	11
	Partnerships – Unobligated Funds – \$232,800		
	• Aging-In-Place Renovation (FY15); Reach, Inc.	\$ 75,000	47
	• Alaska Seeds of Change (FY15); ACMHS	\$ 70,000	53
	• Mat-Su Aging & Disability Resource (FY15); LINKS Mat-Su Parent Resource Ctr	\$ 30,000	59
	Focus Area Reallocation		
	• Substance Abuse Prevention and Treatment (FY15); Marijuana Policy	\$ 130,000	63
	Focus Area Change of Intent		
	• HCBS Program Assistance & Pilot (FY15); DSDS	\$ 250,000	65
4:30	Adjourn		

Future Meeting Dates

Full Board of Trustee / Finance / Resource Management / Planning

(updated 12/08/14)

FY15/16 - Finance Committee Dates:

- January 27, 2015 (Tue) – JUNEAU
- April 16, 2015 (Thu)
- August 4, 2015 (Tue)
- October 21, 2015 (Wed)
- January 26, **2016** (Wed)
- April 14, **2016** (Thu)
- August 2, **2016** (Tue)
- October 20, **2016** (Thu)

FY15/16 – Resource Management Committee Dates:

- January 27, 2015 (Tue) – JUNEAU
- April 16, 2015 (Thu)
- August 4, 2015 (Tue)
- October 21, 2015 (Wed)
- January 26, **2016** (Tue) – JUNEAU
- April 14, **2016** (Thu)
- August 2, **2016** (Tue)
- October 20, **2016** (Thu)

FY15/16 – Planning Committee Dates:

- January 27, 2015 (Tue) – JUNEAU
- April 16, 2015 (Wed)
- August 5-6, 2015 (Wed, Thu)
- October 21, 2015 (Wed)
- January 26, **2016** (Tue) – JUNEAU
- April 14, **2016** (Thu)
- August 3-4, **2016** (Tue)
- October 20, **2016** (Thu)

FY 15/16 – Full Board of Trustee Meeting Dates:

- January 28-29, 2015 (Wed, Thu) – JUNEAU
- May 7, 2015 (Thu) – TBD
- August 26-27, 2015 (Wed, Thu) – Anchorage
- November 18, 2015 (Wed) – Anchorage – TAB
- January 27-28, **2016** (Wed, Thu) – JUNEAU
- May 5, **2016** (Thu) – TBD
- August 24-26, **2016** (Wed, Thu, Fri)
- November 17, **2016** (Thu) – Anchorage – TAB

ALASKA MENTAL HEALTH TRUST AUTHORITY

FINANCE COMMITTEE

October 22, 2014

1:33 p.m.

Taken at:

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

OFFICIAL MINUTES

Trustees present:

Laraine Derr, Chair
Larry Norene
Paula Easley
John McClellan
Russ Webb

Trust staff present:

Jeff Jessee
Nancy Burke
Miri Smith-Coolidge
Kevin Buckland
Michael Baldwin
Marilyn McMillan
Amanda Lofgren
Katie Baldwin-Johnson

Others participating:

Karen Nugen-Logan, Nugen's Ranch; Zack Desmond, Brave Heart Volunteers (via telephone); Corrine O'Neill, RurAL CAP; Duane Mayes, Division of Senior and Disability Services; Donna Mong, Alaska Peer Support Consortium (via telephone); Bruce Van Dusen, Alaska Peer Support Consortium; Sherrie Hinshaw, DBH; John Spurbeck, Anchorage Community Health.

PROCEEDINGS

CHAIR DERR calls the meeting to order, and recognizes the Trustees present. She asks for any announcements. Hearing none, she asks for any ethics disclosures. She moves on to the agenda,

and asks for any additions or corrections. There being none, she asks for a motion to approve the minutes of August 5, 2014.

TRUSTEE WEBB makes a motion to accept the minutes of August 5, 2014.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

CHAIR DERR moves on to the staff report and the cash management report, and recognizes Kevin Buckland.

MR. BUCKLAND states that the cash management report reflects activity through September 30, 2014, and goes through it briefly.

CHAIR DERR asks about the gold on the front of the monthly report.

MR. MORRISON explains that was all of the gold in a time period by one of the placer miners, and by the lease, we receive 10 percent of the value. He stated that in the leases we reserve the right to accept in-kind payment; even in the oil and gas leases.

MR. BUCKLAND continues through the report, explaining and answering questions as he goes along.

CHAIR DERR thanks Mr. Buckland, and moves on to the continued suspension of quarterly payouts.

MR. BUCKLAND states that, at one time, Trustees had a resolution on file to order the CFO/CEO to rebid cash that accumulated in the Trust Authority Development Account, which was a temporary holding account for the Land Office to deposit proceeds from gold or oil that is principal until it is remitted over to the Permanent Fund. He continues, that resolution was suspended, but we do have a motion for the Finance Committee to consider and report on to the Full Board to continue to suspend those cash transfers for another fiscal year.

TRUSTEE WEBB makes a motion that the Finance Committee recommends that the Full Board of Trustees suspend transfers of cash principal from the Trust Land Development Account to the Alaska Permanent Fund Corporation through November 2015.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

CHAIR DERR moves to the PRI update, and recognizes Nancy Burke.

MS. BURKE states that the PRI ad hoc committee has met and has completed a fair amount of the policy and some of the guidelines for making a PRI investment. She continues that AMPS is

moving forward with an ad hoc committee to review and make recommendations to the Board. She adds, that includes a PRI section. She states that they will meet with the committee and look at potential investments, but there is nothing to report at this time.

CHAIR DERR asks about the Joshua House in Fairbanks, and recognizes John Morrison.

MR. MORRISON states that some due diligence was done on the property for physical conditions and have the results back. He continues that it can be discussed or a packet sent out.

CHAIR DERR asks for them to be handed out, and if there is follow-up, it can be taken up at the Resource Management Committee. She thanks John for doing the job. She asks for any other questions on PRI. There being none, she moves on to approvals. She states that the first one is for haying farm equipment for Nugen's Ranch, and recognizes Amanda Lofgren.

MS. LOFGREN states that Karen Nugen-Logan, executive director, is here to answer any questions. She continues that this partnership request is for \$50,000 to purchase a tractor and haying implements. She explains that Nugen's is a residential treatment program, and this funding will allow them to diversify their income through the profits made off the hay. She added that the Beneficiaries are very engaged in all aspects of the ranch, including a very large greenhouse. She states that there is also a very large garden, hogs, a hog barn, and then other chores. She explains that they have increased their hay production and had been borrowing the equipment, but that is no longer an option. She states that they strongly feel that they can get two cuttings, and each cutting would profit about \$30,000.

TRUSTEE WEBB makes a motion that the Finance Committee approve a \$50,000 FY15 partnership grant with Nugen's Ranch for haying equipment.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

MS. NUGEN-LOGAN thanks the Trustees.

CHAIR DERR moves on to Vocational Program Coordination, Brave Heart Volunteers.

MS. LOFGREN states that is a typo and it is not a vocational program. She continues that Zack Desmond, the program coordinator for this project, is on the phone to answer any questions. She states that the Brave Heart staff is asking for funding to become certified in a grief recovery method. She continues that they want to integrate it into their four core programs: case management; volunteer visiting program; therapeutic arts program for Beneficiaries; and a grief and bereavement group therapy. She explains that there is very limited training and programs for end of life and hospice care for Beneficiaries around the state. She states that the plan is to work with other providers in Southeast and across the state to implement it into their programs. She adds that Brave Heart is very respected and innovative, and this is an opportunity for them to expand and diversify some of their funding sources. She asks for any questions.

A short discussion ensues.

TRUSTEE WEBB makes a motion to approve a \$42,920 FY15 partnership grant to Brave Heart Volunteers for the grief support training for caregivers, Beneficiaries, and providers.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

MR. DESMOND thanks the Trustees.

CHAIR DERR moves on into the Safe Harbor acquisition designated grant.

MS. BURKE states that this request is a follow-up to work that is going on in the Housing focus area. She continues that Safe Harbor has run an innovative idea of operating a nonprofit hotel for Trust Beneficiaries, and also serves homeless people in Alaska. She gives a short background on Safe Harbor. She states that, since Lynne Ballew left the organization, everything has been going downhill. She continues that the Safe Harbor board came to the conclusion that they did not have the resources, and their population were people that needed more intensive services than being offered by a nonprofit hotel. She adds that they began a selection process to try to find an organization that could assume the properties and identified RurAL CAP, which is contemplating taking over. She states that in doing due diligence for the properties, they have not been well maintained. She continues that the Muldoon property needs some immediate changes to the building to remain safe. She states that the proposal is in three separate tasks: \$120,000 of operations start-up funding will bridge RurAL CAP to full operation once their staff gets in; \$20,000 for consulting to assist documenting all the things needed for permanent supported housing to be done correctly; third is a consolidation. She states that the total of the proposal request is \$350,000. She states that she provided an initial evaluation of Housing First that was presented at the homeless conference last month. She continues that there are great results coming out of that program, and the numbers on the evaluation look very positive. She adds that RurAL CAP also operates the Karluk Manor project which utilizes Housing First as the philosophy and the way of providing support services.

TRUSTEE WEBB makes a motion that the Finance Committee recommend approval to the full Board of Trustees for a \$350,000 FY15 designated grant to Rural Alaska Community Action Program, Inc. for start-up of the newly acquired Safe Harbor housing program and capacity, development and activities.

TRUSTEE McCLELLAN seconds.

MS. O'NEILL states that she is Corrine O'Neill, the supportive housing division director. She continues that the RurAL CAP board met and approved going forward with acquiring Safe Harbor. She adds that they plan to acquire it Monday, October 27.

A discussion ensues.

There being no objection, the motion is approved.

CHAIR DERR calls a break.

(Break taken.)

CHAIR DERR calls the meeting back to order. She moves to the Beneficiary Employment Program Management Initiative and recognizes Katie Baldwin-Johnson.

MS. BALDWIN-JOHNSON states that this is in regard to the bi-annual consumer and family conference that the Trust has historically funded as one of the strategies with the Beneficiary Project Initiative focus area. She points out the Bruce Van Dusen is the current acting board chair for Alaska Peer Support Consortium, and he is here to answer any questions. She adds that Donna Mong is also here. She clarifies that this request is to approve the designation of FY15 focus area funds that were previously authorized for the purpose of the Family and Consumer Conference in FY15. She continues that this request is to designate those funds to the Consortium to plan and facilitate the Family and Consumer Conference in October, 2015. She adds that this event is looking at coordinating with the Peer Support Consortium and other partners to focus on the new beneficiary employment and engagement strategy. She states that this is an opportunity to get the Beneficiaries and family members together to provide information about their benefits and benefits analysis.

TRUSTEE WEBB makes a motion that the Finance Committee approve a \$122,896 FY15 Beneficiary Employment and Engagement Focus Area allocation to the Alaska Peer Support Consortium for the 2015 Peer-Powered Conference.

TRUSTEE McCLELLAN seconds.

TRUSTEE WEBB asks if there is a sustainability plan for this conference.

A short discussion ensues.

MS. MONG states that evaluation has been done at multiple stages through the conference, and we are always looking on how to get feedback from the participants to adapt to meet the needs of the group.

TRUSTEE WEBB states that if this will be evaluated as a strategy, then outcomes and results of the conference need to be looked at.

TRUSTEE EASLEY comments that one of the reasons the Trust has funded this is to encourage the leadership of this group to get other peer-related organizations going around the state, particularly in rural areas. She states that she would like to see this grow.

There being no objection, the motion is approved.

CHAIR DERR moves to the Beneficiary Employment Focus Area, Vocational Program Coordination.

MS. LOFGREN states that this is a focus area allocation for the Beneficiary Employment and Engagement for Anchorage Community Mental Health Services. She adds that John Spurbeck, from Anchorage Community Mental Health Services, is here, as well as Sherrie Hinshaw. She states that this funding request is for the capacity and infrastructure for vocational services that are integrated agencywide across Anchorage Community Mental Health Services. She continues that this project was identified as a priority at the May stakeholder meeting in terms of building the capacity back in Anchorage. She adds that Anchorage Community Mental Health would hire a vocational coordinator that would help oversee this infrastructure and capacity developing agencywide in addition to some funding for a peer employment specialist who could help individuals. She states that, concurrently, the Division of Behavioral Health has applied for a SAMHSA grant called Transforming Lives Through Supported Employment. She continues that their proposal is very similar to this one. The only exception for that grant was some strategic planning for the Division of Behavioral Health.

MS. HINSHAW states that she is Sherrie Hinshaw, the manager of the housing and services unit at DBH. She thanks the Trust for all the support for housing and employment for Trust Beneficiaries at DBH. She states that Director Wall sent his regrets on being unable to voice his support for these efforts in person, and DBH is really committed to improving supportive housing options for Trust Beneficiaries. She continues that the application was unsuccessful, but they still want to carry the planning from that forward. She adds that some key positions within DBH were reorganized to focus on housing and employment and to try to integrate that more into operations.

TRUSTEE WEBB asks what happened with the grant and why was it not funded.

MS. LOFGREN replies that it took a really long time for SAMHSA to even announce that it was not awarded. She states that DBH has requested that SAMHSA send the information so the trigger points of not being awarded can be identified.

A discussion ensues.

TRUSTEE WEBB makes a motion to approve a \$111,413 FY15 Beneficiary Employment Focus Area grant to Anchorage Community Mental Health Services for vocational program coordination.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

TRUSTEE WEBB makes a motion to approve a \$150,000 FY16 Beneficiary Employment Focus Area grant to Anchorage Community Mental Health Services for vocational program coordination.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

CHAIR DERR moves on to the Housing focus area motions.

MS. BURKE states that Duane Mayes, the Division of Senior and Disability Services director, has joined us because this is a very strong partnership with the state Senior and Disability Services on a key component to the state's long-term services and supports, one of the programs. She continues that this is a place to utilize the Housing focus area resources, some prior year's funds, for long-term services and supports as a component of the Housing focus area.

MR. MAYES begins by complimenting the Trust for the tremendous effort in collaboration and partnership. He gives a short history to lay the foundation of this request.

TRUSTEE WEBB makes a motion that the Finance Committee recommend approval to the Full Board of Trustees to change \$50,000 of FY13 Housing focus area Authority Grant funds to FY15 MHTAAR funds.

TRUSTEE McCLELLAN seconds.

TRUSTEE WEBB asks if there are PCA services that are General Funds only.

MR. MAYES replies no; they are all Medicaid at this point.

TRUSTEE WEBB states that these expenses are associated with managing the Medicaid program and asks why they are not Medicaid admin costs.

MR. MAYES replies that they actually are, and they do Medicaid admin claiming for both PCA and waiver.

TRUSTEE WEBB states that all of those processes are related to Medicaid-funded services and are part of managing the Medicaid program. He adds that Medicaid money should be available for carrying those functions out.

MR. MAYES replies that they will look into it.

A short discussion ensues.

MR. JESSEE recommends passing these as contingent motions. Otherwise, it will not make it to LB&A in time to have them be able to do the work.

TRUSTEE WEBB withdraws his motion.

TRUSTEE WEBB makes a motion that the Finance Committee recommend approval to the Full Board of Trustees for a \$250,000 FY15 MHTAAR grant to the Division of Senior and Disability

Services for the HCBS program assistance and pilot, contingent on a clear determination provided to the Trust that these are not allowable Medicaid admin costs.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

TRUSTEE WEBB makes a motion that the Finance Committee recommend approval to the Full Board of Trustees to change \$50,000 of FY13 Housing focus area Authority Grant funds to FY15 MHTAAR funds.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

TRUSTEE WEBB makes a motion that the Finance Committee recommend approval to the Full Board of Trustees to change \$200,000 of FY14 Housing focus area Authority Grant funds to FY15 MHTAAR funds.

TRUSTEE McCLELLAN seconds.

There being no objection, the motion is approved.

MR. MAYES thanks the Trustees.

CHAIR DERR asks for anything else to come before the Finance Committee. There being nothing, the committee is adjourned.

(Finance Committee meeting adjourned at 3:37 p.m.)

	Item Type	Proposal	Organization	Page #	Proposed Motion
1	Trust Item	FY15 Annual Payout and Rebalancing	Alaska Mental Health Trust Authority	13	<p>Motion #1: The Finance Committee recommends that the full board of trustees authorize the transfer of \$23,212,400 from the Alaska Permanent Fund Budget Reserve account to the Mental Health Settlement Income Account to finance the FY 2015 base disbursement payout calculation and AMPS smoothing phase-in. The CFO may fulfill this motion with one lump sum or multiple transfers.</p> <p>Motion #2: The Finance Committee recommends that the full board of trustees authorize the CFO transfer balances in excess of \$38.92 million from the Department of Revenue Trust Reserve Account (AKSAS Fund 34047) to reserves managed by the Alaska Permanent Fund Corporation. The CFO may fulfill this motion with one lump sum or multiple transfers.</p>
2	Trust Land Office Item	C2 Utility Extension	Trust Land Office	15	The Finance Committee recommends that the Alaska Mental Health Trust board of trustees approve the expenditure of principal funds for sewer and water infrastructure improvements to and for the parcel known as C-2 in the amount of \$600,000 from the TADA (AKSAS fund 34045). These funds do not lapse.
3	Trust Land Office Item	Yosemite Utility Extension	Trust Land Office	21	The Finance Committee recommends that the Alaska Mental Health Trust board of trustees approve the expenditure of principal funds for sewer and water infrastructure improvements to and for a portion of the parcel known as Yosemite in the amount of \$900,000 from the TADA (AKSAS fund 34045). These funds do not lapse.
4	Designated Grant	Medicaid Expansion Technical Assistance and Consultation	Alaska Mental Health Trust Authority	27	Recommend approval to the full Board of Trustees for up to \$400,000 from FY15 Designated Grants for technical assistance and consultation on Medicaid expansion and reform.
5	Designated Grant	1915(i) Medicaid State Plan Service Implementation Plan	Advisory Boards and The Trust	39	Recommend approval to the full Board of Trustees for a contract not to exceed \$200,000 to develop the 1915(i) Medicaid State Plan Service Implementation Plan. \$100,000 is from FY14 general authority grant funds to the advisory boards and \$100,000 is from FY15 Designated Grants.
6	Designated Grant	Behavioral Health Needs Assessment and Gap Analysis for SE Youth	Bartlett Regional Hospital	43	Approve a \$25,000 FY15 Designated Grant to Bartlett Regional Hospital for the Behavioral Health Needs Assessment and Gap Analysis for SE Youth.
7	Trust Item	Increase Designated Authority Grant Funds	Alaska Mental Health Trust Authority	***	Recommend approval to the full Board of Trustees to use unobligated funds to increase FY15 Designated Authority Grants currently at \$560,000 by \$500,000 to a new total of \$1,060,000. AR16872
8	Partnership	Aging-in-Place Renovation of Mark Alan Home	REACH, Inc.	47	Recommend approval to the full Board of Trustees for a \$75,000 FY15 Partnership grant to REACH for the Aging-in-Place Renovation of Mark Alan Home project.

	Item Type	Proposal	Organization	Page #	Proposed Motion
9	Partnership	Alaska Seeds of Change	Anchorage Community Mental Health Services	53	Recommend approval to the full Board of Trustees for a \$70,000 FY15 Partnership grant to Alaska Community Mental Health Services for the Alaska Seeds of Change project.
10	Partnership	Mat-Su Aging and Disability Resource Center	LINKS Mat-Su Parent Resource Center Inc.	59	Approve a \$30,000 FY15 Partnership grant to LINKS Mat-Su Parent Resource Center for the Mat-Su Aging and Disability Resource Center.
11	Focus Area Reallocation	FY15 Marijuana Policy	Alaska Mental Health Trust Authority	63	Approve a reallocation of \$130,000 substance abuse prevention and treatment focus area funds from FY15 Policy Development for work on marijuana policy.
12	Focus Area Change of Intent	HCBS program assistance and pilot	Division of Senior and Disabilities Services	65	<p>Motion # 1: Recommend approval to the full Board of Trustees to redesignate \$50,000 of FY13 Housing focus area MHTAAR funds and \$200,000 of FY14 Housing focus area MHTAAR funds to Authority Grant funds to reverse the actions taken November 20, 2014.</p> <p>Motion # 2: Recommend that the full Board of Trustees authorize the Trust to negotiate a Reimbursable Services Agreement not to exceed \$250,000 with the Division of Senior and Disabilities Services for the HCBS Personal Care Assistance and Pilot.</p> <p>The funding is from as follows: \$50,000 FY13 Housing (IT Applications in Homes), \$50,000 FY14 Housing (IT Applications in Homes), \$150,000 FY14 Housing (Seniors with ADRD Institution Diversion).</p>

To: Laraine Derr, Finance Committee Chair
From: Kevin Buckland, Chief Financial Officer
Date: January 27, 2015
Re: FY15 Annual Payout and Rebalancing

MEMO

REQUESTED MOTIONS:

Requested Motion #1: The Finance Committee recommends that the full board of trustees authorize the transfer of \$23,212,400 from the Alaska Permanent Fund Budget Reserve account to the Mental Health Settlement Income Account to finance the FY 2015 base disbursement payout calculation and AMPS smoothing phase-in. The CFO may fulfill this motion with one lump sum or multiple transfers.

Requested Motion #2: The Finance Committee recommends that the full board of trustees authorize the CFO transfer balances in excess of \$38.92 million from the Department of Revenue Trust Reserve Account (AKSAS Fund 34047) to reserves managed by the Alaska Permanent Fund Corporation. The CFO may fulfill this motion with one lump sum or multiple transfers.

MOTION #1 BACKGROUND

The Asset Management Policy Statement (AMPS) provides for an annual payout disbursement calculation consisting of 4.25% of the rolling four-year average aggregate net asset value (NAV) of the following:

- o Principal invested at APFC
- o Budget Reserve invested at APFC
- o Budget Reserve invested at DOR

The calculation for the FY15 payout and drawdown from APFC budget reserves is as follows:

	<i>FY Ending NAV</i>
FY 2011	\$ 446,847,963
FY 2012	429,467,287
FY 2013	454,350,603
FY 2014	<u>500,866,741</u>
Average NAV:	\$ 457,883,149
	<u>X 4.25%</u>
Payout disbursement calculation (<i>rounded</i>)	\$19,460,000
Plus: AMPS smoothing phase in (final year)	<u>3,752,400</u>
Total Transfer Request	\$23,212,400

In addition to the annual payout disbursement calculation, the base funding available for programs also consists of funds of the following funds:

- o MHTAAR and MHT Admin lapsing appropriations
- o Trust Land Office (TLO) spendable income
- o Interest earned on GeFONSI (General Fund and Other Non-Segregated Investments) cash balances

Prior to FY13, funds made available from these non-payout disbursement sources were aggregated at the close of each fiscal year with the full balance made available during the subsequent year. Using 100% of the funds from these non-payout disbursement sources in a single subsequent year without regard to averaging introduced an unnecessary volatility in program funding. Beginning in FY13, Trustees updated the AMPS and specifically the funding availability calculation so as to soften year-to-year volatility by averaging these components over four years, not unlike the payout disbursement calculation uses a four year average NAV. Since prior to FY13 all funds were made available immediately, an “AMPS smoothing phase-in” mechanism was also adopted by Trustees to finance the transition without cutting program funding. \$3.7 million is necessary for the final phase in of smoothing non-payout disbursement sources.

Staff requests Trustees authorize the CFO to transfer \$23,212,400 from budget reserves managed by APFC to finance the FY15 payout and AMPS smoothing phase-in.

MOTION #2 BACKGROUND

Budget Reserve Guidelines in the AMPS call for 200% of the targeted annual withdrawal calculation to be invested at the Department of Revenue, and the remainder to be invested by the Alaska Permanent Fund Corporation.

The current year (FY 2015) base payout disbursement calculation is \$19.46 million; the target balance to maintain at the Department of Revenue is therefore \$38.92 million. The DOR Budget Reserve balance reached \$40.48 million (as of December 31, 2014); allowing for up to \$1.565 million to be transferred between accounts.

Staff requests the Finance Committee recommend the full board of trustees authorize the CFO to transfer funds from the Trust Reserve Account (AKSAS Fund 34047 / State Street Account AY2L) to the Alaska Permanent Fund Corporation for deposit to the Trust Budget Reserve Account (also known as the Trust earnings reserve account, APFC G/L #0400-33100).

To: Laraine Derr, Chair
Finance Committee
From: Bryan Yackel
Date: 1/27/2015
Re: C2 Utility Extension – Project #2014-84
Fiscal Year: 2015
Amount: \$600,000

Approval

Proposed FC Motion:

“The Finance Committee recommends that the Alaska Mental Health Trust board of trustees approve the expenditure of principal funds for sewer and water infrastructure improvements to and for the parcel known as C-2 in the amount of \$600,000 from the TADA (AKSAS fund 34045).”

Background:

Transaction/Resource: Principal Fund expenditure for a Trust Parcel improvement project to include design and construction of sanitary sewer and water main line utility extensions. This is a continuation of the development of Tract C-2 in the University Medical (U-Med) District, which is currently lacking these critical utilities.

Property Description/Acreage/MH Parcel(s): Parcel SM-1526-01, Tract C-2, Providence Chester Creek Subdivision, Anchorage, Alaska including approximately 4.5 acres (see Exhibit 1 – Location Map).

General Background: The Trust acquired title to Tract C-2 in May of 2009 (ref. QCD 8000106) from the Department of Natural Resources (DNR). At that time, Tract C-2 included 5.537 acres, and is now approximately 4.5 acres resultant to the 40th Avenue settlement with Municipality of Anchorage in which 1.2 acres was placed under a perpetual Public Use Easement Agreement with compensation of \$619,490.00 (ref. MHT 9200408).

In FY13, Tract C-2 underwent an extensive grading project whereby approximately 70,000 cubic yards of material was cut and removed from the site. Work completed in 2012 improved the grades of the site for the prospect of development. Completing the installation of the water and sanitary sewer utilities will be an additional enhancement to site value, and move it closer to being “development ready”.

The project will be designed by TLO’s Central Region Term Contractor DOWL HKM. The approving authority for the design is the Anchorage Water and Wastewater Utility (AWWU). Construction is tentatively scheduled for spring/summer of 2015.

Anticipated Revenues/Benefits: The zoning of the property is Residential Office (R-0), and the utilities to be installed are crucial to support further development. This is a necessary step toward recognizing this site's near term potential for revenue generation.

Anticipated Risks/Concerns: A key concern is the risk of spending Trust funds to prepare prospective land without an immediate identified use or user at the time of expenditures. There is potential that this tract of land will not be absorbed in the year that the development is completed, resulting in a holding period without revenue generation offsetting the expenditure.

Project Costs: The estimated not-to-exceed total project cost for the installation of these utilities is \$600,000 (see Exhibit 3).

Other Considerations: The installation of the sanitary sewer main line extension will require the granting of two small perpetual Public Use Easements (approximately 20' x 30') on MHT's Tract 2B-1 and Tract C-2 (see Exhibit 2). A separate Best Interest Decision and public notice process will be completed for these easements.

Due Diligence: Cost estimates for multiple alignments were considered for the installation of the sanitary sewer line. The alignment with the lowest perceived cost has been selected for the continuation of design. Due to the short length of the water line only a single alignment is practical, which is the shortest available alignment between the points of origination and termination.

Alternatives: Two alternatives to completing this project include doing nothing, or deferring the work to a later date. In the absence of critical utilities, prospective buyers are confronted with additional risk that may prevent a sale or lease of the property, or a diminished return on investment through the realization of a lower land value and sales price. Deferring the work to a later date might have a similar consequence whereby the lack of utility service and uncertainty in delivering these services could make Tract C-2 less desirable and/or a more risky option than other "development ready" parcels.

Consistency with the Resource Management Strategy: The proposal is consistent with the long term "Resource Management Strategy for Trust Land" (RMS) which was adopted November 21, 2013 in consultation with the Trust. Completing these utility extensions will be a value enhancing feature of Tract C-2 that serves to support the highest and best use of this site.

Trust Land Office Recommendation: The TLO recommends approving use of Principal Funds for the design and construction of sanitary sewer and water main line utility extensions at Tract C-2.

Applicable Authority: Alaska Statutes 37.14.009, 37.14.031, 38.04.055, 38.05.801 and 11 AAC 99.

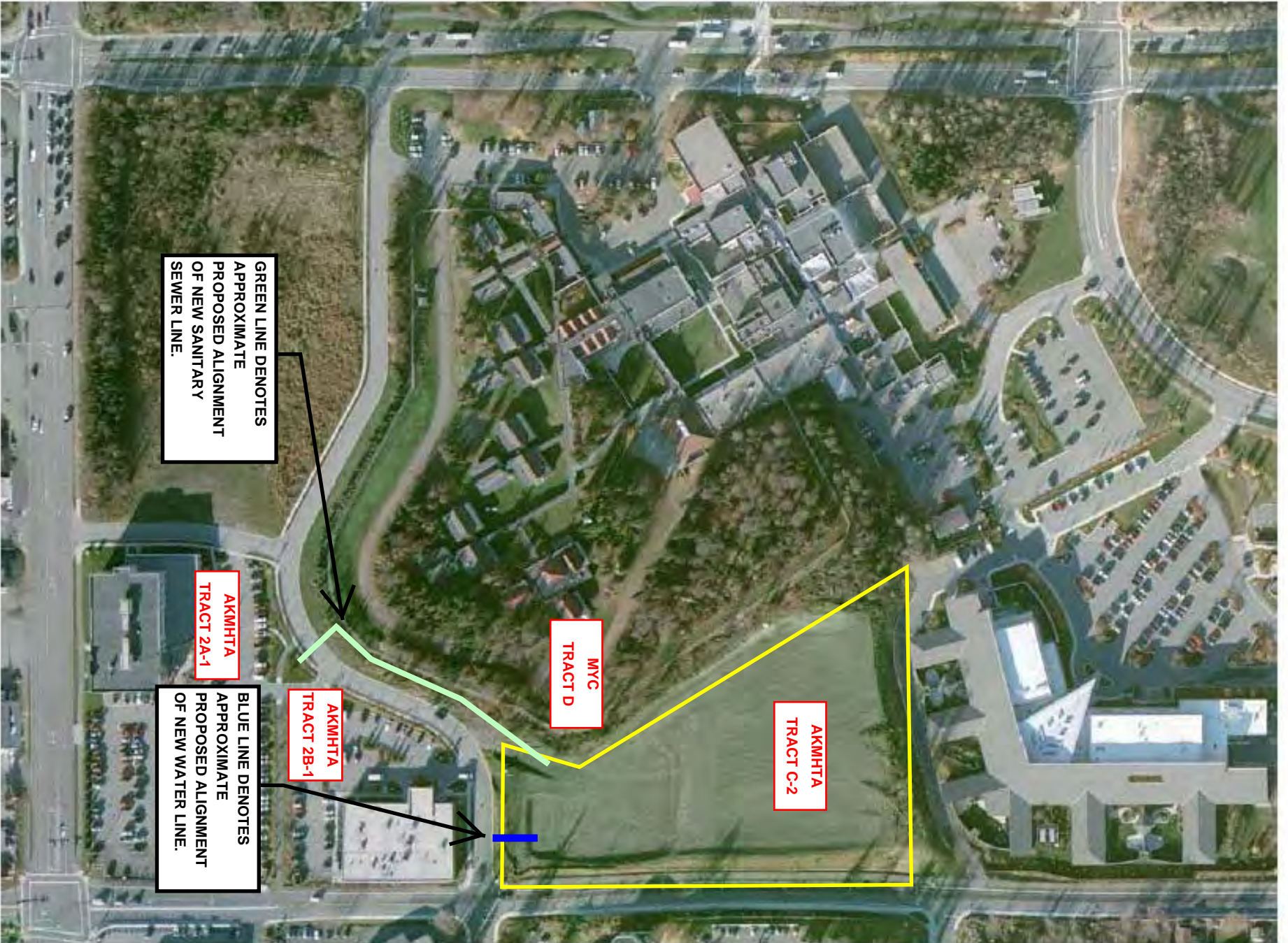
Trust Authority Consultation: This briefing document fulfills the consultation requirements that are applicable to the transaction. In the event that significant changes to the transaction are made necessary by the public notice process, the Trust Authority will be consulted regarding the changes.

Schedule of Actions:

Resource Management Committee:	January 27, 2015
Finance Committee:	January 27, 2015
Trust Authority Board:	January 28, 2015

Exhibit(s):

Exhibit 1 - Location Map with Proposed Water and Sanitary Sewer Utility Alignments
Exhibit 2 - 35% Sanitary Sewer Plan and Profile Drawing
Exhibit 3 - Estimated Not-To-Exceed Total Project Cost



GREEN LINE DENOTES
APPROXIMATE
PROPOSED ALIGNMENT
OF NEW SANITARY
SEWER LINE.

AKMHTA
TRACT 2A-1

BLUE LINE DENOTES
APPROXIMATE
PROPOSED ALIGNMENT
OF NEW WATER LINE.

AKMHTA
TRACT 2B-1

MYC
TRACT D

AKMHTA
TRACT C-2

C-2 Water and Sanitary Sewer Utility Extensions - Not-To-Exceed Total Project Costs

Activity Description	Estimated Cost
Engineering Planning, Survey, Design and Services During Construction	\$52,438
**Water Line Construction (~60'-70')	\$54,826
**Water Line related demolition, repair and replace	\$23,549
**Sanitary Sewer Line Construction (~400'-450'):	\$317,088
**Sanitary Sewer Line related demolition, repair and replace	\$91,837
Construction Administration & Management:	\$13,200
MOA and AWWU Project Fees:	\$18,850
Project Contingency (@ ~5%)	\$28,212

Not-To-Exceed Total Project Costs: \$600,000

** Cost Elements subject to competitive contractor pricing through RFP solicitation

To: Laraine Derr, Chair
Finance Committee
From: Bryan Yackel
Date: 1/27/2015
Re: Yosemite Utility Extension – Project #2014-83
Fiscal Year: 2015
Amount: \$900,000

Approval

Proposed RMC Motion:

“The Finance Committee recommends that the Alaska Mental Health Trust board of trustees approve the expenditure of principal funds for sewer and water infrastructure improvements to and for a portion of the parcel known as Yosemite in the amount of \$900,000 from the TADA (AKSAS fund 34045).”

Background:

Transaction/Resource: Principal Fund expenditure for a Trust Parcel improvement project to include design and construction of sanitary sewer and water main line utility extensions.

Property Description/Acreage/MH Parcel(s): A portion of Parcel SM-1623, (approximately 55 acres) located at the northwest and northeast corners of the intersection of Eagle River Loop Road and Yosemite Drive, Eagle River, Alaska. The parcel is legally described as a portion of the N2NE4, Section 23, Range 4 West, Township 14 North, Seward Meridian (see Areas A, B, and C on Exhibit 1).

General Background: In calendar year 2016 the Municipality of Anchorage (MOA) will undergo a major road improvement project to Yosemite Drive. The project will upgrade Yosemite Drive to a “collector” street. Features of the upgrade will include widening the roadway, establishing adjacent paved pathways and/or sidewalks, and installing street lighting, curb and gutter. The TLO intends to capitalize on the timing of this project by extending water and sanitary sewer utilities to the Yosemite parcels concurrently with the road improvement (see Exhibit 2).

The proposed utility extensions will provide sanitary sewer and water service to the Yosemite Drive properties. These utilities are necessary to support future development of these parcels. Immediately adjacent to the east side of Yosemite Drive and zoned as R-1, Area “A”, is a 27 acre tract that includes relatively flat land that has undergone concept planning for residential development. Located immediately to the southeast there is an additional 20 acres, Area “B”, which is immediately adjacent to the north side of Eagle River Loop Road, and is zoned PLI-SL. This area occupies the site of a former landfill that is not currently suitable for construction due to its steep topography and concern for

compromising the capped-and-closed former landfill. This area is, however, a good candidate for continued use as a fill site for neighboring projects producing clean soils.

The tract to the west of Yosemite Drive, Area “C”, includes approximately 8 acres of mostly cleared land with good soils. Prior planning efforts have identified this parcel as a good candidate to support a modest commercial development, or perhaps multi-family residential development of some form.

This project will be designed by Lounsbury & Associates, Inc., which is also the Engineer of Record for the MOA road improvement project, provides the Trust with a synergy of design. The approving authority for the design is the Anchorage Water and Wastewater Utility (AWWU). Construction is tentatively scheduled for spring/summer of 2016.

Anticipated Revenues/Benefits: Completing the water and sanitary sewer utility extensions concurrently with the MOA road improvement project will result in shared project efficiencies ultimately resulting in considerable cost savings to the Trust. In addition to the cost savings, disruption to area residents is further mitigated in comparison to a scenario whereby these utilities are installed at some point in the future after completion of the road improvement project. Installing these utilities at a later date would require demolition, repair and replacement of the roadway and/or adjacent pathways. This might also entail working in close proximity to existing underground utilities, which decreases efficiency and adds to project cost and uncertainty.

Anticipated Risks/Concerns: A key concern is the risk of spending Trust funds without an immediate return on investment. Large residential developments often include absorption periods in excess of five years, resulting in a holding period without revenue offsetting the expenditure. This is standard in residential lot development whereby all available lots in a subdivision of this size are not typically sold in the year of subdivision development; rather they are developed in planned stages.

Project Costs: The estimated not-to-exceed total project cost for the installation of these utilities is \$900,000 (see Exhibit 3).

Other Considerations: Completing a residential subdivision development at Yosemite east will likely require vacating a section line easement (SLE) running along the north property line of the parcel. The TLO has been in contact with neighboring property owners in an attempt to gain consent and support for the vacation. In the event the SLE cannot be vacated, the TLO may opt to abandon the construction phase of the utility extensions.

Due Diligence: The due diligence effort for this project is ongoing. With calendar year 2015 scheduled for design only, additional efforts will be made by the TLO to vet this project. Due diligence efforts identifying negative indicators or inconsistencies in the intended highest and best use may result in the suspension of the construction phases of this project.

Alternatives: Two alternatives to completing this project include doing nothing, or deferring the work to a later date. In the absence of critical utilities, prospective users are confronted with additional risk

that may prevent a sale or lease of the property, or a diminished return on investment through the realization of a lower land value and sales price. Deferring the work to a later date might have a similar consequence whereby the lack of utility service and uncertainty in delivering these services would make the Yosemite Drive tracts less desirable and/or a more risky option than other “development ready” parcels. The latter alternative creates additional concern related to the anticipated construction cost escalations and level of disruption to area traffic stemming from working within the extents of a new road.

Consistency with the Resource Management Strategy: The proposal is consistent with the long term “Resource Management Strategy for Trust Land” (RMS) which was adopted November 21, 2013 in consultation with the Trust. Completing these utility extensions will be a value enhancing feature of these Yosemite Drive parcels that serves to support the highest and best use of this site.

Trust Land Office Recommendation: The TLO recommends approving use of Principal Funds for the design and construction of sanitary sewer and water main line utility extensions at Yosemite Drive.

Applicable Authority: Alaska Statutes 37.14.009, 37.14.031, 38.04.055, 38.05.801 and 11 AAC 99.

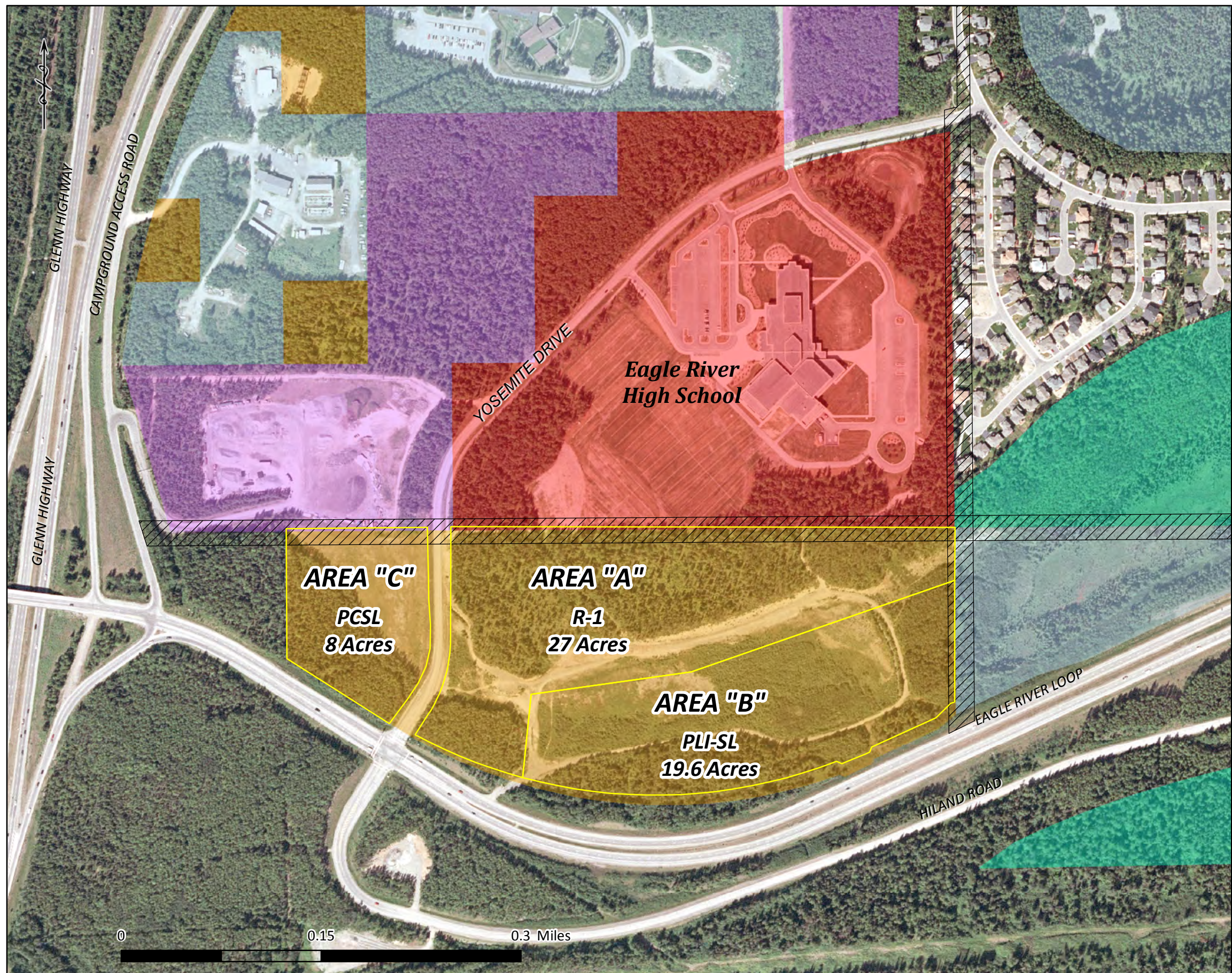
Trust Authority Consultation: This briefing document fulfills the consultation requirements that are applicable to the transaction. In the event that significant changes to the transaction are made necessary by the public notice process, the Trust Authority will be consulted regarding the changes.

Schedule of Actions:

Resource Management Committee:	January 27, 2015
Finance Committee:	January 27, 2015
Trust Authority Board:	January 28, 2015

Exhibit(s):

Exhibit 1 - Location Map
Exhibit 2 – Conceptual Sewer and Water Layout Drawing
Exhibit 3 – Not-To-Exceed Estimated Project Costs



Land Ownership Around Eagle River High School

Legend

- Land Ownership*
- Eklutna Inc.*
 - Heritage Land Bank*
 - Heritage Land Bank - School District*
 - MHTLO*
 - State of Alaska*
 - Section Line Easement*

Imagery- Municipality of Anchorage 2006

Land ownership was determined using State Dept. of Natural Resources Land Records (DNR) and Tax Parcel information from the Municipality of Anchorage and the anchoragealive.com website.

Acreage for Trust Parcel is approximate.

Date Printed: December 30, 2014

**CONCEPTUAL SEWER
AND WATER LAYOUT
12-9-2014**



EAGLE RIVER LOOP ROAD

FULL LOT FRONTAGE
OPTION

GRAVITY MAIN

FORCE MAIN

EXISTING SEWER MANHOLE

ROW

YOSEMITE DRIVE

ROW

WATER MAIN

WATER MAIN

TIE INTO EXISTING
WATER MAIN.

Yosemite Drive Water and Sanitary Sewer Utility Extensions - Not-To-Exceed Total Project Costs

Activity Description	Estimated Cost
Engineering Planning, Survey, Design and Services During Construction	\$74,000
** Water Line Construction (~500'-525')	\$203,715
** Sanitary Sewer Line Construction (~750'-775')	\$260,123
** Water Line Construction - ADD FULL FRONTAGE (~375') *	\$128,079
** Sanitary Sewer Line Construction - ADD FULL FRONTAGE (~335') *	\$142,863
Municipality of Anchorage PM&E Construction Administration & Management	\$25,200
MOA and AWWU Project Fees	\$20,160
Project Contingency (@ ~5%)	\$45,861

Not-To-Exceed Total Project Costs: \$900,000

** Cost Elements subject to competitive contractor pricing through RFP solicitation

* The TLO is currently working with AWWU in an effort to have "Full Frontage" requirements waived

To: Laraine Derr, Finance Committee Chair
Date: January 16, 2015
Re: FY15 Authority Grant Contract Request
Fiscal Year: 2015
Amount: Not to Exceed \$400,000
Project Title: Medicaid Expansion Technical Assistance and Consultation

MEMO

REQUESTED MOTIONS:

Recommend approval to the full Board of Trustees for up to \$400,000 from FY15 Designated Grants for technical assistance and consultation on Medicaid expansion and reform.

Assigned Trust Staff: Natasha Pineda

PROJECT DESCRIPTION

This request is seeking approval for technical assistance and consultation on Medicaid expansion and reform.

The state of Alaska's Medicaid program is a major staple of the service delivery system for the poorest in the state, many of whom are Trust beneficiaries. It is also critical as a main driver of social services and safety net programs for people with disabling conditions and economic challenges associated with these conditions. After the Affordable Care Act passed in 2012, each state was able to make a decision about expanding their Medicaid program eligibility to 138 percent of the federal poverty level and in 2013 Alaska chose to not expand the program. Estimates vary on how many Alaskans would be covered by the program expansion between 10,000 and 40,000 people.

Alaska's Medicaid program provides services to Alaskans with a total expenditure of nearly \$1.7 billion. Our newly elected governor has opted to expand Medicaid. This will allow Alaska to take advantage of the increased federal match through the Patient Protection and Affordable Care Act. Expansion will allow a shifting of high needs individuals who are currently impacting state general funded grant programs to Medicaid which will lower the state's general fund portion of this care. In an environment where state general funds will be the lowest they have been in many years, how we expand and reform our Medicaid system is critical. The Trust is uniquely positioned to support this effort through convening and strategic funding of consultation services.

Background:

The Trust is partnering with the Alaska State Department of Health and Social Services (DHSS) to solicit proposals for iterative technical assistance and strategic consulting to assist the State in identifying key

decisions and options for consideration in planning for Medicaid expansion. Technical assistance and strategic consulting will be essential to assist the State in identifying key decisions and options for consideration to support planning for Medicaid expansion.

The original estimate for this work was \$450.0 however, through discussions with DHSS, Medicaid Administrative Claiming was identified as an option for some of the activities; therefore the request was decreased to \$400.0. Given that the state Medicaid agency must file claims, project funds will be sent to DHSS through a Reciprocal Services Agreement (RSA) in order to procure a contract for technical assistance and consultation. Trust staff will work closely with DHSS to manage the project.

All stages and aspects of technical assistance and consultation must be designed to assist the State of Alaska in effectively expanding access to Medicaid to newly eligible Alaskans and lay the foundation for meaningful reform of public health care systems in Alaska.

For specific background on how this work will benefit Trust beneficiaries please review the attachment and resource information below:

Medicaid Expansion and Reform – White Paper, 12/15/14.docx

<http://us.milliman.com/uploadedFiles/insight/2014/identification-high-risk-Individuals.pdf>

December 15, 2014

Medicaid Expansion & Reform

Overview

Alaska's Medicaid program provides services to Alaskans in the following demographic categories for a total annual expenditure of nearly \$1.7 billion. If Alaska were to opt for expansion of Medicaid, as many other states have done, it would increase the overall expenditure of the program. However, there are many reasons to consider expansion and reform of the existing Medicaid and emergency response systems. First, is to take advantage of the increased federal match through the Patient Protection and Affordable Care Act. The match rate for newly eligible recipients is as follows (in calendar years):

- 2014-2016: 100 percent
- 2017: 95 percent
- 2018: 94 percent
- 2019: 93 percent
- 2020 and beyond: 90 percent

This timing is critical given that some programs that have provided funds for hospitals to care for indigent populations are being phased out over this same period of time. Without these funds, there will be fewer resources available for the uninsured and more of this type of care will need to be covered by state programs. A second compelling reason for expansion is that it will allow a shifting of high needs individuals who are currently impacting state general-funded grant programs to Medicaid. In an environment where state general funds will be the lowest they have been in many years, this is the time to expand and reform Alaska's Medicaid system.

PRIMARY SERVICE POPULATION

Total service population **145,279** individuals.



SNAPSHOT OF ALASKANS SERVED

- 87,506 (60%) are children
- 2,759 (2%) are disabled children
- 8,197 (6%) are elderly
- 17,011 (12%) are disabled adults
- 29,806 (20%) are adults

Medicaid Service populations, February 2013

FY13 Medicaid Direct Services Expenditures by state agenciesⁱⁱ:

Area	Medicaid	Percentage
Senior and Disabilities Services	\$477,755.5	33%
Behavioral Health	\$168,860.7	12%
Office of Children's Services	\$8,333.0	.5%
Adult Preventative Dental	\$11,653.8	1%
Health Care Services	\$782,188.8	54%

I. How many Trust beneficiaries will be in the new eligible group of recipients? How do we know what systems they use?

Projections vary (between 10,000 to 40,000)^{iii iv} on the total number of individuals who will be added to under expansion of the Medicaid program.

	Limits Under Expansion	Current Limits
Federal Poverty Level	138%	110%
Adults without dependent children	Eligible	Only with documented disability

Additionally, in the Trust's focus area planning, particularly with the homeless population, the people who will be covered by expansion are considered very likely to be Trust beneficiaries with alcohol or substance use issues or some form of mental illness or disabling condition. For instance, the assessment of chronically homeless people with addictions who were homeless in two Alaskan communities revealed populations of people with multiple mental health and physical disabilities ranging from head injury to chronic health problems and severe mental illness^{vvi}. Many of these individuals have not qualified for Medicaid programs despite likely being eligible for a positive disability determination. They have been homeless or in crisis and have been unable to complete the medical determination processes. Some have prior work histories while others may have never been able to maintain stable employment so they remain below the income eligibility for private insurance options recently made available. Many were previously in foster placements as children and young adults. Medicaid expansion would bring these single adults into the program under the expanded financial eligibility and allow them to access Medicaid-funded programs and services with matching federal dollars rather than attempting to piece together services for this high needs population through scarcely funded homeless and behavioral health outreach programs.

The disability justice area has focused on the procedures that need to be in place for a person with a mental illness to re-establish Medicaid once they are discharged from the Department of Corrections or while involved in mental health court. Many of these individuals would qualify for Medicaid as they discharge from the institution. Having social services immediately available has been proven to prevent people from cycling through emergency service systems when there are not consistent community

services available^{vii}. The substance abuse prevention and treatment focus area has been in discussion with Department of Corrections and substance treatment providers about how to increase access to treatment services and the expansion of Medicaid would certainly bring a new layer of resources and workforce challenges to the field. These may be the resources needed to reform this system and to increase the ranks of service providers needed to adequately address the needs in our state.

In addition to these circumstances, there are other examples where people who would qualify for expanded Medicaid are using emergency safety net systems. The General Relief (GR) program, totaling \$11 million annually in state general funds, provides funding for people who come to the attention of Adult Protective Services and need assistance in becoming stabilized, primarily through assisted living home placements. Medicaid expansion would allow beneficiaries who are using state general fund programs such as the General Relief program to transition to lower level services and receive Medicaid reimbursement.

Impact on beneficiaries

Beneficiaries covered under expansion will have access to the same Essential Health Benefits current Medicaid recipients access, including inpatient and outpatient facilities/services, nursing facilities, clinical services, pharmacy, dental, mental and behavior health services.^{viii} The new population eligible for coverage will include many beneficiaries with chronic substance abuse and mental health issues as well as many homeless adults^{ix} and incarcerated persons^x. Those who qualify will have access to mental health and substance use disorder services and are subject to parity requirements.^{xiii} There will be increased access to low cost pharmacy services^{xiv}, expanded services in rural regions and access to support services like transportation.^{xv} Additionally, healthier beneficiaries can contribute to the healthier workforce^{xvi}. Furthermore, Alaska can expect a decrease in statewide mortality^{xvii}.

II. What do we know about expansion and how it will impact the Medicaid system infrastructure?

In Alaska three key groups have worked to identify how and why to expand Medicaid including the AK Health Reform, Alaska Native Tribal Health Consortium and Alaska Department of Health and Social Services. Four key documents to understanding their perspectives are:

1. Medicaid in Alaska: The Opportunities and Challenges of Health Reform released in April 2011 by a consortium of health providers, including the Trust, Alaska State Hospital and Nursing Home Association, Mat-Su Health Foundation, Rasmuson Foundation, and others
2. Healthier Alaskans Create a Healthier State Economy released by ANTHC February 2013
3. State of Alaska Department of Health and Social Services released a summary of Medicaid expansion, State of Alaska Health and Social Services Study prepared by The Wilson Agency February 2013
4. An Analysis of the Impact of Medicaid Expansion in Alaska prepared by the Lewin Group in April 2013 for the Department of Health and Social Services

These reports highlight the complexities and potential framing of the economic and health factors related to increased access to care for all of Alaska's citizens. Issues such as enrollment of new eligible recipients, shifting of state resources, and access to the workforce needed to meet the new demand are all components. However, the payoffs are extremely promising in terms of economic opportunities for local communities, potential federal dollars to leverage for state expenditures currently paid by general fund programs in a declining budget environment, and the potential of increasing the health and wellbeing of Alaskans.

Enhanced safety net services: additional care in primary care locations

Community health centers are the main source of primary care for medically underserved populations. Expansion will enable health centers to expand capacity to serve the uninsured as well as those newly covered by Medicaid. Many of the would-be eligible Medicaid patients are already served by health centers, but their care is currently uncompensated^{xviii}. With cuts to state and federal uncompensated care funding (Federal Disproportionate Share Hospital funds), expansion is timely.

Alaska must leverage market power and expansion to create payment methods that simultaneously contain costs and improve care. Alaska is currently undergoing a redesign of the delivery system to a holistic patient-centered approach, through Patient Centered Medical Homes (PCMH), which is able to meet the full spectrum of a patient's physical and behavioral health care needs. The efforts the state, Trust and Alaska Primary Care Association have placed on PCMH must continue, because this provides the structure, appropriate tools, evidenced based care practices and data to effectively manage newly covered Alaskans.

As the Affordable Care Act changes the landscape of available resources, e.g., reduction of the Disproportionate Share Hospital funds (DSH payments), the Medicaid program must undergo a fundamental reform to be able to sustain an influx of new enrollees. It is Trust staff opinion that we need to focus on both efforts – expansion and better use of the existing program and resources available to us and capitalize on expansion as a catalyst for necessary reform to the behavioral health and seniors and disabilities service systems. This falls in line with our goal to serve as a catalyst for change and to assist with improvement in Alaska's mental health program continuum of care. Medicaid expansion provides an opportunity to accomplish this by engaging as a leader to promote long-term system change to improve the lives and circumstances of Trust beneficiaries.

III. What is Medicaid Reform and how does it relate to Medicaid Expansion?

The Affordable Care Act mapped out new strategies that have helped other states in addressing the needs of people who are cycling through the emergency levels of service delivery and in managing their Medicaid program more efficiently. These changes have been considered and some have occurred in various amounts in the Department of Health and Social Services around the broad categories of *state plan options, rate structures and care settings (location of service)*. These areas will address many of the places where the total Medicaid and grant program systems break down and are less effective. If several

of these changes don't occur, then adding 10,000 – 40,000 new Medicaid enrollees into the system will certainly reduce effectiveness to a greater extent.

Optional State Plan Services

There are two main new state plan options that should allow the state to zero in on people who are physically able to meet assessment standards for independent living but because of a cognitive condition or a dementia and sometimes a lower level mental illness, these people are unfortunately not eligible for some of our most effective home and community based services. These options are 1915 (i) and 1915 (k) of the act.

1915 (i) – serving those who are “falling through the service delivery system cracks”

The implementation of a Section 1915 (i) of the Social Security Act is the State Plan Home and Community-Based Service (referred to 1915(i) hereafter) can provide an array of services for Trust beneficiaries who are at risk of being placed in inappropriate care settings or transitioning out of programs such as a skilled nursing facility, Alaska Psychiatric Institute, intermediate care facilities for individuals with intellectual disabilities, residential psychiatric treatment center, Department of Corrections, and for those who are/at-risk of being homeless.

For beneficiaries who “fall through the cracks” and are not eligible for long-term community supports there can be increased costs resulting from emergency room visits, hospitalizations, and cycling in and out of institutional settings. The 1915 (i) would allow for access to more appropriate and less restrictive community-based services for beneficiaries. This could also be an opportunity for DHSS to refinance some of the existing programs that are funded by general fund, such as:

- General Relief Assisted Living program, which is intended for emergency and temporary placement but has become a default long-term supported housing program for many Trust beneficiaries by placing them in assisted living homes with no clear path out of this level of care.
- The Pioneer Homes for elderly residents with ADRD who do not meet the Nursing Facility eligibility and rely on the State's Payment Assistance Program to fund their care.
- Over half of individuals receiving services through the Personal Care Assistance (PCA) program do not meet nursing facility eligibility but could receive PCA under a 1915 (i).
- Grant services: senior grants, developmental disabilities and traumatic brain injury grant services are currently available to serve beneficiaries to provide a safety net to keep beneficiaries in their home and community. Some of the activities under these grants could be happening through the 1915 (i) program with a federal share in reimbursement.

To implement a 1915 (i) option, states must define criteria based on need, typically a combination of acute medical services (dental, skilled nursing, clinical needs) and long-term services. States have the flexibility to target one or more specific target groups by diagnosis, e.g., people with Alzheimer's disease or related dementia, traumatic brain injuries, serious mental illness or intellectual or developmental disabilities), disability (cognitive impairment or mentally ill), age (65+), or Medicaid-eligible groups (disabled, working disabled). The program can serve multiple target groups with differing sets of services,

but all individuals must meet the same eligibility criteria. Eligibility criteria can be developed to reflect points in the service system where the system fails rather than planning for individual populations of people. Services may include: case management, homemaker, personal care, habilitation, psychosocial rehabilitation, supported employment, supported housing and assistive technology.

1915 (k) – reducing our existing waiver program costs by balancing the system through new options

Section 1915 (k) of the Social Security Act is the Community First Choice Option for Home and Community Based Services (1915 (k) hereafter) service plan option. An implementation plan and cost impact analysis by DHSS has already been completed and it is estimated that this option would save the state over \$15 million annually; due in part to an increased federal matching rate FMAP of 6 percent for this option. The 1915 (k) requires individuals to meet institutional level of care creating an opportunity to replace much of the existing waivers (1915 (c)) in addition to serving those on the Personal Care Attendant (PCA) program that meet Nursing Facility Level of Care. This program wraps in several federal initiatives such as person centered care, use of the Aging and Disability Resource Centers, and is a method to assist states in reforming Medicaid programs. Services include a wide range of home- and community-based services, including hands on assistance, supervision and cueing, supported employment, day habilitation, chore, respite, adult day, residential supported living, and case management.

Rate Restructure

Senior and Disabilities Services Rate Setting:

DHSS contracted with Myers and Stauffer to perform research on effective reimbursement methodologies and to recommend revisions to incorporate acuity adjustment strategies into the rate setting process for certain home- and community-based services. In May 2014, the report was released with recommendations and proposed next steps, which included establishing a tiered reimbursement based on an individual's acuity level of functioning for services under the provision of Senior and Disabilities Services. Follow up projects have been ongoing to help determine a realistic structure for a tiered system and to determine specialized rates, such as assisted living homes for people with dementia.

- **Acuity Based Rate Methodology.** For Residential Supported Living services (Assisted Living Homes, Group Homes, etc.) the recommendations from Myers and Stauffer was to adopt an acuity based rate which is strongly consistent with the request of providers. However, to do so a review of existing assisted living homes needed to identify what level of services and supports are currently provided and how many current licensed homes would meet the criteria of the four tiers established.

Division of Behavioral Health Rate Setting

The Division of Behavioral Health has worked to ensure viability of outreach and engagement programs through the use of some Medicaid services, federal grant programs and housing resources for tenant rental subsidies to ensure stability in permanent supported housing for people with severe mental illness.

The Trust has recently partnered with DBH to have a consultant, the Technical Assistance Collaborative (TAC) review the rates and system structures for a permanent supported housing strategic plan. This will assist DBH in developing the needed state plan options to assist those providers working in the current fee for service system.

- Assertive Community Treatment team funding. The startup of the evidence-based program will be funded on one-time capital resources expiring in 2016. The program model calls for a combined or “day rate” for a large range of needed services in this flexible housing and engagement program for people with the most severe mental illnesses in the community. DBH needs to have the state plan amendment or some other funding option for this program in 2016.

Other Settings Requiring Rate Development:

- Payment reform through a state plan amendment must address allowable reimbursement models which include reimbursement for care coordination, case management, and brief screening and interventions for children and adults in primary care settings.
- Patient Centered Medical Home will be expanded, allowing for those Medicaid eligible persons to access health centers and mental and substance abuse treatment as identified.
- ANTHC identified expanded telemedicine for services which would be used for both traditional care and mental health services.

Care Settings and Case Management

The federal government has issued new rules for how case management and care coordination services are administered and on when services can be considered “community based.”

- Conflict Free Case Management System Design – requires all Medicaid waiver programs to ensure conflict free case management for recipients. This has significant impact on how services are currently being delivered in Alaska, and it is essential that the changes are managed well to minimize disruption for service recipients and retains continuity and knowledge with the existing care coordinators.
- Home setting rule – both CMS (Centers for Medicare and Medicaid) and Housing and Urban Development have come out with guidance about community-based care being in the most integrated settings as possible. This new rule calls into question several program strategies and practices in the state: Assisted Living Home placements need to be justified; co-located housing programs must have qualities of “home” and not mini-institutions, etc. These rules will greatly impact the service system and need attention in the next six months as the federal government begins to monitor progress on reform of systems.

IV. What is the Catch?

There are several points of consideration for the Administration and the Legislature prior to agreeing to expand Medicaid:

- Administration costs
 - Total administration of the Medicaid program costs about 8.2 percent of the total costs of Medicaid. There are concerns that the administrative costs will increase over time to cover needed functions
- Enhancement of the new system to interface with the Health Benefit Exchanges
- Increased time for enrollment
- Outreach to the newly eligible
- Increased need for staff for accommodating new enrollment and program maintenance
- Increased service levels and investment in expanding service levels

Other things to consider include the cost of needed updates to our existing technology system(s) that support eligibility and billing, reviewing current eligibility categories and how new programs will interact with the federal exchange.

It may be tempting to look for quick cost savings to cover these changes over costs with offsets that impact Alaskans negatively in the short run.

Potential long-term offsets identified include:

- Behavioral health grants
- Senior and Disabilities services grants
- Homeless services grants
- Federal health care programs for indigent populations
- Introduce a self-certification of income^{xix}
- Elimination of the Chronic & Acute Medical Assistance^{xx} program
- Costs associated with substance abuse counseling, mental health hospitals, and inpatient services to prisoners^{xxi}

In an initial report on states that have expanded Medicaid and who are serving homeless populations hosted December 15, 2014, the Kaiser Family Foundation reported that several sites with Medicaid expansion reported challenges in the same areas being highlighted in Alaska – there are limited flexible resources that allow for outreach and engagement of hard to serve populations (Trust beneficiaries). A base of grant programs allows Medicaid to be effective at the core service provision for which it was designed. The Trust will work with the Department of Health and Social Services, the Legislature and our stakeholders on implementing Medicaid expansion with an eye toward the best use of state resources, federal programs to reform our system, and increasing the efficiency of our service providers in the process.

- ⁱ Alaska Medicaid Director Report to the Alaska State Senate February 12, 2014. Margaret Brodie, Director DHSS Health Care Services. <http://dhss.alaska.gov/Commissioner/Documents/mrag/Alaska-Medicaid-Overview.pdf>
- ⁱⁱ Alaska Medicaid Director Report to the Alaska State Senate February 12, 2014.
- ⁱⁱⁱ Alaska Native Tribal Health Consortium, Medicaid Expansion Fact Sheet. www.anthc.org/medicaid
- ^{iv} The Wilson Group Gap report, State of Alaska Health and Social Services Medicaid Study
<http://dhss.alaska.gov/Commissioner/Documents/mrag/june24/Wilson%20Group%20gap%20report.pdf>
- ^v Alaska Coalition on Housing and Homelessness: Vulnerability Index, Juneau 2012.
- ^{vi} Anchorage Coalition on Ending Homelessness, Vulnerability Index Sept 2011
- ^{vii} Alaska Mental Health Trust Authority Status Reports: Bridge Home program, Discharge Incentive Program and the HUB program reports have all shown decreased DOC days and admissions when active supportive services are available for people with mental illness and addictions.
- ^{viii} http://dhss.alaska.gov/Documents/Lewin_Final_Report.pdf
- ^{ix} http://www.akhealthreform.org/wp-content/uploads/AKHR_medicaid.pdf
- ^x http://justice.uaa.alaska.edu/forum/26/2summer2009/b_homelessness.html
- ^{xi} <http://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2011/10/18/medicaid-expansion-seen-covering-nearly-all-state-prisoners>
- ^{xii} [ANTHC Medicaid expansion summary report](#)
- ^{xiii} http://aspe.hhs.gov/health/reports/2013/mental/rb_mental.pdf
- ^{xiv} http://dhss.alaska.gov/Documents/Lewin_Final_Report.pdf
- ^{xv} [ANTHC Medicaid expansion summary report](#)
- ^{xvi} <http://www.alaskachamber.com/files/831.pdf>
- ^{xvii} [ANTHC Medicaid expansion summary report](#)
- ^{xviii} National Association of Community Health Centers “State Medicaid Expansion-Considerations for Health Centers”, 1/11/13
- ^{xix} http://dhss.alaska.gov/Documents/Lewin_Final_Report.pdf
- ^{xx} http://dhss.alaska.gov/Documents/Lewin_Final_Report.pdf and
<http://www.anthctoday.org/news/ANTHC%20Summary%20Report%202013-02-03v%20FINAL%20DRAFT%20dm.pdf>
- ^{xxi} http://dhss.alaska.gov/Documents/Lewin_Final_Report.pdf and
<http://www.anthctoday.org/news/ANTHC%20Summary%20Report%202013-02-03v%20FINAL%20DRAFT%20dm.pdf>

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To: Laraine Derr, Finance Committee Chair
Date: January 14, 2015
Re: FY15 Authority Grant Contract Request
Fiscal Year: 2015
Amount: Not to Exceed (NTE) \$200,000
Grantee: Alaska Commission on Aging, Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse, Governor's Council on Disabilities and Special Education and the Alaska Mental Health Trust Authority
Project Title: 1915(i) Medicaid State Plan Service Implementation Plan

MEMO

REQUESTED MOTION:

Recommend approval to the full Board of Trustees for a contract not to exceed \$200,000 to develop the 1915(i) Medicaid State Plan Service Implementation Plan. \$100,000 is from FY14 general authority grant funds to the advisory boards and \$100,000 is from FY15 Designated Grants.

Assigned Program Officer: Amanda Lofgren

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

This proposal requests funds approved by Trustees in FY2013 for the boards/council/commission to conduct a project that addresses a "critical contingent problem" of Trust beneficiaries. The AMHB/ABADA, GCDSE, & ACoA request use of these funds to engage a contractor to design a comprehensive implementation plan for a 1915(i) amendment to the Alaska Medicaid State Plan that will allow for a cost impact analysis as required by the Department of Health and Social Services to consider the feasibility of implementing a 1915(i) amendment.

Funding is requested to develop a comprehensive implementation plan that will allow for a cost impact analysis to provide information requested by the DHSS to consider the feasibility of implementing a 1915(i) amendment to the Medicaid State Plan.

Many Trust beneficiaries do not meet the current eligibility criteria to qualify for services. For example, those seeking services through Senior and Disabilities Services (SDS) and require assistance with activities of daily living and instrumental activities of daily living may not meet the Nursing Facility Level of Care (NFLOC) required for the current 1915(c) waiver program. The beneficiary may be functionally able to perform tasks but requires prompting/cueing to know when and how to perform these tasks. Persons with ADRD who do not qualify for NFLOC but need assistance would qualify for companion services, personal care, home health aides, crisis intervention, and other services to help them live longer in the community. Individuals seeking services through the Division of Behavioral Health who do

not meet the DSM diagnoses may qualify for rehabilitative services to prevent institutionalization. Additional challenges would also be met by 1915(i) services for beneficiaries who have complex needs or dual diagnoses and require services from both systems.

The Medicaid Reform Advisory Group recommended implementing the 1915(k) Medicaid State Plan amendment. The Trust, ACoA, GCDSE, AgeNet, AADD and the PCA Association recommend concurrently implementing the 1915(i) with the 1915(k) to provide appropriate services to Trust beneficiaries who do not meet NFLOC in addition to allowing the State to garner an additional 6% federal reimbursement. In order for the Department to consider the feasibility of implementing the 1915(i) amendment, former Commissioner Streur recommended that an implementation plan and cost analysis be completed. By concurrently implementing the 1915(i) and (k), the cost per beneficiary can be reduced by providing appropriate community-based services to prevent higher costs from more intensive care settings. However, serving more people at lower levels of care could also increase costs to the State. The fiscal impacts of implementing the 1915(i) and (k) are complex and need to be assessed. A phased-in plan for implementation may be an appropriate strategy to consider in the cost analysis.

Adoption of a 1915(i) amendment, in combination with the 1915(k) that is presently under consideration by the DHSS, is a recommendation of "Alaska's Roadmap to Address Alzheimer's Disease and Related Dementia." The combination of waiver services provided by the 1915(i) and (k) amendments would serve eligible Trust beneficiaries with physical, cognitive, and behavioral needs who income qualify for the Medicaid program and have functional needs but do not meet NFLOC. The study for the 1915(k) has been completed for DHSS by HCB Strategies (2010) and provides foundational information for this proposed project.

This project is a joint collaboration of the ACoA, AMHB, ABADA, and GCDSE. A steering committee of advisory boards, the Trust, DHSS, & stakeholders will be formed to identify and work with a contractor. The proposal development, contract review, PEC, and ongoing project activities will be jointly administrated by the Steering Committee.

EVALUATION CRITERIA

- 1) How Much Did You Do: This project will engage a contractor to produce a final report that includes a roadmap for designing a comprehensive implementation plan with specific information and recommendations related to compliance with Olmstead that will allow for a cost impact analysis taking into account target populations and service packages to be provided.
- 2) How Well Did You Do: The contractor will conduct research, meet with stakeholders, and provide options for eligibility criteria, target populations, service packages, and design implementation recommendations tailored to Alaska's unique dynamics.
- 3) Trust beneficiaries who are underserved or un-served by current services will have access to an appropriate array of services to prevent placement in inappropriate care settings and allow them to live longer in the community.

SUSTAINABILITY

This is a one-time request. The completed report will provide DHSS with the information required to make a decision to move forward with jointly implementing amendments for the 1915(i) and (k). The 1915(i) and (k) amendments will provide appropriate services for Trust beneficiaries who are un-served by the current 1915(c) waiver program

WHO WE SERVE

Implementing the 1915(i) amendment would provide a broad array of appropriate services for Trust beneficiaries who are at risk of being placed in inappropriate care settings or transitioning out of programs such as a skilled nursing facility, API, intermediate care facilities for individuals with intellectual disabilities, residential psychiatric treatment center, the Department of Corrections and would provide services for those who are/at-risk of being homeless. For beneficiaries who "fall through the cracks" and are not eligible for long-term community supports there can be increased costs resulting from emergency room visits, hospitalizations, and cycling in and out of institutional settings. The 1915(i) would allow for a more appropriate funding source (using federal match) for individuals who require assistance through the State's General Relief Assisted Living program and provide a new funding source for the Pioneer Homes for elderly residents with ADRD who do not meet NFLOC and rely on the State's Payment Assistance Program to fund their care. Further, the 1915(i) presents an opportunity to refinance the current Personal Care Assistance program for individuals who do not meet NFLOC.

The 1915(i) allows for a broad comprehensive service array that includes rehabilitative and habilitation services, supportive housing, supportive employment, case management, adult day, homemaker, personal care, assistive technology, housing modification, respite, medical supplies/supports and other services approved by CMS. The target population could include Trust beneficiaries with serious mental illness, chronic alcoholism, developmental disabilities, brain injury, and ADRD.

ESTIMATED NUMBER OF BUDGET

Contracted Services	\$200,000.00
Other Costs Narrative:	\$200,000 is requested to engage a contractor to develop the comprehensive implementation plan for the 1915(i) amendment that will allow for a cost impact analysis. This work will be conducted by a contractor as directed by the project steering committee comprised of advisory board executive directors and Trust staff in consultation with DHSS and other stakeholders.

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To: Laraine Derr, Finance Committee Chair
Date: January 14, 2015
Re: FY15 Designated Grant Request
Fiscal Year: 2015
Amount: \$25,000.00
Grantee: Bartlett Regional Hospital
Project Title: Behavioral Health Needs Assessment and Gap Analysis
for SE Youth

MEMO

REQUESTED MOTION:

Approve a \$25,000 FY15 Designated Grant to Bartlett Regional Hospital for the Behavioral Health Needs Assessment and Gap Analysis for SE Youth.

Assigned Program Officer: Katie Baldwin

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

We propose to hire a consultant to conduct a comprehensive community/regional needs assessment/gap analysis of behavioral health services for child and adolescents in Southeast Alaska experiencing severe and/or chronic mental health disorders, chronic alcohol and substance abuse and co-occurring disorders. The need for a child/adolescent acute psychiatric care facility will be assessed as part of this study. 100% of the target population is Trust beneficiaries. The total proposed project is \$49,500. We request \$25,000 from the Trust. We will contribute \$15,000 in cash and \$ 9,500 in kind (salary/incremental benefits) for our financial staff to assist in data collection and analysis. We have not initiated the RFP process yet.

The 2013 Alaska PFD estimates, as counted by Alaska Department of Labor, indicate 8,329 children aged 9-17 (under 18) reside in SE communities. We estimate 989 would be target population for the needs assessment/gap analysis study, based on an estimated prevalence rate of 6% for SED for 9-17 age group or 500 individuals. For alcohol and illicit drug abuse by youth ages 12-17, the prevalence rate is 5.53% for alcohol abuse or 328 individuals and 4.79% for illicit drug abuse or 283 individuals. The prevalence rates are based on average rate for years 2006 to 2012 according to National Survey on Drug Use and Health (NSDUH) Prevalence Data from ADHSS/DBH. These are identified historic utilization estimates for the target population and may not reflect the true behavioral health services needs of SE youth. The focus of the regional needs assessment and gap analysis study is to provide a more accurate knowledge base for providers. Limited options within their communities are available to SE youth experiencing severe and/or chronic mental health disorders, chronic alcohol and substance abuse and co-occurring disorders. Youth requiring psychiatric hospitalization beyond the scope of local services are sent to Anchorage or out of state for treatment. The Ketchikan crisis stabilization unit closed despite a need for such a facility. Juneau youth in need of acute psychiatric care are seen in Bartlett Regional Hospital emergency room prior to evaluation by Juneau Youth Services. Those not

transported directly are placed in Bartlett's Mental Health Unit which places youth in a secure environment but with adult patients. Transporting youth to another facility is difficult due to the acuity of the patient, weather, cost and loss of family involvement in care.

A comprehensive Southeast Alaska community/regional needs assessment/gap analysis of the behavioral health continuum of care for Southeast Alaska children and adolescents is long overdue. We propose to hire a consultant to inventory community behavioral health services, behavioral rehabilitation services and inpatient psychiatric services available in SE communities and to assess the service needs and to identify gaps within communities and region wide. We will enlist the participation of SE behavioral health providers in the study through stakeholders meetings. The initial impetus for a study came from the CAMHU stakeholders committee which is made up of JAMHI, NAMI, JYS, SEARHC, Juneau school district, OCS, State DHSS divisions of behavioral health and juvenile justice, and Bartlett Board members, BRH mental health unit, case management and finance staff and an Alaska Mental Health Trustee. We will include all SE communities in the study scope. Juneau and SE Behavioral Health Providers groups are valuable resources for provider outreach. Data resources include the ADHSS/DBH, State Advisory Board on Alcoholism and Drug Abuse, Alaska Mental Health Board and provider agencies.

The project deliverable will be a report presenting a comprehensive view of the continuum of care for SE children and adolescents. The report will provide: 1) an inventory of the behavioral health services in each SE community, 2) a needs assessment/gap analysis within each community and the SE region. This report will provide critical information to providers in SE to move forward with future service planning. The Bartlett board of directors will use this report to determine whether to move forward with a construction feasibility study for a child/adolescent mental health unit in Juneau.

The broad based Juneau child/adolescent mental health unit (CAMHU) stakeholders committee is in favor of this project. We will also invite other communities to participate in the study.

Bartlett Regional Hospital will contribute \$15,000 in cash, \$9,500 in kind salary/incremental benefits for our financial staff to provide data collection and analysis assistance to the consultant. We will provide stakeholders meeting space. We request \$25,000 from the Trust. The total project cost is \$49,500.

EVALUATION CRITERIA

The success of this project will be measured by the delivery of the report. The subsequent value of this report is as a planning document for behavioral health providers to use to address how best to meet the behavioral health needs of Southeast youth in the future.

Once the report is accepted by the Bartlett board of directors, it will be distributed to the stakeholders: SE Behavioral Health Providers, Child and Adolescent Mental Health Unit stakeholders committee, State of Alaska Division of Behavioral Health, the Advisory Board on Alcoholism and Drug Abuse and the Alaska Mental Health Board.

SUSTAINABILITY

This project will present critical information necessary for Southeast agencies and their governing entities to determine next steps in filling the identified needs/gaps. If the need for an acute psychiatric care facility is identified, the Bartlett Regional Hospital board of directors will apply to the Trust's Pre-development Program to determine the estimated costs for the facility construction and a funding feasibility plan. The City and Borough of Juneau Assembly approved bonding of \$4,000,000.00 for a child and adolescent acute psychiatric care facility in Juneau if the project is deemed financially feasible.

WHO WE SERVE

The target population for this project is Southeast Alaska adolescents experiencing severe and/or chronic mental health disorders, chronic substance abuse and/or co-occurring disorders. The target population is 100% Trust beneficiaries. We estimate 989 individuals are at risk for needing behavioral health services for the aforementioned disorders based on estimated prevalence data average from 2006-2012 NDUH Prevalence Data from ADHSS Division of Behavioral Health. The estimated regional prevalence rate of 6% for SED for ages 9-17, and for ages 12-17 a 5.53% rate for alcohol abuse and 4.79% rate for illicit drug use. These are only estimates based on historic prevalence and are not actual figures.

We estimate secondary beneficiaries to be 1,483 based on 1.5 family members/foster caretakers per beneficiary. A comprehensive look at the behavioral health continuum of care and identification of needs and gaps in care will present a clearer and current picture of what needs/gaps exist. With this comprehensive information, all SE behavioral health agencies can work from a common knowledge base to address the needs of this target population.

ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	500
Substance Abuse	489
Secondary Beneficiaries (family members or caregivers providing support to primary beneficiaries):	1,483

BUDGET

Personnel Services Costs	\$25,000.00
Personnel Services Costs (Other Sources)	\$24,500.00
Personnel Services Narrative:	\$49,500.00 (Consultant personnel total cost)

Space or Facilities Costs	\$0.00
Space or Facilities Costs (Other Sources)	\$0.00
Space or Facilities Narrative:	Bartlett will provide space for the stakeholders' meetings

Total Amount to be Funded by the Trust	\$25,000.00
Total Amount Funded by Other Sources	\$24,500.00

Other Funding Sources	
Bartlett Regional Hospital	\$24,500.00
Total Leveraged Funds	\$24,500.00

Bartlett Regional Hospital

3260 Hospital Drive, Juneau, Alaska 99801 907.796.8900
www.bartletthospital.org

January 7, 2015

To whom it may concern:

The behavioral health needs assessment/gap analysis for Southeast Alaska youth will be handled by an RFP process. The process has not yet begun. A contract will not exceed \$50,000. We are requesting \$25,000 from the Alaska Mental Health Trust Authority. Bartlett Regional Hospital will supply \$15,000 in cash and \$9,500 in kind services.

Sincerely,



Charles Bill, CEO

Bartlett Regional Hospital

To: Laraine Derr, Finance Committee Chair
Date: January 14, 2015
Re: FY15 Partnership Request
Fiscal Year: 2015
Amount: \$75,000.00
Grantee: REACH
Project Title: Aging-in-Place Renovation of Mark Alan Home

MEMO

REQUESTED MOTION:

Recommend approval to the full Board of Trustees for a \$75,000 FY15 Partnership grant to REACH for the Aging-in-Place Renovation of Mark Alan Home project.

Assigned Program Officer: Amanda Lofgren

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

The REACH Aging-In-Place project will allow five Trust beneficiaries with developmental disabilities who require around-the-clock assisted living services to remain safe in their community and outside of institutional care. REACH proposes to renovate an existing 36-year old group home, originally designed for a family with children, into a home which is safe, suitable, and affordable for aging residents. REACH owns a group home for up to five southeast Alaska Trust beneficiaries with developmental disabilities in Juneau, Alaska. The Mark Alan home is located in the middle of a densely populated residential area, which lends to partnership in the community that reduces barriers to integration and community involvement. The residents are supported by a wide range of community partners that provides everything from employment opportunities and community inclusion activities to adaptive outdoor recreation and life-skills development. The neighborhood is very safe and familiar for long-term residents. The property is a residential, ranch-style home originally intended for a family with children. Some of the original REACH residents (now grown) still reside there.

In 2007, REACH began a thorough examination of the condition of the property and the services provided there. The home increasingly does not meet the needs of its residents. The program staff determined that the floor plan of the home is not well suited to the aging residents of the group home:

- Construction of the house predates universal design concepts;
- Bedrooms are quite small for adults;
- Bathrooms are not well situated and require major renovation to meet the needs of residents with mobility limitations;
- Very large family room is devoted to staff space versus resident common areas;

- Home needs a sprinkler-style fire suppression system installed following updated State regulations; and
- Roof and floor repairs on the aging structure were postponed while the agency determined what course to take with the property.

It was determined that a complete renovation of the Mark Alan Home in Juneau was required to meet the needs of aging residents. At the REACH Board direction, staff proceeded. In 2010, the Mark Alan project was advanced by the City and Borough of Juneau as its nominee for a Community Development Block Grant. Another community's power plant was the successful project that year.

At the invitation of the Rasmuson Foundation, REACH participated in Foraker administered Pre-Development program. Their team visited the site, created a space plan, and prepared a cost estimate. Following their findings, REACH established a design team and embarked on year-long project to find either 1) a site upon which to build new or 2) alternative rental housing allowing for renovation at the current site.

REACH contacted many organizations and agencies which support and/or fund housing for low income persons with special needs, with whom it might partner:

- A regional housing authority offered design and construction expertise;
- A local agency asked REACH participation in a housing project under development;
- A local realtor aided REACH in searching for suitable land or rental property.

Eventually a large, suitable home was located for use as alternative housing during renovation of the Mark Alan site. Construction documents for the renovation are now complete.

REACH proposes a capital project to renovate an existing group home to meet the needs of persons with developmental disabilities whose assisted living needs require housing which is more suitable to meet health, safety and social needs as they age.

EVALUATION CRITERIA

This is a capital project. Project success will be measured by issuance of a Certificate of Occupancy and an Assisted Living Home License. REACH has entered into a contract for construction administration services for the project to assure the all appropriate permits are secured and any builder contract terms are met. Additionally, State licensing officials are notified of our intent to renovate the home. The alternative assisted living home location is recently licensed in preparation for the launch of construction.

SUSTAINABILITY

After completion of construction, the home's operating expenses are met from two sources. REACH bills for Group Home services for staff areas required to provide services to the residents. Based on square footage, resident rooms and common areas are met with resident rents. Some residents qualify for vouchers through HUD. REACH anticipates these residents will access rental assistance to keep their housing affordable.

WHO WE SERVE

The target population for this project is Trust beneficiaries with developmental disabilities, though potentially the project crosses three Trust beneficiary groups. REACH proposes to provide an assisted living home for aging persons with developmental disabilities for whom early onset of dementia is often observed. REACH expects this project to increase the capacity for safe, suitable, familiar, and affordable housing for aging Trust beneficiaries with developmental disabilities who have complex housing and supported service needs.

ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Developmental Disabilities:	5
Secondary Beneficiaries(family members or caregivers providing support to primary beneficiaries):	10

BUDGET

Other Costs	\$75,000.00
Other Costs (Other Sources)	\$660,800.00
Other Costs Narrative:	\$ 53,800 Architectural, Engineering, Construction, Permits \$ 40,800 Alternative Housing \$ 22,300 Water Service Upgrade and sprinkler system \$ 75,000 Construction \$ 493,200 Construction \$ 50,700 Fixtures, Furnishing, Equipment

Total Amount to be Funded by the Trust	\$75,000.00
Total Amount Funded by Other Sources	\$660,800.00

Other Funding Sources	
REACH, Inc. Secured	\$100,000.00
REACH, Inc. Pending Financing	\$310,800.00
Rasmuson Foundation secured upon demonstration of full project funding	\$250,000.00
Total Leveraged Funds	\$660,800.00

3745 Community Park Loop
Suite #200
Anchorage, AK 99508
 Phone: (907) 269-7960
 Fax: (907) 269-7966



Trust Capital Project Questionnaire

Organization name: REACH, Inc.

Contact: Millie Ryan

Email: mryan@reachak.org

Phone: 907-586-8228

A. Organizational Issues

A1	What is your organization's core mission? How does this project fit into your core mission?	Response: REACH's mission is to honor and respect the people we serve by promoting choice and well-being through advocacy and services. REACH provides a wide array of supports and services to individuals and families with developmental delays and disabilities. REACH proposes a capital project to renovate an existing group home to meet the needs of persons with developmental disabilities whose assisted living needs require housing which is more suitable to meet health, safety and social needs as they age.
A2	Please summarize the status of your organization's strategic plan (i.e. in draft form; complete and being monitored annually, etc.) How is this project part of the plan?	Response: The Board of Directors' current Strategic Plan spans 2013-2018. The Plan is in the implementation/monitoring stage. Among the identified priorities is to study and address the impacts of the aging individuals to ensure adequate programs and facilities are in place. This project renovates an existing assisted living home from that intended for a family with young children to a home for aging adults with complex needs.
A3	Does this project fit into a community or regional plan or process? How?	Response: The City and Borough of Juneau through the Juneau Economic Development Council and through its Juneau Affordable Housing Commission prioritize affordable housing for the general public as well as special needs populations. This project will address the affordable housing needs of a specialized population of persons with developmental disabilities who are aging.
A4	How many months of operating reserves do you maintain?	Response: The Board of Directors set a target of a six month operating reserve. Due to payment delays with the State's Medicaid payments contractor, REACH is utilizing that reserve. Presently the reserve is over two months.

A5	Have you explored opportunities for collaboration with other organizations on this project? If so, how?	Response: REACH has explored collaborations such as: a joint rental with a local agency; inclusion in a developer's low income housing project; participation in a multi-agency pre-development program; contributed information into City-sponsored housing needs assessments; researched and applied to several potential funding sources.
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B. Program Issues

B1	What are your current services and how will the project enhance/expand your services?	Response: REACH provides a full range of residential and employment services to persons with developmental disabilities. This project meets a need for assisted living for individuals with developmental disabilities who are aging.
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C. Site Issues

C1	Has a site been identified for this project?	Response: This project will renovate an existing property owned by REACH.
C2	Were alternative sites fully evaluated?	Response: At the invitation of the Rasmuson Foundation, REACH participated in the Foraker-administered Pre-Development program. Cost analysis compared other locations to the current location.
C3	Has the selected site been evaluated for appropriate size, access, utilities, and environmental constraints?	Response: As part of the Foraker-administered Pre-Development program, REACH worked with a space planner to establish appropriate size for the building, its residents and their service requirements. REACH selected an architectural firm to design the renovation considering access, utilities and environmental constraints.
C4	Has a site plan been completed?	Response: A site plan was completed as part of the Pre-Development Program.
C5	What is the status of site ownership?	Response: REACH owns the site of the group home which will be renovated. There are no liens or restrictions.

D. Facility Issues

D1	Explain why you need a new, expanded, or remodeled facility.	Response: There is a shortage of non-institutional housing designed to meet the complex needs of aging persons with development disabilities in Juneau. This project will meet that need for up to 5 Trust beneficiaries.
D2	How much total square footage do you think you will need?	Response: The 12,842 sq. ft. lot is sufficient to provide a 3200 sf home, parking and yard space for this project.

D3	Has a construction cost estimate been prepared? Who prepared it?	Response: A construction cost estimate was prepared by MRV Architects as part of the Foraker-administered Pre-Development program.
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E. Financial Issues

E1	Is the full cost of the project identified?	Response: The full cost of the project, including the expense of alternative housing during construction, are identified.
E2	What funding has been identified for the capital project? Please provide amounts and sources.	Response: The City and Borough of Juneau selected this project for a CBDG grant. It was not successful. HUD and SNHG capital grants were explored and not available. A Rasmuson grant in the amount of \$250,000 is granted upon demonstration of full project funding. REACH expects to finance any remaining part of the project.
E3	How will increased operating expenses be covered?	Response: The structure is designed with energy-saving methods imbedded. Operating expenses should not differ greatly from the existing home. Operating revenues from rents and fees are sufficient to meet expenses.

F. Other information that helps explain your project:

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To: Laraine Derr, Finance Committee Chair
Date: January 14, 2015
Re: FY15 Partnership Request
Fiscal Year: 2015
Amount: \$70,000.00
Grantee: Anchorage Community Mental Health Services
Project Title: Alaska Seeds of Change

MEMO

REQUESTED MOTION:

Recommend approval to the full Board of Trustees for a \$70,000 FY15 Partnership grant to Anchorage Community Mental Health Services for the Alaska Seeds of Change project.

Assigned Program Officer: Nancy Burke

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

Alaska Seeds of Change is a community-based behavioral health and social enterprise program providing meaningful opportunities for 16 transitional aged youth, ages 18-24 with serious emotional and behavioral problems to acquire and practice employment skills. Our program will involve on average for 6-9 months, serving approximately 30 youth each year. Youth aging out of the children's service system lack developmentally appropriate services and supports. Seeds of Change will help to fill a gap in the Anchorage community and across Alaska. Seeds of Change will operate an indoor hydroponic farm that grows vegetables and herbs. Earned income from the sales of produce will primarily sustain the program.

Alaska Seeds of Change will be a sustainable behavioral health program that provides 16 transition-age youth (18-24) with serious emotional and behavioral problems training to develop life and employment skills, continue their education, develop career goals, and contribute to the overall community. Seeds of Change will be a safe community of adults and youth, and a place where the transition to adulthood is actively supported. Youth will secure and maintain competitive employment and find safe, affordable housing.

Seeds of Change incorporates the Transition to Independence Process (TIP) model of wrap-around community supports, behavioral health treatment and access to a range of informal and formal supports. TIP is an evidenced based practice that demonstrates improvement in real-life outcomes for youth and young adults with emotional/behavioral difficulties. These services will assist youth aging out of residential treatment, foster care or juvenile justice programs, and who require additional supports to function independently. The Seeds of Change program will model itself on the Food Project of Boston, an urban agriculture which has been serving at-risk youth for over 20 years.

Youth will be involved in every aspect of running an urban farm, from planting seeds and caring for plants, to marketing to groceries and restaurants and working at farmers' markets. Seeds of Change will incorporate energy-efficient business practices, such as the use of LED lighting. We believe that it is important for youth to be given opportunities to be challenged in their work and to contribute to the greater good of the community.

The program will collaborate with community partners serving youth from across the state who age out in Anchorage. Services offered will include case management, skill development, and other behavioral health supports. SOC has over 20 MOA's with community partners to provide additional supports such as housing, education, training, health care, and peer and parental supports.

The planning grant will allow Seeds to hire the Greenhouse Growing Manager (4 hrs./week) and Program Director (20 hrs./week) for 6 months, and obtain needed Technical Assistance while refining the business plan and developing the youth program during the retrofit of the program building. Additionally, we will be applying to DVR for a Workforce Innovation and Opportunity Act grant within the next several months. This funding will further support the start-up of Seeds. The amount of funding available, through this grant is not yet determined.

BUDGET			
Personnel Services Costs	\$57,720.00		
Personnel Services Costs (Other Sources)	\$0.00		
Personnel Services Narrative:			
Other Costs	\$12,280.00		
Other Costs (Other Sources)	\$0.00		
Other Costs Narrative:	Technical Assistance from Growing Equipment Providers	4 hrs/month @ \$150/hr.	\$ 3,600
	1 On-site visit from Growing Equipment Providers	2 people for 2 days; includes airfare, hotel for 3 nights.	\$ 4,628
	Technical Assistance for Program Development from Food Project of Boston	4 hrs./month @ \$150/hr.	\$ 3,600

Total Amount to be Funded by the Trust	\$70,000.00
Total Amount Funded by Other Sources	\$ 2,899,386
Other Funding Sources	
DHSS	\$ 2,899,386



Alaska Seeds of Change Transition-Age Youth Program

Program Highlights & Scope:

- *Seeds of Change* will provide youth with comprehensive, individualized transitional supports and services that are coordinated with other community programs. These will include both formal (e.g., mental health, vocational services, educational supports, and substance abuse treatment) and informal support (e.g., peer supports, connections to faith-based organizations and volunteer opportunities) from the community.
- *Seeds of Change* will provide part-time supported employment for 16 youth and access to safe and stable housing. Youth will transition from *Seeds of Change* into permanent, competitive employment in the community.
- *Seeds of Change* youth will participate in all major aspects of running a financially sustainable urban agriculture business, with increasing job responsibilities and leadership opportunities.
- *Seeds of Change* will collaborate with other youth-serving national organizations, such as The Transition to Independence Process (TIP) Model through Stars Behavioral Health and the Division of Behavioral Health, and The Food Project of Boston.
- *Seeds of Change* will carry out comprehensive process and outcome measurement to ensure continuous improvement, and the communication of results allowing for program replication.

Program Outcomes:

1. Higher rates of permanent employment and increased job retention.
2. Youth who participate in *Seeds of Change* will earn a living wage.
3. Higher rates of completed educational and/or vocational training.
4. Youth will secure safe and stable housing arrangements.
5. Youth will demonstrate reduced reliance upon public support, including fewer emergency room visits, less involvement with the legal system.
6. *Seeds of Change* will create jobs that provide meaningful job skills and business experience.
7. Youth will experience less disruption in daily functioning due to mental health and substance abuse problems.
8. Youth will experience less victimization.
9. Youth will be empowered to help develop the local food system and improve the greater community.

Program Overview: The need in Alaska for effective community-based behavioral health and independent living services for young people (ages 18-24) transitioning out of the children's behavioral health, foster care and juvenile justice systems is significant and largely unmet. *A recent study by the Institute for Social and Economic Research found that 40% of youth in the Covenant House crisis center had a history of mental health residential treatment, and that nearly three-quarters of the youth were unemployed.*

Youth consistently identify the need for competitive employment and access to safe and affordable housing as two of the greatest challenges in the transition to adulthood. *Alaska Seeds of Change* is a community-based behavioral health program sponsored by Anchorage Community Mental Health Services (ACMHS) and designed specifically to address these two needs in a high-risk population of young adults.

Alaska Seeds of Change integrates a sustainable urban farming business where practical job skills will be acquired, on-site behavioral health services, and safe and affordable housing in order to help at-risk young people make a successful transition into productive adult lives. By offering behavioral health services in a normalized, community-based setting, the stigma associated with traditional mental health service settings will be greatly reduced.

Successful youth-serving programs such as The Food Project of Boston, Growing Power of Milwaukee, and Youth Build USA have incorporated the principles of positive youth development, which place a premium on engaging youth in a collaborative relationship in pursuit of common objectives. These programs not only improve the functional outcomes of individual youth, but they also harness their relatively untapped potential to make positive changes in the larger community. Thus, at-risk youth develop a sense of themselves as competent and capable of bringing about significant change.

Seeds of Change will also incorporate the Transition to Independence Process Model (TIP), developed by Dr. Rusty Clark. TIP is an evidence-supported “Promising Practice” in behavioral health that addresses the unique needs of young adults (14-25 years old) with emotional and behavioral difficulties (EBD). As stated on the Stars Behavioral Health Group website, “The goal of TIP is to engage young people in their own futures planning process by providing them with developmentally appropriate, non-stigmatizing, culturally competent, and appealing services and supports.” ACMHS employs the TIP Model in its programming, and works with other community TIP providers.

We anticipate receiving referrals from Division of Juvenile Justice, the Office of Children’s Services, and local behavioral health and youth-serving organizations such as AK Child and Family, Denali Family Services, Covenant House Alaska, Alaska Youth Advocates, and South Central Foundation. A key goal of the program is to ensure that youth are linked with formal and informal sources of service and support in the community, engaged in meaningful and productive activities, and acquiring the practical knowledge and skills needed to achieve independence.

Seeds of Change will run a financially sustainable social enterprise business that grows, markets, and sells fresh vegetables in Anchorage. A demand study conducted by the McDowell Group demonstrated that there is a large market for fresh produce in Anchorage. An engineering study has demonstrated that the approach taken by *Alaska Seeds of Change* can meet the challenges of growing in the harsh Alaskan climate. The incorporation of innovative energy-reduction technologies is a key to the *Seeds of Change* business model. Examples of this include the use of LED lighting.

Approximately 16 youth will work alongside adult mentors in all aspects of running the business, thereby acquiring and practicing essential employment skills and work experience in a supported setting. The goal is to transition to competitive jobs in the community. The maximization of earned income through the sale of the vegetables raised by *Seeds of Change* youth will allow us to offer needed services to youth without exclusive reliance upon Medicaid funding.

The need for safe and stable housing will be met through a combination of ACMHS resources and active collaboration with other organizations and community housing providers, such as the Mental Health Trust, AHFC, and NeighborWorks Anchorage. ACMHS has a recently-renovated duplex that can house 4 youth that will be dedicated to the project, and will be actively pursuing an additional housing facility in Anchorage that may be appropriate to the needs of transition age youth. In combination with the supported employment provided by the farming operation, a continuum of safe and stable housing options is critical in bridging the gap between the high degree of structure found in juvenile justice, foster care, and behavioral, health settings, and independent living in the community.

For Further Information: Please contact Michael Sobocinski at 907.261.5328, or Barry Andres, at 907.762.2840.



5 Year Seeds of Change Budget Summary

1/13/2015

Summary of Ongoing Operational Costs and Revenue					
	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenue	\$ 1,100,415	\$ 1,348,577	\$ 1,502,255	\$ 1,699,458	\$ 1,746,331
Earned Income	\$ 929,412	\$ 1,104,571	\$ 1,365,249	\$ 1,562,452	\$ 1,609,325
Participant Generated Revenue	\$ 46,003	\$ 92,006	\$ 92,006	\$ 92,006	\$ 92,006
Division of Vocational Rehab		\$ 27,000	\$ 45,000	\$ 45,000	\$ 45,000
Start Up Funding	\$ 125,000	\$ 125,000			
Direct Project and Labor Expenses	\$ (395,515)	\$ (492,944)	\$ (553,090)	\$ (592,771)	\$ (610,123)
Growing and Warehouse Utilities	\$ (292,947)	\$ (303,564)	\$ (314,683)	\$ (326,336)	\$ (338,559)
Growing Packaging and Supplies	\$ (160,869)	\$ (177,276)	\$ (182,329)	\$ (187,534)	\$ (192,895)
Facility Expenses	\$ (45,000)	\$ (46,350)	\$ (47,741)	\$ (49,173)	\$ (50,648)
Administrative Expenses	\$ (192,983)	\$ (302,338)	\$ (382,604)	\$ (509,502)	\$ (522,696)
Total Expenses	\$ (1,087,313)	\$ (1,322,472)	\$ (1,480,447)	\$ (1,665,316)	\$ (1,714,921)
Net Profit	\$ 13,102	\$ 26,105	\$ 21,808	\$ 34,142	\$ 31,410

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To: Laraine Derr, Finance Committee Chair
Date: January 14, 2015
Re: FY15 Partnership Request
Fiscal Year: 2015
Amount: \$30,000.00
Grantee: LINKS Mat-Su Parent Resource Center Inc.
Project Title: Mat-Su Aging and Disability Resource Center

MEMO

REQUESTED MOTION:

Approve a \$30,000 FY15 Partnership grant to LINKS Mat-Su Parent Resource Center for the Mat-Su Aging and Disability Resource Center.

Assigned Program Amanda Lofgren

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

In 2011, the Trust, Mat-Su Health Foundation and other partners commissioned a Senior Needs Assessment to identify strategies that will address the increase in senior population in the Matanuska-Susitna Borough (Mat-Su) that has begun to strain the senior services delivery system. The four specific recommendations identified were:

- Learn more about specific Mat-Su senior needs and desires
- Develop provider consensus about service areas and accomplish regulatory change
- Develop an Aging Disability and Resource Center (ADRC) to serve the Mat-Su
- Plan for expanded service offerings and new service development

Aging and Disability Resource Centers (ADRCs) are the first place to go to get accurate, unbiased information on all aspects of life related to aging or living with a disability. ADRCs are friendly, welcoming places where anyone; individuals, concerned families or friends, or professionals working with issues related to aging or disabilities, can go for information tailored to their situation. The ADRC provides information on broad range of programs and services, helps people understand the various long term care options available to them, helps people apply for programs and benefits, and can serve as the access point for publicly-funded long term care. These services can be provided at the ADRC, via telephone, or through a home visit, whichever is more convenient to the individual seeking help.

Upon implementing the recommendations, LINKS was selected by participants of a borough wide grassroots movement in the fall of 2012 to administer an ADRC program. Because the formation of an ADRC was the number one priority identified in the Mat-Su Regional Plan for Delivery of Senior Services for 2012, the Mat-Su Health Foundation awarded LINKS a two-year \$460,270 startup grant (December

2012 through December 2014). LINKS applied to the Division of Senior and Disabilities Services in FY13 to become designated as an ADRC so they could then apply for ongoing ADRC funding.

In October 2014, Senior and Disabilities Services received a federal ADRC expansion grant with the intention of expanding ADRC funding to LINKS, however, the Federal funds for expansion were only available for the Federal Fiscal Year 2014 and were only available to provide base funding(\$75,070) in FY2014 and FY2015. In addition to federal ADRC Expansion funds, Senior and Disabilities Services is in the process of co-locating the Medicare Counseling and Outreach functions into the ADRC's. Beginning January of FY2015, LINKS will receive \$57,000 from Senior and Disabilities Services as an incentive for providing Medicare counseling and outreach and Senior Medicare Patrol presentations in Matsu Communities.

In January 2014, LINKS received its first ADRC grant from the Senior and Disabilities Services for \$75,070, to support the expansion of the Mat-Su ADRC. LINKS is currently in the second year of this grant, and the startup grant funds from the Mat Su Health Foundation ended December 2014. This created a shortfall of \$57,000 to bridge the program through FY15, which LINKS is requesting \$30,000 from the Trust and Mat-Su Health Foundation will provide \$27,000.

In preparation for Senior and Disabilities Service's FY16 budget, multiple efforts with the statewide ADRC project are underway. Senior and Disabilities Services is working with the existing ADRC's to do time studies to capture how much time is currently spent working with Medicaid eligible recipients, so Medicaid administrative funds can be used to increase the funding to the ADRC programs. The ADRC's are also a significant component to Medicaid Reform, as the single point of entry. A current pilot project underway in the Kenai Peninsula uses the ADRC as the access point to all services administered by Senior and Disabilities Services (grants and Medicaid programs) with the plan to then implement in other regions of the state. In FY16 the Short Term Assistance and Referral program funding will be open to the ADRC's to apply for too.

Many of the people who receive services from the ADRC are in significant need of assistance, particularly those who are beneficiaries of the Trust. LINKS often work with individuals, and their families, who experience chronic alcoholism, Alzheimer's disease and dementia, brain injury, developmental disabilities, and mental illness. Their needs are varied. LINKS assists individuals with basic day to day living needs, assistive technology, health care, housing, food, personal care, behavioral health, vision, case management, vocational rehabilitation, education services, independent living services, and legal services. They help by providing information and referral, options counseling, and short term case management.

SUSTAINABILITY

LINKS is currently in the second year of a \$75,000 annual grant from DHSS. As the functions of the Aging and Disability Resource Centers are expanded to include pre-screening for PCA and Waiver services,

more structured options counseling, Medicare counseling, and increased referral for behavioral health services, it is anticipated that funding to sustain the LINKS ADRC will increase from the state of Alaska. The five year grant cycle began as a result of federal ADRC Expansion funds (now in year two), and will continue for the remaining years with state funds and federal Medicaid Administrative match.

In addition to an increase in ADRC grant funding, the Medicare Outreach and Counseling incentives will continue and are expected to increase as the senior population increases. There is significant community support for the ADRC in the Mat-Su. The legislative advocacy began during the 2014 legislative session and will continue in the 2015 session. LINKS is in contact with the Mat-Su delegation and they are aware of the need for funds to sustain this program. The start-up grant from the Mat-Su Health Foundation in 2012 expired on December 14, 2014. We were very careful with those funds, and as a result, there are some funds remaining. The board of director's supports talking to the MSHF this winter about keeping the grant open so that we utilize the remainder in the event there is a short fall in FY16. At this time, we are not counting on those funds for the remainder of 2015.

WHO WE SERVE

This project will provide direct assistance to Trust beneficiaries. LINKS serves 1,400 unique clients in a full year (so about 700 for the term of this grant). Approximately 50% of clients, all of whom experience disabilities, are under age 65. The other 50% are clients over age 65, many of whom are also Trust beneficiaries. Many clients just need to be pointed in the right direction, many others just need a hand held for a while, and then they can experience a significant, positive, change in their life conditions.

All client data collected is entered into the Salesforce data management program. LINKS is able to generate reports about people served, referrals received, services provided, client demographic information, and referrals made. Each of these broad categories is more defined in the database. For instance, within the category services provided, LINKS tracks the following: information and referral, options counseling, follow-up, Medicare counseling, short term case management, nursing home transition, care transitions and intervention, transitions to other institutions. They have the capability to modify the database to capture other information that the Trust might want to focus on during the grant period and beyond. This data is reported to DHSS quarterly and annually.

ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	360
Developmental Disabilities:	30
Alzheimer's Disease & Related Dementias:	180
Substance Abuse	360
Traumatic Brain Injuries:	60
Secondary Beneficiaries(family members or caregivers providing support to primary beneficiaries):	150
Non-Beneficiaries:	60
Number of people to be trained	4

BUDGET

3745 Community Park Loop, Suite 200
 Anchorage, Alaska 99508
 Phone: 907-269-7960
 Fax: 907-269-7966

Personnel Services Costs	\$30,000.00
Personnel Services Costs (Other Sources)	\$114,200.00
Personnel Services Narrative:	Providing the one-on-one service to clients, agency relations, data management, and public outreach. These funds will provide part of the funding for 2.75 FTE for the term of the grant. This includes payroll taxes, IRA, and health benefits.

Travel Costs	\$0.00
Travel Costs (Other Sources)	\$2,500.00
Travel Narrative:	In state travel for home visits, attend client meetings, attend agency meetings.

Space or Facilities Costs	\$0.00
Space or Facilities Costs (Other Sources)	\$17,500.00
Space or Facilities Narrative:	Funds will be used for rent and utilities, printing, and telephone and internet.

Supplies Costs	\$0.00
Supplies Costs (Other Sources)	\$4,000.00
Supplies Narrative:	Office and program supplies to include paper, copying supplies, and other office supplies.

Equipment Costs	\$0.00
Equipment Costs (Other Sources)	\$2,800.00
Equipment Costs Narrative:	Funds will be used to purchase a new computer to replace an unreliable one.

Total Amount to be Funded by the Trust	\$30,000.00
Total Amount Funded by Other Sources	\$141,000.00

Other Funding Sources	
Alaska Department of Social Services –secured for FY 2015	\$56,500.00
Alaska Department of Social Services --pending	\$57,500.00
Mat-Su Health Foundation	\$27,000.00
Total Leveraged Funds	\$141,000.00

To: Laraine Derr, Finance Committee Chair
Date: January 14, 2015
Re: FY15 Substance Abuse Prevention and Treatment
Focus Area Reallocation of Funds for Marijuana Policy Efforts
Fiscal Year: 2015
Amount: \$130,000
Project Title: FY15 Marijuana Policy

MEMO

REQUESTED MOTIONS:

Approve a reallocation of \$130,000 substance abuse prevention and treatment focus area funds from FY15 Policy Development for work on marijuana policy.

Assigned Trust Staff: Natasha Pineda

PROJECT DESCRIPTION

This request is seeking approval to reallocate \$130,000 from the FY15 Substance Abuse Prevention and Treatment focus area policy development strategy funds (approved by trustees for \$180,000) to specifically work on marijuana policy.

On November 4, 2014, Alaska voters passed ballot measure 2. This initiative legalized the possession, use, display, purchase, transportation of marijuana accessories and one ounce or less of marijuana; the possession, growth, processing and transportation of no more than six plants. In addition to legalizing the substance this ballot initiative included explicit provisions for the development of a commercial marijuana industry and Marijuana Control Board, to work towards regulating marijuana like alcohol.

Background:

Proposed Policy Development Scope for FY15

Convening and Facilitation (\$50.0): The Trust will engage diverse stakeholders to improve the structure, organization, policies and associated implementation of ballot measure 2. These funds will be used primarily for contractual support for the organization of committee process and products and assistance with materials and presentations to help shepherd policy forward as well as travel and miscellaneous expenses for relevant meetings and conferences.

Data Dashboard (\$40.0): The Trust will provide funds and work closely with an appropriate state agency (to be identified) to collect and update the information on a new score card to ensure there is consensus in how the information is portrayed and disseminated. The marijuana dashboard will provide an essential baseline for consumption and consequence related to marijuana use and the beneficiaries of the Trust. Anticipated materials include a one-page listing of indicators with progress scoring and

beneficiary prevalence information, descriptions of the data sources and brief explanations of the trends in the data and the current score, a short drill down back up narrative that provides updated graphs of the data trend and relevant related issues. Identified entity will also participate and assist in the data stakeholder workgroup process to review a revise targets/data points as appropriate.

Education and Outreach (\$40.0): These funds will be used to support efforts to gather representative feedback to develop messaging and strategies and educate local, regional and statewide entities through community forums, educational speakers bureaus and educational materials.

To: Laraine Derr, Finance Committee Chair
Date: January 16, 2015
Re: Change of Intent request
Fiscal Year: 2015
Amount: \$250,000.00
Grantee: Alaska Department of Health and Social Services, Senior
and Disability Services
Project Title: Home and Community Based Services program
assistance and pilot

MEMO

REQUESTED MOTION:

Motion # 1: Recommend approval to the full Board of Trustees to re-designate \$50,000 of FY13 Housing focus area MHTAAR funds and \$200,000 of FY14 Housing focus area MHTAAR funds to Authority Grant funds to reverse the actions taken November 20, 2014.

Motion # 2: Recommend that the full Board of Trustees authorize the Trust to negotiate a Reimbursable Services Agreement not to exceed \$250,000 with the Division of Senior and Disabilities Services for the HCBS Personal Care Assistance and Pilot.

The funding is from as follows: \$50,000 FY13 Housing (IT Applications in Homes), \$50,000 FY14 Housing (IT Applications in Homes), \$150,000 FY14 Housing (Seniors with ADRD Institution Diversion).

Assigned Program Officer: Nancy Burke

The following is excerpted from the prospective grantee's application.

PROJECT DESCRIPTION

In the November 17, 2014, Trustees approved a project with the Division of Senior and Disabilities to complete a number of assessments that are overdue in the Home and Community Based Services program, a circumstance that is currently threatening the program's function with the federal oversight entities.

Conversations with the new administration and SDS' director have helped clarify that the process we approved is not the best one to use. A better mechanism for sending the funds over to the Division will be a Reciprocal Services Agreement (RSA) initiated by the Trust with Authority Grant funds. This request is for a change in fund source designation to Authority Grant funds.

The project will proceed as previously approved.