

## MEETING AGENDA

**Meeting:** Board of Trustee  
**Date:** January 25-26, 2017  
**Time:** 8:15 AM  
**Location:** Elizabeth Peratrovich Hall, 320 W Willoughby Ave, Juneau  
**Teleconference:** Jan 25: (844) 740-1264 / Session No: 800 342 841 # / Attendee No: #  
Jan 26: (844) 740-1264 / Session No: 806 768 484 # / Attendee No: #  
<http://thetrust.webex.com>  
**Trustees:** Russ Webb (Chair), Mary Jane Michael (Vice Chair), Larry Norene  
(Secretary/Treasurer), Laraine Derr, Paula Easley, Carlton Smith, Jerome  
Selby

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### Wednesday, January 25, 2017

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<b>8:15a</b>	<b>Call to Order – Russ Webb, Chair</b>	
	Roll Call	
	Approval of Agenda	
	Review of Guiding Principles	6
	Ethics Disclosure	
	Approval of Minutes	
	• October 26, 2016	13
	• November 16-17, 2016	26
	Current Bylaws	129
<b>8:30</b>	<b>Mission Moment</b>	
	Michael VanLinden	
<b>8:45</b>	<b>Staff Report</b>	
	CEO Update	
<b>9:00</b>	<b>Statutory Advisor Update</b>	
	Valerie Davidson	
	Commissioner, Department of Health & Social Services	
<b>9:45</b>	<b>Break</b>	
<b>10:00</b>	<b>Medicaid Reform Update</b>	
	Department of Health & Social Services	138

## Wednesday, January 25, 2017 (Continued)

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<b>10:45</b>	<b>Statutory Advisor Updates</b> Kate Burkhart, Executive Director Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse	
<b>11:25</b>	<b>Statutory Advisor Updates</b> Patrick Reinhart, Executive Director Governor's Council on Disabilities and Special Education	
<b>12:00p</b>	<b>Lunch On Your Own</b>	
<b>1:30</b>	<b>Statutory Advisor Updates</b> Denise Daniello, Executive Director Alaska Commission on Aging	
<b>2:10</b>	<b>Approvals FY17 November Small Projects</b>	160
	Small Project Application Spreadsheet	162
<b>2:30</b>	<b>Executive Session</b> <ul style="list-style-type: none"><li>• Legal Consultation – Use of Principle and Legislative Audit</li></ul>	
<b>4:15</b>	<b>Recess</b>	
<b>4:30</b>	<b>Public Comment</b> <ul style="list-style-type: none"><li>• For Public Comment Guidelines click <a href="#">here</a></li></ul>	

**Thursday, January 26, 2017**

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<b>8:30a</b>	<b>Assemble at Alaska State Capitol, Room #532</b>	
<b>9:00</b>	<b>Senate Finance Committee Presentation</b> Alaska State Capitol, Room #532	
<b>11:00</b>	<b>Planning Committee Report</b>	165
	• FY16 MHTAAR Performance Summary	168
<b>12:00p</b>	<b>Break/Lunch Provided</b>	
<b>12:30</b>	<b>Resource Management Committee Report</b>	181
	• Southeast Land Exchange update	183
<b>1:15</b>	<b>Finance Committee Report</b>	184
	• Cash Management report	Hand-Out
<b>2:15</b>	<b>Adjourn</b>	
<b>2:35</b>	<b>Assemble at Alaska State Capitol, Room #519</b>	
<b>3:00</b>	<b>House Finance Committee Presentation</b> Alaska State Capitol, Room #519	

## Future Meeting Dates

Full Board of Trustee / Planning / Resource Management / Finance  
2017 / 2018 / 2019

(Updated – January 6, 2017)

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### **Planning Committee Dates:**

- April 20, **2017** (Thu)
- August 1-2, **2017** (Tue, Wed)
- October 17, **2017** (Tue)
- **January 4, 2018** (Thu)
- **April 12, 2018** (Thu)
- **Jul 31- Aug 1, 2018** (Tue, Wed)
- **October 17, 2018** (Wed)
- **January 3, 2019** (Thu)
- **April 11, 2019** (Thu)
- **Jul 30-31, 2019** (Tue, Wed)
- **October 16, 2019** (Wed)

### **Resource Management Committee Dates:**

- April 20, **2017** (Thu)
- August 3, **2017** (Thu)
- October 17, **2017** (Tue)
- **January 4, 2018** (Thu)
- **April 12, 2018** (Thu)
- **Aug 2, 2018** (Thu)
- **October 17, 2018** (Wed)
- **January 3, 2019** (Thu)
- **April 11, 2019** (Thu)
- **Sep 1, 2019** (Thu)
- **October 16, 2019** (Wed)

## Future Meeting Dates

### Full Board of Trustee / Planning / Resource Management / Finance 2017 / 2018 / 2019

(Updated – January 6, 2017)

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#### **Finance Committee Dates:**

- April 20, **2017** (Thu)
- August 3, **2017** (Thu)
- October 17, **2017** (Tue)
- **January 4, 2018** (Thu)
- **April 12, 2018** (Thu)
- **August 2, 2018** (Thu)
- **October 17, 2018** (Wed)
- **January 3, 2019** (Thu)
- **April 11, 2019** (Thu)
- **Sep 1, 2019** (Thu)
- **October 16, 2019** (Wed)

#### **Full Board of Trustee Meeting Dates:**

- January 25-26, **2017** (Wed, Thu) – JUNEAU
- May 4, **2017** (Thu) – TBD
- September 6-7, **2017** (Wed, Thu) – Anchorage – TAB
- November 16, **2017** (Thu) – Anchorage – TAB
- **January 24-25, 2018** (Wed, Thu) – JUNEAU
- **May 9, 2018** (Wed) – TBD
- **September 5-6, 2018** (Wed, Thu) – Anchorage – TAB
- **November 15, 2018** (Thu) – Anchorage – TAB
- **January 30-31, 2019** (Wed, Thu) – JUNEAU
- **May 8, 2019** (Wed) – TBD
- **September 4-5, 2019** (Wed, Thu) – Anchorage – TAB
- **November 14, 2019** (Thu) – Anchorage – TAB

**The Trust's  
Guiding Principles /  
Mission Statement /  
Trust Budget  
Process Flowcharts**

## Trust Guiding Principles

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**To improve the lives of Trust beneficiaries, The Trust is committed to:**

Education of the public and policymakers on beneficiary needs;

Collaboration with consumers and partner advocates;

Maximizing beneficiary input into programs;

Continually improving results for beneficiaries;

Prioritizing services for beneficiaries at risk of institutionalization or needing long-term, intensive care;

Useful and timely data for evaluating program results;

Inclusion of early intervention and prevention components in programs;

Provision of reasonably necessary beneficiary services based on ability to pay.

Approved 5-12-09, Board of Trustee meeting

## Trust Mission Statement

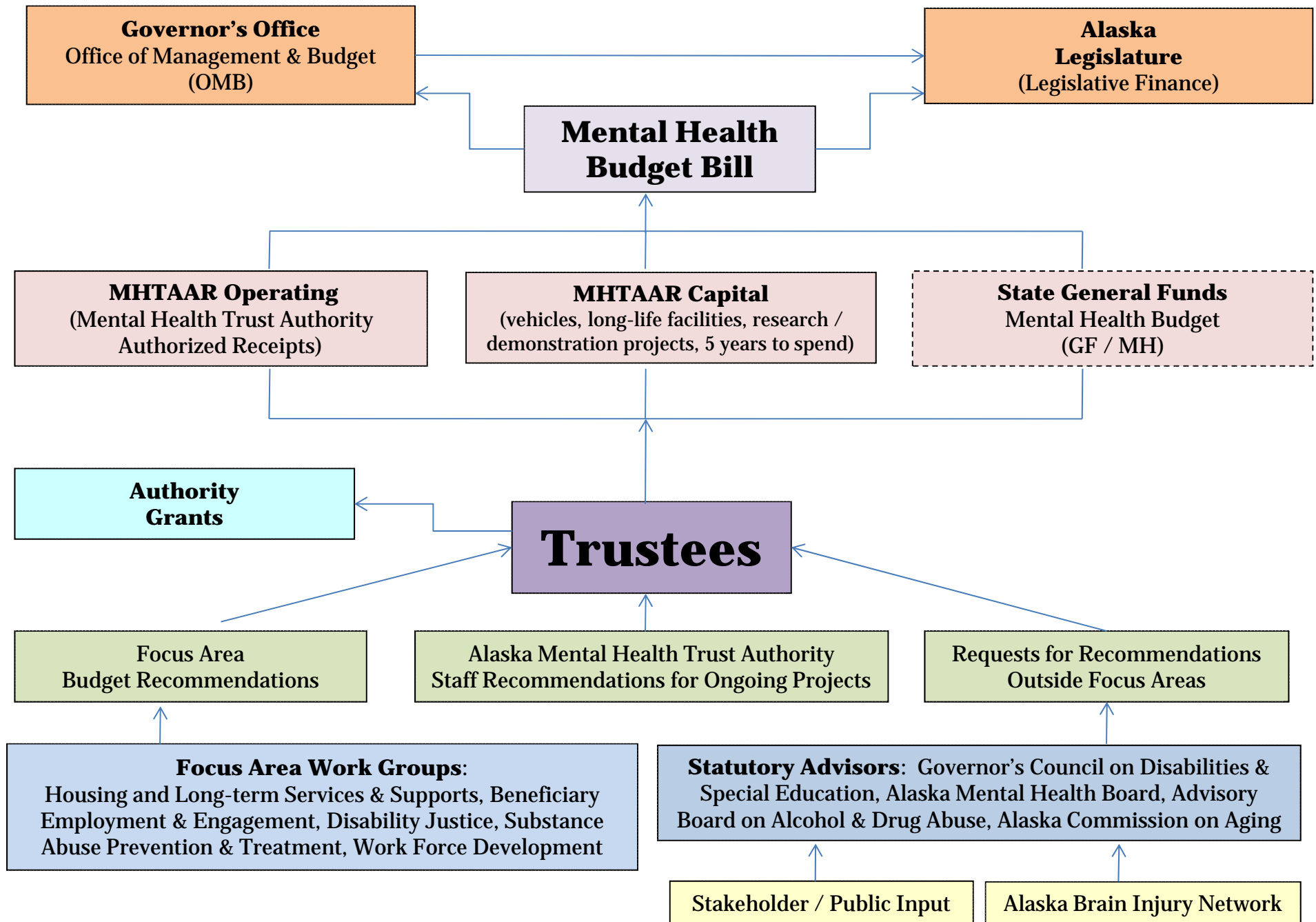
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The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in advocacy, planning, implementing and funding of the Comprehensive Integrated Mental Health Program; and acts as a catalyst for change.

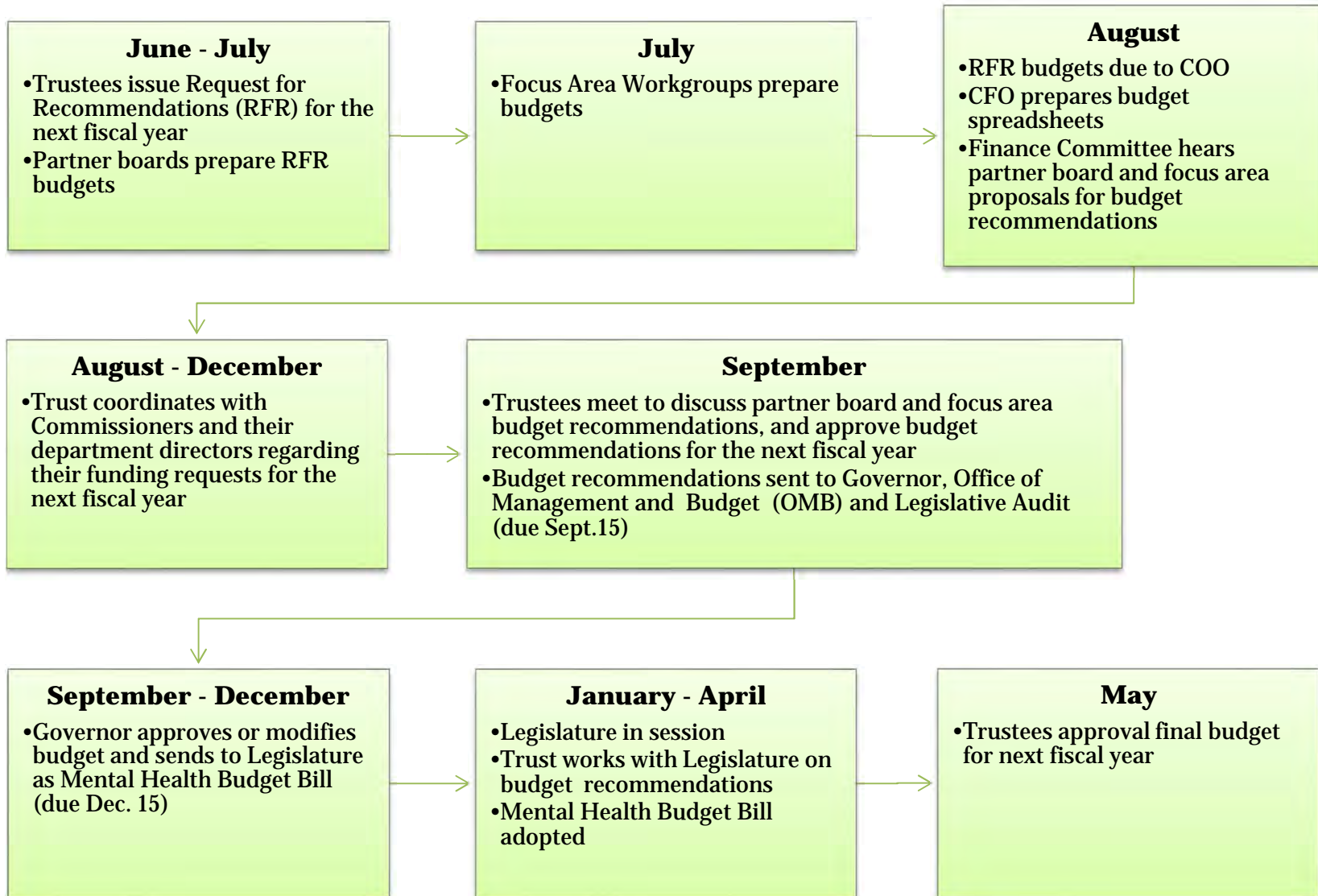
Approved 5-12-09, Board of Trustee meeting



# Alaska Mental Health Trust Authority Budget Process



## Annual Mental Health Budget Bill Process

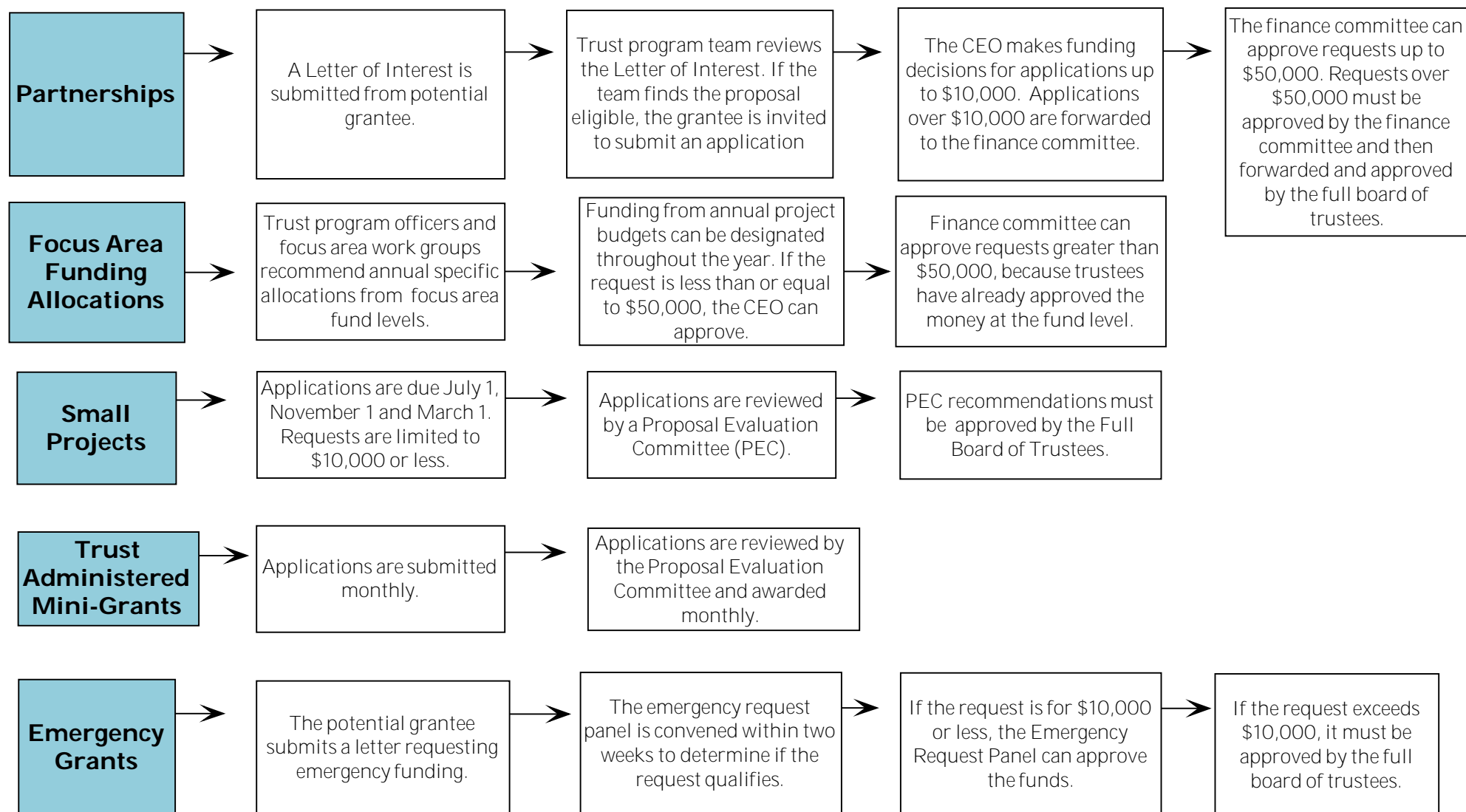


Note: timeline represents those items in the green boxes in the chart entitled "Alaska Mental Health Budget Process"

02/18/16

# Grant Approval Process for Authority Grant Funds

All annual budgets are approved by the full board of trustees at the September meeting



Note: this chart depicts those items included in the blue box labeled "Authority Grants" on the chart entitled "Alaska Mental Health Trust Authority Budget Process"

# Trust Annual Calendar

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>Board Administration</b>												
Trustee reports due to APOC – <b>Mar 15</b>			XX									
Trustee committee assignments					XX							
Officer elections									XX			
Board evaluations										XX	XX	
CEO evaluation											XX	
<b>Trust Administration</b>												
Legislature convenes	XX											
Trustees present budget to House/ Senate Finance Committees	XX	XX										
Legislature adjourns				XX								
Request for Recommendations (RFR) issued to partner boards April 30				XX								
Fiscal year ends <b>June 30</b>						XX						
Fiscal year begins <b>July 1</b>							XX					
RFRs due from partner boards <b>July 30</b>							XX					
Advocacy Summit											XX	
Staff drafts Trust office budget for next fiscal year								XX				
Staff coordinates w/DHSS on budget								XX	XX	XX	XX	XX
Trustee meeting to approve next fiscal year budget									XX			
Trust budget recommendations due <b>September 15</b> to Governor/ Legislative Finance									XX			
Financial audit begins							XX					
Financial audit completed										XX		
Staff coordinates with OMB/DHSS on budget recommendations										XX	XX	XX
Trustees meet to finalize budget											XX	
Governor's budget released <b>December 15</b>												XX

04/17/15

**Minutes for the  
October 26, 2016  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

October 26, 2016

11:45 a.m.

Taken at:

3745 Community Park Loop, Suite 120  
Anchorage, Alaska

**OFFICIAL MINUTES**

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Trustees present:

Russ Webb, Chair

Carlton Smith

Laraine Derr

Paula Easley

Jerome Selby

Mary Jane Michael

Larry Norene

Trust staff present:

Jeff Jessee

Steve Williams

Miri Smith-Coolidge

Amanda Lofgren

Heidi Wailand

Kevin Buckland

Luke Lind

Mike Baldwin

Carley Lawrence

Carrie Predeger

Katie Baldwin-Johnson

Valette Keller

TLO staff present:

John Morrison

Also present:

Kathy Craft; Kate Burkhardt; Patrick Reinhart; Sherry Henshaw; Faith Myers; Dorrance Collins;  
Susan Musante; Lisa Cauble; Brenda Moore; Charlene Tautfest, Paul Wilcox.

**PROCEEDINGS**

CHAIR WEBB calls the Special Full Board of Trustees to order, and states that all trustees are present. He asks for a motion to approve the agenda.

TRUSTEE NORENE makes a motion to approve the agenda.

TRUSTEE EASLEY seconds.

CHAIR WEBB asks if there are any objections to removing the executive session from the agenda.

*There being no objection, the motion is approved.*

TRUSTEE DERR states that she is not sure if this should be added to the agenda or not. She continues that a letter was received from a couple of people in regard to an audit, and she thinks there is a need to talk about it. She adds that she does not know if that is a legal issue that needs an executive session.

CHAIR WEBB replies that, as far as he knows, it is not a legal issue. It is not on the agenda, but can be added with a vote.

TRUSTEE DERR asks how it will be handled.

TRUSTEE NORENE replies that he plans to comment on it at the Resource Management Committee meeting.

TRUSTEE DERR states that her concern is that it is in regard to the policies of the Trust and not the Resource Management Committee. She recommends that it be handled at the board level.

CHAIR WEBB states that he just arrived in town and has seen two letters from two individuals. One was seeking the Legislative Council to do an audit of the Trust Land Office, and various items related to the Trust Land Office. The second letter was directed to Representative Hawker to ask for a legislative audit of the same things. He continues that there is no action item because at the moment there is no legislative audit pending. He adds that his approach would be to talk to the individuals who sent the letter to learn the purpose, and then to speak with the chair of the Legislative Council and determine their intentions.

CHAIR WEBB states that there is an agenda item on the Mental Health Trust Authority operations, organizational review, and personnel issues.

TRUSTEE NORENE states that it has become clear that there is a needed change in the organization to meet the needs of the beneficiaries of the future; specifically, with regard to principal and income. He continues that a new effort and orientation of leadership is needed to accomplish that, which includes the trustees. He adds that the present fiscal crisis exacerbates that problem. He goes into the needs in greater detail, adding the need to understand, guide and support the efforts of the TLO for providing both growth and income. He recognizes that the CEO has been very successful in creating an organization and providing that leadership up to this

time. He continues that a newer, more financially oriented organization needs efficiency and effectiveness in that relation, and the present CEO does not have the skill set for those particular issues. His thoughts are the need for a different style of leadership, both trustees and CEO.

TRUSTEE DERR states that she thought that was what was discussed at the Executive Committee meeting; to put out and look at an organizational review.

TRUSTEE NORENE states that this is about a new organizational plan.

TRUSTEE SELBY asks about the purpose of today's meeting. He states that he finds it curious that there is no packet material provided to the board on which to base an intelligent discussion on anything. He finds that especially a disservice to the Trust beneficiaries because they have no way of having any idea of what this board meeting is about, and this is their organization. It is the beneficiaries' organization. He continues that he has a major problem with what Trustee Norene said about changing the structure of this organization, the beneficiaries' organization. It is now going to become a financial management organization on which the beneficiaries are secondary. He adds that he will never vote for that because it is totally opposite of why the Mental Health Trust was established, to take care of these folks. He states that changing the structure of this organization in that way will create some real issues at the legislative level for this organization.

TRUSTEE NORENE states that his point is that the present CEO does not have the skill set needed to assist the trustees in redesigning the plan. A change of leadership is needed.

TRUSTEE DERR states that this is putting the cart before the horse. The goal is put out there, what is wanted, and then an action is made. This is moving Mr. Jessee out of his job without a direction or plan. She continues that she assumes that there have been enough secret meetings, the action has been taken. She adds that all the trustees have not been included; three have never been involved in a meeting.

TRUSTEE SMITH states that it is not his intent to shut down the discussion, but there are some decorum issues right now.

CHAIR WEBB recalls under Robert's Rules that individuals are not to be attacked, disparaged, as has just occurred. He asks that all stick to the issues. Over the past year and a half, the CEO has been relieved of authority to oversee the Trust Land Office finances and otherwise; something that the trustees delegated some time ago. There has been a relatively ineffective effort to try to make the two organizations work effectively together. He talks about the fiduciary responsibility to be advocates and funders of services and generate as much income to make that possible.

TRUSTEE EASLEY states that she read over the CEO's job description and thinks that he fully complies with the requirements of his job description.

CHAIR WEBB states that the CEO job description was not adopted by the trustees.



TRUSTEE EASLEY continues that, over the years, Mr. Jessee's performance has been evaluated and there were no complaints. She states that at each evaluation she contacted the advisory boards, and the consensus has been that he always did an excellent job, even though sometimes they disagreed with him. He is someone who can defend every aspect of the Mental Health Trust Budget at the Legislature. She states that the Chair and Trustee Norene went and presented an option that was not authorized by the board. This is so important that all of the advisory boards should be contacted and consulted concerning the decision. The Trust does not operate in isolation.

CHAIR WEBB states that to debate the issue a motion is needed.

TRUSTEE SELBY makes a motion to proceed with the organizational review by an outside agency, as discussed at the last board meeting, and take a look at it at the November board meeting. The draft is ready to be reviewed by outside folks who might want to bid on it so that the RFP can be tightened up for the review in November.

TRUSTEE DERR seconds.

CHAIR WEBB states that he understands the motion. It is to proceed with a solicitation or a request for information, and asks which is the preference.

TRUSTEE SELBY replies that it was his understanding that a request for proposal to send out to folks who do this as a course of business was going to be prepared to look at the organizational structure and give a recommendation about how to restructure the organization for the future effectively. This was his understanding of the discussion at the last board meeting. He states that to take an action prematurely without getting outside expert consultation is not right.

TRUSTEE DERR adds that the minutes state that we will come back at the November board meeting in regard to the organizational review.

CHAIR WEBB reviews the history and his understanding of the executive committee meeting and the discussion.

TRUSTEE SELBY disagrees, stating that it never came up for an action.

TRUSTEE EASLEY states that it was tabled.

CHAIR WEBB adds, that was after discussion in which all trustees participated.

TRUSTEE SELBY disagrees. All the trustees did not participate, but were listening in.

The discussion continues.

TRUSTEE SMITH calls the question.

CHAIR WEBB states that there has been a motion to call for the question.

TRUSTEE NORENE seconds.

CHAIR WEBB asks if there is an objection to voting on the question, which is to bring the question to a vote.

*There being no objection, the motion is approved.*

CHAIR WEBB states that the motion is to proceed with the development of a solicitation to be considered by trustees at the November meeting for an organizational review. That has been moved and seconded.

*There being no objection, the motion is approved.*

TRUSTEE NORENE asks about the tabled issue.

CHAIR WEBB states that the tabled issue at the Executive Committee was the RFI. He continues that the motion was made and passed in the September meeting, and then reaffirmed here was for staff to move forward with developing a draft solicitation to bring back to the trustees for an organizational review. Rather than an RFI, there will be a draft of a solicitation for consideration at the November meeting, and the trustees will determine at that time if that meets the goals or if it needs to be readjusted. He adds that in the course of the drafting of that solicitation, between now and November will be an opportunity for input.

TRUSTEE SMITH asks about Mr. Jessee.

CHAIR WEBB states that he has a document and asks Mr. Jessee if he would like to read it.

MR. JESSEE moves back to the motion and states that there is a little confusion as to how to proceed here, because the RFLOI was done and the Executive Committee did not feel it was hitting the mark. He asks if an RFP is to be prepared now. He states that the idea behind the RFLOI was to get enough information to be able to craft a good RFP. He continues that he is pretty insecure about being able to develop an RFP that will meet the needs without some input from the trustees. He requests assigning this to a committee or something so it can be done right. He adds that we are in no better position to define it now than we were before.

CHAIR WEBB states that it can be assigned to a standing committee to help better define the mark that is trying to be hit with an organizational review, or we can assign a special committee.

TRUSTEE SMITH states his interest.

TRUSTEE NORENE states his interest.

TRUSTEE SELBY states no recollection of hearing any objections to what was in the document at the very brief Executive Committee meeting in which all did not participate. Some were in listening mode because of not being on the Executive Committee. He continues that to imply that he somehow participated in that discussion is absolutely incorrect and inappropriate. He adds that he did not realize that he had an opportunity to even participate or speak at that

meeting, because, normally, that would not be happening when an Executive Committee meeting is happening. He does not recall anybody being able to articulate any problem that was perceived with the document that had been prepared by the staff to go out and try to get some additional input from the professionals who do this kind of thing so that a better document could be made out of the request for the proposal. He asks if someone would enlighten him on what was identified at that meeting in terms of what was inadequate as far as getting input from the professionals.

TRUSTEE EASLEY replies that there was none. Trustee Norene made a motion to table, and that was the end of it.

CHAIR WEBB states that the events of the Executive Committee meeting will not be debated, and there is no need to fail to keep decorum. To allege dishonesty or wrongdoing or whatever is inappropriate, and asks all to focus on the issue at hand. The issue at hand being that a motion has been passed to have drafted a solicitation for an organizational review for consideration by the board at the November 17<sup>th</sup> meeting. He assigns the full Finance Committee to work towards developing that better target and better direction so staff will have a better understanding of where to get to and to work with staff in regard to that. He states that issue is resolved, at least until there is another draft for consideration at the November 17<sup>th</sup> meeting. He moves on to the document from Mr. Jessee, and asks him to read it.

MR. JESSEE states that this is addressed to the Board of Trustees, October 26, 2016:

"Since I arrived in Alaska in 1980 as a VISTA Volunteer working with what is now the Disability Law Center, I have dedicated my professional career to serving the Trust beneficiaries. For the last 21 years, I've been privileged and honored to serve them as the CEO of the Trust.

"The Trust and the beneficiaries will face many unprecedented challenges as Alaska deals with our fiscal and economic difficulties. It is clear that a majority of the Board of Trustees believes that significant changes in the Trust organization, and efforts must be made to meet these challenges.

"These changes will require new perspectives and ideas to ensure that the Trust can meet the needs of the beneficiaries well into the future.

"Therefore, I believe that it is in the best interest of the beneficiaries, the Trust, and myself that I resign as CEO in favor of a different role within the Trust.

"This will enable me to continue to serve the beneficiaries to the best of my abilities, and enable the Board of Trustees, the Trust, and the Trust Land Office to focus on making adaptations that will enable the Trust to best meet the needs of the beneficiaries now and in the future.

"To facilitate changes in my role, and the direction of the Trust, I submit my resignation effective as of the effective date of the approved appointment of my successor.

" Jeff Jessee."

CHAIR WEBB recognizes Trustee Norene.

TRUSTEE NORENE makes a motion that the Trust accept the resignation of Jeff Jessee as CEO effective on the date the appointment of his successor as CEO is approved. He further moves that the trustees appoint Greg Jones as CEO of the Trust Authority to be forwarded immediately to the Chief of Staff and become effective on the date of the approval. Finally, he moves that

Mr. Jones be authorized to appoint Mr. Jessee to a position of program officer effective on the date Mr. Jessee's resignation becomes effective, with no break in service, to enable him to continue to serve the interests of the Trust beneficiaries.

TRUSTEE SMITH seconds.

TRUSTEE SELBY asks for a division of the motions.

TRUSTEE DERR seconds.

CHAIR WEBB has asked that the individual motions be divided, and his understanding is that they follow and depend upon each other. He asks if there is objection to Mr. Selby's motion to divide the various motions.

TRUSTEE NORENE states, as maker of the motion, he objects to that. He continues that it could harm the intent and the facilitation of retaining Mr. Jessee to serve the beneficiaries.

*CHAIR WEBB asks who is in favor of dividing the motions and calls the vote: Trustee Easley, yes; Trustee Selby, yes; Trustee Derr, yes; Trustee Smith, no; Trustee Norene, no; Trustee Michael, no; Chair Webb, no. The motion fails.*

CHAIR WEBB states that there is a motion on the floor, and it has been seconded. He adds that there will be a roll call vote on the motion.

TRUSTEE EASLEY asks for discussion on the motion.

CHAIR WEBB replies yes.

TRUSTEE DERR states that her problem with this whole thing is a legal issue, and she thinks that there should be an attorney review because she thinks that due process has not been followed.

CHAIR WEBB asks that she precisely state the concern about due process. There is a motion on the floor.

TRUSTEE DERR explains in regard to accepting Mr. Jessee's resignation, in regard to due process, the whole Board of Trustees have not talked about what the problem is, been able to ask Mr. Jessee questions as to why he is resigning. She then talks about a new person who has no program experience to run the Trust, stating that she has a real problem with that. She asks if there should be some legal advice.

CHAIR WEBB states that the question is duly noted. There is a motion on the floor. He asks for any more discussion.

TRUSTEE DERR asks if an attorney has been consulted.

TRUSTEE NORENE replies that the Trust has retained an attorney, Mr. Paul Wilcox.

TRUSTEE DERR asks how that came to be. She states that she was never asked about hiring an attorney.

TRUSTEE NORENE explains that the Executive Committee chose to hire an attorney, and there had been a threat of litigation.

TRUSTEE DERR asks at what meeting that occurred. She adds that it did not happen at the Executive Committee that she listened to. She asks at what Executive Committee meeting did that occur? She inquires, nobody remembers? She states that is because it was a meeting that was not public-noticed.

CHAIR WEBB recognizes Trustee Selby.

TRUSTEE SELBY states that he asked for a division of the motion because there are three very distinct and very important actions that are taking place there. The second one, appointing someone he never heard of, there is no resume, and he is being asked to vote on retaining this person as the executive director for the Trust. He finds that unacceptable. The normal process would be to advertise for applicants to fill a position. The board would have the ability to review all of the applicants and go through a selection process to determine who is the best-qualified individual to fill the now-vacant position, and then the board would vote on hiring that individual. He continues that the board has been closed out of the process of reviewing and making a selection from the best-qualified applications. He states that he does not see how the Mental Health Trust beneficiaries are well served at all by that type of action. He thinks it is totally inappropriate, if not illegal, for that to occur in that manner.

CHAIR WEBB recognizes Trustee Norene.

TRUSTEE NORENE states that he understands not being familiar with Greg Jones and explains what the position is. Greg Jones will be required to be the CEO for a period of time to hire Mr. Jessee in a different role instead of not hiring him. Only a CEO can hire, and there will be a CEO in place. He adds that it is not the intent for Greg Jones to be the CEO overall. He states that Mr. Jones, who has a tremendous background with the Trust, understands the entire operation, is familiar with everybody, will merely be an assistant to help the trustees consider what that job should be. Once that is defined, then a search will commence in accordance with the job description that will be defined. He is a placeholder with probably the most knowledge and experience. He has done reorganizations for GCI, for CIRI, for the Municipality, and he is expert in the field and the best available to accomplish what needs to be accomplished.

TRUSTEE EASLEY asks if Trustee Norene is saying that trustees do not have authority to remove Mr. Jessee from his position and to hire someone else who has authority to do that.

TRUSTEE NORENE replies that the trustees do have the authority to remove Mr. Jessee. He states that this motion is designed for continuity for Mr. Jessee, and to put him in a new role where he can be of benefit to the Trust and its beneficiaries, with his skill set.

TRUSTEE SELBY asks if Mr. Jones has a resume.

TRUSTEE NORENE replies that he is sure he does and will be here at 1:00 o'clock in regards to the Resource Management Committee. He states that he can speak with any that are not familiar with Mr. Jones. Most have seen his resume and his experience.

TRUSTEE SELBY replies that is beside the point. The point is if Mr. Jones has a resume, it would seem that it would have been provided to the board for this meeting as backup documentation. He states that what is unacceptable to him is that Mr. Jones was offered a position and he has accepted it without the rest of the board having any involvement in the process and not even sharing the resume with those not familiar with this individual. He adds that this is way off the mark for procedural due process. He continues that, the main point, there is no reason that this needs to be done today because Mr. Jessee's resignation says that he would be willing to continue to serve until he is replaced, which would allow for a correct procedural due process to take place with the board of directors being allowed to review resumes of someone who is going to replace Mr. Jessee, and then go through a selection process and hire somebody into that position. Meanwhile, Mr. Jessee would continue to serve; the organization would stay stable and continue to function. He states his concerns on who Mr. Jones is. He recommends stepping back, accepting Mr. Jessee's resignation, since it was offered in good faith and is appropriate. He does not see any reason that the procedural due process of allowing the board to go through a selection process of who will replace him is circumvented. He adds that the board is the only authority with the authority to hire even an interim replacement, if that is not the person wanted for the long haul. He asks what the rush is.

TRUSTEE EASLEY states that she would have no objection to having Greg Jones sign a contract to do exactly what Trustee Norene is proposing, which may solve the problem. She agrees that there is no rush.

CHAIR WEBB states that there is a motion on the floor. He asks for any further discussion of that particular motion. He asks if there is an amendment to the motion that anyone would like to offer.

TRUSTEE SELBY replies that he did try to divide the question and does not know what the value would be to offer an amendment because he did try to get the board to think about what is being done today. He states that this board is seriously at risk and he would like to follow procedural due process and keep the Mental Health Trust beneficiaries on the top of the agenda item.

CHAIR WEBB replies that all agree with that. He asks if Trustee Selby has an amendment to offer to the motion that is on the floor that would accomplish that purpose.

TRUSTEE SELBY makes an amendment to the motion to accept Mr. Jessee's resignation and postpone the action on the other two items until the board has had an opportunity to review and get involved in the process of moving forward from here in an orderly fashion.

TRUSTEE EASLEY seconds.

CHAIR WEBB asks for discussion.

TRUSTEE NORENE asks if that would harm Mr. Jessee's interest and harm the Trust's ability to have him work. He asks if that would create the discontinuance of services of Mr. Jessee.

CHAIR WEBB replies that his understanding is that Mr. Jessee would continue to serve as the CEO until the board reviewed resumes of potential candidates to replace him, either on an interim or permanent basis, and elected to hire one of those candidates as his successor and the approval process that must take place for any exempt employee is completed. In his understanding, there would be no break in service for Mr. Jessee, and he would continue as a Trust employee until the action was taken to hire his successor.

TRUSTEE EASLEY asks if Mr. Jessee is resigning his position as CEO and accepting a position as the program officer, or is he resigning all together.

CHAIR WEBB replies that, essentially, he is resigning as CEO in favor of a different role from the Trust.

A short discussion and explanation ensues.

MR. JESSEE clarifies that, in his letter, his resignation is effective as of the effective date of the approved appointment of his successor. He states that he will continue to serve as CEO until the Chief of Staff signs off on a successor CEO. He adds that whether that decision is made today or whenever, he will continue to serve until that individual is appointed officially by the Chief of Staff.

TRUSTEE EASLEY asks what the Chief of Staff has to do with it.

CHAIR WEBB replies that all of the employees at the Trust and the Trust Land Office are called fully exempt employees. He states that they are exempt from the personnel rules, which means that they are not merit-system employees. He continues that all fully exempt employees in State Government, of which the Trust and the Trust Land Office are a part of, must be approved by the Governor. And depending on the salary levels, if it is outside the normal salary range, also requires an approval. He explains this in greater detail with examples.

MR. JESSEE states that the most salient point here is that whoever the Trust wants to hire as the CEO has to be approved by the Governor.

CHAIR WEBB states that there is a proposed amendment that would accept Mr. Jessee's resignation and delay further consideration of the second two portions of the motion.

TRUSTEE NORENE states that he is going to vote against the amendment, even though it is meritorious. He thinks that the original motion would be a more efficient process and get the Trust back on track. He continues that he has a lot of faith in Mr. Jones and feels it could be very expeditious to stick with the motion.

TRUSTEE MICHAEL states that if there was an opportunity today to spend more time talking about an interim executive or CEO, it would be worthwhile, but she is not in favor of continuing

to delay. She continues that all should be included in the conversation and thinks that has been prohibited at all the meetings up to this time. There are some critical issues and the Trust cannot continue to function having two reports. She adds that we cannot be without leadership, and have a divided one.

CHAIR WEBB recognizes Trustee Smith, and then states that he will call a brief recess.

TRUSTEE SMITH echoes some of the same concerns about the timing, and states that he is not going to support the amendment.

CHAIR WEBB calls a 15-minute recess and will dispose of the amendment after the recess.

(Break.)

CHAIR WEBB calls the meeting back to order and states that there is a motion on the floor. He restates the motion.

*CHAIR WEBB calls the vote: Trustee Easley, yes; Trustee Selby, yes; Trustee Derr, yes; Trustee Smith, no; Trustee Norene, no; Trustee Michael, no; Chair Webb, no. The motion fails.*

CHAIR WEBB moves back to the original motion and asks if there is an amendment to the motion.

TRUSTEE MICHAEL makes a motion to amend the second paragraph of the original motion to read as follows: I further move that the appointment of Greg Jones as interim CEO of the Trust Authority be forwarded immediately to the Chief of Staff to become effective on the date of that approval.

TRUSTEE NORENE seconds.

CHAIR WEBB asks for discussion.

TRUSTEE NORENE states support for the amendment in that it helps for clarification.

TRUSTEE SELBY asks for an explanation for how that is different from what the original motion was.

CHAIR WEBB replies that the amendment clarifies that Mr. Jones' appointment is on an interim basis.

*CHAIR WEBB calls the vote: Trustee Easley, abstain; Trustee Selby, no; Trustee Derr, yes; Trustee Smith, yes; Trustee Norene, yes; Trustee Michael, yes. The motion is approved.*

CHAIR WEBB moves back to the consideration of the original motion, as amended.

TRUSTEE EASLEY makes an amendment that Mr. Jessee's salary range be the same until this matter is resolved.



CHAIR WEBB explains that, as long as Mr. Jessee remains as CEO, his salary will remain the same until he transitions to the new position.

TRUSTEE EASLEY withdraws her motion.

*CHAIR WEBB calls the vote: Trustee Easley, no; Trustee Selby, no; Trustee Derr, no; Trustee Smith, yes; Trustee Norene, yes; Trustee Michael, yes; Chair Webb, yes. The motion is approved.*

TRUSTEE DERR states that she has one more question in regard to the obtaining of the attorney. Trustee Norene said that the action was taken in Executive Committee, and she would like to know when that Executive Committee met.

TRUSTEE NORENE replies that he misstated. He was Acting Chair in the absence of both the Chair and the Vice Chair, and under the threat of litigation and the recusal of the current legal counsel, thought it would be best to have counsel available.

TRUSTEE DERR states that she did not know that the Trust operates on one board member's thoughts as to when to hire legal advice for the entire board.

CHAIR WEBB states that is duly noted, and we will look at the bylaws to make sure that things are being done right. He continues that he believes that the Chair is authorized to take action on behalf of the board to carry out the business of the Trust on an interim basis. That will be clarified, and if there is a problem he will let everyone know.

TRUSTEE NORENE states that if there is a problem he will offer an apology.

CHAIR WEBB states that there are no further items on the agenda and concludes the Special Meeting of the Full Board of Trustees. He asks for a motion to adjourn.

TRUSTEE DERR makes a motion to adjourn and states that it is a very sad day.

TRUSTEE MICHAEL seconds.

*There being no objection, the motion is approved.*

(Special Full Board meeting adjourned at 1:28 p.m.)

# **Minutes for the November 16-17, 2016 Full Board of Trustee Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

BOARD OF TRUSTEES MEETING

November 16, 2016

3:15 p.m.

Taken at:

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

**OFFICIAL MINUTES**

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Trustees present:

Russ Webb, Chair  
Mary Jane Michael  
Carlton Smith  
Laraine Derr  
Larry Norene  
Paula Easley  
Jerome Selby

Trust staff present:

Jeff Jessee  
Steve Williams  
Heidi Wailand  
Carley Lawrence  
Michael Baldwin  
Miri Smith-Coolidge  
Kevin Buckland  
Katie Baldwin-Johnson  
Amanda Lofgren  
Carrie Predeger  
Valette Keller  
Lucas Lind

Trust Land Office:

John Morrison

Others Participating:

Kathy Craft; Kate Burkhart; Patrick Reinhart; Denise Daniello; Donna Mong; Lisa Cauble;  
Brenda Moore; Charlene Tautfest; Richard Wright; Karl Garber; Bill Herman; Bob Weinstein;  
Deb Gazaway Johnson (via Speakerphone); Eliza Eller (via Speakerphone) Teri Lorkowski (via

Speakerphone); Becky Knight (via Speakerphone); Brett Glidden; Brenda Stanfill (via Speakerphone); Karen Nugen-Logan; Annette Alfonsi; Albert Wall; Marvin Scott (via Speakerphone); Mike Sallee (via Speakerphone) Monika Carhart (via Speakerphone); Marta Poore (via Speakerphone); John Hartle (via Speakerphone); Mary Elizabeth Rider.

## PROCEEDINGS

CHAIR WEBB calls the meeting to order and states that all the trustees are present. He asks for any approval of minutes of prior meetings.

TRUSTEE SELBY makes a motion to approve the agenda.

TRUSTEE NORENE seconds.

TRUSTEE SELBY makes a motion to amend the agenda and suggests at 10:00 a.m. the status of the interim CEO appointment tomorrow morning; and a 2:30 p.m. discussion by the board of the legislative priorities that were talked about at the last meeting, which are not on the agenda.

TRUSTEE NORENE seconds.

MS. LAWRENCE notes that tomorrow morning at the joint advocacy discussion there is 30 minutes allotted for the RFI's report, EDs and trustee and staff discussion surrounding that memo.

TRUSTEE SELBY states appreciation and adds his concern that that is not very much time for the board to have a discussion about those priorities.

CHAIR WEBB states that the motion has been made and seconded and asks Trustee Selby how much time should be allotted.

A short discussion continues.

TRUSTEE SELBY makes a friendly amendment to change the time from 2:30 to the 9:05 time frame, and move the nonfocus area funding to immediately thereafter.

TRUSTEE NORENE seconds.

TRUSTEE EASLEY asks for the motion to be restated.

TRUSTEE SELBY states that the original motion was to have a brief report at 10:00 o'clock on the status of the interim CEO appointment, and the second is to have the legislative discussion at 9:05 a.m., and move the nonfocus area allocation immediately thereafter.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

CHAIR WEBB asks for any further discussion about the agenda. There being none, he asks for a motion to approve the agenda.

TRUSTEE SELBY makes a motion to approve the agenda, as amended.

TRUSTEE NORENE seconds.

*There being no objection, the motion is approved.*

CHAIR WEBB moves to the minutes.

TRUSTEE NORENE makes a motion to approve the minutes of August 11, 2016.

TRUSTEE DERR seconds.

*There being no objection, the motion is approved.*

TRUSTEE NORENE makes a motion to approve the minutes of August 24, 2016.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

TRUSTEE NORENE makes a motion to approve the minutes of September 7 and 8, 2016.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

CHAIR WEBB moves on and asks for any ethics disclosures from the trustees or staff. Hearing none, he dispenses with review of the guiding principles and bylaws which are in the packet, on the Web site, and available for review at any time. He recognizes Amanda Lofgren to introduce some guests.

MS. LOFGREN introduces Richard Wright and Karl Garber. She states that Mr. Wright is a family caregiver, and Mr. Garber is the executive director of Alzheimer's Resource of Alaska. She adds that they are here for the mission moment.

MR. GARBER states that Mr. Wright is a very special person that he finds inspiring when working with family caregivers. He is the caregiver for his mother, who has Alzheimer's. He asks Mr. Wright to share his message.

MR. WRIGHT states that before he had to move in with his mother he worked with autistic children at North Star Elementary, which did not prepare him for what he is facing today. He continues that Alzheimer's Resource of Alaska prepared him to give his mother the care she

needs. It gives her a place to go with a social atmosphere that is needed, and also helps him. The staff is professional, knowledgeable, warm and sincere; it feels like family, and is more than what the rest of his family provides. He adds that it is a community created out of these wonderful people and what they do. He states that he had to quit his jobs and retire early to do this for his mother, who is probably one of the sweetest people, even before Alzheimer's. He continues that it is an honor to serve her, but it is extremely stressful. He thanks the trustees for what they do, and hopes that Alzheimer's Resource of Alaska will be recognized during this allocation.

TRUSTEE MICHAEL asks how old his mother was when she began to have symptoms of Alzheimer's.

MR. WRIGHT replies that it was slowly coming on in the '90s, and it is now really accelerating at a much greater pace. She was around 61 when he began noticing forgetfulness and fishing for words. Now it is like having a special ed two-year old, and it is quite a challenge. He adds that he is glad that he has a group that supports him.

TRUSTEE SMITH asks if he could have additional resources for his mother, what would they look like.

MR. WRIGHT replies that it would look like more respite because of the extreme stress. He states that for his mom any kind of financial help would be great. He adds that she is on a fixed income, and it is tough because everything associated with caregiving is extremely expensive.

TRUSTEE EASLEY comments about the need for respite care, which is heard across from every beneficiary group. She appreciates hearing that the Trust is doing what it is supposed to be doing to make sure that is being provided. Thank you.

TRUSTEE MICHAEL asks if the Alzheimer's Resource Center provides respite.

MR. WRIGHT replies that they used to, and it is getting harder and harder to do the routine with his mother. He states the need to be able to take care of himself so that he can take care of her.

CHAIR WEBB asks Mr. Garber if he has a comment regarding respite.

MR. GARBER replies that it was an administrative board decision that was made on January 1, 2016, to either continue to do in-home services, which respite was a part of, or do conflict-free case management, care coordination. He states that was a difficult decision for the board. He continues that the board made the decision to provide conflict-free care coordination and then contracted with an agency here in Anchorage and in other areas of the state with other agencies to have the successful transition. He also offers to get some help with some respite services for Mr. Wright.

CHAIR WEBB thanks both and moves to the updates from the CEO and the Trust Land Office executive director. He notes that all the trustees received an e-mail from the Governor's office approving the requests made to appoint Greg Jones as interim CEO and Jeff Jessee as a program

officer within the Trust Authority. He states that those waivers were granted. He continues that a request was made to seek a permanent CEO, and the Governor, in doing so, wants consultation with the advisory boards.

MR. JESSEE states that there are about 40 people on-line for public comment and makes a public service announcement as to the rules. He reports that the big thing right now is the new federal administration and there is a lot of concern, not only about the federal level, but also how that may affect the activities in Alaska. He talks about this for a bit and states that all the issues that have been talked about pursuing in this legislative session are still alive, if not more critical. The key thing will be to encourage the Legislature to not make hasty or rash decisions in an effort to anticipate or control the Medicaid program in the way that they can control it. He adds, that is very important. He states that all are looking forward to the discussion of the advocacy agenda and legislative priorities so that meetings can be arranged with those legislators.

CHAIR WEBB thanks Mr. Jessee, and recognizes John Morrison.

MR. MORRISON introduces Aaron O'Quinn, the new real estate manager.

MR. O'QUINN states that he has been working with Katie and Amanda at the Trust Authority on some exciting projects, and looks forward to working on many more.

CHAIR WEBB welcomes Mr. O'Quinn.

MR. MORRISON states that the last time there were some interim results from the land sale. There was one outstanding parcel that went to a live auction status. The update is that parcel sold for \$270,000, which was significantly over appraised value. That brought the total sale up to \$822,000, which is about 31 percent over appraised value. He begins his presentation with some examples of the outreach efforts undertaken since the last meeting in Petersburg, Saxman, and Ketchikan. He continues that with the help of the PR firm, great lengths were made both in print media, as well as radio and on-line, to invite as many people as were interested to come engage in discussion about the ongoing land exchange and activities surrounding the land exchange. There was fairly good participation with good discussion, with representatives from each side of the issue that expressed their support and/or concerns. He moves to change at the federal level that is being anticipated at the TLO in terms of some of the opportunities that might be provided for some of the resource development and some of the support that would be received there. Specific to the land exchange and the legislation, he states that there are strong indications for a successful passage of the language in the lame-duck session, and we continue to work with the Senators' offices and the congressional delegation to make sure that it comes to fruition. He continues that great strides have been made in coming to terms on the issues outstanding with the Yosemite Drive process. He moves on to the vials which are the samples taken this past summer; about 8,000 pounds of concentrated samples were taken from over 100 sample sites. They made their way to Virginia and the Global Mineral Sands Lab, and they were successfully tested in methods of separation. He explains this in greater detail, and states that the news coming from this effort is excellent. He concludes his report.

CHAIR WEBB calls a five-minute break, after which, comments will be taken from the public.

(Break.)

## **PUBLIC COMMENT**

CHAIR WEBB begins with the protocols and purposes of the public comment period which allows individuals to inform and advise the Board of Trustees about issues, problems or concerns. He states that this is not a hearing, and individuals are invited to speak for up to three minutes. He recognizes Bill Herman.

MR. HERMAN states that he is a former 20-year employee at the Trust and is retired. He continues that after reading the minutes of the October 26<sup>th</sup> meeting, he is fearful of the Trust's future. First, by statute, the Trust Authority must use resources to improve the lives of beneficiaries in perpetuity and within State law. Land development is only a tool. It seems that now the primary goal is producing money without real direction. The trustees have migrated to an organizational structure that is a two-headed dragon with unclear goals, unclear leadership, unclear accountability, and frequent conflict. This inappropriately pulls trustees into day-to-day decision-making, causing further conflict. No. 2, abrupt decisions, accusations of closed meetings, a quick CEO resignation, an interim CEO who knows very little about beneficiaries, frequent 4-3 votes all seem to further confirm his suspicions that some trustees have lost their way as described in No. 1. He adds that the actions of the narrow 4-3 majority may also put the Trust in violation of Alaska statutes and regulations. No. 3, the board of trustees seems out of balance with way too many land managers and developers, and insufficient programmatic expertise and interests. Some new trustees are needed. No. 4, he fears that Harry Noah's and Bruce Botelho's concerns about trustees inappropriately withholding Trust funds from the Permanent Fund are well founded. No. 5, he fears that if the Governor and the Legislature get heavily involved with audits and studies, reviewing the Trust and its future, the whole settlement could come unraveled. He adds that new statutes can be created to increase their control of the Trust and its assets, to the huge detriment of beneficiaries. He states that he has some recommendations: Slow down. There is no crisis, unless you create one. The framework is over 20 years old; be brave, listen to each other, and work towards consensus votes in open meetings. He continues, stating that they backtrack and keep their existing CEO, who has decades of success. Ask him and his staff about what is best for beneficiaries. He knows that they keep this in mind every day, but is unsure about the trustees. He suggests putting the Trust Land Office back under the tracks of the Trust Authority, and have one head of the dragon. Be open to input. Ask the four boards and the advocacy groups. Finally, he suggests getting some board training on the appropriate level of involvement of trustees in day-to-day staff work, on managing open meetings, and on good board decision-making. He thanks the Board.

CHAIR WEBB thanks Mr. Herman, and moves to on-line callers.

MS. SMITH-COOLIGE states that there are about 60 people on the phone, and recommends asking by region.

CHAIR WEBB asks if there is anyone from Ketchikan who would like to comment.



MS. CARHART states that she is Monika Carhart, and was just calling in to listen.

MS. POORE states that she is Marta Poore in Ketchikan and talks about Deer Mountain, which is a major tourist spot. She states concern on the 40-percent logging take and explains that there have already been landslides on that mountain, which is quite a steep incline. The City of Saxman is down below, with water concerns. She adds that to do logging in there would devastate not only the community mood, but also the quality of life.

CHAIR WEBB thanks Ms. Poore, and asks for comments from Petersburg.

MS. WOOD states that she is Suzanne Wood and is a co-founder of the Mitkof Highway Homeowners' Association in Petersburg, located in Southeast Alaska. With respect to the Trust P-1 timber sale, MHT 9100855, item 1, Petersburg, she offers the following public comment: For 11 years this group of 95 homeowners has actively supported the Trust Land Office not logging or selling their steep and unstable hillside parcels in Petersburg, and instead progress with the land exchange with the U.S. Forest Service. There have been nine natural landslides above the homes, Mitkof Highway and the Tyee hydroelectric utility corridor, closing the highway to through-traffic, damaging residential property and infrastructure, and disrupting residential utility service. The reason this group opposes logging behind our homes is because the slopes are already unstable, and there is no question that logging would further destabilize them, causing potentially catastrophic results. She continues that Trust logging, followed by such a tragedy here in Petersburg, would clearly put the Trust corpus at risk from litigation. At no time since the Mitkof Highway Homeowners' Association was formed in January of 2006 has it been the intent to enter into litigation against Trust logging. She states that their primary efforts in resolving the public safety concerns brought to the community by potential Trust logging have involved substantial efforts by the group, as well as the TLO. However, any Trust actions taken to begin logging after the Trust arbitrary deadline of January 15<sup>th</sup>, 2017, should Senate Bill 3006 fail, can be considered nothing less than a danger to the community and, unfortunately, will leave the MHHA no other choice than to enter litigation in defense of life and property. The MHHA requests that the Trust board vote today to, at the very least, extend the arbitrary deadline out another six months to a year so that all can work together in furtherance of a resolution to alleviate all of the concerns. She thanks all for the opportunity to comment.

CHAIR WEBB thanks Ms. Wood, and recognizes a caller from Juneau.

MR. HARTLE states that he is John Hartle from Juneau, and is speaking for two purposes: First, he is the parent of a disabled child who depends on the good work that this Trust does; secondly, he is the state president of the NAMI Alaska whose affiliates also depend on the support of this terrific Trust. He continues that the Trust was created at statehood which was flittered away and had to be reconstituted. None of us want that to happen again. He states concern on investing in an Alaskan gold mine. He adds, that is not the type of safe, long-term investments that are appropriate for a Trust. He suggests taking the opportunity to undo that decision, get an Attorney General's opinion to try to get on track for a long-term, safe investment of the Trust. He thanks the trustees for their service on this board, and the opportunity to speak.

CHAIR WEBB thanks Mr. Hartle, and recognizes a caller from the Peninsula.

MS. ELLER states that she is Eliza Eller and is on the Kenai Peninsula. She continues that she is calling as a founding member of Ionia, which has been around about 30 years. She adds that she is an individual who has recovered her life and emotional wellness using primarily simple foods, simple seasonal activities, and close peer support. She states that under Jeff Jessee's long, strong and wise leadership, the Trust has been able to seek out and recognize positive, evidence-based programs that are innovative and alternative, and has used its funds to backfill the gaps in the standard mental health systems that the Legislature did not want to fund. She adds that Mr. Jessee has understood the vision of protecting beneficiaries and creating things that work for them. She echoes Bill Herman's comments, and states that he was absolutely right on. After reading the minutes of the last board meeting, she fears that a majority of the trustees may not understand and see that vision that Mr. Jessee and his staff have so closely protected, nurtured and negotiated all these years. She begs the trustees to not throw away the Trust through politics and to the punitive measures that may come for reasons that have nothing to do with the beneficiaries. She states that as a beneficiary and a provider of mental health services and peer support, she feels that Jeff Jessee has been the best partner, and that Alaska is so lucky to have the Trust.

CHAIR WEBB thanks Ms. Eller, and recognizes Donna Mong.

MS. MONG states that she is Donna Mong, the executive director of the Alaska Peer Support Consortium. She continues that the goals she would like the trustees to focus on is how can you create this system, the Trust Authority system, to be a recovery-oriented system, and a model for the rest of the state. She adds that a recovery-oriented system is beneficiary-driven. She states, that is what the Trust asks the Division and the providers to do with their services. She asks the trustees to turn around and look at what they do and if they do that. On a personal note she states that in all the time that she has been involved in Alaska, she aspires to be the kind of leader that she sees in Jeff Jessee, in the way he pieces together the politics, the people and the money. She adds that if the right financial adviser could be found to work with Mr. Jessee, she feels that he could do this job effectively.

CHAIR WEBB thanks Ms. Mong, and moves back to a caller in Ketchikan.

MR. WEINSTEIN states that he is Bob Weinstein and speaks about Deer Mountain, which is on tomorrow's agenda. He continues that there is an alternative suggested motion which is to consider a sale rather than a timber harvest at Deer Mountain. He urges the Trust to give that consideration. He adds that there is some support from Ketchikan, as noted in the memorandum from staff. He thinks that doing that will get the public in Ketchikan behind the goal of the changed legislation as the primary goal. Secondly, it will also allow for the beginning of whatever processes need to take place regarding what the purchase process and related matters are. He suggests that, at least in the case of Deer Mountain, where controversy could be reasonably anticipated, that communication with the community and with concerned persons would have been a more positive process for all concerned. He thanks the trustees.

CHAIR WEBB thanks Mr. Weinstein, and asks for anyone in Juneau to comment.

MS. JOHNSON states that she is Deb Gazaway Johnson, and has an adult son with developmental disabilities. She continues that the State made a promise to people with disabilities and families that they could return home to their communities and live a safe and awesome quality of life. This occurred in the 1980s when a developmental center was closed. She adds that the resources under the care of the Trust are to be managed in a manner to promote independent living, lifelong learning, inclusion in the community, transportation, and a healthy beneficiary. She states concern on plans to divert funding and resources, and also that Mr. Jessee is now gone. She encourages the board to reconsider their relationship with him. She appreciates the opportunity to provide comments today, and asks the trustees to consider the needs of the beneficiaries rather than politics.

CHAIR WEBB thanks Ms. Johnson, and recognizes a commenter from Fairbanks.

MS. LORKOWSKI states that she is Teri Lorkowski and serves on the board of Fairbanks NAMI, National Alliance on Mental Illness, and asks to keep things as open and visible as possible. She continues that their consumers love the mini-grants which helps them in their quality of life. She asks that the Mental Health Trust stay strong, and to remember the consumers that they were organized to protect. She thanks the trustees.

CHAIR WEBB thanks Ms. Lorkowski, and recognizes a caller from Petersburg.

MS. KNIGHT states that she is Becky Knight and -- as the first order relative of someone who has received long-term mental health care elsewhere -- fully understands their needs and absolute support assistance of the mental health beneficiary. She continues that logging of Petersburg and Ketchikan uplands should be immediately removed from further consideration. Logging of exchange lands are equally problematic, as these are also uplands. She supports a federal buyout of all of the lands included in the proposed exchange legislation. This would result in multiple and guaranteed benefits for the public, beneficiary, and landscape. She states that the Trust Land Office is in serious need of oversight, including a compete audit and independent investigation into its operation. She adds that she did not arrive at this conclusion lightly. She continues that she has concluded, from review of the record, that AMHT had no real intent to log Petersburg and Ketchikan uplands and issued the ultimatum to move forward with the timber sales if federal legislation failed to pass. That was intended solely to create a stampede of support for controversial legislation which could only be advanced through political trickery via a congressional rider attached to unrelated must-pass legislation. She explains more fully and adds that her written comments that accompany her verbal testimony today, as well as her October 25<sup>th</sup> comments, are not included in the meeting packet. She requests that they be posted and added as an addendum to the comments today.

CHAIR WEBB thanks Ms. Knight, and recognizes Brett Glidden from Anchorage.

MS. GLIDDEN states that she is Brett Glidden, lives in Homer on the Kenai Peninsula, and is representing herself today. She continues that she is a certified chemical dependency counselor for the State of Alaska and is the parent of a beneficiary, a guardian of a beneficiary, and a beneficiary herself. She adds that it is obvious that she is a stakeholder in the decisions made by the Trust Authority. She states that when the Alaska Mental Health Board and the Advisory

Board on Alcoholism need to hold an emergency meeting to discuss events that have occurred at a Trust Authority Board of Trustees' meeting, she and many others are going to be concerned as to how the trustees are making decisions and how stakeholders are being informed of these decisions. She looks forward to a discussion concerning how to improve collaboration with consumers and partner advocates, how to better maximize the beneficiary input into the programs, and how to better educate public and policymakers on the beneficiaries' needs, and how those decisions are being made.

CHAIR WEBB thanks Ms. Glidden, and asks for the next testimony.

MS. STANFILL states that she is Brenda Stanfill from Fairbanks. She continues that she has been very honored and privileged to work with the Alaska Mental Health Trust for many years in her position as executive director of the Interior Alaska Center for Nonviolent Living. She adds that they work with many Mental Health Trust beneficiaries. She adds that she also works with them serving on the board of the Network on Domestic Violence and Sexual Assault, and recently as a Commissioner on the Alaska Criminal Justice Commission. She echoes a lot of what Bill Herman said, but is also opposed to the trustees moving away from an advocacy model of business -- that has been so strong and proven to be so effective for so many years -- toward a revenue-generating model with someone in the lead position that has more revenue on the mind than advocacy. She states that changing the leadership in such challenging times, with a heroin epidemic going on, and so many things happening with the beneficiaries, that the need is for the leadership that has been enjoyed for so many years to be continued. She adds that she will strongly oppose making the type of change that is suggested being made into a revenue model.

CHAIR WEBB thanks Ms. Stanfill, and recognizes Aaron Wolf in Anchorage.

DR. WOLF states that he has testified before the trustees a number of times representing either programs or as a consultant. He also reiterates what Bill Herman has said without repeating it all. He also comments on the wonderful staff who are focused on many things, not the least of which is the welfare of all of the beneficiaries, and whatever support the trustees can give the staff is absolutely necessary. He states the need to keep to the original mission statement of the board. Sustainability is necessary, but the focus on the beneficiaries and their needs is primary. Thank you.

CHAIR WEBB thanks Dr. Wolf, and recognizes Alan Green.

MR. GREEN states that he is the executive director of CHOICES in Anchorage. He continues that he has only been in Alaska a short time, but has seen the importance and the effect the Trust has on the lives of an incredibly large number of people. He implores the trustees to remember the mission and to stick to the mission. He finds that the Trust is a very special, very unique resource that does not exist anywhere else. He also talks about the importance of the recipient voice. He thanks them for the opportunity, and is very impressed with the participation across the state.

CHAIR WEBB thanks Mr. Green, and recognizes Lizette Stiehr.

MS. STIEHR states that she is executive director for AADD, the Alaska Association on Developmental Disabilities. AADD is the voice for the providers that provide support to the beneficiaries. She talks about the incredible support the Trust has been, especially Jeff Jessee and Amanda Lofgren, who is the connection and program officer. Ms. Lofgren helped to bring Lynne Seagle to Alaska, whose TED talk is amazing. She explains that Ms. Seagle is the executive director of Hope House in Virginia, which has moved all of its beneficiaries into independent living and deep communication and connection within the community at lower cost. There is a lot of excitement with this model, and she asks the Trust to help with an IDD system assessment. She states that she just did the evaluations which 62 people filled out. Almost everyone wrote how inspiring and uplifted they were. They were given hope in a time when there is not a lot of it. She thanks the Trust and staff very much.

CHAIR WEBB thanks Ms. Stiehr, and recognizes Karen Nugen-Logan.

MS. NUGEN-LOGAN states that she is the executive director of Alaska Addiction Rehabilitation Services, otherwise known as Nugen's Ranch. She thanks the Trust for all the support given over the years, and the work with Jeff Jessee for many years. She continues that her agency was one of the agencies involved in the Weiss case and in creating the Trust, and it has a lot of history here. She states that she has some concerns, one of which is with the State and their expanding Medicaid, which is great, but unfortunately for her agency -- which is a long-term residential substance abuse treatment program -- is not able to access those funds because of the IMD exclusion. She continues that the State is not going to go after that. It is a grant-funded agency, and if grants go away there will be a loss of a very good program. She agrees with Bill Herman and others about what is going on and invites the trustees to come to Point MacKenzie and see the beautiful new agency that the Trust helped build. It was Trust money that helped build that agency and helped people recover.

CHAIR WEBB thanks Ms. Nugen-Logan, and recognizes Annette Alfonsi.

MS. ALFONSI states that the Criminal Justice Reform Initiative is a great direction to go and has heard great things about it and about reducing recidivism through various approaches, including education. She continues that she was a passenger in a rollover car accident and now has a mild traumatic brain injury. She became concerned about her future treatment when the only TBI specialist in town was leaving. She needed someone able to plan and organize a training, and the Brain Injury Network was planning their own training. She states that she received a small grant from the Trust and was able to record the training, and DVDs of this training means that this can be disseminated across the country. She adds that it is currently being copied and will be ready to be shared. The Trust name is listed as a sponsor on the DVD with specialists. She states that the Trust was willing to work with a patient motivated to succeed with education, and thanks all for helping it to succeed. She thanks all for the opportunity for public testimony and humbly suggests keeping the previous CEO with clear trust and buy-in from beneficiaries.

CHAIR WEBB thanks Ms. Alfonsi, and asks for anyone else that would like to testify.

MR. WALL states that he is Albert Wall and over the years has had the opportunity to work with the Trust in a couple of different capacities, and has been tremendously blessed and impressed with trustees and staff, the amount of work that they do on behalf of Alaskans, and the tremendous impact they have. He continues, stating concern on the conversation becoming more and more about money and less about the people. He comments on responsibility in leadership and what is expected of trustees. They have been entrusted with the care of the beneficiaries. He urges them to stay true to the course. He adds that many people, literally thousands of people, are counting on trustees to do the hard thing, not the easy thing, and stay the course.

CHAIR WEBB thanks Mr. Wall, and asks for any other comments.

MR. SCOTT states that he is Marvin Scott and is a lifelong resident of Ketchikan, Alaska. He has a relative that is a recipient of mental health services in Alaska and is speaking today to express his belief that the decision to proceed with the timber sales on Deer Mountain and Petersburg are not in the best interest of the beneficiaries. He continues that to proceed with the timber sales is a violation of the fiduciary mandate to make decisions in the best interest of the beneficiaries. He adds that the landslides on the slopes of Deer Mountain and Mitkof Highway are a very realistic concern, even without logging activity. He realizes that Mr. Slenkamp reports that AMHT has completed its own risk assessment, and he questions the due diligence of this assessment and states his concerns. He continues that proceeding with this timber sale is a direct violation of the Trust's fiduciary mandate to make decisions in the best interest of the beneficiaries.

CHAIR WEBB thanks Mr. Scott, and asks for anyone else who would like to comment.

MR. JESSEE states that public comment is scheduled from 4:00 to 6:00.

MR. PAGE states that since it was noticed until 6:00, and since there has been some interest in making sure that there is plenty of public comment opportunity, he suggests leaving the line open, and suggests the trustees be available for public comment.

CHAIR WEBB takes a recess pending any further interest in public comment.

(Break.)

CHAIR WEBB calls the meeting back to order, and states that there is a caller interested in commenting. He asks the caller to identify himself.

MR. SALLEE states that he is Mike Sallee. He was born and raised in Ketchikan, lived part-time and full-time on Gravina Island since 1956 when his mother started homesteading there. He states that while commercial fishing has contributed to most of his lifetime income, wood has played a substantial role, both for home heating and as a secondary source of income. He adds that he owned and operated a small sawmill, providing lumber for his own use, as well as for many other people, for over 30 years. He continues that his brother, who passed over a decade ago and was taken by Alzheimer's, worked nearly his whole life either as a logger or in some capacity closely associated with logging. He states that his primary complaints for Alaska

Mental Health Trust logging are as follows: The very best wood is exported with most of its value being realized by nonresidents. Global Manufacturing Company, that builds and sells sawmills, told him that there are over 400 of their mills in Alaska, over 100 in Southeast, and 19 in Ketchikan. There are other brands, not to mention homemade mills and a variety of chainsaw mills. To suggest there is insufficient manufacturing capacities and that wood should be exported unprocessed like mined ore is ludicrous. No. 2: The landscape is left as an industrial sacrifice zone for decades to come with no effort to even cut up and disperse the logging slash. After walking through the Health Trust Healy log lands on Gravina, it became clearly evident there was little incentive to recognize or even minimally accommodate historical uses of lands transferred to the Health Trust. No. 3: While helicopters are potent and valuable management tools, way too much valuable Health Trust timber ends up felled and left to rot in order to make the whole operation cost effective. There are no laws to assure felled trees and virtual wood from Trust lands are fully utilized. The U.S. Forest Service dictates felled sound trees must be removed down to 6 or 8 inches' top diameter. It is ironic that the Health Trust claims wanting to make wood available to shore up a wood-starved industry, yet wastes so much when its timber is logged. No. 4: There is virtually no recognition of mitigating the drivers at climate change. Instead, the issue is deflected by pointing out what other parts of the world are doing or failing to do that exacerbate climate change.

CHAIR WEBB asks Mr. Sallee to wrap up and states that he realizes that he has previously submitted written comments for which he thanks him. He adds that those are available, and asks him to summarize.

MR. SALLEE continues that the Health Trust will eventually run out of timberlands to liquidate, and its timber-centric motif will be forced to evolve. Meanwhile, it does not seem fair to taxpayers to be subject to an extortion that involves Health Trust unloading its log liquidations in exchange for more virgin ground while the public picks up the tab for the failing timber industry's externalized cost. Of the options available, he strongly supports a Federal buyout and would also probably go along with some other combination of a buyout. He is not enthusiastic about land trades.

CHAIR WEBB thanks Mr. Sallee, and recognizes Kate Burkhart.

MS. BURKHART states that she lives in Douglas, Alaska, and her comments are her own. She continues that Douglas, Alaska, is part of the City and Borough of Juneau, and there is an agenda item tomorrow about the disposition of a Trust asset in Juneau related to the property that is referred to as the Subport. She continues that Develop Juneau Now was presented as the buyer, and Trustee Smith commented that he has been in real estate in Juneau for years and had not heard of this buyer. She adds that she did a search and could not find an Alaska corporation with the name. She did find a New Mexico LLC that was created about six months ago, with no named principles. She states that the information in the packet in October and again for tomorrow does not include an intended use by the buyer. As a member of the Juneau community it felt like that the information before you did not provide enough information to determine if this was a buyer and a use that was in the best interest of the public. She states that she just wanted to raise the issue.

CHAIR WEBB thanks Ms. Burkhart, and states that there will be an opportunity for the Land Office folks to address the issues tomorrow. He asks for anyone else to comment.

MS. RIDER states that she is Mary Elizabeth Rider, lives in Anchorage, and was the third hire at the Mental Health Trust Authority a long time ago. She continues that she now has a contract with the Mental Health Trust for technical assistance to the beneficiary groups, and adds that it has been a true delight to be part of the Trust from before the settlement, through the settlement process, and then to get hired with the Trust after that. She admires and respects the work that this group does. She talks about things that have happened in Alaska because of this organization and states that the spending policy is where the Trust has made the big difference in this state. She asks the Trust to please reconsider some of the decisions that were made recently and look at what is best for the Trust and the beneficiaries. She asks that they consider rescinding their acceptance of Jeff Jessee's resignation and to find a different way forward that is a bit more thoughtful given what just happened in the last week. She thanks them and appreciates their time.

CHAIR WEBB thanks Ms. Rider, and asks for anyone else. If not, the Trust Board will stand in recess briefly until 6:00, or until there is someone else interested in commenting.

(Break.)

CHAIR WEBB brings the meeting back into session to determine if there is anyone on-line who wishes to comment. At 6:00, there being no one, he asks for a motion to recess.

TRUSTEE NORENE makes a motion to recess until tomorrow morning.

TRUSTEE MICHAEL seconds.

*There being no objection, the motion is approved.*

CHAIR WEBB thanks all for their time, patience, and willingness to wait.

(Full Board meeting recessed at 6:00 p.m.)



# **Written Public Comment**

## **(received by 11/14/16)**

**From:** Smith, Miri K (DOR)  
**To:** ["Carol/Kent Wegener"](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Petersburg Land Exchange Legislation  
**Date:** Monday, November 14, 2016 7:13:00 AM

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Hi Carol & Kent:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great day!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Carol/Kent Wegener [mailto:[wegener@aptalaska.net](mailto:wegener@aptalaska.net)]  
**Sent:** Sunday, November 13, 2016 8:41 PM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
**Subject:** Petersburg Land Exchange Legislation

We wish to thank Carlton Smith and John Morrison for their Guest Commentary that was published in the Petersburg Pilot on November 10, 2016. We have written to our three members of Congress using the addresses in that article. We are also submitting a copy of that letter to you for your consideration on this important issue. Thank you. Kent and Carol Wegener

Please support Petersburg Land Exchange Legislation.

Since 1977 we have lived at our home at 694 Mitkof Highway living below land now owned by Alaska Mental Health Trust Authority. We are certainly in favor of land exchange legislation that would allow The Trust to generate a needed source of funding and also protect homeowners below the proposed logging areas.

We have never had any problems at our residence with flooding, erosion, or slides and want to keep it that way. Additionally, State of Alaska Water Rights Certificate No. 380 was issued on a water source originating and

passing through the proposed logging area. This water source protected by State of Alaska Water Rights Certificate No. 380 and Alaska EPA regulations has provided quality drinking and domestic household use water for over 50 years. We maintain the system carefully and it takes care of us in return.

Thank you again for your consideration.

**From:** [Smith, Miri K \(DOR\)](#)  
**To:** [Norbert Chaudhary](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Save Deer Mountain  
**Date:** Sunday, November 13, 2016 4:55:00 PM

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Hi Norbert:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a good evening!

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**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Norbert Chaudhary [<mailto:saltyseadude@yahoo.com>]  
**Sent:** Sunday, November 13, 2016 9:51 AM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>; [mhtlo@aska.gov](mailto:mhtlo@aska.gov)  
**Subject:** Save Deer Mountain

Dear Board Members,

My wife and myself are strongly opposed to clear cutting or selective harvesting of timber on Deer Mountain. In the event that the land exchange legislation does NOT pass, we urge the Mental Health Trust Authority to strongly consider an outright sale of the Deer Mountain parcel.

We hike Deer Mountain regularly and have witnessed the hurricane force winds that slam the slopes of Deer Mountain repeatedly in the spring, fall and winter months. If selective harvesting were to take place on Deer Mountain holes would be opened up in the forest canopy on this steep fragile mountainside guaranteeing blow downs of other trees not harvested. This in turn which lead to more blow downs and massive slides on this steep slope ruining any chance for regrowth for hundreds of years.

Deer Mountain is not only the back drop of our city it is our very soul.  
Please take this comment into consideration at you next meeting.

Regards,  
Norbert and Diana Chaudhary

862 Forest Park Drive  
Ketchikan, AK 99901  
(907) 617-2704

**From:** [Smith, Miri K \(DOR\)](#)  
**To:** [Mike Sallee](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: AMHT's Deer Mountain logging and land exchange extortion  
**Date:** Sunday, November 13, 2016 4:54:00 PM

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Hi Mike:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a good evening!

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**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

**From:** Mike Sallee [<mailto:mikesallee@gmail.com>]  
**Sent:** Saturday, November 12, 2016 11:26 PM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
**Subject:** AMHT's Deer Mountain logging and land exchange extortion

My name is Mike Sallee. I was born and raised in Ketchikan, lived both part time and full time on Gravina Island since 1956 when my mother started homesteading there. While commercial fishing has contributed the most to my lifetime income, wood has played a substantial role, both for home heating as well as a secondary source of income. I've owned and operated a small sawmill, providing lumber for my own use as well as for many dozens of other people for over thirty years. My brother worked nearly his whole life either as a logger or in some capacity closely associated with logging.

My primary complaints with AMHT logging are:

- 1) The very best wood is exported with most its value being realized by non-residents. Mobile Manufacturing Co. that builds and sells small sawmills like mine tells me there are over 400 of their mills in Alaska, over 100 of those in SE Alaska and 19 in Ketchikan. There are other brands as well, e.g. Miteymites, Woodmizers, Lucas, and others, not to mention homemade mills and a variety of chainsaw mills. To suggest there's insufficient manufacturing capacities and therefore that wood should be shipped out unprocessed like mined ore is ludicrous.
- 2) The landscape is left as an industrial sacrifice zone for decades to come with no effort to even cut up and disperse the logging slash. After walking through

AMHT heli-logged lands on Gravina, places I'd been deer hunting for decades it became clearly evident there was little incentive to recognize or even minimally accommodate historical uses of lands transferred to AMHT.

3) While helicopters are a potent and valuable management tool, way too much valuable AMHT timber ends up felled and left to rot in order to make the whole operation cost-effective. There are evidently no laws to assure felled trees and merchantable wood from Trust lands are fully utilized. The USFS dictates felled sound trees must be removed down to six or eight inches top diameter and if something like one third of the log is sound it needs to be utilized. Even the State of Alaska's hunting regulations do not allow wanton waste of game. Dall sheep cannot be killed for their horns alone. Black bears cannot be killed for gall bladders. It's ironic AMHT claims they want to make wood available to shore up a wood-starved industry yet wastes so much when its timber is logged.

4) There's virtually no recognition of the substantial part old growth forests play in mitigating the drivers of climate change. Instead the issue is deflected by pointing out what other parts of the world, (Washington, Canada, China, Russia, etc) are doing or failing to do that exacerbate climate change, and;

6) As for Viking Lumber and their warnings of imminent closure if they can't get more old-growth logs, I'm reminded of a very similar argument by Ketchikan Pulp Co. in the 1990s. My late lifelong logger brother's response was "They can learn how to tighten their belts up just like the rest of us. Or they can get to hell out"

*If* AMHT could be held to staying away from landslide-prone ground, away from public water supplies, away from trails, and leaving the view shed no worse than other view sheds around Ketchikan that have already been selective heli-logged, I suppose some people would not have much heartburn with logging Deer Mountain.

A land exchange may take Deer Mountain and critical lands near other communities off the chopping block but does nothing to address the fact that the unsustainable logging feeding frenzies of the pulp mill era and the more recent liquidations of ANCSA timberlands usurped the easy pickings from our remote and inherently market-challenged region. Yes, we still have some very good timber here in SE Alaska. Barring some catastrophic tree die-off due to climate change there will always be room for a limited timber industry. But that industry will be something quite different from past industries that depended upon high-volume old-growth timber extractions and round log exports in order to keep even small to medium production mills in wood.

AMHT will eventually run out of timberlands to liquidate and its timber-centric motif will be forced to evolve. Meanwhile it doesn't seem very fair to taxpayers to be subject to an extortion that involves AMHT unloading its logged over liquidations in exchange for more virgin ground while the public picks up the tab for the flailing timber industry's externalized costs.

Of the options that are available I strongly suggest a federal buyout, not another

kick-the-ball-down-the-road land exchange.

Sincerely,  
Mike Sallee



**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Deborah Gideon](#)  
**Cc:** [Lawrence, Carley J. \(DOR\)](#); [Smith, Miri K \(DOR\)](#)  
**Subject:** RE: Mental Health Trust  
**Date:** Friday, November 11, 2016 12:02:56 PM

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Good afternoon Deborah-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

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**907.269-7697 (direct)**  
**907.748.7418 (cell)**  
[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Deborah Gideon [mailto:debagideon@gmail.com]  
**Sent:** Friday, November 11, 2016 11:56 AM  
**To:** Williams, Stephen F (DOR) <steve.williams@alaska.gov>  
**Subject:** Mental Health Trust

Dear Mr. Williams,

Given the recent changes in leadership and direction made by the Board of Trustees of the Mental Health Trust Authority, I have grave concerns about the direction the Trust is going in serving our beneficiaries. As a provider of mental health services to citizens of Alaska since 1988, I recognize the tremendous needs for mental health services we have in Alaska and how many people in need of services are underserved. Please do what you can not only to insure that the current level of services is provided, but to increase services to meet the needs of so many who are unserved.

Sincerely,

**Deborah A. Gideon, Ph.D.**

Clinical Neuropsychologist  
Advanced Neuropsychology of Alaska  
3820 Lake Otis Parkway, Suite 108, Anchorage, AK 99508  
Mail: P O Box 242503, Anchorage, AK 99524  
P 907-569-9000 F 907-569-0900

[www.drdgideon.com](http://www.drdgideon.com)



*Please be advised that this communication and all files attached or transmitted with it, is intended solely for the individual or entity to whom it is addressed and may contain information that is privileged, confidential or protected from disclosure under applicable law. If you are not the intended recipient, please be aware that any unauthorized review, disclosure, distribution or copying of this communication, including all files attached or transmitted with it, is strictly prohibited. If you received this transmission in error, please immediately advise me by reply e-mail or immediately notify Advanced Neuropsychology of*

*Alaska at the telephone number listed above (collect, if necessary) and delete this communication, and all files attached or transmitted with it, without retaining a copy in any form. Dr. Gideon cannot ensure the security and confidentiality of unencrypted communications transmitted by e-mail and assumes no responsibility for damages resulting from unauthorized access, disclosure, or tampering which could have occurred during transmission. Thank you.*

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Ramey Wood](#)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Smith, Miri K \(DOR\)](#)  
**Subject:** RE: Regards AMHT "open letter" & testimony accessibility  
**Date:** Friday, November 11, 2016 9:27:00 AM

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Good morning Ramey-

Thank you for taking the time to put your thoughts in writing and submitting your public comment.  
Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

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907.269-7697 (direct)  
907.748.7418 (cell)  
[www.mhtrust.org](http://www.mhtrust.org)

**From:** Ramey Wood [mailto:rameywood@gmail.com]  
**Sent:** Friday, November 11, 2016 1:02 AM  
**To:** Williams, Stephen F (DOR) <steve.williams@alaska.gov>  
**Subject:** Regards AMHT "open letter" & testimony accessibility

There needs to be more options for testimony. Period.

I *\*can\** email, but that's a lot to line out in the few days, given these days, health, etc.

There *must* be made available more time or others to record testimony of individuals ... but 'accessibility', and the dynamics of our communities, the environmental circumstances, the political climate,...

It is not fair nor really legit, to call for such input, but to leave such little time and offer so few options to participate.

Maybe, there's an idea how the Trust Authority might begin to be more response-able with it's own choice to make it's mission, and practice.

In respect, I look forward to learning of more options for all of we.

---Ramey Wood  
Fairbanks

**From:** [Williams, Stephen F \(DOR\)](#)  
**To:** [Loree Rayback](#)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Smith, Miri K \(DOR\)](#)  
**Subject:** RE: Comment on AMHT  
**Date:** Friday, November 11, 2016 9:26:34 AM

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Good morning Loree-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

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907.269-7697 (direct)

907.748.7418 (cell)

[www.mhtrust.org](http://www.mhtrust.org)

-----Original Message-----

From: Loree Rayback [[mailto:loree\\_rayback@hotmail.com](mailto:loree_rayback@hotmail.com)]

Sent: Thursday, November 10, 2016 11:32 PM

To: Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>

Subject: Comment on AMHT

Steve Williams,

I am writing you in my personal capacity as a beneficiary of the Alaska Mental Health Trust, and as the mother of a beneficiary, the daughter of a beneficiary, and as the sister of a beneficiary.

The unfortunate shenanigans the AMTH board have been going through seem motivated by a sincere wish to provide competent leadership in spite of their disunity over a collective vision of the future.

I am sure it would be best for everyone involved if we heard some suggestions from beneficiaries.

I would like the board to keep its focus on mental health. I want the board to know why the beneficiaries need them, who the beneficiaries are, and have some ideas of how to help the people who are entrusted to them. The board should be able to guide where the Trust money is spent, but surely the board members do not need to be bogged down with the specific management of lands, minerals and timber, this should be the responsibility of the Land Office. The board should be involved only on a conceptual level. For example, we must insist on sustainable practices in the management of our lands.

I do not want the board to lose sight of its mission. More money does not always improve lives. Thoughtful allocation of those resources is much more important.

Personally I would love to see the AMHT build, in or near every town and hub village in Alaska, a nature retreat, which includes a suitable community building, devoted to beneficiary use.

Sincerely,

Loree Rayback  
PO Box 4274  
Palmer, AK 99645

## Comment Sheet

If you are unable to provide comment at the November 17, 2016 Alaska Mental Health Trust Authority board of trustees meeting in Anchorage, you may use this form to write your comments now and these comments will be provided to the board at their November 17 meeting. Name and Email is required.

Janice Jackson	11-1-16	j1jackson2008@	yahoo.com
Name of Commenter	Date	Email Address	Affiliation

I oppose any logging on Deer Mt. in Ketchikan. My sister-in-law buried her daughter's ashes on Deer Mt. To my family, it is now a sacred place, in addition to being a landmark for our town.

I urge passage of land exchange legislation which in effect would prevent logging on Deer Mountain.

Sincerely, Janice Jackson, Ketchikan Ak



# Comment Sheet

If you are unable to provide comment at the November 17, 2016 Alaska Mental Health Trust Authority board of trustees meeting in Anchorage, you may use this form to write your comments now and these comments will be provided to the board at their November 17 meeting. Name and Email is required.

<i>Kathleen Yarn</i>	<i>11/1/16</i>		<i>Son is beneficiary</i>
Name of Commenter	Date	Email Address	Affiliation

1<sup>st</sup> choice: exchange land

2<sup>nd</sup> choice: helicopter log Deer Mt. (selective harvesting)

Protect against landslides. Protect water.

Disappointed logging, harvesting, will not benefit local loggers & mills. Understand Trust has a fiduciary responsibility to maximize assets for beneficiaries.

If Deer Mt is logged, the mt will look bad a couple years, then it will green up again. In 20 yrs, we will hardly be able to determine which parts have been logged. Already there are "bad" spots of the mt because some areas are too steep to grow trees, & some areas have slid away on their own.

People are part of the environment. We deserve to benefit live & work here. Beneficiaries deserve to have the Trust responsibility of the AMHT upheld.

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [REDACTED]  
**Cc:** [Jessee, Jeffrey L. \(DOR\)](#); [Morrison, John S. \(DNR\)](#); [Menefee, Wyn \(DNR\)](#); [Lawrence, Carley J. \(DOR\)](#); [Smith, Miri K. \(DOR\)](#)  
**Subject:** FW: Forest Service Land Trade  
**Date:** Friday, November 04, 2016 11:10:03 AM

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Good morning-

For your information, below is an email I received last night from Gail Sterling regarding the Land Exchange and my response to her.

Have a nice day! Steve

----- 907.269-

7697 (direct)

907.748.7418 (cell)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Williams, Stephen F (DOR)  
**Sent:** Friday, November 04, 2016 11:06 AM  
**To:** 'Sterling/Nichols' <lilpelican2003@yahoo.com>  
**Cc:** info@seacc.org  
**Subject:** RE: Forest Service Land Trade

Good morning Gail-

Thank you for taking the time to submit your comments below. I will make sure the full Board of Trustees receives them.

Have a nice day! Steve

----- 907.269-

7697 (direct)

907.748.7418 (cell)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Sterling/Nichols [<mailto:lilpelican2003@yahoo.com>]  
**Sent:** Thursday, November 03, 2016 6:48 PM  
**To:** Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
**Cc:** [info@seacc.org](mailto:info@seacc.org)  
**Subject:** Forest Service Land Trade

I see in a report by KFSK radio Petersburg, your staff was there telling residents that the land swap will prevent possible logging in their area by trading land on Prince of Wales Island to log instead. I live on Prince of Wales Island. How much more land can you and Ms. Lisa Murkowski take from the island to log?? So you push off the NIMBYs of Petersburg, (not in my back yard, in case you haven't heard the term) onto the residents of POW as if they don't count at all. I don't think that is very honorable. The article also states you make about \$700,000 a year on timber sales. Really? Does that even begin to cover your salaries and expenses? I hope you consider other options at your November meeting. Thank you for allowing me to comment.

Gail Sterling  
Port Protection, AK

# **Written Public Comment**

**(received between  
11/14/16 – 11/15/16)**



**From:** Smith, Miri K (DOR)  
**To:** ["Marta Poore"](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Deer Mountain Logging  
**Date:** Tuesday, November 15, 2016 4:33:00 PM

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Hi Marta:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great evening!

-----  
Miri K. Smith-Coolidge  
Alaska Mental Health Trust Authority  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

-----Original Message-----

From: Marta Poore [<mailto:martapoore@gmail.com>]  
Sent: Tuesday, November 15, 2016 12:47 PM  
To: Trust Land Office (DNR sponsored) <[mhtlo@alaska.gov](mailto:mhtlo@alaska.gov)>  
Subject: Deer Mountain Logging

I want to express my concern with the way AK Mental Health Trust has threatened my community with logging. This was not an attempt to garner community support but a threat to destroy Ketchikan's primary tourist icon. My concerns include the following:

I hike the trail weekly during the summer. It is heavily used by tourists as well as locals. There was a landslide on Deer Mountain within the last 5 years without logging. The steep incline makes logging dangerous for anyone living below not to mention effects on water and sewage. Liability costs in case of instability would not be worth the income from logging this site. There is talk of 40% logging. This cannot be done without a significant impact to Ketchikan.

Obviously we all support a land exchange. Equally obviously, we cannot log Deer Mountain.

Marta Poore  
POB 7801  
Ketchikan, AK 99901  
[martapoore@gmail.com](mailto:martapoore@gmail.com)

**From:** Smith, Miri K (DOR)  
**To:** ["Rep. Andy Josephson"](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Deer Mountain and Petersburg Area Tracts  
**Date:** Tuesday, November 15, 2016 4:31:00 PM

---

Hi Representative Josephson:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great evening!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

---

**From:** Rep. Andy Josephson [mailto:[Rep.Andy.Josephson@akleg.gov](mailto:Rep.Andy.Josephson@akleg.gov)]  
**Sent:** Tuesday, November 15, 2016 12:31 PM  
**To:** Trust Land Office (DNR sponsored) <[mhtlo@alaska.gov](mailto:mhtlo@alaska.gov)>  
**Subject:** Deer Mountain and Petersburg Area Tracts

Dear Trust:

I oppose your logging the above-noted areas. Strongly. I don't doubt that your enabling statutes call for aggressive capital investments. I do wonder what the impact on the mental health of southeast Alaska residents would be if you continue to promote logging in people's backyards.

I would recommend you generate revenue from a tourism-related operation.

The real question is this: at what point will authorities like yours (and the Universities) with lands in trust, take account of sustainability, and the overall quality of people's lives? I suspect, without reviewing your enabling act, that there is some discretion that you could properly utilize to change course and do something with your assets that is less destructive.

Thanks for your consideration,

Andy Josephson  
4859 Pavalof Street  
Anchorage, Alaska 99507

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Rebecca Knight](#)  
**Cc:** [Smith, Miri K \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** Re: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.  
**Date:** Tuesday, November 15, 2016 3:29:18 PM

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Good afternoon Rebecca-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

Steve Williams  
Chief Operating Officer  
Alaska Mental Health Trust  
Direct (907) 269-7697  
Cell (907) 748-7418

On Nov 15, 2016, at 4:18 PM, Rebecca Knight <[bknight15@icloud.com](mailto:bknight15@icloud.com)> wrote:

Please see the attached for the upcoming, Nov. 16-17 AMHT Board of Trustees meeting.

Please include it in the packet for the meeting.

Thank you,

Rebecca Knight

<Knight\_Cmts. to AMHT Bd. Trustees\_15Nov16.pdf>

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Mike](#)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Smith, Miri K \(DOR\)](#)  
**Subject:** Re: Comments for 11-17-2016 AMHT meeting  
**Date:** Tuesday, November 15, 2016 2:02:30 PM

---

Good afternoon Mike-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!  
Steve

Steve Williams  
Chief Operating Officer  
Alaska Mental Health Trust  
Direct (907) 269-7697  
Cell (907) 748-7418

On Nov 15, 2016, at 2:58 PM, Mike <[mstainbrookak@hotmail.com](mailto:mstainbrookak@hotmail.com)> wrote:

Hello,

Thank you for taking my comments regarding Mental Health Land near Petersburg. The AMHL adjacent to Petersburg that has been identified as a risk for landslides should Not be logged. If the land exchange does not go through gambling with public safety should NEVER be an option.

The financial goals of the Trust should never compromise the the health and safety of the public.

Thank You. Michael Stainbrook

PO 2052

Petersburg AK 99833

**From:** Smith, Miri K (DOR)  
**To:** ["Marvin Scott"](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Comments on proposed timber sale on Deer Mountain  
**Date:** Tuesday, November 15, 2016 8:49:00 AM  
**Attachments:** [image002.jpg](#)

---

Hi Marvin:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great day!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

**From:** Marvin Scott [mailto:[marvinscott@gmail.com](mailto:marvinscott@gmail.com)]  
**Sent:** Tuesday, November 15, 2016 8:47 AM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
**Subject:** Comments on proposed timber sale on Deer Mountain

**Marvin L. Scott**  
706 Bayview, Ketchikan, AK 99901 | 907.617.7091 | [marvinscott@gmail.com](mailto:marvinscott@gmail.com)

November 15<sup>th</sup> 2016

Board of Trustees  
Alaska Mental Health Trust  
Alaska Mental Health Trust Land Office  
2600 Cordova Street, Suite 100  
Anchorage, AK 99503

Dear Board of Trustees:

I'm writing you today to express my belief that your decision to proceed with timber sales on Deer Mountain and Petersburg are not in the best interest of your

beneficiaries. To proceed with these timber sales is a violation of your fiduciary mandate to make decisions in the best interest of your beneficiaries.

The Trust has a responsibility to avoid incurring risks to the corpus of the Trust. The risk I refer to is the realistic risk of a life threatening land slide that is likely occur if logging proceeds on the slopes of Deer Mountain in Ketchikan, and the slopes above the Mitkof highway in Petersburg.

I wish to present to you two probable scenarios that illustrate my point about how timber sales in these two areas are a violation of your fiduciary mandate to make decisions in the best interest of your beneficiaries.

As you should be well aware, recent landslides on logged slopes in Oso, WA killed 43 people, and resulted in out of court settlements of \$60 million dollars. When compared to the projected \$2 million profits from the Deer Mountain timber sale, this is a small profit compared to the huge liability of potential landslide risk and subsequent class action lawsuits.

The steep slopes of the proposed Deer Mountain timber sale are located directly above two residential developments of Forest Park and Saxman. In each of these areas, many more than just 43 people reside. I personally have relatives that live in both Forest Park and Saxman. I care for these family members and fear for their safety should development be allowed on the mountain slopes above them.

Local residents are well aware of the landslide potential of Deer Mountain. Only a few years ago a medium sized landslide swept down Deer Mountain near your proposed timber sale, taking out a portion of the trail and traveling hundreds of yards down the mountain side. Landslides on the slopes of Deer Mountain and the Mitkof Highway are a very realistic concern, even without selective logging activity. I realize that Mr. Slenkamp retorts that the AMHT has completed it's own risk assessment, however, I must question the due diligence of this assessment. Has a Geotechnical Survey been conducted? Even then, don't you realize that logging on steep slopes above residential developments poses a very realistic liability? No one can guarantee that landslides won't occur on a steep slope if even light selective logging occurs. The fact that trees would be taken and if a subsequent landslide happens, the AMHT is then liable. Let's further keep in mind that out of court settlements are usually far less than in court settlements. Picture a landslide destroys half of Forest Park and kills 100+ residents of Ketchikan. In court damages could exceed \$200+ million. This potential liability is not in the best interest of the AMHT beneficiaries.

The second scenario I wish to illustrate today is in regards to your own beneficiaries. I also have a close relative that is a beneficiary of Mental Health services in Alaska. Should a landslide occur killing people, and should a lawsuit seeking damages be successful, the AMHT board will have inconclusively violated your fiduciary mandate to make decisions in the best interest of your beneficiaries. At this point, you are not only liable to the people who your decisions killed, but also to your beneficiaries. A realistic scenario then, is to be presented with another class action lawsuit from your own beneficiaries this time. The lawsuit would contend that the AMHT board knew the potential of a landslide on slopes of Deer Mountain. And yet proceeded anyway.

Thus putting the beneficiaries' Corpus at risk and thus violating your fiduciary mandate to make decisions in the best interest of your beneficiaries. The potential settlement for this second class action lawsuit could reasonably meet or exceed whatever settlement that would be reached with the victims of said landslide.

In conclusion, two potential class action lawsuits and many lost lives, all for a very small profit in terms of the overall value of AMHT's Corpus. As mentioned. I have both relatives whose lives you put at risk for landslides and relatives that are beneficiaries of the AMHT. Should a landslide occur, myself and my family will be the first of many to sign on to the subsequent class action lawsuits that are likely to follow. We will seek the maximum settlement and bring full accountability to the AMHT for these shortsighted profits.

I ask you to seriously consider these scenarios. To proceed with timber sales on both Deer Mountain and above the Mitkof Highway is a direct violation of your fiduciary mandate to make decisions in the best interest of your beneficiaries.

Sincerely,



Marvin L. Scott  
Alaskan Native and lifelong resident of Ketchikan, Alaska

**Marvin L. Scott**

706 Bayview, Ketchikan, AK 99901 | 907.617.7091 | marvinscott@gmail.com

November 15<sup>th</sup> 2016

Board of Trustees  
Alaska Mental Health Trust  
Alaska Mental Health Trust Land Office  
2600 Cordova Street, Suite 100  
Anchorage, AK 99503

Dear Board of Trustees:

I'm writing you today to express my belief that your decision to proceed with timber sales on Deer Mountain and Petersburg are not in the best interest of your beneficiaries. To proceed with these timber sales is a violation of your fiduciary mandate to make decisions in the best interest of your beneficiaries.

The Trust has a responsibility to avoid incurring risks to the corpus of the Trust. The risk I refer to is the realistic risk of a life threatening land slide that is likely occur if logging proceeds on the slopes of Deer Mountain in Ketchikan, and the slopes above the Mitkof highway in Petersburg.

I wish to present to you two probable scenarios that illustrate my point about how timber sales in these two areas are a violation of your fiduciary mandate to make decisions in the best interest of your beneficiaries.

As you should be well aware, recent landslides on logged slopes in Oso, WA killed 43 people, and resulted in out of court settlements of \$60 million dollars. When compared to the projected \$2 million profits from the Deer Mountain timber sale, this is a small profit compared to the huge liability of potential landslide risk and subsequent class action lawsuits.

The steep slopes of the proposed Deer Mountain timber sale are located directly above two residential developments of Forest Park and Saxman. In each of these areas, many more than just 43 people reside. I personally have relatives that live in both Forest Park and Saxman. I care for these family members and fear for their safety should development be allowed on the mountain slopes above them.

Local residents are well aware of the landslide potential of Deer Mountain. Only a few years ago a medium sized landslide swept down Deer Mountain near your proposed timber sale, taking out a portion of the trail and traveling hundreds of yards down the mountain side. Landslides on the slopes of Deer Mountain and the Mitkof Highway are a



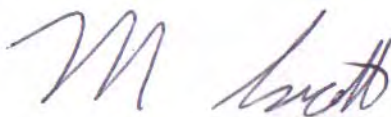
very realistic concern, even without selective logging activity. I realize that Mr. Slenkamp retorts that the AMHT has completed it's own risk assessment, however, I must question the due diligence of this assessment. Has a Geotechnical Survey been conducted? Even then, don't you realize that logging on steep slopes above residential developments poses a very realistic liability? No one can guarantee that landslides won't occur on a steep slope if even light selective logging occurs. The fact that trees would be taken and if a subsequent landslide happens, the AMHT is then liable. Let's further keep in mind that out of court settlements are usually far less than in court settlements. Picture a landslide destroys half of Forest Park and kills 100+ residents of Ketchikan. In court damages could exceed \$200+ million. This potential liability is not in the best interest of the AMHT beneficiaries.

The second scenario I wish to illustrate today is in regards to your own beneficiaries. I also have a close relative that is a beneficiary of Mental Health services in Alaska. Should a landslide occur killing people, and should a lawsuit seeking damages be successful, the AMHT board will have inconclusively violated your fiduciary mandate to make decisions in the best interest of your beneficiaries. At this point, you are not only liable to the people who your decisions killed, but also to your beneficiaries. A realistic scenario then, is to be presented with another class action lawsuit from your own beneficiaries this time. The lawsuit would contend that the AMHT board knew the potential of a landslide on slopes of Deer Mountain. And yet proceeded anyway. Thus putting the beneficiaries' Corpus at risk and thus violating your fiduciary mandate to make decisions in the best interest of your beneficiaries. The potential settlement for this second class action lawsuit could reasonably meet or exceed whatever settlement that would be reached with the victims of said landslide.

In conclusion, two potential class action lawsuits and many lost lives, all for a very small profit in terms of the overall value of AMHT's Corpus. As mentioned. I have both relatives whose lives you put at risk for landslides and relatives that are beneficiaries of the AMHT. Should a landslide occur, myself and my family will be the first of many to sign on to the subsequent class action lawsuits that are likely to follow. We will seek the maximum settlement and bring full accountability to the AMHT for these shortsighted profits.

I ask you to seriously consider these scenarios. To proceed with timber sales on both Deer Mountain and above the Mitkof Highway is a direct violation of your fiduciary mandate to make decisions in the best interest of your beneficiaries.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M Scott'.

**Marvin L. Scott**  
**Alaskan Native and Lifelong resident of Ketchikan, Alaska**

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [none none](#)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Smith, Miri K \(DOR\)](#)  
**Subject:** RE: Ketchikan mental trust lands, deer mt logging comment  
**Date:** Monday, November 14, 2016 7:20:54 PM

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Good evening Perry-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

-----  
907.269-7697 (direct)  
907.748.7418 (cell)  
[www.mhtrust.org](http://www.mhtrust.org)

-----Original Message-----

From: none none [<mailto:perryk@yahoo.com>]  
Sent: Monday, November 14, 2016 6:55 PM  
To: Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
Subject: Ketchikan mental trust lands, deer mt logging comment

Hello,

My name is Perry Klein. I grew up in Southeast Alaska, living in small communities such as Hoonah, Angoon, Cape Pole and Thorne Bay. I graduated from Ketchikan high school and went on to earn a BS in Chemistry at the University of Alaska. Then returned to live in Ketchikan. Over the years I've watched the timber industry dwindle, starting around president Bill Clintons first term. Ketchikan is slowly starving with very few quality year round jobs remaining that aren't state or federally funded. Many people feel that logging in general is obscene and damaging to the environment. Quite a few of these people don't realize they live in and around relatively young clear cuts both in the city and borough of Ketchikan, bear valley area, Karlson ford / Walmart area, Totem bight historical park, lunch creek trail and state park. I feel that the selective logging of the Deer Mt parcel is not only your right by law as the trustees but in addition it will provide needed income to locals and the city gov., how ever short lived that it might be. It's my hope that the land is logged and the newer inhabitants of town might come to realize that there is no harm in logging and it is truly a renewable resource.

Sincerely

Perry Klein

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Valerie Brooks](#)  
**Cc:** [Smith, Miri K \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** Re: Deer mtn  
**Date:** Monday, November 14, 2016 1:26:28 PM

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Good afternoon Valerie-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!  
Steve

Steve Williams  
Chief Operating Officer  
Alaska Mental Health Trust  
Direct (907) 269-7697  
Cell (907) 748-7418

On Nov 14, 2016, at 2:15 PM, Valerie Brooks <[yebrooks@icloud.com](mailto:yebrooks@icloud.com)> wrote:

The AK mental health trust risks betraying its responsibility to AK citizens by proceeding with the sale and logging of Deer Mtn.  
No dollars are worth the destruction of this pristine watershed and recreational area.  
We will raise the amount estimated to be the profit to you from this logging and buy the parcel of the trade doesn't take place.  
\$350,000 will be a small price to pay for our peace of mind and piece of old growth.  
No logging  
Sent from my iPhone

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [cheryl.kilgore@inhc.org](mailto:cheryl.kilgore@inhc.org)  
**Cc:** [Jennifer Lopez](#); [Smith, Miri K. \(DOR\)](#); [Lawrence, Carley J. \(DOR\)](#)  
**Subject:** RE: AMHTA CEO comment letter  
**Date:** Monday, November 14, 2016 1:03:08 PM

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Good afternoon Cheryl-

Thank you for taking the time to put your thoughts in writing and submitting your public comment.  
Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

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**907.269-7697 (direct)**  
**907.748.7418 (cell)**  
[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Jennifer Lopez [<mailto:Jennifer.Lopez@inhc.org>]  
**Sent:** Monday, November 14, 2016 11:44 AM  
**To:** Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
**Cc:** Cheryl D. Kilgore <[Cheryl.Kilgore@inhc.org](mailto:Cheryl.Kilgore@inhc.org)>  
**Subject:** AMHTA CEO comment letter

Dear Mr. Williams,

As ICHC is not able to attend public comment, I've attached a letter sent to Governor Walker to use in our stead.

Sincerely,  
Mrs. Lopez

**Jennifer Lopez**  
Executive Assistant  
Interior Community Health Center  
(907) 458-1559 – phone  
(907) 458-1580 – fax  
[jennifer.lopez@inhc.org](mailto:jennifer.lopez@inhc.org)



# Interior Community Health Center

*Quality primary care accessible to all*

1606 23rd Avenue  
Fairbanks, AK 99701

(907) 455-4567  
(907) 458-1580 Fax  
(907) 458-1587 TTY

Tri-Valley Community Center  
Usibelli Spur Road  
P.O. Box 246, Healy, AK 99743

(907) 683-2211  
(907) 683-2112 Fax

November 10, 2016

Governor Bill Walker  
Office of the Governor  
P.O. Box 110001  
Juneau, Alaska 99811-0001

Dear Governor Walker:

I write this letter in hopes you'll intervene with the Trustees of the Mental Health Trust Authority on behalf of those of us who serve the beneficiaries of the Mental Health Trust and, in particular, their Chief Executive Officer Jeff Jessee.

Over the last 30-plus years in working in public health and health care, I have so appreciated Jeff Jessee's advocacy and business acumen. He always keeps his clients' in mind and advances their needs while at the same time focusing on the sustainability of the Trust. He's uniquely qualified to do the job he's doing and does it well. For these reasons, and I appreciate the sensitivity of this issue, I hope you'll intervene with the Trustees so he's retained as their CEO.

Sincerely,

Cheryl Kilgore  
Chief Executive Officer

# **Written Public Comment**

**(received between  
11/15/16 – 11/16/16)**

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Christine Schut](#)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Smith, Miri K \(DOR\)](#)  
**Subject:** RE: beneficiary input  
**Date:** Wednesday, November 16, 2016 10:25:37 AM

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Good morning Christine-

Thank you for taking the time to put your thoughts in writing and submitting your public comment.  
Your email below is being forwarded to the board of trustees.

Have a nice day!

Steve

-----  
**907.269-7697 (direct)**  
**907.748.7418 (cell)**  
[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Christine Schut [mailto:cschut@ahfc.us]  
**Sent:** Wednesday, November 16, 2016 10:22 AM  
**To:** Williams, Stephen F (DOR) <steve.williams@alaska.gov>  
**Subject:** beneficiary input

Mr. Williams,

I am unable to call in for the teleconference but would like to state that as a Service Coordinator for Senior and Disabled Housing, I work with several people who are currently beneficiaries of the Trust. What troubles me is that I seem to be having a great deal of difficulty finding public access information regarding the Board of Trustees and what the focus of a 'new organization' might be. I received information from Alaska Commission on Aging, but I am not confident that the vast majority of beneficiaries would have access to this information. Without contacting a representative sample of beneficiaries, it would be impossible to judge input; especially, as it seems, the decision appears to have been made without even the knowledge of all the Trustees. It also troubles me that this new organization focus seems to be mainly on things that have not been terribly sustainable in the past and do not look to be that fruitful in the future. For example, timber harvesting has not shown itself to be a sustainable industry in Alaska and has serious environmental drawbacks. One industry that has proven to be financially viable is the healthcare industry. Perhaps investment into a facility that treats those with mental health issues, trains providers, and provides employment/job training opportunities for beneficiaries to reach a higher level of inclusion might be a more effective way to spend/invest the money in trust.

Public access and transparency with this entity needs to improve to the extent that beneficiaries have an informed voice in Alaska Mental Health Trust. If this is truly an Alaskan resource and resource driven, we must not neglect to utilize our greatest Alaskan resource; her people.  
Thank you.

Christine Schut, BSW  
ALPA/AHFC Service Coordinator  
907-460-2773

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**From:** Smith, Miri K (DOR)  
**To:** ["dh@swiftventure.com"](mailto:dh@swiftventure.com)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** Re Comment on Mental Health Trust Upcoming Nov. Meeting  
**Date:** Wednesday, November 16, 2016 9:38:00 AM  
**Attachments:** [image001.jpg](#)

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Hi Deborah:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great day!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Deborah Hayden [<mailto:dh@swiftventure.com>]  
**Sent:** Tuesday, November 15, 2016 8:58 PM  
**To:** Menefee, Wyn (DNR) <[wyn.menefee@alaska.gov](mailto:wyn.menefee@alaska.gov)>  
**Subject:** Comment on Mental Health Trust Upcoming Nov. Meeting

Dear Mr. Menefee:

Thank you for the listening session you and the Trust sponsored in Ketchikan.

This is my comment for the upcoming Mental Health Trust Meeting in which you said the Trust will reconsider its decision to start the contracting process to log Deer Mountain if the land exchange does not happen by January 15.

In the event the land exchange does not happen by January 15, I urge you and the Trust to delay the logging contracting process until May 2017. A few more months will give the legislative process time to work out. I realize that the Trust has been going through this onerous and frustrating engagement with the federal government for over 10 years. A few more months on top of 10 years will not be a huge percentage extension of time. Those few months will, however, give enough time to learn the tenor of the new administration toward forest management in general.

So far, the messages that have been coming from the new administration have been oriented

toward more resource development. This may be favorable for an expedited land exchange. Waiting a little longer will give time to find out the new policies and actions relating to forest and land management.

If the new administration moves toward more active use of forest resources, it may allow more timber harvest in the Tongass National Forest and operations such as Alcan Forest Products and Viking lumber will not have to close for lack of supply. The urgency to log before the loggers disappear will diminish. Let's wait and see what happens.

Thank you for your consideration.

Cordially,



*Deborah Hayden*, CEcD, EDFP\*

Managing Director  
Swiftcurrent Ventures, LLC  
11011 Victorson Court  
Ketchikan, AK 99901  
907 254-5300

\*Certified Economic Developer, Economic Development Finance Professional

**From:** Smith, Miri K (DOR)  
**To:** "Perry Reeve"  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Save Deer Mt!  
**Date:** Wednesday, November 16, 2016 9:27:00 AM

---

Hi Perry:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great day!

-----  
Miri K. Smith-Coolidge  
Alaska Mental Health Trust Authority  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

-----Original Message-----

From: Perry Reeve [<mailto:perryreeve@me.com>]  
Sent: Wednesday, November 16, 2016 9:16 AM  
To: Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
Subject: Save Deer Mt!

Greetings Alaska Trust Members!

Please understand, the Mental Health and well being of Ketchikanites is at stake! Deer Mt and environs is our shelter our shawl of nurturing, our Mother Nature!

I came in 1972 and chose Ketchikan as a place to raise my young, like the childrens story: Make Way for Ducklings, I knew this was the place to nest. The evergreen that surrounded the town in the mountains and the sea below, insured that there would be clean air and no sprawl. Through the years we've raised two children and they now raise their own enjoying hikes up the mountain to celebrate birthdays and also partings, to hike with friends and to say farewell to others.

Having worked at Community Connections, I took special needs children up to the first mile lookout! They found it challenging & empowering, refreshing their sense of self worth and ability to manage their lives below!

If you as deciders of our future have visited the Mt. you would have seen the landslide beyond the first mile lookout. You would know we get 12 feet of rain annually and that any disruption of our ecosystem may have profound affects on our community!

I request that the community purchase the area if a better plan isn't available. I would support our adopting a tree as well!

I just saw the Villages of England story of a few who banded together & bought a barren hill in their midst for a similar price!

Thank you!

Perry Reeve  
907-821-8028  
P.O.Box 23154  
Ketchikan,  
Alaska

Sent from my iPhone

**From:** Smith, Miri K (DOR)  
**To:** ["victoriamcdonald@hotmail.com"](mailto:victoriamcdonald@hotmail.com)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** Re: Deer Mountain  
**Date:** Wednesday, November 16, 2016 9:16:00 AM  
**Attachments:** [11, 15 AMHT letter.pdf](#)

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Hi Victoria:

Thank you for taking the time to submit your attached comments. We will make sure the full Board of Trustees receives them.

Have a great day!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

**From:** victoria mcdonald [<mailto:victoriamcdonald@hotmail.com>]  
**Sent:** Tuesday, November 15, 2016 6:56 PM  
**To:** Trust Land Office (DNR sponsored) <[mhtlo@alaska.gov](mailto:mhtlo@alaska.gov)>  
**Subject:** Deer Mountain

To Mental Health Trust:

Being one of many opposed to the logging of Deer Mountain, I will repeat many of the issues surrounding this proposal. and why I am opposed to this sale.

Negotiations over this proposal have been going on for 7 years with no immediate result. AMHT has decided that decisions must be made soon, no matter the consequences. Deer Mountain is iconic, which does not concern any of AMHT, who only want to pressure the community into accepting this ridiculous proposal.

Although I am opposed to this sale, moving the sale to another area in Southeast is not a viable answer. Our old growth forests contain massive amount of carbon, no matter where. To consider logging our forests, without regard to the value of how much carbon is absorbed and held, shows how out of touch AMHT is with overwhelming climate change. Leaving our forests intact is more reasonable than eliminating habitat. In addition, old growth forests take anywhere from 300-400 years and should not be sacrificed.

AMHT allows the trees cut to be and shipped out as export. Yet the mills that survive, such as Viking Lumber, scream about lack of timber, as they ship timber overseas. Those panicky statements are untrue. If the few people involved in the logging industry were to plan the future, mills will have plenty to cut and mill and can be sold locally instead of shipping wood from Canada and the US.

Many of the slopes for these timber sales are on steep slopes. Landslides are a common occurrence in Southeast; if Deer Mountain is logged, there will be slides with unknown consequences. But consequences be damned; AMHT will push these sales and deny that logging causes problems. And for years, the landscape is devastated, taking decades to recover.

Hopefully you will consider my comments.

Thank you for your time.

Victoria E. McDonald  
6526 Rodgers Pass  
Ketchikan, AK 99901

**From:** [Smith, Miri K \(DOR\)](#)  
**To:** [Faith Myers](#)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Williams, Stephen F \(DOR\)](#)  
**Subject:** RE: Testimony attached  
**Date:** Tuesday, November 15, 2016 8:55:00 PM  
**Attachments:** [Testimony to Trust Authority November 15 2016.docx](#)

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Hi Faith:

Thank you for taking the time to submit your attached comments. We will make sure the full Board of Trustees and Katie Baldwin receives them.

Have a great evening!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

---

**From:** Faith Myers [mailto:[faith.myers@gci.net](mailto:faith.myers@gci.net)]  
**Sent:** Tuesday, November 15, 2016 8:34 PM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
**Subject:** Testimony attached

Dear Miri Smith-Coolidge,

Attached is Testimony to the Trust Authority Board for the public comment period of your Board meeting—Would you give it to the Board members and also Katie Baldwin Johnson...we met with her today in committee. Thanks, Faith and Dorrance

Modest legislative improvements in disabled psychiatric patient rights like improving the grievance procedure law and appeal process would save lives. Forty percent or more of the individuals provided forced psychiatric treatment will be damaged by their treatment; even modest improvements in quality of patient care as an example: recognizing and treating sanctuary trauma would significantly lower that number.

Until the general public and the legislature has an understanding of the types of patient complaints in locked psychiatric institutions there will be no necessary improvements. Today there is no impartial body to pass judgment on a psychiatric patient's grievance or formal appeal, only hospital employees who at too many times have a reason to keep secrets.

Forced psychiatric evaluation and forced treatment is often a physical process. Thousands of individuals go through forced treatment or evaluation each year in Alaska. There is a real potential of a patient arriving at an acute care psychiatric unit in handcuffs, being strapped to a gurney or placed in isolation, degrading conditions that often leads to lack of self-worth. The amount of power given to the managers of private psychiatric units to detain an individual has never been matched with state laws designed to allow the individuals being detained to protect themselves from mistreatment.

When compared to other states, Alaska is very unique. The Department of Health and Social Services turns disabled psychiatric patients over to the staff of locked private psychiatric facilities with very few specific standards of care and protections. (47.30.660 (b) (13)) Two state attorneys have said there is an argument that Alaska's unique way of delegating care of disabled psychiatric patient as probably unconstitutional.

Statistically, by the time a person ends up in a locked acute care psychiatric facility, they have burned many of their bridges with family and friends. That leaves a patient's primary caregiver and protector employees of a psychiatric institution. The patient advocates work for the hospitals with no autonomy and the hospitals write the patient grievance procedure and appeal process. Ninety-eight percent of legitimate patient complaints will never leave the psychiatric hospital to be viewed by the general public or the legislature.



Individuals in Alaska with a severe mental illness are mistreated. What is not obvious to the general public or the legislature is the extent of the mistreatment. In 2005 at state-run Alaska Psychiatric Institute, the three sexual abuse allegations by patients were discounted. Fifty-four complaints of not receiving respect or dignity discounted. Multiple complaints of physical abuse discounted. Eighteen of not being safe discounted. The power of discounting patient complaints even today goes in favor of the managers of psychiatric institutions. API management in 2005 was embarrassed. API's answer: Never again let the general public look at the specific categories of patient complaints in their hospital.

There is no vaccination or preparatory lesson to prevent a person from developing a mental illness. I have an Associate's degree in Early Childhood Development, never smoked, rarely drink alcohol, but still developed a severe mental illness. Because of poor institutional treatment, I had to be treated for post-traumatic stress injury, costing hundreds of hours in treatment and thousands of dollars. The psychiatric institutions working to stabilize my mental illness with medications often valued convenience and economics above quality of care and patient rights.

A female with a severe mental illness is the most likely to be sexually or physically assaulted, or be taken advantage of. A female in an acute care psychiatric unit has a better than even chance of developing or exacerbating some form of Post-Traumatic Stress Injury. Improving rights for psychiatric patients would cut down on suicide, recidivism, assaults and PTSI. Today management of psychiatric units and their employee unions are the major roadblocks to the state making necessary improvements to psychiatric patient rights and quality of care.

Caring for disabled psychiatric patients or individuals with a dual diagnosis has become a multi-billion dollar business and "Alaska's latest gold rush." Practically every major health-care corporation wants in. In the absence of strict state standards, the decision of quality of patient care for the disabled is often decided in a boardroom 2000 miles away. The state of Alaska and the legislature should be setting the grievance and appeal rights and due process—How a patient is informed of their rights. And a dozen other quality of care issues. Acute care psychiatric patients with some evidence believe they have been sold to the lowest bidder.

Mental Health Advocates, Faith Myers/Dorrance Collins, 3240 Penland Pkwy,  
Sp. 35, Anchorage, AK. 99508 (907) 929-0532

**From:** [Smith, Miri K \(DOR\)](#)  
**To:** [Bob Weinstein](#)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Public Comment- Deer Mountain  
**Date:** Tuesday, November 15, 2016 6:48:00 PM

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Hi Bob:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great evening!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

**From:** Bob Weinstein [<mailto:bobalaska@gmail.com>]  
**Sent:** Tuesday, November 15, 2016 5:49 PM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
**Subject:** Public Comment- Deer Mountain

To Members of the Alaska Mental Health Trust Authority Board of Trustees:

With respect to Item II- K-3 Timber Sale, MHT 9100854, the Deer Mountain issue, it now appears that you have been presented with an alternative motion (or amendment) which provides for an option of a sale of the Trust's Deer Mountain interests.

I ask that you consider this as an alternative motion, with the intent that a possible sale replace, and for the time being effectively remove the possibility of, a timber harvest on Deer Mountain.

First, doing so will indicate that the Trust's main goal- one that has strong support- is the exchange legislation, and that, if for some reason it does not seem that the legislation will pass in a timeframe deemed necessary by the Trust, the option of a sale will be considered.

Second, it will allow for a timely consideration of potential processes and funding sources relative to a purchase of the Trust's issues.

If a majority of the Board does not support the motion regarding a sale as an alternative, I would then request that you adopt it as an amendment so that a possible sale is at least an option that might be considered.

Finally, I would suggest that sometime in the near future the Board review and direct a

changes in how and when impacted communities and concerned are brought into the process. The Board packet notes that the sale option is a result of hearing what the public had to say during the recent meetings in Ketchikan, Saxman, and Petersburg.

I would suggest that, in the future, the Trust and Trust Land Office engage the communities to listen to opinions and possible concerns about potential actions- especially those in which controversy and public concern can be reasonably anticipated- prior to any action being taken. In this instance, that would have meant prior to the original Resource Management Committee vote on August 11, 2016. Had such a process been in place, it seems quite possible that the Committee/Board would have taken the public concerns into account at the time the Deer Mountain and Petersburg timber harvest issues were being considered for the first time. If so, the decision- and the subsequent public reaction- might well have turned out quite differently.

Bob Weinstein

**From:** [Smith, Miri K \(DOR\)](#)  
**To:** [mtpoint@hotmail.com](mailto:mtpoint@hotmail.com)  
**Cc:** [Lawrence, Carley J \(DOR\)](#); [Williams, Stephen F \(DOR\)](#)  
**Subject:** RE: Deer Mt logging  
**Date:** Tuesday, November 15, 2016 8:52:00 PM

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Hi Kurt and Marlene:

Thank you for taking the time to submit your comments below. We will make sure the full Board of Trustees receives them.

Have a great evening!

-----  
**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

Begin forwarded message:

**From:** kurt kuehl <[mtpoint@hotmail.com](mailto:mtpoint@hotmail.com)>  
**Date:** November 15, 2016 at 3:18:49 PM HST  
**To:** "[info@mhtrust.org](mailto:info@mhtrust.org)" <[info@mhtrust.org](mailto:info@mhtrust.org)>  
**Subject:** SPAM: Deer Mt logging

Dear Alaska Mental Health Trust Board of Trustees:  
I have been a resident for almost 40 years in Ketchikan. Our town's livelihood for locals and tourists alike depends on maintaining the beauty and uniqueness of Deer Mt. As the first city, Ketchikan, and its environs, gives visitors a first impression of how we as a city and state value the natural beauty of Alaska. Deer Mt represents a tradition of beauty and recreation by locals and visitors which, with your help, can be enjoyed and shared for generations to come. Hopefully the decision you make as a trust, which may result in a land exchange, represents those values as you considered the alternatives to logging Deer Mt.

Kurt and Marlene Kuehl  
5646 S Tongass Hwy  
Ketchikan  
AK 99901

Sent from my iPad

# **Written Public Comment**

**(received between  
11/16/16 – 11/17/16)**

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [farina brown](#)  
**Cc:** [Smith, Miri K \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Public Comment  
**Date:** Thursday, November 17, 2016 7:02:37 AM

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Good morning Farina-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice afternoon!

Steve

-----

907.269-7697 (direct)

907.748.7418 (cell)

[www.mhtrust.org](http://www.mhtrust.org)

-----Original Message-----

From: farina brown [<mailto:farinabrown@hotmail.com>]

Sent: Wednesday, November 16, 2016 8:11 PM

To: Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>

Subject: Public Comment

Board of Trustees,

As the former executive director of the Alaska Mental Health Consumer Web, a peer run recovery oriented drop-in center, I am extremely concerned about the refocus of the Trust. The Trust has been a longstanding supporter of The Web, both financially and politically as an advocate for peer supports. As such, I recognize and honor the importance for any organization to think proactively about sustainability and optimization, however, staying true to the organizational mission must remain a priority.

The Alaska Mental Health Trust's primary mission is to improve the lives of beneficiaries by ensuring the availability of comprehensive mental health services. With that said, staying the course while remaining open to new ventures that do not compete with nor detract from the primary mission is always welcomed. However, exploration of unconventional approaches and economic ventures must always remain conversation in the context of the benefit to the core principles and mission of the Trust. Additionally, leadership must be equally dedicated to and in synch with the organizations mission to guarantee the original course is firmly adhered to.

Thank you for your time and attention.

Kindly,

Farina Brown

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Rebecca Knight](#)  
**Cc:** [Smith, Miri K \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.  
**Date:** Wednesday, November 16, 2016 5:07:23 PM

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Good evening Rebecca-

Thank you for taking the time to call-in and provide public comment and pointing out our oversight that your attachment was not included in the packet. We will address this and make sure the board has a copy of the attachment.

Again thanks and apologies. Have a nice evening!  
Steve

-----  
907.269-7697 (direct)  
907.748.7418 (cell)  
[www.mhtrust.org](http://www.mhtrust.org)

---

**From:** Williams, Stephen F (DOR)  
**Sent:** Tuesday, November 15, 2016 3:29 PM  
**To:** Rebecca Knight <[bknight15@icloud.com](mailto:bknight15@icloud.com)>  
**Cc:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>; Lawrence, Carley J (DOR) <[carley.lawrence@alaska.gov](mailto:carley.lawrence@alaska.gov)>  
**Subject:** Re: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.

Good afternoon Rebecca-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!  
Steve

Steve Williams  
Chief Operating Officer  
Alaska Mental Health Trust  
Direct (907) 269-7697  
Cell (907) 748-7418

On Nov 15, 2016, at 4:18 PM, Rebecca Knight <[bknight15@icloud.com](mailto:bknight15@icloud.com)> wrote:

Please see the attached for the upcoming, Nov. 16-17 AMHT Board of Trustees meeting.

Please include it in the packet for the meeting.

Thank you,

Rebecca Knight

<Knight\_Cmts. to AMHT Bd. Trustees\_15Nov16.pdf>



PO Box 1331  
Petersburg, AK 99833  
Nov. 15, 2016

Alaska Mental Health Trust  
Board of Trustees  
3745 Community Park Loop  
Anchorage, AK

Hello Trustees,

The Alaska Mental Health Trust is serious need of oversight, including a complete audit and independent investigation into its operations. I did not arrive at this conclusion lightly. Circumstances as outlined below, surrounding the issuance of AMHT's threat to log Petersburg and Ketchikan uplands lead to my conclusion. Further, due to the risky and controversial nature of AMHT's proposed Petersburg and Ketchikan timber sales, the Trust must immediately remove them from further consideration for the purpose of logging. The federal lands intended to be exchanged are equally problematic. [See attached photo].

I support a federal buyout of the all the lands included in the proposed exchange legislation. Trust officials have also said they are open to a federal buyout. It would result in multiple benefits by eliminating contentious Trust lands from the threat of logging while guaranteeing income to Trust beneficiaries. It would also prevent lands on Prince of Wales, Gravina and Revilla Islands from logging under the weak Alaska Forest Resources Practices Act which, for example, allows clearcuts of any size. Appraisals and surveying would be less expensive by roughly half, since roughly only half the lands would be involved in the buyout. Finally, it would remove the Trust's long cited reliance on an unreliable timber industry.

However, aside from the benefits of a federal buyout, a review of the record leads me to conclude that AMHT had no real intent to log these uplands when it issued its threat to "move forward"<sup>1</sup> with the timber sales. Moreover, this hollow threat was intended solely to create a stampede of support for controversial legislation which could only be advanced through political trickery—via a congressional rider attached to must-pass legislation.

Following, are just a few of the facts that lead to my conclusion regarding AMHT's intent to log:

First, in an alleged violation of the Open Meetings Act, on August 24, AMHT issued an ultimatum to log highly controversial and risky Petersburg and

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<sup>1</sup> Deer Mountain, Petersburg timber sales OK'd. Ketchikan Daily News. by Nick Bowman. 8/25/2016. <http://www.ketchikandailynews.com/premium/timber-sales-8-25>

Ketchikan uplands if federal land exchange legislation failed to pass Congress by mid-January.

Second, what the AMHT failed to disclose to the public when they issued their threat, is that they had already, nearly “finalized”<sup>2</sup> timber sale negotiations with the industry for purchase of timber associated with the proposed exchange. This is significant. They did not yet own the lands, but were apparently so confident their legislation would pass, that they had long beforehand entered into lengthy and likely, binding negotiations with the timber industry. It appears that what the AMHT was really after was a stampede of support to seal the deal for the legislation.

In fact, when asked during the recent Petersburg public meeting whether timber sale contracts exist for the exchange parcels, the executive director responded “Yes”. This answer was quickly recanted – twice – by AMHT’s resource manager who added, “No, you can’t sell something you don’t own.” His denial is flatly contradicted by his own email. That this contradiction occurred, followed with a denial raises serious questions.

To be clear, AMHT did not own the lands in question yet were actively expending Trust resources toward finalization of timber purchase agreements. However, for lands they did own (and continue to issue ultimatums to log), they have done absolutely nothing towards timber sale planning.<sup>3</sup> If they really intended to log Petersburg and Ketchikan uplands, then why haven’t they begun sale planning as they have done for land they do not own? I can only conclude that the threat has been a ruse all along.

AMHT’s needless threats have caused much upheaval and discord in our communities. Local citizens have been used by the AMHT as mere tools to advance federal legislation. It is shameful.

As explained in an op ed that appeared in Sitnews on Tuesday<sup>4</sup>, “Congress should be wary of letters supporting a land exchange, since they were solicited under false pretenses. Congress should simply buyout the forestlands, since the Trust has acknowledged it is a viable option. It is a classic win-win.”

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<sup>2</sup> AMHT email from Paul Slenkamp to industry, municipal and agency recipients. August 17, 2016. “We are in final negotiations with Viking Lumber for purchase of all timber on POW associated with this proposed exchange.” While the email was specific to a meeting on Prince of Wales Island and the timber purchase specific to Viking Lumber, located on POW, it follows that similar negotiations had been conducted with Alcan for Revilla Island timber.

<sup>3</sup> As cited repeatedly during recent public meetings in Petersburg Oct. 27 and Ketchikan Nov. 1

<sup>4</sup> AMHT Open to Federal Buyout - But Questions Linger. By Rebecca Knight. Sitnews. Nov. 15, 2016. [http://www.sitnews.us/1116Viewpoints/111516\\_rebecca+knight.html](http://www.sitnews.us/1116Viewpoints/111516_rebecca+knight.html)

Sincerely,

*Rebecca Knight*

Rebecca (Becky) Knight



Recent logging - nearly 4,000 acres - at Leask Lakes, Revilla Island by the Alaska Mental Health Trust. The Alaska Mental Health Trust Act would give AMHT an additional 8,000 acres adjacent to this for a total 12,000 acre cut.

Photo credit Rebecca Knight

Follow up Questions:

1. Are insurers of the timber industry who will log the Petersburg and Ketchikan timber aware of the risky nature of logging on these already mapped high hazard soils above and adjacent to residential and other infrastructure? Please remember the Oso, Washington situation where the State was forced to pay \$50 MM and timber companies \$10 MM in damages for violations of logging regulations on oversteepened and unstable slopes that killed 43 people.
2. Has the Trust formally withdrawn from the administrative land exchange process?
3. Please disclose the total cost to the Trust of participation in the administrative land exchange process.

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [Rebecca Knight](#)  
**Cc:** [Smith, Miri K \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.  
**Date:** Thursday, November 17, 2016 7:00:59 AM  
**Attachments:** [BK Ltr. to AMHT Resource Cmte. 102516.pdf](#)

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Good morning Becky-

Thank you resubmitting your Oct. 25<sup>th</sup> letter to the Resource Management committee for the board's consideration. Hard and electronic copies will be provided to Trustees as well they will be posted on the Trust website.

Have a nice day!

Steve

-----  
907.269-7697 (direct)

907.748.7418 (cell)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Rebecca Knight [mailto:[bknight15@icloud.com](mailto:bknight15@icloud.com)]  
**Sent:** Wednesday, November 16, 2016 10:31 PM  
**To:** Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
**Subject:** Re: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.

Hello Steve,

It is very troubling that both sets of my comments were excluded from the record and that my Oct. 25 comments were misplaced.

I converted my Oct. 25 comments to a PDF tonight, but they were submitted through your comment portal the evening of Oct. 25. Fortunately I saved a copy.

Please be sure that these are distributed to the Board tomorrow as well as posted online as an addendum. I will followup with the Board and will check the website to be certain.

Sincerely,

Becky Knight

On Nov 16, 2016, at 5:47 PM, Williams, Stephen F (DOR)  
<[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)> wrote:

Hi Becky-

I'm sorry to bother you with this, but can you please re-email me the comments you submitted on October 25<sup>th</sup>.

Much appreciated, sorry for the inconvenience.

Steve

-----  
907.269-7697 (direct)  
907.748.7418 (cell)  
[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Rebecca Knight [<mailto:bknight15@icloud.com>]  
**Sent:** Wednesday, November 16, 2016 5:20 PM  
**To:** Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
**Subject:** Re: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.

Thank you Steve,

As I requested, please do not forget my previous comments from Oct. 25 ~ 9:00 PM as well as those from yesterday.

I submitted the Oct. 25 comments through your comment portal and heard someone ask the Board during the Oct. 26 meeting whether they had seen the comments that were received that morning. I assume the comments that were referred to were mine.

Both overlooked comments should be submitted as an addendum on your website, since the public likely downloaded the comments and would naturally think they already had them. Posting as an addendum would overcome this issue.

Sincerely,

Becky Knight  
Petersburg

On Nov 16, 2016, at 5:07 PM, Williams, Stephen F (DOR)  
<[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)> wrote:

Good evening Rebecca-  
Thank you for taking the time to call-in and provide public comment and pointing out our oversight that your attachment was not included in the packet. We will address this and make sure the board has a copy of the attachment.

Again thanks and apologies. Have a nice evening!  
Steve

-----  
907.269-7697 (direct)  
907.748.7418 (cell)  
[www.mhtrust.org](http://www.mhtrust.org)

---

**From:** Williams, Stephen F (DOR)  
**Sent:** Tuesday, November 15, 2016 3:29 PM

**To:** Rebecca Knight <[bknight15@icloud.com](mailto:bknight15@icloud.com)>  
**Cc:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>; Lawrence, Carley J (DOR) <[carley.lawrence@alaska.gov](mailto:carley.lawrence@alaska.gov)>  
**Subject:** Re: Cmts. for AMHT Nov. 16-17 Board of Trustees mtg.

Good afternoon Rebecca-  
Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice day!  
Steve

Steve Williams  
Chief Operating Officer  
Alaska Mental Health Trust  
Direct (907) 269-7697  
Cell (907) 748-7418

On Nov 15, 2016, at 4:18 PM, Rebecca Knight  
<[bknight15@icloud.com](mailto:bknight15@icloud.com)> wrote:

Please see the attached for the upcoming, Nov. 16-17  
AMHT Board of Trustees meeting.

Please include it in the packet for the meeting.

Thank you,

Rebecca Knight

<Knight\_Cmts. to AMHT Bd. Trustees\_15Nov16.pdf>

Submitted 10/25/16

Hello Resource Management Committee,

Please consider the following comments during your deliberations tomorrow, 10/26/16.

A legislatively directed and financed federal buyout of all the AMHT exchange lands continues to be a fantastic way to settle the debacle AMHT has found itself in—specifically the overwhelming public opposition to logging Petersburg and Ketchikan uplands. I have also read serious concerns from Meyers Chuck, Hollis, and Nakuti, etc. residents about AMHT logging around their communities. Clearly, our Southeast Alaska neighbors have a similar stake in the potential consequences.

The administrative side of the solution (necessary mapping, valuation etc.) would simply compliment the prevailing legislative process from where the funds would be endowed. From what I read in Ketchikan media, the AMHT has indicated that they are amenable to a buyout.

A buyout would be the simplest option. Additionally, this congressional approach would be not just be a win-win, but a win all the way around. By that I mean that it would solve AMHT's problem and the problems for the communities, while avoiding unconscionable destruction of old-growth forest that otherwise would occur in the administrative trade.

With the endowment approach, only half the surveys and appraisals would be involved since only the AMHT lands would be included—not Forest Service land. It makes fiscal sense because it would cost the Trust roughly only half the estimated \$6 million cited by Trust Board Chair Russ Webb in his KDN op-ed. No NEPA costs would be incurred by the Trust.

The Petersburg Borough Assembly unanimously supported a federal buyout as a "Plan B" if the legislation fails to pass through Congress. With your support, Senator Murkowski could muster the will to pursue the buy out option.

Sincerely,

Rebecca Knight  
Petersburg



## Trust testimony

11/16/16

My name is Bill Herman, a former 20-year employee at the Trust. Since I'm retired, I guess I can speak freely now. I'm currently fearful of the Trust's future. So, mindful of my quick three minutes, here goes:

- 1) Number one: By statute the Trust Authority must use resources to improve the lives of beneficiaries in perpetuity and within state law. Land development is only a tool. Now it seems the primary goal is producing money without real direction. Trustees have migrated to an organizational structure that is a two-headed dragon with poor goals, unclear leadership, unclear accountability, and frequent conflict. This inappropriately pulls Trustees into day-to-day decision-making, causing further conflict.
- 2) Number 2: Abrupt decisions, accusations of closed meetings, a quick CEO resignation, an interim CEO who knows very little about beneficiaries, frequent 4-3 votes, etc. --all seem to further confirm my suspicions that some Trustees have lost their way as described in #1. This narrow 4-3 majority may also put the Trust in violation of Alaska Statutes and regulations.
- 3) Number 3: The Board of Trustees seems out of balance with way too many land managers and developers, and insufficient programmatic expertise and interest. We need some new Trustees.
- 4) Number 4: I fear that Harry Noah's and Bruce Botelho's concerns, about Trustees inappropriately withholding Trust funds from the Permanent Fund, are well founded.
- 5) Number 5: I also fear that if the Governor and the Legislature get heavily involved, with audits and studies reviewing the Trust and its future, the whole settlement could come unraveled. They could create new statutes to increase their control of the Trust and its assets, to the huge detriment of beneficiaries.
- 6) **I have some recommendations:**
  - a) Slow down, there is no crisis, unless you create one. The framework is over 20 years old.
  - b) Be brave. Listen to each other, work toward consensus votes, in open meetings.
  - c) Keep your existing CEO, who has decades of success. Ask him and his staff about what is best for Trust beneficiaries. I know they all keep this in mind every day. I'm unsure about Trustees however.
  - d) Put the Trust Land Office back under the Trust Authority. One head of the dragon.
  - e) Seek and respect advice from the Boards and Commissions Office, the Permanent Fund.
  - f) Be open to input. How about a dialogue with the 4 Boards and other groups? Ask them about recent Trustee actions, about the future, what's best for beneficiaries.
  - g) Finally, get some Board training: on the appropriate level of involvement of Trustees in day-to-day staff work, on managing open meetings, and on good board decision-making.

Thank you.

**From:** [Williams, Stephen F. \(DOR\)](#)  
**To:** [michael mooradian](#)  
**Cc:** [Smith, Miri K \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** RE: Public comment  
**Date:** Wednesday, November 16, 2016 2:31:31 PM

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Good afternoon Michael-

Thank you for taking the time to put your thoughts in writing and submitting your public comment. Your email below is being forwarded to the board of trustees.

Have a nice afternoon!

Steve

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907.269-7697 (direct)  
907.748.7418 (cell)  
[www.mhtrust.org](http://www.mhtrust.org)

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**From:** michael mooradian [mailto:[mooradius1@yahoo.com](mailto:mooradius1@yahoo.com)]  
**Sent:** Wednesday, November 16, 2016 2:28 PM  
**To:** Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
**Subject:** Public comment

Dear Steve,

My question for the mental health Trust is this,  
Is there going to be a temporary reduction in available funds (grants etc.) while the trust reorganizes it's funding source to include land management revenue? If yes how long is it estimated it will take to see revenue from the land management source?

Thank you,

Michael Mooradian, CDCII

**From:** Smith, Miri K (DOR)  
**To:** ["Ed Wood"; Williams, Stephen F \(DOR\)](#)  
**Subject:** RE: AMHTA BOARD MEETING - 16 NOVEMBER 2016 - PUBLIC COMMENT - Suzanne Wood, Petersburg, AK  
**Date:** Thursday, November 17, 2016 2:26:00 PM

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Hi Suzanne:

Thank you for taking the time to submit your attached comments in writing. We will make sure the full Board of Trustees receives them.

Have a great day!

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Miri K. Smith-Coolidge  
Alaska Mental Health Trust Authority  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

-----Original Message-----

From: Ed Wood [<mailto:fvtalon@icloud.com>]  
Sent: Thursday, November 17, 2016 2:10 PM  
To: Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
Cc: Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>  
Subject: AMHTA BOARD MEETING - 16 NOVEMBER 2016 - PUBLIC COMMENT - Suzanne Wood, Petersburg, AK

Dear Mr. Williams,

Attached please find my public comments presented yesterday during the AMHTA Board teleconference. Would appreciate the appropriate distribution of my public comments be made available to AMHTA trustees for their consideration for discussion-making purposes going forward.

Thank you for your consideration of my request.

Respectfully,

Suzanne Wood  
P.O. Box 383  
Petersburg, AK 99833-0383  
907-772-3480

**Alaska Mental Health Trust Authority  
Suzanne Wood - Public Comments  
16 November 2016**

My name is Suzanne Wood. I am a co-founder of the Mitkof Highway Homeowners Association in Petersburg, located in southeast Alaska.

With respect to the Trust's P-1 Timber Sale - MHT 9100855 - Item I - Petersburg, we offer the following public comments.

For 11 years, our group of 95 homeowners has actively supported the Trust Land Office not logging or selling their steep and unstable hillside parcels in Petersburg, and instead progress a land exchange with the US Forest Service.

There have now been nine natural landslides above our homes, Mitkof Highway, and the Tyee hydroelectric utility corridor, closing the highway to through traffic, damaging residential property and infrastructure, and disrupting residential utility service.

The reason our group opposes logging behind our homes is because the slopes are already unstable, and there is no question that logging would further destabilize them, causing potentially catastrophic results.

You may be familiar with the recent \$50 million out-of-court settlement in Washington State following the 2014 Oso landslide that killed 43 people. There was an additional \$10 million payout from the logging company, this being the

result of disruptive activity. Trust logging followed by such a tragedy here in Petersburg would clearly put the Trust corpus at risk from litigation.

At no time since the Mitkof Highway Homeowners Association was formed in January 2006, has it been our intent to enter into litigation against Trust logging their demonstrably unstable slopes above our homes from 3-Mile to 7-Mile along Mitkof Highway. Our primary efforts in resolving the public safety concerns brought to our community by potential Trust logging, have involved substantial efforts by our group, as well as the TLO.

However, any Trust actions taken to begin logging after the Trust's arbitrary deadline of January 15th, 2017, should Senate Bill 3006 fail, can be considered nothing less than a danger to our community, and unfortunately, will leave the MHHA no other choice than to enter into litigation in defense of life and property.

It is imperative that the Trust proceed with its land exchange efforts, even if Senate Bill 3006 fails to pass by January 15, 2017. The Trump administration along with a GOP majority in congress should be able to resolve any community land use issues especially with Senator Murkowski chairing the senate energy and natural resources committee.

We request the Trust Board vote today to, at the very least, extend the arbitrary deadline out another six months to a year so that we can all work together in furtherance of a resolution that alleviates all of our concerns.

Thank you for this opportunity to express our views.

**From:** Smith, Miri K (DOR)  
**To:** ["psgfire@hotmail.com"](mailto:psgfire@hotmail.com)  
**Cc:** [Williams, Stephen F \(DOR\)](#); [Lawrence, Carley J \(DOR\)](#)  
**Subject:** Re: Comment  
**Date:** Friday, November 18, 2016 11:57:00 AM  
**Attachments:** [Mental Health logging.docx](#)

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Hi Jerod:

Thank you for taking the time to submit your attached comments in writing. We will make sure the full Board of Trustees receives them.

Have a great day!

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**Miri K. Smith-Coolidge**  
**Alaska Mental Health Trust Authority**  
Phone: 907.334.2533  
Cell: 907.632.1836  
Fax: 907.269.7966  
Email: [miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)

[www.mhtrust.org](http://www.mhtrust.org)

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**From:** Menefee, Wyn (DNR)  
**Sent:** Friday, November 18, 2016 11:39 AM  
**To:** Smith, Miri K (DOR) <[miri.smith-coolidge@alaska.gov](mailto:miri.smith-coolidge@alaska.gov)>; Williams, Stephen F (DOR) <[steve.williams@alaska.gov](mailto:steve.williams@alaska.gov)>  
**Subject:** FW: Comment

This came it today for the Trust..

**Wyn Menefee**  
Deputy Director  
Alaska Mental Health Trust Land Office  
2600 Cordova Street, Suite 100  
Anchorage, AK 99503  
(907) 269-8753 (Direct)  
(907) 269-8905 (Fax)  
[wyn.menefee@alaska.gov](mailto:wyn.menefee@alaska.gov)  
[www.mhtrustland.org](http://www.mhtrustland.org)

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**From:** Jerod Cook [<mailto:psgfire@hotmail.com>]  
**Sent:** Friday, November 18, 2016 8:21 AM  
**To:** Menefee, Wyn (DNR) <[wyn.menefee@alaska.gov](mailto:wyn.menefee@alaska.gov)>  
**Subject:** Comment

Just my comments on the subject. Hope it helps.

Jerod Cook

To: Mental Health Trust

From: Jerod Cook (Owner Operator of Falls Creek Forest Products)

Subject: Timber harvest on Mitkof Is on Mental Health Trust land.

Dear Sir/Ma'am

I would like to comment on the issue of logging the Mental Health Trust land on Mitkof Island. I have looked this area over a bit and finally decided to give my opinion. While a large number of people have stepped forward opposed to logging of any kind in this area, because of the threat of landslides and the possibility of logging increasing the possibility of landslides there are only two families that I would consider to actually live in the danger area. The rest are simply against logging. Your land stretches over about eleven miles. About one mile of this could be considered dangerous slide area that could possibly affect some homes. The other ten miles well have very little possibility of reaching or harming any homes if it did slide.

I am fundamentally opposed to the land exchange because it takes possible land that could be purchased out of reach and puts it in the hands of the Forest Service who is not going to sell anything. Having said that, I am not opposing the land exchange because you have put so much time and energy into it already, and I would hate to see that be for nothing.

If the exchange does not happen I would recommend that the whole area that has been put into the exchange be broke up into chunks with different names and advertised separately for logging or sale. I would tell the parties that are worried about slides that you as the owner are worried about litigation if you don't log it as the hillside will no longer hold the weight of all those trees and it is only a matter of time before they come down the hill. Leave the option open to sell the hillside above these home owners to buy so they don't have to worry about it being logged. If they choose to litigate as they are threatening to do then see if you can make them litigate each separate named parcel as they get advertised. This may allow you to put some areas up for timber harvest without litigation where they will fight you on others.

If the exchange does not happen I well be writing you again in late January to try to get a timber sale harvesting regrowth near my mill. This would be a good sale to push forward because it does not have any slide potential, it does not involve old growth and it might get them used to the idea that logging is going to happen on some level.

Just some thoughts. There is a lot of good wood on that hill side and I hope you will not let the loud voices of a few people who simply don't like logging keep you from fulfilling your requirement to make money off your land.

Jerod Cook



ALASKA MENTAL HEALTH TRUST AUTHORITY

BOARD OF TRUSTEES MEETING

November 17, 2016

8:30 a.m.

Taken at:

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

**OFFICIAL MINUTES**

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Trustees present:

Russ Webb, Chair  
Mary Jane Michael  
Carlton Smith  
Laraine Derr  
Larry Norene  
Paula Easley  
Jerome Selby

Trust staff present:

Jeff Jessee  
Steve Williams  
Heidi Wailand  
Carley Lawrence  
Michael Baldwin  
Miri Smith-Coolidge  
Kevin Buckland  
Katie Baldwin-Johnson  
Amanda Lofgren  
Carrie Predeger  
Valette Keller  
Lucas Lind

Trust Land Office:

John Morrison  
Sarah Morrison  
Leann McGinnis  
Wyn Menefee

Others Participating:

Kathy Craft; Kate Burkhart; Patrick Reinhart; Denise Daniello; Donna Mong; Lisa Cauble; Brenda Moore; Charlene Tautfest; Monique Martin; Karen Forest; Heidi Wailand; Rebecca Madison; Beth Davidson; Mark Williams; Brad Whistler (via telephone); Jennifer Harrison.

## **PROCEEDINGS**

CHAIR WEBB calls the meeting to order and states that all trustees are present. He asks for any announcements. There being none, he moves to the agenda, and recognizes Ms. Lawrence.

## **JOINT ADVOCACY PRIORITIES DISCUSSION**

MS. LAWRENCE states that, instead of a presentation, there will be a collective joint advocacy priority discussion with the hope of a more interactive discussion from trustees, executive directors, and staff to help shape the joint priorities this year. She begins with a question to the three advisory boards: With Trump winning the presidency and the GOP maintaining the majority in the Senate and House, a major point of contention has been the ACA. She asks what are the potential impacts to the beneficiaries in regards to their health care and ACA. She asks Denise Daniello to begin.

MS. DANIELLO states that if the Affordable Care Act is repealed there will be some severe changes because the Medicaid program is the healthcare insurance program for millions of low-income Americans, and that will definitely have some repercussions. She states that she thinks that in Alaska and 30 other states, the concern is the implications of the repeal of the Affordable Care Act and the changes to Medicaid, as well as Medicaid expansion. If this funding is taken away, a lot of that responsibility is going to come back to the states. She continues that one of the priorities of the Trump administration is to put back a lot of the responsibilities for providing healthcare insurance to the states, and that can be done through capping the amounts. She adds that it will be interesting to see how things move forward.

MS. BURKHART continues that one of the things learned is that the people who think they know what is going to happen do not. In answering her constituents' question as to what is going to happen, the short answer is "I don't know," and the long answer is that the best predictor of future behavior is past behavior. She adds that they have looked at past behavior to figure out what might be expected. She explains this in greater detail. She states that the general theme is not just repeal, but it is repeal and replace, which will take some time, and explains this more fully. She continues that no one is mentioning the Indian Health Service improvements that could have a big impact on the State of Alaska, the people of Alaska, and many beneficiaries. Emphasizing the importance of preserving the Indian Health Care Improvement Act, whatever happens with the Affordable Care Act, is something that needs to be talked about.

MR. REINHART states that in the Medicaid block-granting issue there may be an opportunity, in terms of getting rid of the institutional bias that exists in Medicaid. He continues that Medicaid guaranteed nursing home care and some other institutional care, but does not guarantee home- and community-based services. He states that they are also concerned about ending the

executive orders related to disability employment. There have been some executive orders across all sectors of the federal government about a percentage of people with disabilities being hired. He continues, that would be something to be concerned about going away. He adds that the permitting of federal educational funding to be used for private schools will be looked at in particular as it relates to special education. He states concern on the elimination of the budget sequestered cuts for Defense only, and we might see those back in the domestic program.

MS. DANIELLO adds that from the senior community there may be changes to Medicare. This was mentioned by Representative Ryan. She talks about his plan to increase the age for Medicare from 65 to 67, and also capping the overall governmental spending for Medicare. This would increase premiums for seniors. There has also been talk about reduced funding for Medicare Part D for prescriptions. She states, that could have repercussions for the health of the senior population here in Alaska. Premiums would increase for seniors who already live on a fixed income.

MS. LAWRENCE continues with the next questions: There will be additional cuts made to programs serving beneficiaries in the proposed budget from Governor Walker and more from legislators. How do we decide which reductions to accept and which ones to fight? How do we identify cuts we can recover from and cuts that are catastrophic?

MS. BURKHART states that this has been worked on with the constituents for several years and the need to provide good advice about where to make reductions from which we can recover. She continues that we need to be on the same page on how much the system can constrict and come back. She adds that in approaching this conversation with legislators, it would be a more constructive and productive conversation to state our understanding for the need to make reductions, and work together. She explains this more fully.

MS. DANIELLO agrees, and adds the need to focus on the cost savings of home- and community-based services for people who need nursing home care. This is important to keep people healthy and able to live independently in their homes.

MS. LAWRENCE asks if the trustees have any comments on how to prioritize or which cuts to fight for.

TRUSTEE SELBY states that he would like to launch into the priorities. He proposes the Alaska Mental Health Trust Board Legislative Priorities, which are five items:

No. 1: To fund the mental health program's developmental disability programs and senior citizen programs at the 2017 level. These agencies are the backbone for critical services for many people in Alaska and must be maintained for the people of Alaska. These programs are experiencing heavy demand for services and are struggling to meet the needs of the Alaskan people at the FY17 funding level.

No. 2: Continue implementation of Medicaid reform, Senate Bill 74; continue to provide the Medicaid optional benefits; develop a support program for family caregivers who provide millions of dollars of care at no cost to the state; build flexibility into the program to deal with federal funding changes, i.e. block grants.

No. 3: Move forward on implementation of criminal justice reform, Senate Bill 91.

He asks for staff to help with the bullets here.

No. 4: Adopt an alcohol tax increase.

No. 5: Adopt revisions to Title 4.

MS. LAWRENCE states that the last PowerPoint shows the potential bills that the Trust staff and the executive directors have identified.

TRUSTEE SELBY suggests going down the list and begins with the position of not accepting any additional cuts. He also suggests going through each of the programs and figuring out what can be trimmed in order to accommodate the Legislature's need to show that they are cutting. He states that it is critical to get this summarized onto one page and to share that one page with individual legislators.

TRUSTEE MICHAEL states that she needs the data that shows how Medicaid expansion did this year and how much of the grant money got replaced by Medicaid. This will help with the justification on maintaining funding.

MR. REINHART states that there was no ground loss on the grants which were held at zero, and nothing has switched over from grant to Medicaid at this point.

MS. DANIELLO adds that there was no money lost for senior grants either. She states that it is important to keep in mind that the senior population is growing at an annual rate of about 6 percent. The population is growing faster than program capacity.

MS. BURKHART states that behavioral health grants were not so lucky. The GF for the treatment and recovery grants was reduced by several million. A key component to the Medicaid reform part for behavioral health is the Medicaid rate adjustment that is supposed to go into effect in 2017. She continues that there is some controversy because it was expected to be a retroactive adjustment, and the Division has informed providers that it may not be retroactive. She adds that the shift from GF grants to Medicaid will only work in the behavioral health system if the rates are meaningful. They have not had a meaningful rate adjustment since the '90s.

TRUSTEE SELBY states that his concept was to put the framework together today, and then he would like staff to work with these folks and Monique to refine this and make it a finished product over the next week or so, and then start getting it out to the Legislature.

CHAIR WEBB states that he likes Trustee Selby's idea in that a clear idea of what goals are wanted to be accomplished is needed. He suggests looking at the potential impacts of the cuts, see how seriously people are impacted, and look at the alignment with the laws, the Trust mission and principles, and determine where those fit in terms of what the law says must be done.

The discussion continues.

MR. REINHART asks what Mr. Jessee's role is going to be in going forward, because he was counted on for a lot of the ins, outs and intricacies of what is next.

CHAIR WEBB replies that Mr. Jessee is still here and will be working on defining his role. He is and will remain an incredible advocate.

TRUSTEE DERR states concern on Mr. Jessee going to Juneau as the Trust legislative representative as a program manager. She continues that there are a lot of new legislators just coming in and, from her perspective, a person who has been in the limelight and who has resigned as head of the organization and then coming to lobby for that organization does not seem very effective.

CHAIR WEBB shares his experience in the Legislature and states that he has far fewer concerns in that regard. He adds that in terms of making deals, the CEO is not authorized to make a deal; only the Trust is authorized.

The discussion continues.

MS. LAWRENCE clarifies, as per Trustee Selby's request of putting together the one sheet with those five main points, that the rest of the trustees had consensus on that. She states that she would like to start working on that right away and provide a draft. If there are any other major points, she would appreciate that feedback now to help the working draft.

TRUSTEE SELBY makes a motion that the Alaska Mental Health Trust Board draft 2017 Legislative Priorities -- as presented earlier with five points, which are to be defined with staff and input from the advocacy groups over the next week before being released -- be adopted, in concept.

TRUSTEE DERR seconds.

TRUSTEE EASLEY states that it is important to emphasize to the Legislature that if the services are not provided that this will result in much higher costs.

TRUSTEE MICHAEL states that she wants to make sure that whatever is selected aligns with Alaska healthcare reform.

TRUSTEE SELBY states that he meant to include the Commissioner in the folks that staff would work with before this thing is finalized. He continues that the Commissioner's office has some very critical input, and he is confident that the staff can take the framework discussed and turn it into a polished document.

CHAIR WEBB states that he is a bit uncomfortable adopting five points that he has not digested fully, but knows that some additional work needs to be done. He suggests discussing scheduling some time later for a retreat with trustees and consultation with our general counsel.

TRUSTEE DERR states that there is a motion on the floor.

TRUSTEE SMITH states that he is comfortable with discussing concepts, but would like to hear what the managers have to say.

TRUSTEE DERR states that the list is just a synthesis of these points, and those came from the managers.

MR. WILLIAMS reaffirms that the approach of this discussion is the approach that has been used historically.

A discussion ensues on specific priority lists and how they were adopted.

CHAIR WEBB calls the vote on the motion.

*There being no objection, the motion is approved.*

TRUSTEE SELBY thanks Carley and the reps from the advocacy groups for all the work put into this document.

CHAIR WEBB invites Karen Forrest, Deputy Commissioner of Health and Social Services, and Monique Martin, also representing the Department, to step forward.

DEPUTY COMMISSIONER FORREST invites any questions about what is going on in the Department. She turns it over to Ms. Martin.

MS. MARTIN states that she is a health care policy adviser at the Department of Health and Social Services. She begins that SB74 requires the Department to release an annual Medicaid reform report, which is just a report on the progress on all things in SB74. She adds that she has a copy for everyone. She states that there are 11 different elements that are considered part of the Medicaid reform program, and then there are another 15 elements that are specific measures that the Legislature wanted to hear about. She continues that the Annual Medicaid Report was finished on November 15<sup>th</sup> and transmitted to the Legislature. She moves on to the Coordinated Care Demonstration projects, and behavioral health reform are also related to Medicaid reform. She adds that the bill requires the Department release the request for proposals by December 31 of this year. The Coordinated Care Demonstration projects came about when Agnew::Beck recommended the Accountable Care Organization pilot projects and Senator Kelly, the sponsor of SB74, was looking at full risk-managed care for certain segments of the Medicaid population. The legislators decided to create a process that will allow different innovative healthcare delivery models to bubble to the surface based on the people providing services. She goes through the process in greater detail, and talks about the results. She states that the RFI summary will be released on Friday, and it will be shared with the folks at the Trust. She moves on and states that a contract was recently awarded to Milliman, a subcontractor with Agnew::Beck, on the Medicaid redesign and expansion technical assistance contract. They are helping with all the actuarial needs on SB74. Milliman will also help form all the actuarial analysis for the Behavioral Health Reform, for the Coordinated Care Demonstration projects, as well as any innovative payment models that may be developed from the Coordinated Care Demonstration

project proposals. She states that another part of SB74 calls out two work groups: Telehealth is looking at recommendations and identifying barriers to expanding Telehealth in the state, and the Quality and Cost-Effectiveness work group. She explains more fully. She talks about upcoming meetings, and states that the second webinar update on Medicaid redesign implementation is tomorrow. The public will be updated on how implementation of SB74 is going. That will be followed by the second key partner meeting. There are four webinars and four key partner meetings that Agnew::Beck is helping to facilitate. She explains and moves to the Division of Insurance. She states that a 1332 waiver allows getting around some of the requirements of the Affordable Care Act. Alaska still has to show that the same number of people are being insured, along with some other requirements. She moves to the State hiring freeze and talks about how the Commissioner worked with the Deputies to come up with a hiring proposal to the Governor. They will be able to review monthly any vacancies that have come available and be able to fill 30 positions every month. She states that the Governor is very interested in keeping updated on how that is working because the Commissioner mentioned that there are other departments that want to fall in line with that. She asks for any questions.

TRUSTEE MICHAEL asks what the thought is about the next legislation session.

MS. FORREST replies that it is a very important session, and the situation is unknown. She states that as direct services to the public are provided, those are real services that are being eliminated.

MS. MARTIN adds that, in looking closely at SB72 and the Medicaid reforms, only two would be impacted by repeal and replace of the Affordable Care Act: One is the 1915(k) option, and the other is health comm.

TRUSTEE SMITH asks how what happens on the federal level is monitored, and who is engaged for that.

MS. FORREST replies that there are a lot of partners on the federal level and very close relationships with Centers for Medicare and Medicaid Services. Those relationships are critical at a time when there is an opportunity to talk about what might be coming and what people are hearing.

MR. JESSEE states that the Legislature and the budget have been discussed, and that budget is due in about a month. He asks if anything can be told about what to expect from the Governor's budget in areas that we need to be concerned about.

MS. FORREST states appreciation for the questions, and replies that they are still in the process.

MS. MARTIN replies that Commissioner Davidson has been asked that question a couple of times and one of the things that she has referenced is that over the last two years each fiscal year the Department's budget has been reduced by about 8 percent. She continues that nothing is an easy cut in the Department of Health and Social Services.

MS. FORREST thanks the Trust for all the support provided to the Department for the services that the Department has provided over the years.

CHAIR WEBB speaks on behalf of the trustees and staff and thanks the behavioral health folks and the folks in all of the service system for all that they do. He moves on and asks Trustee Selby if he would like any further discussion on the item of the interim CEO appointment.

TRUSTEE SELBY replies yes, because there was a lot of testimony yesterday and a lot of letters.

TRUSTEE SELBY makes a motion that the Mental Health Trust Board hold the action of accepting Jeff Jessee's letter of resignation, the appointment of Greg Jones as interim CEO, and the appointment of Mr. Jessee to a program position in abeyance until the Board meets with the statutory advisory boards and statutory commission advisers and beneficiaries to obtain input into the organization and personnel issues involved.

TRUSTEE EASLEY seconds.

TRUSTEE SELBY states grave concern because some good input was heard yesterday from a number of folks, and maybe there is a need to step back, slow down a little bit. He continues that the house is not in order. There is no job description for either of these positions, and he still does not have a resume of the interim CEO, and does not know who this person is. He adds that he is not clear if John Morrison is being demoted at the Land Office by this appointment, or how does that work. He states that that has not been defined. There is a lot of work that the Board has to do to get this structured right for success, and he sees opportunities fluttering away by not getting the house in order first. He adds, that is the reason for his motion. He states that a lot of anxiety has been created which was heard in the testimony and letters yesterday.

CHAIR WEBB asks for further discussion, and recognizes Trustee Derr.

TRUSTEE DERR states that the first thing that popped in her mind was the idea that we were going to do this organizational review, and maybe a motion like this is good.

CHAIR WEBB states that a motion has been made and seconded. He calls the vote.

TRUSTEE SELBY asks for a roll- call vote.

*CHAIR WEBB calls the vote: Trustee Easley, yes; Trustee Selby, yes; Trustee Derr, yes; Trustee Smith, no; Trustee Norene, no; Trustee Michael, no; Trustee Webb, no. The motion fails.*

TRUSTEE SELBY makes a motion that the Board of Trustees designate Jeff Jessee as the legislative liaison for the upcoming legislative session on behalf of the Board of Directors.

TRUSTEE EASLEY seconds.

CHAIR WEBB asks for discussion.



TRUSTEE NORENE suggests waiting until the interim CEO works with the trustees on that issue.

TRUSTEE SELBY states that the legislative action that was just talked about is a board-driven responsibility; not a staff-driven responsibility. He thinks that the Board needs to clarify and make it clear to the folks in Juneau that Mr. Jessee is going to be representing the Board clearly and does not have someone else in between that can be mucking up the waters by issuing staff directives to the person that is supposed to be reporting directly to the Board of Directors for this coming legislative session. He states a real interest in seeing that happen. This has a potential of having a disastrous, unintended consequence when it is not clear whether the person in Juneau is really speaking for the Board. He continues that this would clarify that Mr. Jessee is going to be representing the Board of Directors' positions in Juneau during the legislative session.

CHAIR WEBB comments that, according to the bylaws, the Board does not set the duties of staff and that is left up to the CEO to do. He believes that it is appropriate, has been in the past, and would be in the future, to let the CEO determine the staff responsibilities and how they will work together to carry out the mission of the Trust.

TRUSTEE DERR states that speaks to her concern earlier of making sure that the new Legislature knows that Jeff Jessee is our representative.

TRUSTEE MICHAEL states that it is a good idea but does not think that the Board should be making that decision. She continues that the Board can have input into that decision, but that should be done with the interim CEO.

TRUSTEE SMITH points out that this does not preclude Mr. Jessee from being in that position.

TRUSTEE EASLEY states that she would like some assurance that nothing is going to change regarding the representation in Juneau, which has always been Mr. Jessee.

CHAIR WEBB states that the motion is on the floor and asks for any other comments.

TRUSTEE SELBY states that if this action does not pass, it means that the CEO has more authority over the legislative priorities than the Board does because that CEO has the ability to direct the legislative action and gets in between the Board and the person who is going to be dealing with legislative action. Legislative action is a Board function; not a staff function; not a CEO function. It is a function of the Board of Directors being represented in Juneau as we choose to be represented. He states that he is having a hard time grasping how a staff member gets to override Board interest in that fashion. He asks for a roll-call vote.

*CHAIR WEBB calls the vote: Trustee Easley, yes; Trustee Selby, yes; Trustee Derr, yes; Trustee Smith, no; Trustee Norene, no; Trustee Michael, no; Trustee Webb, no. The motion fails.*

CHAIR WEBB moves on to a nonfocus area allocation funding request regarding the Alaska eHealth Network, and recognizes Heidi Wailand.

MS. WAILAND thanks the trustees for considering this request and introduces Rebecca Madison, executive director of the Alaska eHealth Network; Beth Davison, the state health information technology coordinator for Department of Health and Social Services; Mark Williams, an Alaska eHealth Network board member from Providence Hospital, who had to leave. She begins with a quick overview on how the AeHN's board of directors launched a strategic planning process with three goals in mind: To develop a clear definition of the role of the health information exchange; to explore and prioritize opportunities for increasing value to its existing participants and future participants; and to develop the strategic plan, a plan that would give them a clear path moving forward. She thanks AeHN for inviting the Trust to be a part of that process. She states that she was brought on board to help to coordinate and lead the comprehensive mental health program planning for the Trust, and she does not think that she has been in a meeting where the importance of data and having the technology infrastructure to support the redesign and kind of new system of care that is being envisioned has not been brought up. She continues that it is clear that the health information exchange and the Alaska eHealth Network are the lynchpins of that system. She explains in detail what is going on right now that makes this an urgent need to continue to proceed with this strategic planning process and to have outside expertise to help guide it along. She states that there are organizations that have resources to start to aggressively pursue the goals associated with health information exchange. She continues that this request would help to tap into some subject-matter expertise to propel this effort, to develop a roadmap for the Alaska eHealth Network and the statewide information exchange, and to make sure there is the capacity and resources needed to be successful in this onboarding effort with 140 providers that are going to be coming on board over the next year; and also in the ability to really support provider organizations in starting to use the health information exchange. She adds that it is one thing to connect the dots and another to actually start using it and incorporating it into clinical health, and to make sure that all of the resources that might be available as we embark and continue to proceed in this journey are tapped into.

CHAIR WEBB asks for any questions.

TRUSTEE DERR states that she has a couple of concerns, one being that it has been in effect for four years.

MS. WAILAND states that the health information exchange technology platform that is being used today went live in August, 2013.

TRUSTEE DERR states concern about the board members worrying about the organization's capacity to promote the adoption of the exchange and meet the operational demands, and then they talk about developing a plan and rebuilding confidence. She continues that she is worried that confidence is being rebuilt after it has been in effect for three-plus years.

MS. WAILAND replies that in the strategic planning process a wide range of stakeholders, board members, and participants have been interviewed. One of the things that struck her in those conversations was the lack of firm knowledge about what is going on, misunderstanding and uncertainty.

CHAIR WEBB asks for any other questions or comments. There being none, he asks for a motion.

TRUSTEE MICHAEL makes a motion to approve up to \$50,000 FY17 allocation from consultative services strategic planning for a technical assistance contract to assist the Alaska eHealth Network with developing a roadmap to strengthen Alaska's health information exchange.

TRUSTEE SELBY seconds.

*There being no objection, the motion is approved.*

CHAIR WEBB calls a recess of about 15 minutes.

(Break.)

CHAIR WEBB states that the next item on the agenda is a discussion about a contract for board facilitation. He asks Nelson Page, general counsel, to come forward.

TRUSTEE DERR thinks that the next item is retention of counsel.

CHAIR WEBB states that is a moot issue, and we will leave that up to staff to determine, as necessary.

TRUSTEE DERR asks if he would explain what it was that the trustees were going to leave up to staff.

CHAIR WEBB replies that there was a matter in which our general counsel necessarily had to recuse himself from providing legal advice to the Trust. He continues that he believes that this point is a moot issue and will let the new CEO make determinations about when and whether or not there is a need for an employment law attorney and whether or not, after consultation with general counsel, a separate attorney is needed.

MR. PAGE states that is correct, he has recused himself and will not participate in legal actions that relate to your CEO. And, if he understands the Governor's determination yesterday, it means that you do not need to have someone necessarily to represent the Trust. That decision will be revisited and will depend on what the CEO wants to have done.

TRUSTEE SELBY states that it is not a moot point from his perspective, and it is unfortunate that it occurred. He continues that the whole issue begins and ends with Trustee Webb's memo to a staff member, whom you do not supervise, where you specifically directed that information be withheld from the Board. That, Mr. Chairman, is beyond the pale. It needs to never happen again. Enough said.

CHAIR WEBB states that the next item is a contract for board facilitation and training.

TRUSTEE NORENE makes a motion to facilitate a contract or create a contract for facilitative training for the board up to \$35,000, for a facilitated session on board relationships and functioning. A facilitated session with staff, if needed, and as needed, to develop a scope of work for an organizational review, training on the Ethics Act, and training on the Open Meetings Act.

TRUSTEE SMITH seconds.

TRUSTEE NORENE states the hope that this will help the trustees get back on track and think about our jobs and our duties in working together, and we learn what should be known about the Ethics Act, Open Meetings Act, so that part is out of the way, and then we could get started with the new CEO and support a reorganization plan.

TRUSTEE SMITH asks if Mr. Page could comment about the process he envisions that would involve the trustees.

MR. PAGE states appreciation for the opportunity to sit in and watch the meeting today. He continues that the trustees know his commitment to the Trust, and not to just the Trust, but to the work it does. He states that, as far as he can recall, this is as much tension as he has seen among the trustees in 21 years, and this is one of the few times that there has been a lack of clarity among the trustees as to the direction that they want to go. He adds, that is of great concern to him. He will be talking with each of the trustees, to try to get some sense as to where things are and how it got there. He continues that he would want to talk to the CEO and the Trust Land Office and others to see if they have any insight that would be useful. He states, without his weighing in on the merits of any decision that was made in terms of policy, to at least try to give some advice, some suggestions, his point of view, and hopefully facilitate a better relationship and better discussions going forward.

TRUSTEE SELBY asks if this is going to be an open meeting under the Open Meetings Act.

MR. PAGE replies that he assumes so, unless there are legal issues which would be headed under his legal contract, which is a different contract from this one. He explains that this contract is with him as an individual and not as a lawyer; sort of the way that he has been able to facilitate the budget meetings in the past.

TRUSTEE SELBY states that his only suggestion would be to bring a couple extra folks to help because there is a lot of work to be done here.

TRUSTEE DERR states that this is great, and thanks the Chair and Trustee Michael for proposing this.

MR. JESSEE states concern about the budgetary impacts of these contracts because they are starting to add up and are a concern.

CHAIR WEBB asks for any comments or questions. There being none, he calls the vote.

*There being no objection, the motion is approved.*

MR. PAGE thanks all, and states that he is looking forward to working with everybody.

CHAIR WEBB states that next on the agenda is a discussion on the issue regarding the potential need for a contract for the Trust Land Office to work on issues related to the legislative audit, if there is one.

MR. MORRISON states that a legislative audit could potentially be a burdensome issue. He continues that everybody at the TLO are all quite busy protecting assets and maximizing revenues, as our mission states, and we had talked about the possibilities of potentially identifying someone to contract with who might help if an audit came about.

CHAIR WEBB states that, if he understands correctly, it is not a matter in which any action by the board is needed; it is just an informational item. He asks if there is money and the authority within their budget to enter into such a contract, if need be.

MR. MORRISON replies that, yes, they have the authority to enter into a contract like this. But he wanted to have a discussion because the Trust does intentionally need to put some opportunity funding into this budget.

TRUSTEE SELBY states that they had an audit every year in Kodiak Island Borough, and auditors were in the conference room for a month nonstop. He continues that they might consider looking to supplement staff time, because staff knows where all the files are. It might be more effective to look at supplementing day-to-day operations of the staff if the staff is burdened. It is something to think about.

TRUSTEE EASLEY asks if he foresees the legislative auditors looking more at financial information or compliance with statutes, and if there was any guidance on that.

MR. MORRISON replies that currently there is no guidance.

TRUSTEE EASLEY asks if anyone has ever experienced a legislative audit, and if that could be talked about.

CHAIR WEBB replies yes to experience, and states that if the Legislature asks or orders an audit, there will be a process by which the scope of work will be defined -- the scope of the audit, the purpose. He continues that the auditors will come and engage the agency and discuss the process, the information needed and the timing of all that. He adds that before that discussion there is virtually no idea what the scope of the audit is and its purpose, and we are waiting until the legislative auditors are heard from. He asks Mr. Buckland if he has anything to add.

MR. BUCKLAND replies that sounded spot on. He states that it definitely ends up having an impact, depending on the actual scope that the auditor is developing in conjunction with the legislator's request.

TRUSTEE DERR asks if he thinks there will be a different strategy now that there is a different head of Legislative Council.

CHAIR WEBB replies that would be pure speculation, and he does not have a clue. He asks for any other questions or comments. There being none, he thanks Mr. Morrison and moves to the Finance Committee report.

## **FINANCE COMMITTEE REPORT**

TRUSTEE NORENE states that there are four items that require action.

TRUSTEE DERR makes a motion to approve the Finance Committee recommendation to suspend transfers of cash principal from the Trust Authority Development Act to the Alaska Permanent Fund Corporation through November 2017.

TRUSTEE MICHAEL seconds.

CHAIR WEBB asks for any objections or discussion.

TRUSTEE SELBY objects.

*With one objection, the motion is approved.*

TRUSTEE NORENE states that the next item is from the Trust Land Office in regard to Icy Cape, and he asks Mr. Morrison to continue.

MR. MORRISON states that the Icy Cape offering is a unique opportunity for the Trust to further its interests and meet its mission to protect assets and maximize revenue while following the program to target properties at their highest level of timing for highest marketable status.

A short discussion ensues.

TRUSTEE NORENE makes a motion that the Finance Committee moves for approval of the recommendation to fund the newly formed entity with principal from the Trust Authority Development Account, fund code 3320, with \$2 million. These funds do not lapse.

TRUSTEE EASLEY seconds.

*There being no objection, the motion is approved.*

TRUSTEE NORENE states that the next item for approval will be the Fairbanks Homeless and Housing Services coordinator.

TRUSTEE NORENE makes a motion that the Finance Committee recommends for a \$92,300 fiscal year '17 partnership grant with the City of Fairbanks for the Fairbanks Homeless and Housing Services coordinator.

TRUSTEE SELBY seconds.

CHAIR WEBB asks Amanda Lofgren if she has clarification for the trustees before the vote.

MS. LOFGREN states that one of the things that is included in the packet that was not part of the Finance Committee meeting was the memorandum of agreement. She continues that it is her understanding that if the trustees were to approve this today, a memorandum of agreement would be forwarded to the City Council, and then a resolution would be passed by the Council to accept that funding. Then the grant agreement would be entered into.

CHAIR WEBB states that he has some concerns about holding the City harmless and the City agreeing to hold the Trust harmless, but not agreeing to appropriate money to do so. He continues that changes to this memorandum of agreement would have to be made before he would support it. He asks if the memorandum of agreement can be separated from the award of a grant, and then work out the memorandum of agreement.

TRUSTEE NORENE amends the motion by saying "subject to."

TRUSTEE SMITH seconds.

*There being no objection, the amendment to the motion is approved.*

CHAIR WEBB asks for any objections to the amended motion.

*There being no objection, the motion is approved.*

TRUSTEE NORENE states that the Finance Committee recommends for a \$70,450 fiscal '17 partnership grant to Eastern Aleutian Tribes, Inc., for the planning and preimplementation phase or employment-based intensive outpatient treatment program.

MS. BALDWIN-JOHNSON notes that Jennifer Harrison is here today, if there are any questions about this motion.

*There being no objection, the motion is approved.*

CHAIR WEBB states that the last issue is the report on the Finance Committee actions that were approved on October 26<sup>th</sup>. No action is required by the Board; it is informational action.

TRUSTEE NORENE concludes the Finance Committee report.

## **PLANNING COMMITTEE REPORT**

CHAIR WEBB moves on to the Planning Committee report, and recognizes Mary Jane Michael.

TRUSTEE MICHAEL states that there is a summary in the packet on page 123 of the meeting on October 26<sup>th</sup> and the areas that were covered. She continues that there is one item and it is the Trust-directed dental projects. She recognizes Amanda Lofgren.

MS. LOFGREN states that she put together a memo, and Mr. Whistler will talk about the history of the dental program from the Department's perspective. She continues that dental is one of the optional services, and it is going to be really important going into the session to make sure that the Dental Association in Alaska is closely worked with. She adds that the Trust has been really invested in dental services since 2005, and we would like to protect those investments. She states that the memo outlines the mini-grant, and she goes through it. She adds that staff's recommendation is to bring this forward in the spring. She continues that Brad Whistler is an incredible resource to the Department and to the Trust. She asks him to go through the history of the dental program and where it is today.

MR. WHISTLER begins with adult dental Medicaid services, which is an optional Medicaid service, and goes through the history of the dental services in greater detail. He then moves on to more recent changes with the adult dental services, explaining as he goes along. He states the same concerns as the board of trustees in that these are optional Medicaid services, and in cutting services, optional services are eliminated.

CHAIR WEBB asks for any questions.

TRUSTEE SELBY asks Ms. Lofgren if they had a chance to go through the optional services and prioritizing them. He continues the hope that they are looking for where outside assistance might be available so some of the service could continue, even if there is a reduction of State funding.

MS. LOFGREN replies yes, there have been conversations, but we have not gone as far as prioritizing the services yet.

CHAIR WEBB thanks them for the informative presentation, and thanks Mr. Whistler for all his work over the years at the Department.

MR. WHISTLER thanks all and signs off.

TRUSTEE MICHAEL asks Mr. Baldwin for any announcements or anything else that needs to be considered. She states that there is a meeting on January 5<sup>th</sup> for the agenda, and asks if that time can be used for legislative discussions, if necessary.

MR. BALDWIN replies that the meeting is on the books and it will be prime time to have the legislative discussion along with one or two other issues that are bubbling up. He adds that things will be sorted out in the next week or two, and there may be a need for a December



meeting. He asks if folks might be available around December 15 for a possible Planning Committee meeting.

After discussion, December 12 was agreed upon.

CHAIR WEBB asks, in terms of the work that Mr. Page plans to do with the trustees, if he would be available sometime from December 4<sup>th</sup> through January 14<sup>th</sup> to work on the facilitated session and training.

After discussion, it was agreed that a Planning Committee meeting and a session with Nelson Page will take place on January 4 and 5, 2017, in Anchorage.

TRUSTEE SELBY requests, since the schedule is being discussed, to move the committee meetings that are scheduled for April 13 to April 20.

CHAIR WEBB asks staff to note that request, and to work with and to try to coordinate with all trustees' calendars.

MR. BALDWIN states that Carley Lawrence would like to give an update on some events.

MS. LAWRENCE states that they have been working for over a year with Senator Kelly's office and staff. Empowering Hope is the group on prevention of fetal alcohol spectrum disorder, and last year there was a multimedia campaign. This is the second phase of that campaign. She continues that it was recently launched and she takes this opportunity to show the campaign. There were two spots, two advertisements which will be running both on television and through social media. There are also longer vignettes of each provider talking a bit about why prevention of FASD is important to them. She adds that one of those will be shown, and she will send a link so the others can be watched at the Board's leisure.

(Videos being shown.)

MS. LAWRENCE states that those spots started running on different social media platforms this past week, and now that the election has passed, they will start running on television throughout the state.

TRUSTEE DERR comments on the good job.

TRUSTEE SMITH suggests having something in these ads for further information where people might go.

MS. LAWRENCE replies that there is a Web page dedicated on their site for the FASDE that will be populated with more information, and with a number to call for people that need services. That is indicated in the ads.

TRUSTEE MICHAEL concludes the Planning Committee report.

CHAIR WEBB states that it is time for a lunch break, and we will continue afterwards with the Resource Management Committee report.

(Lunch break.)

CHAIR WEBB calls the meeting back to order and recognizes Trustee Smith with the Resource Management Committee report.

## **RESOURCE MANAGEMENT COMMITTEE**

TRUSTEE SMITH calls the trustees to a memo on page 128 in the packet where we have four items to consider. They are the Alaska Natural Gas lease; two timber sales; Icy Cape; and the sale of the Juneau parcel owned by the Trust. He states that there are 10 or 11 motions total, and encourages the trustees to feel free in helping to make motions. He asks Mr. Morrison to start with the first motion.

MR. MORRISON states that the first item on the agenda is the Icy Cape item. He clarifies that there are six motions to be presented. Motion No. 3 will be addressed in the Finance Committee report.

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees approve the formation of an entity by the Trust Land Office for the purpose of advancing the Icy Cape Gold and Industrial Heavy Minerals project by developing, marketing, and operating the Icy Cape mineral project and forming joint ventures.

CHAIR WEBB states that it is a committee motion and does not require a second.

*There being no objection, the motion is approved.*

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees authorize the executive director of the Trust Land Office to represent the Trust's interests in the project to ensure a successful operation, including, but not limited to, modification of the project, plan, sale of mined goods, financing or other capital considerations, and developing proposed joint venture partnerships at appropriate junctures.

CHAIR WEBB recalls when this motion was brought up in committee Trustee Selby had a suggestion about joint venture partnerships at appropriate junctures.

MR. MORRISON states that was a very lengthy discussion and believes the resolution of that discussion is recommended motion No. 6

*There being no objection, the motion is approved.*

TRUSTEE SMITH states that No. 3 is completed, and moves on to motion 4.

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees delegate to the executive director of the Trust Land Office the authority to determine if it is necessary to modify or cancel these transactions.

*There being no objection, the motion is approved.*

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the leasing of the parcel known as Icy Cape to the newly formed entity for the purposes of pursuing a mine.

*There being no objection, the motion is approved.*

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the formation of joint ventures for the Icy Cape project be approved by the Alaska Mental Health Trust Authority Board of Trustees.

TRUSTEE DERR states concern, in the way this motion reads, the trustees are approving the formation of joint ventures. She continues that at that time she thought that any joint venture formation had to come back to the Trust for approval.

TRUSTEE EALSEY states that that is the intent.

TRUSTEE NORENE asks if this is just working on the wording.

TRUSTEE DERR replies yes.

TRUSTEE DERR makes a motion to amend this motion to say the Resource Management Committee recommends the formation of joint ventures for the Icy Cape project to come back to the Alaska Mental Health Trust Authority Board of Trustees.

TRUSTEE EASLEY seconds.

CHAIR WEBB asks for any objection to the amendment, and then asks for any objection to the motion.

*There being no objection, the motion is approved.*

TRUSTEE SMITH states that the next item is item A, negotiated oil and gas leases.

MR. MORRISON states that this is an opportunity to lease 19 oil-and-gas tracts on the west side of Cook Inlet for gas development; specifically, coalbed methane gas development. This is an exciting project because of its unique location and some other activity in the area. He continues that other tracts in this area have been offered for competitive lease sales and garnered no interest. He adds that in this case it was appropriate to move forward with the negotiated lease

that would generate roughly \$950,000 in bonus bids, as well as an ongoing \$950,000 lease on the tracts.

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the negotiated leasing of 19 oil-and-gas lease tracts for exploration and development of the Trust natural gas resources, as proposed.

CHAIR WEBB states that it seems a rare opportunity in the current oil-and-gas market. He continues that several years ago there was a pretty good spike in oil-and-gas leases, which subsequently dropped off. He adds that these are leases of a different nature, and this is an unexpected opportunity.

*There being no objection, the motion is approved.*

MR. MORRISON states that the next item is a proposed negotiated sale for what is known as Tract C2 of the Subport property in Juneau. He continues that this opportunity came through an unsolicited offer. The Trust owns the surrounding parcels and still has a vested interest in the nature of the development, as well as the potential successes.

TRUSTEE SMITH makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with the negotiated sale by the Trust Land Office for the disposal of a portion of Trust parcel C20499, further referred to as Lot C2, or portions thereof, at the Juneau Subport Subdivision.

TRUSTEE SELBY states that a couple of folks from Juneau testified and were concerned about the buyer on this parcel. He asks if this is in line with the best interest of the Juneau community.

MR. MORRISON replies that through the process information will be gathered to make sure that the sale is in the best interest of the Trust, which is a deciding factor for the actions.

CHAIR WEBB states that when the Trust was reconstituted and land was selected, the selection had come from land that was already surveyed, and a good portion of that land was in or around communities in Alaska, including this land on the waterfront in Juneau. There was concern stated that in determining the Trust's interest, the interests of the community will be ignored or there will be a failure to do due diligence and not know what the purpose or use of the land would be made by the buyer if it was elected to sell it.

MR. MORRISON states that this parcel is a waterfront parcel and is zoned for a particular use. There have been many attempts over the years to find what the highest and best use for this parcel would be. He explains in greater detail.

CHAIR WEBB asks for any further discussion.

*There being no objection, the motion is approved.*

TRUSTEE SMITH states that there are two more items, and three motions in total. Before proceeding he comments with regard to the two proposed timber harvests. He continues that substantial public comment was received on these two issues and there are earnest concerns about the public process. As a result, the process is being impeded today. Efforts have been initiated to inform the public by holding three community meetings, in Petersburg, Ketchikan, and Saxman.

MR. MORRISON states that the recommendation to proceed with timber sales came forward some time ago and it has gone through an extended process. Recently, there was an opportunity to host and attend public community meetings in Petersburg, Ketchikan, and Saxman that were widely attended. The intention was to initiate the process to backstop the unforeseen circumstance of not being successful in the land exchange legislation efforts and move quickly to meet the needs of industry and the best interest of the Trust in getting some of the viable timber market while there was a market. He continues that significant additional comment has been received, and the recommendation would be to give the trustees more time to consider the comments received before deciding which way to go on these issues.

TRUSTEE NORENE thinks that the prior decisions need to be reconsidered and give more time to assimilate the information. The first step would be to reconsider the prior motion.

TRUSTEE NORENE makes a motion to reconsider the previous action to conditionally approve the P-1 timber sale in Petersburg.

TRUSTEE MICHAEL seconds.

A discussion ensues.

*There being no objection, the motion is approved.*

CHAIR WEBB states that the P-1 timber sale is back before the board for consideration.

TRUSTEE NORENE states that he would happily hear a recommendation if this matter should be tabled until there is an opportunity to examine all of this information.

CHAIR WEBB states that they will reconvene in early January. There is no board meeting scheduled, but there is a plan to have committee meetings and a facilitated retreat session. The board meeting can certainly be scheduled at that time after having fully considered all of the public comments received.

TRUSTEE DERR suggests, rather than having a board meeting then, since the deadline in this motion was January 15<sup>th</sup>, it would be better to consider it at the board meeting at the end of January.

CHAIR WEBB states that is an excellent suggestion.

TRUSTEE NORENE makes a motion to delay further action on the P-1 timber sale until the regularly scheduled January board meeting.

TRUSTEE SMITH seconds.

TRUSTEE DERR requests that the record reflects that she and Trustee Norene agree.

*There being no objection, the motion is approved.*

MR. MORRISON states that the Ketchikan parcel is identical in this regard, and suggests another motion.

TRUSTEE NORENE makes a motion that the trustees reconsider the K-3 timber sale motion that was previously passed.

TRUSTEE SMITH seconds.

*There being no objection, the motion is approved.*

TRUSTEE NORENE makes a motion to bring this matter back up at the January board meeting for further review.

TRUSTEE SMITH seconds.

*There being no objection, the motion is approved.*

TRUSTEE EASLEY states interest in what is being done in Washington, and asks for an update as to how other people, besides our senator, are looking at the issue.

MR. MORRISON replies that they are getting a broad consensus of success for language to support the exchange, both from the congressional delegation, as well as the Administration. It is a very optimistic outlook, and we are working with a diverse group of interested parties and stakeholders.

TRUSTEE SMITH moves on to the recommended motion 11.

MR. MORRISON states that motion 11 was a staff attempt to address one area of concern that has been heard through the public process and the community meetings that seem to potentially address many of the concerns heard. It is an attempt to reaffirm the Trust's abilities, the intentions or issues surrounding the willingness to do a sale if it is in the best interest of the Trust. He explains this more fully. He adds that there is no specific action item to present, and we were hoping for a kind of forward-looking concurrence that if something did come, it is a good-faith effort to show the public that there is the willingness and ability to take these actions.

CHAIR WEBB states that, based on what was said, the time to consider this motion would be after all the public comments are reviewed and are ready to bring up the issue of the timber sales. He adds that no action is necessary at this point.

TRUSTEE SMITH concludes the Resource Management Committee report.

CHAIR WEBB moves to the Executive Committee report and states that it will be brief. He states that the committee met on October 3 and had a discussion in which all but Trustees Smith and Michael participated. Discussed was the request for letters of interest, the draft, and it was determined that it did not quite hit the target. Action was delayed, to be brought back for discussion here. He continues that it was determined to move forward with a facilitated session in the future in a stepwise fashion to get to where we want to be. He concludes the Executive Committee report. He moves to the last item on the agenda, which, given the previous actions, is probably not worthy of discussion at this point because there is a plan of action for the future during which the Board will spend an entire facilitated day discussing this issue.

A discussion ensues on the plan for the facilitated meeting.

TRUSTEE SMITH shares the conversations he had with three consulting firms, and states the need to understand the scope and objectives that are wanted. He states that that could be a conversation that gets clarity in January and will require comments and input from every single trustee.

TRUSTEE NORENE states that the interim CEO has a lot of experience in that arena and will help guide in that effort. He continues that he has a lot of confidence that he will be of great assistance in this matter.

TRUSTEE DERR asks what the timeline is for getting the interim CEO on board.

CHAIR WEBB replies that the documents have been submitted.

MS. KELLER states that the new-hire paperwork was sent to be filled out. It also includes all of the IRS paperwork and just the general HR things. She continues, that will all be submitted as soon as she gets them back, and his hire date will be effective as of yesterday, the date that approval from the Governor's office was received.

TRUSTEE DERR states that it would be good to provide a resume to Trustee Selby, as he requested.

CHAIR WEBB replies that he will be happy to do that.

A short discussion ensues on the facilitated meeting and giving staff direction to gather information.

TRUSTEE EASLEY requests that information be sent out to trustees as soon as it is available.

CHAIR WEBB comments on the perception of a lack of focus or a loss of focus on Trust beneficiaries. He knows this to be untrue because he has discussed with a number of trustees their own personal experiences, their own backgrounds and their reasons as to why they are on the Trust, as well as their specific knowledge of what faces Trust beneficiaries on a daily basis. He talks about his own personal history about beneficiaries, beneficiary needs, and what beneficiary lives are like. He states, on the record, that he cares about the lives of Trust beneficiaries, and lives that life and that caring every day. He adds that he knows with an absolute certainty that other members on this board have similar experiences.

TRUSTEE NORENE comments on his experiences with beneficiaries. He states that what bothers him is an identity problem of the Trust and what it is. He continues that people lose track of the fact that we are trustees of the corpus of the Trust, required to protect and grow that in order to pay for those beneficiaries. He explains this more fully.

The discussion continues.

TRUSTEE DERR states the need to go back to the guiding principles. At one point in time they would be reflected upon at the beginning of meetings, and then it was agreed to put them in every packet so that they were before us at all times. She suggests, as part of the organizational review, to go back and look at the guiding principles.

TRUSTEE SMITH shares some of his personal experiences with regard to his family and beneficiaries. He states that when you stand before the Legislature and tell them why you want to serve on this board, he did so because he believes what is being done is a good thing, and that is why he is here.

TRUSTEE EASLEY appreciates the comments and thinks everyone has experiences. She states that in looking around the room she sees people who are in their jobs, doing what they do because they care about the beneficiaries. She continues that what makes this organization so special is because we all have dealt with all kinds of situations, and we understand what being a beneficiary means. She adds that our goal is to provide for the beneficiaries and we work to improve their lives, and that cannot be done without money. We all do what we can to make it happen in the best way. Thank you.

CHAIR WEBB asks for any other comments. There being none, he asks for a motion to adjourn.

TRUSTEE NORENE makes a motion to adjourn the meeting.

TRUSTEE MICHAEL seconds.

*There being no objection, the motion is approved.*

(Alaska Mental Health Trust Authority Full Board of Trustees meeting adjourned at 2:26 p.m.)



# **Current Trust Bylaws**

1  
2  
3 ALASKA MENTAL HEALTH TRUST AUTHORITY  
4 BYLAWS

5  
6 ARTICLE I  
7 NAME

8  
9 The name of this organization is the Alaska Mental Health Trust Authority.  
10 Common usage and abbreviation may be "The Trust" or "Trust Authority."

11  
12 ARTICLE II  
13 MISSION

14  
15 Section 1. The Trust Authority acts in the best interest of the beneficiaries of The Trust. Its  
16 mission is:

17  
18 The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to  
19 improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and  
20 enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in  
21 advocacy for and planning, implementing and funding of the Comprehensive Integrated  
22 Mental Health Program; and acts as a catalyst for change.

23  
24  
25 ARTICLE III  
26 BOARD OF TRUSTEE  
27 MEMBERSHIP AND TERMS OF OFFICE

28  
29 Section 1. Trust Authority composition:

30 (a) The Trust shall be governed by its board of trustees.

31  
32 (b) The Trust Authority Board of Trustees here after referred to as the Trust Authority,  
33 consists of seven members appointed by the governor and confirmed by the  
34 legislature. The members appointed under this subsection shall be appointed based  
35 upon their ability in financial management and investment, in land management, or in  
36 services for the beneficiaries of The Trust.

37  
38 (c) A member of the board is entitled to:

- 39 1. An honorarium of \$200 each day spent at a meeting of the board, at a meeting of  
40 a subcommittee of the board, or as a representative of the board. The sliding  
41 scale will be \$50 for less than 2 hours, \$100 for 2 to 4 hours, \$150 for 4 to 6 hours  
42 and \$200 for 6 hours or more. Any conflicts will be resolved by the Executive  
43 Committee; and  
44 2. Per Diem and travel expenses are authorized for boards and commissions under  
45 AS 39.20.180.  
46

1 Section 2. Term of office, vacancies, and removal:

- 2 (a) The members of the Trust Authority serve staggered five-year terms. A member  
3 shall continue to serve until the member's successor is appointed and confirmed by  
4 the legislature.  
5  
6 (b) A vacancy occurring in the membership of the Trust Authority shall be filled within 60  
7 days by appointment of the governor for the unexpired portion of the vacated term.  
8  
9 (c) The governor may remove a member of the Trust Authority only for cause, including  
10 incompetence, neglect of duty, misconduct in office, poor attendance, or lack of  
11 contribution to the Trust Authority's work.  
12  
13 A member being removed for cause shall be given a copy of the charges and  
14 afforded an opportunity to publicly present a defense in person or by counsel upon  
15 not less than 10 days' written notice. If a member is removed for cause, the governor  
16 shall file with the lieutenant governor a complete statement of all charges made  
17 against the member and the governor's findings based on the charges, together with  
18 a complete record of the proceedings. The removal of a member for cause  
19 constitutes a final administrative order. A member seeking to appeal the governor's  
20 removal of a member for cause under this subsection shall file a notice of appeal with  
21 the superior court under AS 44.62.560.  
22  
23 (d) Except for a trustee who has served two consecutive five-year terms, a member of  
24 the Trust Authority may be reappointed. A member of the Trust Authority who has  
25 served two consecutive five-year terms is not eligible for reappointment to the Trust  
26 Authority until one year has intervened. (§ 26 ch 66 SLA 1991).  
27

28 ARTICLE IV  
29 OFFICERS AND DUTIES  
30

31 Section 1. The Trust Authority, by a majority vote of its membership, shall annually elect a  
32 Chair, Vice Chair, and Secretary/Treasurer and other officers it considers  
33 necessary from its membership.  
34  
35

36 Section 2. The officers must be elected by a majority vote at the September meeting, and  
37 their term of office shall start on October 1 and shall end on the following  
38 September 30.  
39

40 Section 3. Officers may be re-elected to the office in which they serve by vote of the  
41 membership of the Trust Authority as above.  
42

43 Section 4. In the event of the resignation, death, or removal from the Trust Authority, of the  
44 Chair, the Vice-Chair will succeed to the office of the Chair.  
45

46 Section 5. If an office of the Trust Authority becomes vacant, an election shall be held to fill  
47 the vacancy at the next regular meeting of the Trust Authority following the

vacancy. In the interim, the Chair may appoint a member to serve until the election is held.

Section 6. The duties of the officers shall be as follows:

(a) Chair

1. Call all meetings. Preside at all meetings.
2. Appoint Committees and Chairs of Committees.
3. Serve as ex-officio (voting) member of all Committees.
4. Serve as the Trust Authority's official representative during his/her term.
5. Operate and conduct the business and affairs of the Trust Authority according to the statutes, regulations, bylaws and policies adopted by the Trust Authority.
6. Approve Trust Authority meeting agenda.

(b) Vice Chair

1. Assist the Chair in the discharge of his/her duties and preside at meetings in the absence of the Chair.
2. Keep a list of actions taken by motion at each meeting and place items requiring follow-up on the agenda for the next meeting.
3. Act as the parliamentarian for the Trust Authority.
4. Perform other duties described in these Bylaws or in accordance with statutes, regulations, by-laws and policies adopted by the Trust Authority.

(c) Secretary/Treasurer

1. Sign to authenticate Trust Authority meeting minutes after Board approval for the record. Upon request, attest to the authenticity of Trust Authority by-laws, and approved motions.
2. Perform other duties assigned by the Trust Authority or the Executive Committee.

ARTICLE V  
MEETINGS

Section 1. The Trust Authority will meet at least four times each fiscal year. Committees will meet as necessary to accomplish their responsibilities.

Section 2. Special meetings of the Trust Authority may be held at such time and place as the Chair may order; or when any four Trustees request to the CEO a meeting be scheduled.

Section 3. Reasonable public notice of Trust Authority and Committee meetings shall be provided in accordance with AS 44.62.310. Meetings of the Trust Authority and its Committees are subject to the Open Meetings Act, AS 44.62.310 and 44.62.312.

Section 4. A quorum at all meetings shall consist of a simple majority of currently appointed Trust Authority members. One-half of the Trust Authority membership of a Committee constitutes a quorum at a Committee meeting for conducting and

exercising the powers of the Trust Authority, but in no event shall consist of less than two members.

Section 5. No member of the Trust Authority may designate a proxy.

Section 6. The Trust Authority will schedule at least one period for public comment during each regularly scheduled Trust Authority meeting. Prior to beginning the public comment period, the presiding officer will specify any limitation on content or topics to be addressed. She or he should read or may paraphrase the following procedural constraints:

- (a) The purpose for having public comment is to allow persons the opportunity to provide information to the Trust Authority and to advise the Trust Authority about problems and issues.
- (b) The public comment period will not be considered a hearing and cannot be used for that purpose. Organizations are required to request hearings in advance in writing, and when granted by the Trust Authority, the hearing must be given public notice in accordance with law.
- (c) Public comments will normally be held to a maximum of three minutes per speaker. A waiver to the time limit may be granted by order of the Chair or motion adopted by the Trust Authority.
- (d) The public comment period is not to be used in order to criticize or attack specific individuals.
- (e) The Trust Authority may not take action during the comment period, but may take matters under advisement.
- (f) The Trust Authority may consider matters identified during the public comment period under new business, but may defer such matters to a subsequent meeting in order to complete the original agenda or to provide notice to the public that the item will be on the Trust Authority's agenda.
- (g) In order to afford the maximum amount of time to the public, responses or comments by Trust Authority members or Trust Authority staff during public comment periods will be held to a minimum.

Section 7. Meetings of the Trust Authority may be conducted by teleconference or videoconference in accordance with AS 44.62.312(a)(6) provided that with respect to a matter which requires the consideration of documents a member participating by teleconference or videoconference may vote only on those matters to which he or she has access to said documents.

Section 8.

- (a) Formal actions by The Trust are accomplished through adoption of motions.

1 (b) Motions must be proposed by a Committee or Trust Authority member.

2  
3 (c) Copies of motions on the agenda will be available to the public at the opening of the  
4 Trust Authority meeting.

5  
6 Section 9. A document becomes an official Trust Authority document only upon approval of  
7 the Trust Authority. Any document not approved by the Trust Authority shall be  
8 clearly marked "DRAFT".

9  
10 ARTICLE VI  
11 COMMITTEES

12  
13 The Trust Authority Chair may designate Ad Hoc Committees or task forces to  
14 accomplish special purposes. Persons other than Trust Authority members may serve on  
15 the Trust Authority's Ad Hoc Committees and task forces; however, such persons may not  
16 be voting members of such committees, only appointed committee members may vote on  
17 committee actions. (The Chair of the Board of Trustees is a voting member of each  
18 committee, article IV, section 6 (a)) Committee actions must be reported to the Trust  
19 Authority at the next regular Trust Authority meeting.

20  
21 ARTICLE VII  
22 EXECUTIVE COMMITTEE

23  
24 Section 1. The Executive Committee of the Trust Authority is composed of three officers,  
25 the Chair, the Vice Chair, and the Secretary/Treasurer. The Chief Executive  
26 Officer shall participate as requested at Executive Committee meetings.

27  
28 Section 2. The Executive Committee:

29 (a) Has full authority within the limits of established Trust Authority priorities, policies, and  
30 procedures to act on behalf of the Trust Authority between regularly scheduled  
31 meetings with a dollar limit of \$500,000.00 on expenditures.

32  
33 (b) Evaluates the Chief Executive Officer's performance in carrying out policies,  
34 procedures, and directions of the Trust Authority before the November Trustee  
35 meeting.

36  
37 (c) Refers matters to other Committees for reports to the Trust Authority.

38  
39 (d) Monitors activities of the Trust Authority through the Standing Committees.

40  
41 (e) Reviews corporate performance measures, analyzes them, and brings them to the  
42 Trust Authority with recommendations.

43  
44 (f) Approves the annual corporation audit and forwards to the state for inclusion in the  
45 state financial statements within timeframes set by the state department of  
46 Administration.

47 (g) Reviews Memorandums of Agreement (MOAs) that involve the Trust Authority  
48 and other governmental entity's except the Department of Natural Resources in

1 respect to the Trust Land Office and recommends to the Board of Trustees for  
2 approval.

3  
4 Section 3. The Executive Committee will meet no less than two times a year.  
5

6  
7 ARTICLE VIII  
8 STANDING COMMITTEES  
9

10 Standing Committees and their Chairs will be appointed by the Chair.  
11

12 (a) The Resource Management Committee:

- 13 • Develops policies and plans for protecting, enhancing, and managing the Trust's  
14 non-cash resources in the best interests of the beneficiaries.
- 15 • Implements plans at the direction of and on behalf of The Trust in accordance with  
16 Trust statutes and regulations.
- 17 • Approves disposals with an annual lease rental more than \$50,000 and not to  
18 exceed \$200,000; and disposals with sale revenues more than \$100,000 and less  
19 than \$500,000. This authority includes disposals that could produce revenues in the  
20 form of royalties that exceed this revenue limit if the disposal is an extension or  
21 expansion of an existing lease that has previously been subject to the consultation  
22 process, so long as any expansion or addition to that lease does not exceed 25% of  
23 the original lease acreage. All approvals for new disposals of interest that include  
24 royalties shall be approved by The Trust Authority.
- 25 • Approves project-specific expenditures from the principal, budget reserves or the  
26 facility maintenance account up to \$50,000.
- 27 • Reviews Trust Authority Memorandum of Agreement with the Department of  
28 Natural Resources for management of the Trust Land Office and recommends for  
29 approval to Board of Trustees.
- 30 • Reviews annual operating budget for TLO and recommends approval to Finance  
31 Committee.
- 32 • Evaluates, along with DNR, the Executive Director of the TLO annually.  
33

34 (b) The Planning Committee:

- 35 • Identifies and forecasts the status and needs of beneficiaries.
- 36 • Develops program policies and plans to meet needs and improve the  
37 circumstances of beneficiaries; and recommends to the Trust Authority for approval  
38 as appropriate.
- 39 • Evaluates the implementation of approved policies and plans affecting  
40 beneficiaries.  
41

42 (c) The Finance Committee:

- 43 • Develops policies for investment and fiscal management for approval by the Trust  
44 Authority.
- 45 • Oversees the implementation of approved investment and fiscal management  
46 policies.
- 47 • Reviews the administrative budgets for The Trust and Trust Land Office and then  
48 recommends to the Trust Authority for approval.

- Approves expenditure of authority funds to implement Trust Authority-approved Focus Area allocations or bundles of an unlimited amount for a state fiscal year so long as the total annual budget approved for this purpose for the same fiscal year is not increased.
- Approves authority funds for individual Partnership Grants, General Authority Grants and Trust Directed Projects in amounts up to \$50,000 awarded to a specific recipient.
- Recommends to the Trust Authority individual Partnership, General Authority Grants and Trust Directed Projects in amounts over \$50,000 for each specific recipient.
- Approves Changes of Intent for MHTAAR grants involving the carry-over from one state fiscal year to the next.

## ARTICLE IX

### CHIEF EXECUTIVE OFFICER

Section 1. The Trust Authority shall hire and appoint a Chief Executive Officer as provided by law.

Section 2. The Chief Executive Officer is responsible for ensuring the staffing, planning, organizing, coordinating, and directing all activities necessary to fulfill the powers, duties, and purpose of the Trust Authority.

Section 3. The Trust Authority will evaluate the performance of the Chief Executive Officer after the first six months of employment. Thereafter, the Chief Executive Officer's performance shall be evaluated annually by the Executive Committee.

Section 4. Termination of employment of the Chief Executive Officer is by simple majority of the seven trustees.

Section 5. Authorizes disposition of assets with an annual lease rental of \$50,000 or less and/or total sale revenues of \$100,000 or less.

Section 6. Designates funds for contracts or grants in amounts up to \$50,000 each to a specific recipient so long as the Focus Area project or bundle is within the scope and amount previously approved by the Trust Authority but had not already been designated to a specific agency.

Section 7. Approves authority grants in amounts up to \$10,000 for purposes that are allowed under AS 47.30.056 totaling not more than the total approved for this purpose annually by the Trust Authority for Trust Directed Projects.

Section 8. Executes transactions previously approved by the Trust Authority.

Section 9. The Chief Executive Officer will provide fiscal oversight of the Trust Land Office on behalf of The Trust Authority.



1  
2  
3 ARTICLE X  
4 PARLIAMENTARY AUTHORITY  
5

6 Unless otherwise provided by law or these Bylaws, the Trust Authority's procedures  
7 shall be governed by Robert's Rules of Order Newly Revised.  
8

9  
10 ARTICLE XI  
11 ETHICS  
12

13 Section 1. Trust Authority members are required to comply with AS 39.52.010 -39.52.960,  
14 the Alaska Executive Branch Ethics Act.  
15

16 Section 2. In addition to complying with the requirements of the Alaska Executive Branch  
17 Ethics Act, Trust Authority members shall refrain from influencing or attempting  
18 to influence their fellow Trust Authority members, or the Trust Authority's staff, to  
19 take any official action or make any recommendation for official action with  
20 respect to the state's funding, direct or indirect, of an organization with which  
21 they are associated.  
22

23 Section 3. Trust Authority members are required to comply with the Conflict of Interest  
24 Declaration as stipulated in the Alaska Executive Branch Ethics Acts.  
25

26  
27 ARTICLE XII  
28 AMENDMENT OF BYLAWS  
29

30 These Bylaws may be amended at any regular or special meeting of the Trust  
31 Authority by a two-thirds vote of Trust Authority members provided that written notice and  
32 copies of the proposed amendment have been submitted to the members 30 days prior to  
33 the meeting or by unanimous vote without notice.  
34

# **Medicaid Reform Update**

## **ALASKA BEHAVIORAL HEALTH REFORM 1115 WAIVER CONCEPT PAPER**

### **Preface: Martha's Story**

Martha<sup>1</sup> is a 30 year old Alaskan. She lives in a remote community on an island in the far western part of Alaska. The nearest healthcare facility is located nearly 300 miles away when traveling by plane, and the nearest acute behavioral health services are located more than 1,000 miles by air.

When Martha was 16 years old, she was diagnosed with a fetal alcohol spectrum disorder (FASD). She experiences chronic consequences of trauma and multiple Adverse Childhood Experiences including her parents' addiction, sexual abuse, neglect, witnessing domestic violence, her parents' separation, and her father's incarceration. Martha was in and out of foster care and the juvenile justice system while growing up. Eventually, she entered the adult corrections system due to several charges of driving under the influence and acts of domestic violence. Martha's two children are currently in child protective services custody.

Martha experiences a chronic polysubstance use disorder, along with serious and recurring depression. She has attempted suicide several times. She has a history of very poor self-care and extensive health issues: obesity, borderline diabetes, chronic migraines, and an overall sense of "not feeling well." Martha receives individual counseling for her behavioral health disorders *via* telemedicine – when the equipment is working – along with occasional in-person treatment with her clinician during periodic field visits. Martha has had three different counselors in the past year due to staff turnover, and that has made it hard for her to make any progress. The only health provider in her community is a Community Health Aide.<sup>2</sup> There are no social services other than the Village Public Safety Officer available to respond to crises.

Martha goes to the primary care clinic frequently with somatic complaints of stomach aches and headaches. She often feels like she is dying and seeks medical attention, requesting pain medication to cope. When she is denied a prescription, she requests referrals to providers only available in Anchorage. (Anchorage is Alaska's largest city and the medical services hub for the state.) On more than one occasion, Martha arrived in Anchorage and met with the specialist, only to have her somatic complaints be unsubstantiated after bloodwork and invasive procedures.

Martha recently disclosed to her new counselor that she has been using opioids for a long time. She shared that she has come close to experimenting with heroin when pills aren't available on demand. She wants to quit, but she is scared of the awful effects of withdrawal. Martha is ready to take action and admit herself to in-patient treatment. Her counselor is having difficulty referring her to a withdrawal management program because there is no treatment locally and long waits at the few options available in Alaska. Even if she was able to find an open withdrawal management bed, it would be critical to also find a place in a residential treatment

<sup>1</sup> Martha is a hypothetical behavioral health consumer whose story is based on the experiences of people throughout Alaska.

<sup>2</sup> The Community Health Aide Program is a network of about 550 Community Health Aides/Practitioners (CHA/Ps) in more than 170 rural Alaska villages. CHA/Ps are part of an established referral relationship that includes mid-level providers, physicians, regional hospitals, and the Alaska Native Medical Center.

facility that could provide treatment appropriate for someone also experiencing mental health disorders and intellectual disabilities. Martha will also need quality aftercare and supportive services to help her maintain her sobriety.

Eventually, Martha gives up waiting. She no longer wants to seek treatment. She is avoiding her counselor and continues to use opioids. Martha remains unemployed. She has been unable to make the progress needed in order to reunite with her children.

**Martha's story is all too common in Alaska.** This concept paper aims to describe how the State of Alaska will transform its behavioral health system to better serve people like Martha. Alaska's unique geography, diverse population, lack of infrastructure, struggling economy, and limited healthcare resources make it extremely challenging to provide a person-centered and culturally responsive system. However, the 1115 Behavioral Health Waiver Demonstration Project ["Demonstration Project"] will support more effective, cost-efficient, integrated care that ensures access to the right services at the right time in the right setting.

## **I. Introduction: The Need for Behavioral Health Transformation in Alaska**

Alaska is navigating a period of dramatic adversity and opportunity. After years of prosperity from the state's oil wealth, the State of Alaska faces a fiscal crisis precipitated by the decline of oil prices and production. In just two years, the State of Alaska has reduced its budget 22% (with further cuts expected in SFY2018) and cut almost 1,500 state employees (with more proposed for SFY2018). The state economy is in recession, creating greater demand for publicly-funded safety net services like Medicaid. The Department of Health and Social Services (DHSS) budget has been reduced by more than \$200 million dollars in state general funds over the past two years, restricting the ability to address increasing needs.

The Behavioral Health Medicaid system does not meet the demands of Alaskans who experience mental health and substance use disorders. For individuals like Martha, with complex co-morbidities or dual diagnoses of intellectual, developmental, or sensory disabilities, the current system is seriously inadequate. Behavioral health services are difficult to access due to geography, long wait times, lack of workforce, and high costs of service. Access to services varies widely depending on clients' needs, their location, and their ability to pay. Many of Alaska's remote communities are medically underserved for both primary care and mental health services. Many of these communities are located hundreds of miles from a regional medical center, and individuals like Martha have to travel for services.

Until Medicaid Expansion on September 1, 2015, Alaskans had to be categorically eligible (usually due to federal-determined disability status or having dependent children) to qualify for Medicaid, leaving out many adult Alaskans experiencing significant behavioral health disorders. As of November 30, 2016, 25,695 Alaskans have enrolled in Medicaid as a result of Expansion. Of Medicaid claims paid for Expansion enrollees, \$17.92 million (6.2% of all Expansion population claims) were for behavioral health treatment services.

Alaska has significant challenges with recruitment and retention of a qualified behavioral health workforce due to high turnover in the field. Recruitment/retention of professionals and direct service providers in the more rural parts of the state is particularly difficult, as seen in how often Martha has had to start over with a new counselor due to turn over. Psychiatry and other behavioral health specialties pose unique recruitment and retention problems. This, compounded with low numbers entering the behavioral health field, results in a trajectory of continued workforce shortages. Alaska's workforce is predicted to become even more essential given enrollment growth through Expansion. The workforce will need retraining to become proficient in a changing behavioral health environment.

Technology is both an asset and a source of stress for Alaska's behavioral health system. Tribal health organizations in Alaska have pioneered telemedicine and tele-behavioral health services. The Alaska Medicaid program currently pays for services through telemedicine if the service is covered under traditional, non-telemedicine methods and is provided by an eligible provider. Unfortunately, broadband capacity is limited in rural Alaska. Electronic health record (EHR) systems vary across the state and do not always communicate well with one another. Not all health care providers use the health information exchange (HIE), which the State of Alaska is actively working to expand. Complicating matters further, state-funded behavioral health providers report data *via* a separate system which does not communicate with Alaska's Medicaid Management Information System (MMIS).

Costs for the Behavioral Health Medicaid program have grown since 2005, but at a slower rate than other Medicaid programs in Alaska. Until Expansion, Behavioral Health Medicaid primarily covered mental health services. Costs rose 43% between 2005 and 2011. Cost containment and quality improvement efforts since 2011 helped reduce that growth, so that the 2015 Behavioral Health Medicaid spend was only 23% more than that in 2005. Despite these efforts, many Alaskans with behavioral health disorders utilize more costly hospital-based services, with 18% of individuals with five or more hospitalizations between 2012 and 2015 having a behavioral health diagnosis – the most common disease category across all admissions.<sup>3</sup> It is important to note that the system's lack of capacity to meet the growing demand for services has been a *de facto* utilization control contributing to lower growth. Efforts to manage utilization and control cost, while effective, have been hindered by a lack of integration and coordination in the behavioral health system and among other systems serving individuals experiencing behavioral health disorders.

In 2016, the Alaska Legislature passed two monumental reform mandates. Senate Bill 74 (SB 74) is a multi-dimensional Medicaid reform package that includes direction to apply for an 1115 Waiver under 42 USC 1315(a). The State of Alaska is directed to efficiently manage a comprehensive and integrated behavioral health system that partners with diverse providers and disciplines to provide evidence and data-driven practices, with the goal of achieving positive outcomes for children, youth, and adults experiencing behavioral health disorders. SB 74 includes direction to reduce operational barriers, minimize administrative burden, and improve the behavioral health system's effectiveness and efficiency.

<sup>3</sup> The Menges Group. *Assessment of Medicaid Reform Options*. Report for Alaska Legislative Budget and Audit Committee. March 24, 2016.

The second large reform mandate, Senate Bill 91 (SB 91), is a comprehensive criminal justice reform effort based on a number of strategies, including reducing sentencing lengths for non-violent offenders and reinvesting savings into programs that increase the likelihood of success outside of the correctional system. Of particular concern is how the mandates in SB 91 will change the demand for behavioral health services. An expanded need for mental health and substance use disorder treatment, as well as additional community-based recovery supports, will add pressure to an already limited behavioral health system.

All of these activities require action now to transform our Medicaid-supported behavioral health system of care. Alaska has worked diligently over the past year to prepare for this challenge and, with the assistance of a Demonstration Project, the State will develop a data-driven, integrated system of care that focuses on quality, outcomes, and costs. The following represent efforts to lay the foundation for change in Alaska's behavioral health system:

- In 2015-2016, the Division of Behavioral Health (DBH) contracted for two readiness assessments – one for DBH staff and one for 29 community behavioral health providers – for the purpose of identifying capacities and infrastructures necessary to succeed in a transformed system of care. Both assessments have been completed and DBH is initiating training and technical assistance to prepare Alaska for the impending transformation.
- The Alaska Medicaid Coordinated Care Initiative (discussed in Goal #2 below) and the Medicaid Pharmacy and Therapeutics Committee (responsible for the preferred drug list and drug utilization review process) are established programs that will provide experience and guidance for the utilization control efforts planned for the demonstration project.
- Extensive training and technical assistance to embed trauma-informed practices in community behavioral health, corrections, domestic violence, and juvenile justice settings will support efforts to integrate systems and improve the quality of services.
- Years-long research and planning supported the statewide Early Childhood Comprehensive Systems (ECCS) Plan currently serving Kodiak, Nome and surrounding villages, and the Matanuska-Susitna Borough. This plan and lessons learned from implementation will support the effort to enhance early intervention services.
- The 2016 Tribal/State comprehensive strategic plan to transform child welfare outcomes for Alaska Native and American Indian children, including the provision of culturally specific services and supports to children in state custody, provides context for aligning behavioral health reform efforts.
- The Alaska Mental Health Board, Advisory Board on Alcoholism and Drug Abuse, and Alaska Behavioral Health Association gathered stakeholders in 2014 to conduct an in-depth review of reporting and administrative requirements on community behavioral health providers. Eleven concrete recommendations were made to alleviate some of the administrative burden on providers; of these, DBH has implemented three and made significant progress on four others.

## **II. Vision for Alaska’s 1115 Behavioral Health Waiver Demonstration Project**

**Vision:** Alaskans will have a transformed Behavioral Health Medicaid system that provides effective, cost-efficient, and high-quality integrated care and ensures access to the right services at the right time in the right setting.

Alaska envisions a system that is integrated and coordinated to help people like Martha earlier, and more easily, so that they are able to achieve a higher level of functioning and better quality of life. Parents like Martha’s (and like Martha became) will have access to the primary and behavioral health care services they need to support their children’s healthy development. Children like Martha will have access to early childhood screening and referrals to early childhood mental health services – especially for childhood trauma – as well as services through adolescence so that acute emotional disturbances and mental illnesses can be avoided. Children, youth, and adults who have complex needs like Martha’s will be able to access specialty services, directly and through telemedicine. Adults who need substance use disorder treatment will be able to get in when they have that readiness for treatment – they won’t have to wait, and risk eventually giving up, like Martha. All services will be culturally appropriate and provided in a way that honors clients’ cultures.

Alaska has established five goals for this Demonstration Project to achieve the vision of a transformed behavioral health system of care (presented in Section V):

1. Expansion of treatment capacity and improved access to services;
2. Integration of care;
3. Cost and outcomes reform;
4. Provider payment and accountability reform; and
5. Delivery system reform.

These goals, and the articulation of the vision for the Demonstration Project, are aligned with Alaska’s broader redesigned Medicaid system, as the demonstration project is part of a larger effort to improve the efficiency and effectiveness of the entire Medicaid system. Together with other redesign efforts, the Demonstration Project will ensure Medicaid recipients have access to the appropriate levels of care, coordinated across sectors to improve health and contain costs. (See Appendix A for an overview of the comprehensive Medicaid Redesign effort.)

## **III. Target Populations for the 1115 Behavioral Health Waiver**

The exact target population(s) to be proposed are pending full analysis of claims data and other ongoing Medicaid initiatives. (There are sixteen Medicaid redesign initiatives from SB 74, and the Demonstration Project target populations must take these initiatives into consideration to align with these comprehensive Medicaid Redesign and Reform efforts.) Discussions of the target populations for the Demonstration Project have included both broad and narrow service populations.

It is essential to include high needs populations. These include individuals who experience serious mental illness and/or chronic substance use disorders who also have had more than three hospitalizations per year, or who are involved with the justice, homelessness, and child protection systems. Alaska's population level data supports the need to also include Medicaid recipients experiencing mild-to-moderate behavioral health needs, to avoid the costs and consequences of chronic and acute disorders later:

- 66% of Alaskan adults report one or more adverse childhood experiences growing up;
- 21.4% of Alaskan adults report growing up in a household with one or more adults experiencing mental illness;
- 29.7% of Alaskan adults report growing up in a household with one or more adults abusing alcohol and/or other drugs;
- 19.5% of all Alaskan adults – and 28.4% of Alaska Native adults – report four or more adverse childhood experience growing up;<sup>4</sup>
- Alaska children are twice as likely to be in foster care, compared with children nationwide;<sup>5</sup>
- 11% of Alaskan adults experience a diagnosable substance use disorder each year;
- 20% of Alaskan adults experience a diagnosable mental health disorder each year;<sup>6</sup>
- Alaska's suicide rate of 27.1/100,000 (2015) is more than twice the national rate (12.32 per 100,000);<sup>7</sup>
- 22% of the Alaska Corrections population in SFY2012 experienced a mental health disorder; and
- 19% of the Alaska Corrections population in SFY2012 experienced a chronic substance use disorder.<sup>8</sup>

The current Behavioral Health Medicaid service population includes children and youth experiencing severe emotional disturbance, adults experiencing serious mental illness, and youth and adults experiencing acute and chronic substance use disorders (7 AAC 135.020). In SFY2016, the Behavioral Health Medicaid system served 42,123 individuals in SFY2016.<sup>9</sup> Of these, 9,799 (23%) were children or youth under age 18; 1,997 (5%) were youth age 18-20; and 30,327 (72%) were adults over 21. Of adults, 2,477 were over age 65.

Of the 42,123 Medicaid recipients served in SFY2016, 28,937 received mental health disorder treatment and 19,282 received substance use disorder treatment. Of these, 6,075 (14%) received treatment for co-occurring behavioral health disorders. In all three categories, adults made up the

<sup>4</sup> Adverse Childhood Experience data is a three year average of 2013-2015 Alaska Behavioral Risk Factor Surveillance System responses, reported by the Alaska Division of Public Health.

<sup>5</sup> The Alaska Office of Children's Services reports that, between 2006 and 2013, almost 1% of Alaskan children were in foster care, compared with approximately 0.5% of children nationally.

<sup>6</sup> Prevalence data is derived from a special report run for the State of Alaska by SAMHSA's Center for Behavioral Health Statistics and Quality using 2009-2011 National Survey on Drug Use and Health data.

<sup>7</sup> Bureau of Vital Statistics, Alaska Division of Behavioral Health (provided September 2, 2016).

<sup>8</sup> Corrections population data is reported in *Trust Beneficiaries in Alaska's Department of Corrections*, Hornby Zellar Associates, Inc. for the Alaska Department of Corrections, May 2014.

<sup>9</sup> Medicaid claims information is based on analysis of data downloaded and analyzed September 2-4, 2016. The number may change, as Medicaid providers have one year to file a timely claim for payment



majority of the client population. Children and youth were more likely to receive mental health disorder treatment (comprising 32% of that client population).

#### **IV. Alaska's Current Behavioral Health System of Care**

The State of Alaska does not provide a continuum of behavioral health care – it provides a spectrum of services which expands and contracts based on time, geography, and funding. Medicaid supports behavioral health services delivered in community behavioral health centers, federally qualified health centers, tribal health organizations, hospitals, specialty clinics, and primary care practices. The predominant providers in Alaska's behavioral health Medicaid system are community behavioral health centers, hospitals, and specialty clinics.

Alaska defines Behavioral Health Medicaid services as medically necessary and clinically appropriate active treatment services delivered by eligible providers (acting within their scope of practice) to eligible recipients (7 AAC 135.010(a)). Behavioral health clinic services include: behavioral health assessments, psychotherapy, short-term crisis intervention, and pharmacologic management (7 AAC 135.010(b)). Most substance use disorder treatment services are considered “rehabilitation services” rather than clinical services. Behavioral health rehabilitation services include: behavioral health screening, substance use intake assessment, case management, withdrawal management (detoxification), comprehensive community supports for adults, therapeutic behavioral health services for children, recipient support services, medication administrations, developing and reviewing treatment plans, conducting a medical evaluation, methadone/antabuse, peer support, day treatment for children, residential substance use disorder treatment, daily behavioral rehabilitation, short-term crisis intervention, and facilitating telemedicine encounters (7 AAC 135.010(c)).

The Behavioral Health Medicaid system serves the most acutely disabled children, youth, and adults. Community behavioral health services include clinic and rehabilitative services, as well as peer support. Some community behavioral health providers also offer residential treatment for youth and/or supportive housing for adults. Acute inpatient mental health services (primarily involuntary at admission) are limited to:

- Alaska Psychiatric Institute in Anchorage (80 beds);
- two mental health Designated Evaluation and Treatment/Stabilization units under contract with DHSS in community hospitals in Fairbanks (20 beds) and Juneau (12 beds);
- one for-profit inpatient adolescent hospital in Anchorage; and
- two acute adult (12 beds) and adolescent (15 beds) units in Anchorage's largest medical center.

Alaska also has one hospital-based residential psychiatric treatment center in Anchorage, leaving the rest of the state without this service. Primary care providers are an important *de facto* part of the overall service system.

Outpatient substance use disorder treatment is available through community behavioral health providers statewide. Residential treatment is available in less than ten communities statewide.

Limited withdrawal management (detoxification) services are available in Juneau, Fairbanks, and Anchorage. In some communities, emergency departments can serve patients needing medically monitored withdrawal management, if required. Medication Assisted Treatment (MAT) is available in some communities. MAT is provided by Office Based Opioid Treatment (OBOT) providers, tribal health organizations, and federally qualified health centers. There are three methadone providers in Fairbanks, Anchorage, and Wasilla. Clearly there are many gaps in our statewide continuum of services.

Tribal health organizations are a critical part of Alaska's health care delivery system. Alaska is home to 229 of the 566 federally recognized tribes in the United States. The tribal health system of thirteen tribally owned and operated health organizations serves more than 158,000 Alaska Native and American Indian people across the state. Tribal behavioral health providers serve approximately 27,000 Alaska Native and American Indian clients, as well as non-native clients in rural Alaska. Tribal health organizations serve about 6% of all Behavioral Health Medicaid recipients.

Medicaid is the primary source of funding for acute mental health services in Alaska. Peer support, certain recovery supports, and services for adults not enrolled in Medicaid have relied on state general funds. Until Medicaid Expansion in September, 2015, state general funds and the SAMHSA Substance Abuse Prevention and Treatment Block Grant were the primary (almost exclusive) sources of funding for adult substance use disorder treatment and recovery services.

In SFY2016, a total of 42,123 Medicaid recipients received behavioral health services totaling \$311,630,030 in Medicaid claims payments across all health care settings.<sup>10</sup> Of total payments, services for children/youth under age 21 accounted for 51%, and services for adults age 21 years and older accounted for 49%. Services for adults 65 and older comprised 2.4% of the total adult payments.

Of Medicaid claims payments for behavioral health services provided in SFY2016, community behavioral health centers received 41% (\$128,740,347), providing services to 12,464 Medicaid recipients. Non-tribal inpatient hospitals received 12% (\$38,055,993), providing services to 2,726 Medicaid recipients. Non-tribal outpatient hospitals received 9.5% (\$29,859,543), providing services to 14,283 Medicaid recipients. Primary care providers (physicians, nurse practitioners, physician assistants who may or may not be affiliated with community behavioral health centers or hospitals) received 9.5% (\$29,623,732), serving 23,422 Medicaid recipients.

Residential psychiatric treatment centers and other residential treatment settings for children and youth received 10.5% (\$32,624,063) for services to 772 Medicaid recipients. Tribal clinics and rural health clinics received 3% and 1%, respectively, of all behavioral health payments. Tribal

<sup>10</sup> Medicaid claims information is based on analysis of data downloaded and analyzed September 2-4, 2016. The data includes behavioral health claims with a service date in SFY2016 where the payment date was in SFY2016 or by the date that the claims data were downloaded. This number is unduplicated across all provider types and service settings. Individuals may have received services in multiple settings—for example, one Medicaid recipient may have received outpatient behavioral health treatment, primary care medication management, and had an inpatient hospitalization in the same year.

outpatient hospitals received 2.3% of all payments, serving 6,106 Medicaid recipients, and tribal inpatient hospitals received 2.4% of all payments for 792 Medicaid recipients.

API received 1% of the total claims payments for behavioral health services in SFY2016, for services to 240 Medicaid recipients. Psychologists received 1% of all payments. Physician (psychiatrist) mental health clinics received less than 1% of all payments for services to 1,663 Medicaid recipients. Payments for school-based services, community health aides, and licensed clinical social workers were *de minimus*.

Based on data from the National Survey on Drug Use and Health,<sup>11</sup> approximately 25% of all Alaskans (145,000) have a diagnosable behavioral health condition. The Behavioral Health Medicaid system described above served at least 42,000 unique individuals (adults and youth) in SFY2016. This suggests that over 100,000 Alaskans did not seek treatment or were served by grant programs, corrections centers, private/for-profit or faith-based behavioral health providers, primary care practices, 12-step or other self-help programs, or other services.

The current system lacks integration and coordination not only with different provider types but also across state service systems. Primary care, child protection, juvenile justice, corrections, public assistance, housing and homelessness, and public safety systems all interact with behavioral health consumers in different ways – yet the services provided are often delivered in silos. This fragmentation makes it difficult to manage and coordinate the system, and nearly impossible for consumers and families to navigate.

The wait for treatment services is generally long for all but the highest priority populations. Someone like Martha can spend months waiting for access to treatment, especially higher intensity substance use disorder treatment. Referrals from courts, primary care, schools, police, and clergy are bottlenecked in a behavioral health service system that is overworked. Criminal justice reform efforts will soon increase that bottleneck, by expanding referrals as behavioral health clients are released and/or diverted from the corrections system to treatment.

While state and federally funded clinical and rehabilitation services are the core of behavioral health in Alaska, the system branches out to include a far more diverse and equally essential system of private providers. This system incorporates a significant number of private physicians, psychiatrists, psychologists, other licensed clinical professionals, and private substance abuse professionals offering rehabilitation services. People who are unable to endure the long wait at community behavioral health providers often seek help from private providers. These agencies collect fees from third-party health plans or directly out-of-pocket from clients. DBH provides significantly less support and oversight to these providers. Data from these providers is not accurately counted or included in most state reports. Estimates from tracked Alaska court referrals, the only current data available, suggest that upwards of 50-75% of outpatient substance abuse treatment services are provided by private provider types. It is unknown what portion of mental health services they provide.

<sup>11</sup> Prevalence data is derived from a special report run for the State of Alaska by SAMHSA's Center for Behavioral Health Statistics and Quality using 2009-2011 National Survey on Drug Use and Health data.

The behavioral health system also includes limited prevention, screening, and brief intervention and education services. State funded community prevention services are managed separately from the treatment system, presenting yet another opportunity for service integration and continuum of care expansion. Prevention grantees enhance Strategic Planning Framework community coalition efforts to address issues such as fetal alcohol spectrum disorders, suicide, underage drinking, opioid addiction, and other substance abuse related issues. DBH also manages the Alcohol Safety Action Program (ASAP), a statewide network of screening, monitoring and technical assistance providers supporting misdemeanants referred by the courts for substance abuse screening, education, and referral to assessment and treatment. ASAP also oversees a statewide network of therapeutic courts that support more intensive case management for both special populations and for those that have failed to succeed in meeting their court ordered requirements.

In sum, Alaska's needs are great, the geography and cultural issues are unique, the spectrum of behavioral health services has large gaps, and resources are dwindling. The Demonstration Project, along with the larger Medicaid Redesign, will change the current system of care to identify those at risk, intervene earlier in a variety of service settings, move a crisis-focused system to a recovery-focused system, and develop the necessary infrastructures to manage the system of care based on quality, outcomes, and costs.

## **V. Behavioral Health Reform – A Transformed Behavioral Health System of Care**

The transformed Behavioral Health Medicaid system will evolve over the course of the Demonstration Project to offer Martha and every other recipient effective, cost-efficient, high-quality integrated care. Services will be available when people seek care, wherever and whenever that care will be most effective. This will ultimately reduce the need for and costs of acute care services due to untreated or ineffectively treated mental health and substance use disorders.

Alaska is committed to providing individualized, person-centered services that promote recovery, recognizing that physical, mental, emotional, social, spiritual, and cultural elements are all integral to overall health. Alaska is committed to providing trauma informed care that addresses the needs of victims of violence, as well as the unique needs of peoples who have experienced historical trauma. Recovery is possible for everyone – though how that recovery is defined and achieved is as unique as the individuals being served. The redesigned system of care will honor the dignity and worth of every individual and is committed to informed and shared-decision making *with* patients (as opposed to making decisions *for* them). Every goal and strategy described in this section is based on these commitments and beliefs. The goals are part of a greater whole; none is isolated from the others. Recognizing the interdependence of these goals is important – an improvement in one goal can affect the others.

The foundation of Alaska's transformed system will be the partnership with the Administrative Services Organization (ASO). The completed readiness assessments indicate that Alaska does not currently possess the capacities necessary to manage the system of care envisioned. An ASO will provide the specialized expertise to manage a comprehensive behavioral health system. The ASO will have explicit contractual responsibilities for each Demonstration Project goal. As

described in Goal #5, the ASO will provide services such as utilization management, claims processing, network management and provider recruitment, quality and data management, cost management, and other functions.

### **Goal #1: Expand Treatment Capacity and Improve Access to Services**

The transformed behavioral health system will provide improved access to care for:

1. prevention and early intervention services to individuals at-risk of developing behavioral health disorders;
2. mild to moderate behavioral health disorders;
3. serious mental illness and chronic substance use disorders;
4. complex co-occurring mental health and substance use disorders;
5. complex dual diagnoses of intellectual/developmental disabilities and behavioral health disorders; and
6. chronic co-morbid conditions (diabetes, hypertension, Hepatitis C, physical disabilities, etc.) along with behavioral health disorders.

Strategies for improving the system's capacity to provide services for these individuals include:

1. integration of behavioral health and primary health care (*see Goal #2*);
2. increased screening, assessment, and early intervention services;
3. increased provider types and service settings;
4. access to community-based crisis intervention and stabilization services;
5. increased access to peer support services for youth, families, and adults;
6. expanded access to medication assisted treatment and withdrawal symptom management (detoxification) services, particularly ambulatory detoxification services;
7. expanded access to intensive outpatient treatment and partial hospitalization services (sub-acute and step-up and step-down treatment);
8. expanded use of Assertive Community Treatment in communities with high utilizers of emergency department and inpatient hospital services;
9. culturally appropriate wrap-around behavioral health treatment and rehabilitative services where the client is (*in vivo*) as well as clinic settings;
10. increased coordination of services with tribal health providers (*see Goal #2*); and
11. increased use of telemedicine and use of digital and mobile technologies in delivery of services.

Critical to transforming Alaska's crisis-driven behavioral health system is to expand capacity to provide services before chronic and acute conditions develop. Uniform evidence-based screening, assessment, and early intervention services offered in diverse health care settings will help identify at-risk individuals and those with early stages of behavioral health disorders, and allow for early intervention and referral to treatment when appropriate — addressing an important gap in our current system. These are services that can be effectively provided in community-based settings, both rural and urban, reducing use of more costly acute care. Requiring use of common evidence-based screening and referral tools will make accessing treatment and coordination of care easier. Increasing utilization of Screening, Brief Intervention,

Referral to Treatment (SBIRT) and Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Services, especially through adolescence, is also essential.

Just as important as identifying and addressing behavioral health disorders before they become acute conditions will be providing crisis intervention and stabilization services to avoid self-harm or harm to others, hospitalization, or incarceration. Mobile crisis intervention will augment facility-based and telephonic crisis intervention and stabilization services where the need is greatest. Availability of more community-based crisis respite services will improve outcomes, allow individuals to remain in their communities for stabilization, and reduce costs. Peer support specialists will be an integral component to these services. These services will reduce the incidence of psychiatric boarding in emergency departments, jails, and other inappropriate settings, especially in smaller communities and outlying villages where safe alternatives are not available. By intervening to de-escalate crises and connect individuals to community-based treatment and supports, individual outcomes will be improved and costs will be controlled.

The State of Alaska is currently expanding access to MAT with support from federal grants in order to address an important gap in the substance use disorder treatment system. Tribal health organizations are also implementing or expanding existing MAT programs, often in integrated settings. Withdrawal symptom management (detoxification) has received heightened scrutiny from Alaskans, in the context of the opioid epidemic afflicting our communities (and the entire nation). Extremely limited access to facility-based withdrawal symptom management for opioids has fueled discussion of widening access to ambulatory detoxification as well as traditional facility-based withdrawal symptom management. While there is a role for both to address the diversity of individuals' readiness levels and clinical needs, DBH will prioritize ambulatory detoxification services where appropriate.

Expanding access to partial hospitalization and intensive outpatient treatment complements crisis intervention and stabilization improvements. Short-term step-up and step-down services will help individuals transition between levels of care and between treatment and the community. These services will be provided in a supportive and gradual way to reduce the likelihood of relapse, mitigate the impact of relapse, and improve recovery outcomes. Greater partial hospitalization and intensive outpatient treatment options also complement the planned expansion of withdrawal symptom management services by supporting access to MAT along with psycho-social treatment and rehabilitative services and provides more appropriate step-up services when outpatient services alone are not working. Rural residents should have wider and timelier access to the full continuum of behavioral health care.

Assertive Community Treatment (ACT) is currently being provided in Anchorage in conjunction with a peer support services organization. Recognizing that outreach and relationship building are fundamental to helping homeless and at-risk individuals experiencing serious mental illness and chronic substance use disorders successfully access and benefit from treatment, ACT will be expanded in three important ways:

- As an adjunct to crisis stabilization services designed to reduce the high use of emergency departments and inpatient care;
- In communities with significant homeless populations; and

- By developing forensic ACT models for mentally ill individuals involved in so-called “nuisance crimes.”

ACT can also serve as a bridge for those leaving the corrections system, reducing costs to the corrections and public safety net systems and reducing recidivism. For these reasons, ACT is envisioned to be an important part of ensuring positive health outcomes for the potential target populations.

To truly transform Alaska’s behavioral health system, there will need to be culturally appropriate wrap-around treatment and rehabilitative services, as well as recovery supports, in communities statewide. No Alaskan should have to move away from his or her home and family to receive the services needed to live safely and productively. No child should be denied a meaningful opportunity to learn and explore at school due to a mental or emotional disability. Providing evidence- and research-informed treatment and rehabilitative services at school, at home, at work, and in the community will result in better outcomes and more stable recovery for individuals. Expanding these services outside of Alaska’s urban centers is critical.

Alaska’s geography, weather, workforce limitations, and resources will not allow the continuum of services envisioned to be in every community. These limitations will not impede the ability to provide **access** to those services in every community. Alaska’s tribal health system has designed and developed telehealth solutions to provide general and specialty health care services in rural Alaska. Tribal and community behavioral health providers have increased use and expertise of telepsychiatry over the past 15 years. The Demonstration Project will build on these successes to expand access to psychiatry and other treatment services. It will also provide capacity for remote monitoring and support for individuals with severe needs and in isolated villages through use of digital and mobile technologies. Building bridges with state licensing agencies and boards will ensure that important professional roles and responsibilities related to telemedicine are addressed and improve access to care, rather than limit it.

## **Goal #2: Integration of Care**

Just as a person’s health is the result of the effective operation of interdependent systems, the health care system must operate in the same way. The Demonstration Project will build upon existing efforts to integrate mental health and substance use disorder treatment systems, as well as efforts to integrate behavioral health and primary care systems. Learning from the integration processes undertaken by tribal health organizations and rural health care centers can further the goal of a health care system that provides whole person as well as person-centered care. Supporting the integration of care will be an explicit contractual requirement of the ASO.

The Demonstration Project will include multidimensional integration within and across health care settings and across social service systems (education, child protection, public safety, corrections, homelessness, juvenile justice, tribal, etc.). This will build upon and expand the array of integration models in Alaska, such as health homes, patient centered medical homes, and others. It will also strengthen connections between behavioral health providers and the senior and disability service systems to foster integration of care for complex, medically fragile, and dually diagnosed individuals.

The Demonstration Project will focus on providing services earlier and more consistently to individuals like Martha who experience complex co-occurring and/or co-morbid conditions that contribute to overutilization of emergency departments and acute inpatient services, as well as interactions with legal systems. This will expand upon the benefits already realized by patients and the State through the Alaska Medicaid Coordinated Care Initiative.<sup>12</sup>

The Demonstration Project will help coordinate tribal and non-tribal health care delivery systems. Updated federal policy regarding circumstances in which 100% federal funding is available for services “received through” facilities of the Indian Health Service, including tribal health organizations, is already improving coordination between tribal and non-tribal health care providers. Alaska will continue to work together with tribal and non-tribal Medicaid providers to avoid duplication of services. Outcomes will be improved through the use of culturally appropriate and informed care and community-based care that can include family, extended kinship systems, and Elders.

Achieving effective integration will require reforming and strengthening infrastructure to improve coordination of care. Alaska’s partnership with the ASO will allow the State to move quickly to mandate uniform evidence-based screening and assessment tools, which will be used in all settings. Conducting root cause analyses to determine why certain individuals are frequently admitted to emergency and/or inpatient services and then identifying and addressing those causes will help reduce the frequency of acute care episodes. Identified services, social supports, and rehabilitation options can then be provided in the right setting, rather than expensive emergency and acute care settings. Enhancing EHR capabilities (specifically including integrated clinical records and use of the HIE) between health care providers will support better outcomes for patients through efficient coordination and effective clinical practice. It will also support the goals of reduced administrative burden for providers and reduced costs to the State of Alaska.

An essential component of integration is ensuring that all health care services are trauma-informed. The Demonstration Project will build upon the extensive trauma-informed training investments in the Alaska behavioral health system to extend that professional capacity in pediatric practices, general family practices (including advance-practice clinical practices), certain specialty practices that focus on high frequency co-morbid conditions, and others. The Demonstration Project will also support continuing education and training in team-based health care practice.

<sup>12</sup> The Alaska Medicaid Coordinated Care Initiative (AMCCI) began in 2014 to reduce the costs of overutilization of emergency department services by Medicaid recipients. A voluntary program offering individualized case management, care coordination and referral to specialty health care (including but not limited to behavioral health treatment) and social services, the AMCCI serves approximately 5,500 Medicaid recipients. In SFY 2016, AMCCI saved \$2.5 million by reducing emergency department use by 25% and reducing costs by 20%. AMCCI is being expanded to more than 80,000 Medicaid recipients (many of whom experience primary or secondary behavioral health diagnoses) in SFY 2017.



### **Goal #3: Cost and Outcomes Reform**

The transformed behavioral health system will reduce overall Medicaid expenditures by reducing costs due to over-utilization of high intensity services. This will be achieved by reducing the need for expensive acute and emergency services by providing increased access to more cost-effective treatment, crisis intervention and stabilization, and sub-acute services before the individual is in crisis. The ASO's care management infrastructure will ensure cost-effectiveness and accountability across all levels of care. Health outcomes will be improved through earlier interventions and better coordination of care and the system will, by the end of the Demonstration Project, be managed on the basis of outcomes.

The transformed system of care must be managed through data-driven decision making. While the MMIS provides service utilization and cost by provider, service recipient, and population, it does not provide outcomes data by provider, service recipient, and population. State-funded providers report data *via* a separate system that generates limited outcomes data, but not systematic reports by provider/service recipient or population. Therefore, we cannot analyze statewide utilization/cost/outcomes patterns. The two data systems do not communicate with each other. They do not have the capacity to track long-term client outcomes, relapse and recidivism, or recovery after discharge.

The current data systems do not provide the accountability envisioned for the transformed system of care. Data, outcomes, and cost management capacities need to be improved. This is another important reason to contract with an ASO with established data systems that report service utilization, costs, and outcomes. Data, cost, and outcomes management, like service integration and access management, will be contract requirements of the ASO.

Evidence- and research-informed practices, which support the outcomes management function, will also be an ASO priority. Despite a long-standing commitment to the use of evidence-based practices, the provider readiness assessment indicated that not all behavioral health providers rely on them. The Demonstration Project will identify the best ways to deliver and reimburse evidence-based practices system-wide. DBH will work with the ASO to improve patients' outcomes by defining and supporting evidence- and research-informed practices *that produce successful outcomes*, so that individuals receive the highest quality and most effective services relevant to their diagnosis, culture, and life situation.

### **Goal #4: Provider Payment and Accountability Reform**

The Demonstration Project will build upon streamlining efforts initiated by the Alaska Behavioral Health Association and state behavioral health planning councils in 2014. Easing the administrative burden imposed on Alaska's Medicaid behavioral health and primary care providers is essential to successful reform. Screening, assessment, and documentation will be standardized to reduce duplication of effort and facilitate coordination of care across all providers.

Simultaneously, Alaska will reform its provider payment systems by moving from a fee-for-service method to a value-based method by the end of the Demonstration Project. This will

eliminate duplicate data entry which currently places significant staffing burdens on providers. Providing training and technical assistance to improve financial management infrastructures in order to succeed in a value-based payment environment is critical, as indicated in the provider readiness assessment results. Understanding the current infrastructure capacity as well as the infrastructure needs will help the Demonstration Project to align training and support services for providers. The provider readiness assessments indicate that few providers have experience with performance and value-based payment methods. Specialized training will be offered to providers in the Spring of 2017. Support from the ASO over the course of the Demonstration Project will develop provider infrastructures in this area.

Alaska's current fee-for-service Medicaid payment system incentivizes volume over value, which continues to result in long waits and unmet need. This payment system lacks the tools and incentives that drive improved health outcomes, effective discharge planning, and overall efficiency. By the end of the Demonstration Project, our transformed behavioral health system will pay for value, not volume. Tribal behavioral health providers already receive an encounter rate, providing insight to the State of Alaska and community behavioral health providers as we move from fee-for-service reimbursement to standardized and transparent performance-based payment. Alaska is considering Delivery System Reform Incentive Payments (DSRIP) to implement some delivery system and payment reforms, such as the expansion of primary care services or implementation of telehealth. DSRIP could also incentivize reductions in avoidable hospital use. Various health care delivery models can be used to help providers work together to coordinate care, achieve quality measures, and receive performance bonuses for improved patient outcomes. The gradual evolution of the transformed payment models will build upon behavioral health rate adjustment and rebasement efforts currently underway. Important criteria for selection of the ASO will be the ASO's experience with performance-based payment methods.

#### **Goal #5: Delivery System Reform**

Delivery system reform will be based in a contractual partnership with an ASO to manage the transformed behavioral health system of care. The Demonstration Project goals and strategies are aligned with stakeholder expectations and the overall Medicaid system redesign mandated by the Alaska Legislature. Careful consideration has been given to a variety of options over the past year, including onsite visits to two states with ASOs to learn how they operate and are managed.

The ASO, performing according to specified standards and contractual requirements, will provide the staffing and expertise to implement and manage the reforms described herein. The readiness assessments of DBH and 29 behavioral health providers makes clear that the division and many behavioral health providers simply do not have the infrastructure necessary to succeed in the transformed system of care envisioned. The ASO will have a clear focus on infrastructure development during the Demonstration Project.

DHSS will contract with an ASO with experience supporting similar state transformations, with specific experience managing a Medicaid-funded behavioral health system based in strong community based services. The ASO will assure access to behavioral health screening and interventions, treatment and recovery supports. It will also have expertise in care management

for individuals with serious mental illness and chronic substance use disorders. The ASO will support integration efforts through coordination of care and network development, while also ensuring continued access to appropriate specialty behavioral health care. While it has not been decided which functions Alaska wants the ASO to provide, it is being considered that the ASO will provide utilization management, network management, quality management, data management – including outcomes and performance management, claims processing, cost management, and coverage services to manage the State’s behavioral health system of care.

## **VI. Demonstration Financing and Budget Neutrality**

The State of Alaska has invested time, energy, and money to lay the groundwork for the Demonstration Project. In SFY2017, the Alaska Mental Health Trust Authority contributed \$10 million to Medicaid Redesign efforts. This funding has allowed DBH to hire contractors, funded site visits to two states with ASOs, and supported technical assistance and training (beginning in the Spring of 2017) for DBH staff and providers. Additional site-visits to two states with ASOs are being planned for April 2017.

Also in SFY2017, the Alaska Legislature appropriated \$6 million to be invested over three years in acute substance use disorder treatment services (withdrawal management, residential treatment, and/or sobering centers). The Legislature has invested in additional child protection services workers over the past three years, and appropriated an additional \$1.7 million to the base budget in SFY2017 for family preservation and child welfare services.

The State can bend the cost curve, achieve sustainability, and achieve budget neutrality by reinvesting savings and cost offsets from the Demonstration Project. The ASO will help to create savings by reducing duplication of services, better coordinating care, and helping to avoid relapse and readmissions to Alaska Psychiatric Institute and other inpatient treatment settings. Savings are also expected to come from enhanced preventative care and early intervention services, to further reduce hospitalizations and unnecessary emergency department visits, arrests and incarcerations, and child protection interventions.

The State of Alaska also plans to request the full allotment of Disproportionate Share Hospital payments (something historically not received). These funds will be used as an additional incentive for hospitals to work with behavioral health providers to implement care management strategies to decrease emergency department and inpatient hospital utilization. As discussed in Goal #4, Alaska is considering DSRIP to implement some of the identified reform efforts. Alaska is also exploring the use of safety net care pools, designated state health programs, cost sharing, etc. as a way to reduce costs.

## **VII. Potential Authorities to be Waived**

At this point in time, Alaska will consider requesting the following Medicaid Act provisions be waived:

- Freedom of Choice, 42 U.S.C. § 1396a(a)(23) – to allow the ASO to assign particular people to particular providers, and to allow those providers to be those people’s primary care providers or patient-centered health homes.
- Comparability and Amount, Duration, and Scope, 42 U.S.C. §§ 1396a(a)(10)(B) and (10)(C), 42 C.F.R. §§ 440.230 and 440.240 – to allow particular behavioral health services to be provided to the target population without requiring that the same level of services be provided to people who are not part of the target population.
- Services with Reasonable Promptness, 42 U.S.C. § 1396a(a)(8) – to the extent necessary to allow services to be provided to the target population without requiring services to go to “all [Medicaid-]eligible individuals.”
- Single State Agency, 42 U.S.C. § 1396a(a)(5) – to allow the ASO to make final, judicially reviewable decisions about coverage, medical necessity and provider participation without a complete re-review by DHSS.

### **VIII. Public Notice and Comment Process**

Tribal health organizations are essential partners in our statewide health care system, often operating the only health care services in rural communities. Tribal health representatives have been invited to participate in every level of the Medicaid reform and redesign efforts, and are active contributors to the planning and development of the Demonstration Project. The State of Alaska will continue to partner with tribal health organizations throughout this process. Formal tribal consultation will also be conducted. DHSS will, not less than 60 days prior to submission of the application, provide an electronic and hard copy of the Demonstration Project Application and invitation to comment to the Alaska Native Health Board, tribal health directors, members of the State/Tribal Medicaid Task Force and the Director of the Alaska Area Indian Health Services.

DHSS will, not less than 60 days prior to submission of the application, publicly notice and post the Demonstration Project Application and invitation to comment so that Medicaid recipients, providers, and the public can contribute their input.

The Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse, the state behavioral health planning councils, actively engage Medicaid recipients, health care providers, and community members in the Medicaid Redesign and in planning for the 1115 Waiver. The state planning councils’ efforts augment the extensive stakeholder engagement undertaken by DHSS and its contractors. The state planning councils will continue to provide this level of interactive stakeholder engagement throughout the development of the application and during implementation if the waiver.

## **Appendix A – Medicaid System Redesign**

An overview of the comprehensive Medicaid System Redesign effort, and progress made in the first year of implementing Senate Bill 74, is available online at:

[http://dhss.alaska.gov/HealthyAlaska/Documents/2\\_FY2016\\_Annual\\_Medicaid\\_Reform\\_Report\\_11152016.pdf](http://dhss.alaska.gov/HealthyAlaska/Documents/2_FY2016_Annual_Medicaid_Reform_Report_11152016.pdf)

Figures 1 and 2 on the following pages provide visual representations of the comprehensive Medicaid System Redesign effort.

# Vision for Medicaid Redesign

The Alaska Medicaid Program improves health and pays for value.

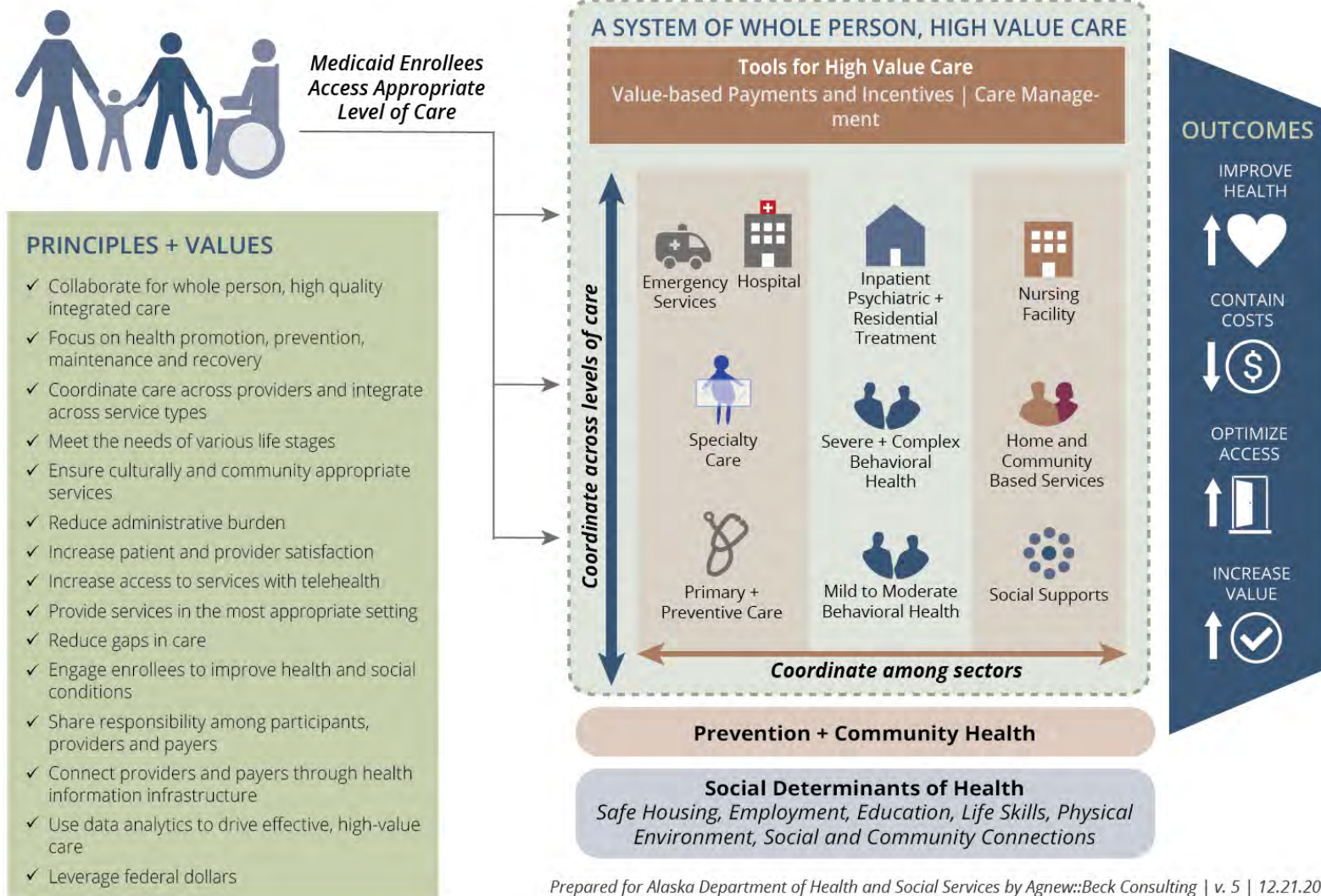
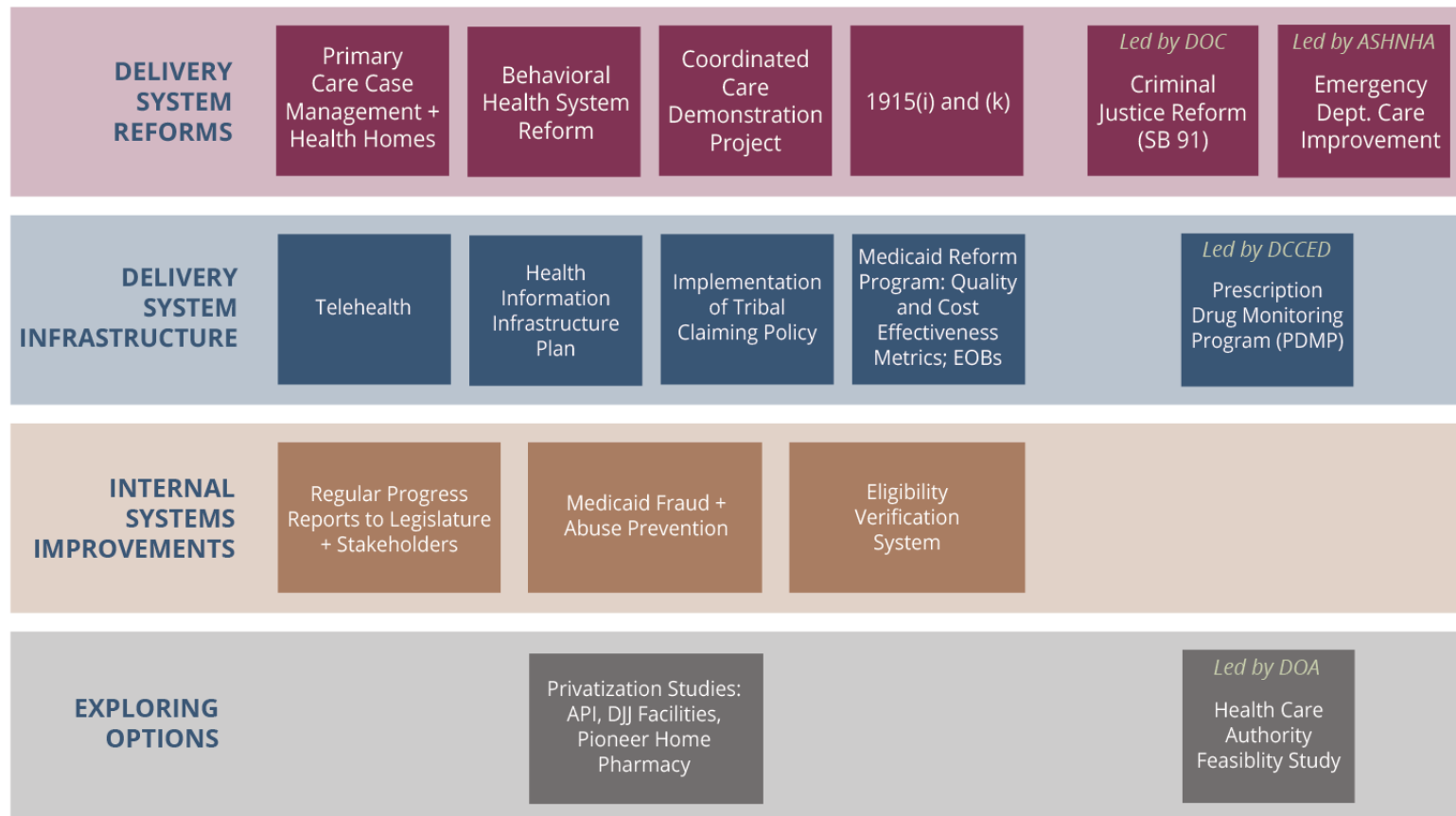


Figure 1. Vision for Medicaid Redesign in Alaska

# Alaska Medicaid Redesign: Components of SB 74



## Acronyms List

API: Alaska Psychiatric Institute | ASHNHA: Alaska State Hospital and Nursing Home Association | DCCED: Alaska Department of Commerce, Community and Economic Development | DHSS: Alaska Department of Health and Social Services | DJJ: Alaska DHSS, Division of Juvenile Justice | DOA: Alaska Department of Administration | DOC: Alaska Department of Corrections | EOB: Explanation of Benefits

Prepared for Alaska Department of Health and Social Services by Agnew::Beck Consulting, September 2016

Figure 2. Components of Medicaid Redesign in Alaska: Current Initiatives

# **FY17 Small Projects Approvals**

## **November 2016**



## MEMO

**To:** Russ Webb, Chairman, Board of Trustees  
**Date:** January 25, 2017  
**Re:** FY17 November Small Project Approval  
**Fiscal Year:** 2017  
**Amount:** \$69,430.00  
**Grantee:** Multiple Small Project Grantees (attached)  
**Project Title:** FY17 November Small Projects

### REQUESTED MOTION:

*Approve the recommended FY17 small projects from the November application period in the amount of \$69,430.*

### PROJECT DESCRIPTION

The Trust, in accordance with its mission to improve the lives and circumstances of beneficiaries, awards one-time small project grants of up to \$10,000 to create innovative new program ideas, substantially improve and supplement existing activities, or significantly increase the quality of ongoing projects. The small project grants are available three times a year, July, November, and March.

For the November 2016 application period, the Trust received 17 applications totaling \$140,430. A review committee comprised of Trust staff, with input from the statutory advisory boards met on December 15, 2016 to review the applications and make recommendations to the full Board of Trustees.

Attached is a spreadsheet listing the review committee's recommendations to approve \$69,430 for 8 small project grants.

Attachment: Small Project PEC Recommendations, January 25, 2017.

PEC recommends Trustees approve							
ID	Organization	Title	Brief Description	Request Amount	Location	PEC Recommendation	PEC Comments
7754	Supportive Housing Emergency Response Supplies	RurALCAP	RurAL CAP's Supportive Housing Division helps individuals move to economic independence, addressing the frequently interrelated problems of homelessness, substance abuse/addiction, and mental illness, and increases access to affordable housing for low income individuals and families. This project will purchase emergency response supply kits for use in the event of a disaster to ensure the safety and security of staff, tenants, and visitors for four supportive housing facilities (Karluk Manor, 325 E. 3rd, Safe Harbor Muldoon, Sitka Place) and the RurAL CAP Central Leasing Office.	\$10,000.00	Anchorage	Recommend approval, \$10,000.00	<i>This grant improves emergency preparedness by providing emergency supply kits for supportive housing facilities that serve Trust beneficiaries.</i>
7756	Caregiving from the Corral	Alaska Unique Riders Overcoming Risk & Adversity	This project will provide group counseling using the EAGALA (Equine Assisted Growth and Learning Association) psychotherapy model for foster children, at-risk youth, and young adults with high ACE (Adverse Childhood Experiences) scores. The EAGALA model allows practitioners to provide solution-focused counseling to more children and helps provide a sense of commonality, the experience of belonging, the chance to practice new behaviors, and the opportunity for positive vicarious learning by listening and observing others.	\$9,000.00	Wasilla	Recommend approval, \$9,000.00	<i>This project provides group counseling for child and young adult Trust beneficiaries who have adverse childhood experiences.</i>
7759	The Exchange	The Exchange, c/o Homer Foundation	The Exchange, a syringe access program, is operated by a coalition of community members and agencies committed to harm reduction efforts. This grant will enable the Exchange to continue its work providing injection drug users clean syringes, other drug injecting gear, overdose kits and training, rapid HIV-Aids and Hepatitis Testing, materials and contacts for treatment, and disposal of used syringes.	\$10,000.00	Homer	Recommend approval, \$10,000.00	<i>This is an evidence based intervention program that addresses the opioid abuse issue impacting Trust beneficiaries in Homer.</i>
7761	Elevator Valve Replacement	SeaView Community Services	This project will remedy safety and accessibility issues for Trust beneficiaries receiving services at SeaView Community Services' main office building. Due to a failing hydraulic valve, the elevator cab is dropping below where it should be on each floor, resulting in a one-inch stopping inaccuracy. During this project, the hydraulic valve will be replaced and adjusted in order to ensure proper operation and floor leveling. In addition, a full load and pressure test will be performed.	\$7,730.00	Seward	Recommend approval, \$7,730.00	<i>This project will fix a safety and accessibility issue impacting Trust beneficiaries in Seward.</i>
7763	2017 Kenai Project Homeless Connect	Bridges Community Resource Network, Inc	At each Project Homeless Connect (PHC) event, a person experiencing homelessness is able to receive assistance from multiple service providers, all under the same roof. Employment counselors, mental health professionals, housing assistance programs and many other vendors assist to accomplish the goal of ensuring participants have all the tools necessary to rebuild what they have lost and move forward. For the event this year in Kenai, it is the goal of the PHC committee to provide a backpack filled with supplies to hand out to each participant.	\$2,700.00	Soldotna	Recommend approval, \$2,700.00	<i>This project addresses the health and welfare of homeless Trust beneficiaries on the Kenai Peninsula.</i>
7764	After School Therapeutic Program	Co-Occurring Disorders Institute Inc	The Co-Occurring Disorders Institute Inc. is planning to have an therapeutic after-school program that is aimed at benefitting children who have severe emotional challenges. This program will offer after school groups for beneficiary children that have therapeutic and treatment needs. This program will operate 5 days per week with both on-site activities as well as community activities.	\$10,000.00	Palmer	Recommend approval, \$10,000.00	<i>This is start-up funding to enhance the treatment continuum for youth with severe emotional traumas.</i>
7765	Engagement Improvements	Access Alaska Inc	The purpose of this request is to improve engagement with the community through an updated website and new printed material. Access Alaska receives more than 1500 information and referral phone calls a year. They also attend more than 40 community events in Anchorage, Fairbanks, and Mat-Su to provide information about services to the community. However, their website is not as accessible as it could be and printed material is dated. With this grant, Access Alaska can increase and improve engagement with Trust beneficiaries by making information on the services they provide easier to access.	\$10,000.00	Anchorage	Recommend approval, \$10,000.00	<i>This project will improve beneficiary access to information and increase engagement in making care decisions.</i>
7768	Child Feeding Program	Kids Kupboard	This grant to fund food and the delivery of meals to children not covered by any state or federal program will make a profound impact on the lives of hundreds of at risk children and enhance our ability to continue serving as a community partner in feeding. Kids Kupboard is working to build a strong nutritional foundation that will give our children the ability to learn and grow. Healthy meals now will support them the rest of their lives.	\$10,000.00	Palmer	Recommend approval, \$10,000.00	<i>This project will have a direct impact on young Trust beneficiaries by providing healthy meals to children not otherwise covered by other funding programs.</i>
				\$69,430.00			

PEC recommends Trustees decline							
ID	Organization	Title	Brief Description	Request Amount	Location	PEC Recommendation	PEC Comments
7755	Juneau Consolidated Rapid Re-Housing Projec	St Vincent De Paul Society Diocesan Of Southeast Alaska Inc	Emergency shelter providers, St. Vincent de Paul Society, AWARE, and the Glory Hole are jointly applying for funds to improve coordination, inter-agency communication, and create rapid re-housing program consistent with best practices of Inner Agency Council on Homelessness. This pilot seeks funding for 1FTE housing coordinator who will work with the 3 agencies, staff/clients/partners to facilitate a coordinated intake process and create, in collaboration with the AKCH2 and Juneau Coalition on Housing and Homelessness, a coordinated system for transition from shelter into appropriate housing, as well dispute resolution and support system to advance supportive housing systems already in place.	\$9,500.00	Juneau	Recommend Decline	<i>The funding limit for a small project grant is \$10,000. This request is for \$30,000 spread over three organizations through three separate applications.</i>
7757	Rapid ReHousing Pilot Program	Aiding Women From Abuse And Rape Emergencies Inc	Juneau's emergency shelter providers, St. Vincent DePaul Society, AWARE, and the Glory Hole, are jointly applying for funds to improve coordination, inter-agency communication, and create a rapid re-housing program consistent with best practices of Inner Agency Council on Homelessness. This pilot seeks funding for 1FTE housing coordinator who will work with the 3 agencies, staff/clients/partners to facilitate a coordinated intake process and create, in collaboration with the AKCH2 and Juneau Coalition on Housing and Homelessness, a coordinated system for transition from shelter into appropriate housing, as well dispute resolution and support system to advance supportive housing systems already in place.	\$9,500.00	Juneau	Recommend Decline	<i>The funding limit for a small project grant is \$10,000. This request is for \$30,000 spread over three organizations through three separate applications.</i>
7758	Juneau Consolidated Rapid Re-Housing Project	Juneau Cooperative Christian Ministry	Emergency shelter providers, St. Vincent DePaul Society, AWARE, and the Glory Hole are jointly applying for funds to improve coordination, inter-agency communication, and create rapid re-housing program consistent with best practices of Inner Agency Council on Homelessness. This pilot seeks funding for 1FTE housing coordinator who will work with the 3 agencies, staff/clients/partners to facilitate a coordinated intake process and create, in collaboration with the AKCH2 and Juneau Coalition on Housing and Homelessness, a coordinated system for transition from shelter into appropriate housing, as well dispute resolution and support system to advance supportive housing systems already in place.	\$9,500.00	Juneau	Recommend Decline	<i>The funding limit for a small project grant is \$10,000. This request is for \$30,000 spread over three organizations through three separate applications.</i>
7760	Ride Strong	Wellspring Revival Ministries	Ride Strong will be a project to engage the youth at Joel's Place Skate Park and Youth Center and the children attending Raw Joy School Age Program in best practice programs building protective factors to prevent risk taking behaviors. This upstream prevention program will bring about community change as young people reach out to their peers with a message supporting emotional intelligence, generosity, positive activities and positive friends.	\$10,000.00	Fairbanks	Recommend Decline	<i>This prevention program funding request is primarily for personnel and training costs and is not a current funding priority of the Trust.</i>
7762	Dance for Connection	Homer Council On The Arts	The Dance for Connection program is movement based classes Brain Compatible Dance methodology. The class will be offered to beneficiaries that have experienced help people alter the inner landscape of their bodies	\$10,000.00	Homer	Recommend Decline	<i>This prevention program funding request is primarily for personnel and facility rental costs and is not a current funding priority of the Trust.</i>
7766	Youth employment and education	Access Alaska, Inc. - Fairbanks	This project is 2 fold: it will provide a van to transport the disability obstacle course to schools for education and outreach regarding the differing abilities and skills all students have; secondly, the van will transport youth in our transition program to job sites for employment skills training.	\$10,000.00	Fairbanks	Recommend Decline	<i>The purchase of vehicles is not allowable within the Small Project guidelines.</i>
7767	Remove Asbestos from room walls and cealing	Genesis Recovery Services Inc	The project is for the abatement (removal) of hazardous material (Asbestos) within the walls and ceiling in a facility used by clients in our substance abuse program. This material was discovered while renovations were being made. The material is hazardous to the clients health and must be removed..	\$10,000.00	Anchorage	Recommend Decline	<i>The Trust has recently provided grants to this applicant for similar capital improvements.</i>
7866	Friendship and Dating Program	J & J Independent Living LLC	This is a preventative program designed to teach teens and young adults, with emotional disturbance how to develop and maintain a healthy relationship and prevent interpersonal violence.	\$1,500.00	Wasilla	Recommend Decline	<i>The Trust currently provides funding for this type of training to the Center for Human Development (CHD). This applicant will be directed to CHD for more information.</i>

7867	Sensory Room Items	J & J Independent Living LLC	Sensory room is a stimulating environment aimed at developing hand-eye coordination, motor skills, color recognition, communication and sensory skills for individuals with sensory impairments. Schools catering for children with severe learning and physical disabilities, sensory impairments and autism have found that regular access to a sensory room or sensory equipment can make significant improvements on an individual emotional health and enhance their learning experience. Sensory rooms are also used to calm overactive emotions one may be experiencing.	\$1,000.00	Wasilla	Recommend Decline	<i>This is not a current funding priority of the Trust.</i>
				\$71,000.00			

# **Planning Committee Report**

## MEMO

**To:** Trustees  
**From:** Michael Baldwin, Evaluation & Planning Officer  
**Date:** January 12, 2017  
**Re:** Planning Committee Report

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There have been two Planning Committee meetings since the last board report. The meetings occurred on December 12, 2016 and January 5, 2017. Trustees participating in the meeting were Mary Jane Michael (Chair), Russ Webb, Larry Norene, Carlton Smith, Laraine Derr, Jerome Selby, and Paula Easley.

**December 12, 2016:** Trustees participating in the meeting were Mary Jane Michael (Chair), Russ Webb, Larry Norene (via telephone), Carlton Smith, Laraine Derr (via telephone), and Jerome Selby (via telephone). A brief summary of the topics addressed on December 12, 2016 are provided below:

- *1115 Waiver & Forensic Evaluations at API:* Katie Baldwin provided an overview of a memo submitted by Trust contractor Stephenie Colston addressing the possibilities of including forensic evaluations at the Alaska Psychiatric Institute as part of the Division of Behavioral Health's 1115 waiver application. Ms. Colston was unable to participate in this meeting, but will be scheduled for the next Planning Committee meeting on January 5, 2017. Randall Burns of the Division of Behavioral Health participated in the discussion.
- *Psychiatric Disability Rights:* The focus of this agenda item was to update Trustees on the status of the recent work of Trust, Alaska Mental Health Board, and the Disability Law Center of Alaska with mental health advocates Faith Myers and Dorrance Collins. The advocates requested a letter of support from the Trust for their advocacy work. [Note: A letter from the Trust Board Chair was given to Ms. Myers at the January 5, 2017 Planning Committee meeting].
- *Pre-Development Guidelines Development:* Katie Baldwin presented Trustees with a draft of the Pre-Development program funding guidelines for their consideration. Trustees were supportive of the draft guidelines. A final version to be shared with Trustees at a later meeting.
- *Developmental Disabilities System Assessment:* Amanda Lofgren and Roy Scheller (Executive Director of Hope Community Resources) presented a status update of planning work and stakeholder engagement and planning work for developing the Developmental Disabilities Systems assessment.
- *Preliminary Discussion of a Trustee work session with Advisory Boards:* Greg Jones facilitated a brief discussion of a proposal for a collaborative work session of the Trust Board members and members of the Trust's statutory advisory board.

**January 5, 2017:** Trustees participating in the meeting were Mary Jane Michael (Chair), Russ Webb, Larry Norene, Carlton Smith, Laraine Derr, Jerome Selby, and Paula Easley. A brief summary of the topics addressed on January 5, 2017 are provided below.

- *A CEO update:* A brief review of current Trust related activities and issues.
- *1115 Waiver & Forensic Evaluations at API Follow-up:* This was a follow-up discussion from the December 12, 2016 Planning Committee. Trust contractors Stephenie Colston and Charley Curie reviewed their findings. Randall Burns from the Division of Behavioral Health shared an update on an evaluation of forensic services at API. The report was shared electronically with Trustees after the meeting.
- *Long Term Services & Support Reform Update:* Amanda Lofgren and Duane Mayes, Director of Division of Senior and Disabilities Services, provided a brief status report on current Long Term Services and Support reform activities. Trustees were alerted to the possibility of a technical assistance funding request coming before them at the next Trustee board meeting.
- *Recover Alaska Update and the Day-1 social media campaign:* Tiffany Hall, Executive Director of Recover Alaska, provided Trustees an update on Recover Alaska activities, and shared examples of videos from their *Day 1* and *Be [You]* social media and marketing prevention campaign.

**January 25 & 26, 2017:** As part of the Trustee board meeting Planning Committee report Carrie Predeger, Grants Accountability Manager, will provide a summary of the 2016 MHTAAR Status Report performance review.

**Reference Document:**

- Letter of Support for Faith Myers and Dorrance Collins.

## MEMO

**To:** Mary Jane Michael, Planning Committee Chair  
**From:** Carrie Predeger, Grants Accountability Manager  
**Date:** January 26, 2017  
**Re:** FY16 Mental Health Trust Authority Authorized Receipts  
(MHTAAR) Performance Summary

### Overview

Each fiscal year, trustees approve Mental Health Trust Authority Authorized Receipts (MHTAAR) funds to be granted to state agencies for specific operating and capital projects. These entities must have legislative approval to receive and expend Trust funds. In FY16, there were 44 MHTAAR grants awarded, with a range of \$15,000 to \$984,000, for a total of \$8,587,900. Each of the 44 grants was categorized into one of the following six project categories:

Capacity Building – projects strengthening the skills, competencies and abilities of people and community organizations.

Capital Equipment – projects providing material infrastructure, develop system capacity, and support the improvement in the quality of life for Trust beneficiaries.

Data and Planning – projects supporting data collection, research and planning to aid in the development and strategic design of systems improvements.

Direct Service – projects providing services directly impacting the lives of Trust beneficiaries.

Outreach – projects providing information and/or services to individuals who might otherwise not have access.

Workforce Development and Training – projects that support strategies to build and train a capable and competent workforce serving Trust beneficiaries.

### Grants by Category

Of the \$8,587,900 awarded in FY16, project funds were categorized and distributed as shown below. (See Appendix: *FY16 MHTAAR Grants by Project Category*)



*Capacity Building* projects encompassed 18.1% (8) of the projects, and received 13.1% (\$1,122,900) of total MHTAAR funding.

*Capital Equipment* projects accounted for 4.5% (2) of the projects, and received 6.4% (\$550,000) of total MHTAAR funding.

*Data and Planning* projects made up 20.4% (9) of the projects, and received 15.6% (\$1,335,700) of total MHTAAR funding.

*Direct Service* projects represented 31.8% (14) of the projects, and received 39.9% (\$3,432,400) of total MHTAAR funding.

*Outreach* projects comprised 2.2% (1) of the projects, and received 2.3% (\$200,000) of total MHTAAR funding.

*Workforce Development and Training* projects accounted for 23.7% (10) of the projects, and received 22.7% (\$1,946,900) of total MHTAAR funding.

### **Grants by Focus Area**

In FY16, 77.3% (34) of the 44 MHTAAR projects were associated with a specific focus area, for a total of \$6,934,400 in funding. The remaining 22.7% (10) of projects fell outside a focus area, totaling \$1,653,500 or 19.3% of total MHTAAR funds.

The breakdown of the 34 focus area-related projects is as follows:

<b>Focus Area</b>	<b># of Projects</b>	<b>% of Focus Area Projects</b>	<b>\$ Amount</b>	<b>% of Total Focus Area Funding</b>
Disability Justice	17	50.0%	\$2,167,500	31.3%
Housing and Long Term Services & Supports	9	26.4%	\$2,697,500	38.9%
Workforce Development	4	11.8%	\$1,394,400	20.1%
Beneficiary Employment & Engagement	4	11.8%	\$675,000	9.7%
<b>FY16 TOTAL</b>	<b>34</b>	<b>100%</b>	<b>\$6,582,100</b>	<b>100%</b>

## Grants by Government Entity

For FY16, programs within the University of Alaska system and Department of Health & Social Services, Division of Behavioral Health received the greatest amount of MHTAAR grant funding, receiving 21.9% and 14.9% of total MHTAAR funds, respectively. Similar to previous years, the entities with the largest number of projects were the University of Alaska system, with 8 MHTAAR-funded projects, and the Department of Health & Social Services, Division of Behavioral Health, as well as the Division of Senior and Disabilities Services, each with 5 MHTAAR-funded projects.

A breakdown of the dollar amount of FY16 MHTAAR funding by government entity, percentage of total MHTAAR funding, and the number of MHTAAR grant projects by government entity for FY16 is as follows (a description of acronyms is included at the end of this section):

Entity	\$ Amount	% of Total MHTAAR \$	# of MHTAAR Grants
UA	\$1,881,900	21.9%	8
DBH	\$1,280,400	14.9%	5
AHFC	\$850,000	9.9%	1
SDS	\$803,600	9.4%	5
GCDSE	\$627,400	7.3%	4
ACS	\$505,300	5.9%	3
DOC	\$502,200	5.8%	4
AMHB/ABADA	\$465,500	5.4%	1
DPH	\$315,000	3.7%	3
FMS	\$300,000	3.5%	1
DJJ	\$268,700	3.1%	2
DOT	\$250,000	2.9%	1
PDA	\$138,800	1.6%	1
DVR	\$125,000	1.5%	1
ACoA	\$119,100	1.4%	1
EED	\$100,000	1.2%	1
OCS	\$40,000	0.4%	1
OPA	\$15,000	0.2%	1
<b>FY16 TOTAL</b>	<b>\$8,587,900</b>	<b>100%</b>	<b>44</b>

Acronym	Description
ACoA	Alaska Commission on Aging
ACS	Alaska Court System
AHFC	Alaska Housing Finance Corporation
AMHB/ABADA	Alaska Mental Health Board/Advisory Board on Alcohol and Drug Abuse
DBH	Division of Behavioral Health, Department of Health & Social Services
DJJ	Division of Juvenile Justice, Department of Health & Social Services
DOC	Department of Corrections
DOT	Department of Transportation
DPH	Division of Public Health, Department of Health & Social Services
DVR	Division of Vocational Rehabilitation, Department of Labor & Workforce Development
EED	Department of Education and Early Development
FMS	Finance and Management Services, Department of Health & Social Services
GCDSE	Governor's Council on Disabilities and Special Education
OCS	Office of Children's Services, Department of Health & Social Services
OPA	Office of Public Advocacy, Department of Administration
PDA	Public Defender Agency, Department of Administration
SDS	Senior and Disabilities Services, Department of Health & Social Services
UA	University of Alaska (includes: UA statewide, UA Anchorage, UA Anchorage – Center for Human Development)

### Numbers Served – How Much Did We Do?

When completing their annual MHTAAR status report, grantees are asked to provide the number of unduplicated individuals served or impacted by their project. This includes the number of primary and secondary beneficiaries, the number of professionals who were trained as a result of the project, as well as the number of individuals served or impacted through project outreach and education efforts.

Trust staff understands that grantees may be serving individuals that fall into more than one category. However, grantees are asked to pick the primary category that best describes the individuals served through their project. If duplication is not avoidable, grantees are asked to provide an explanation in the Executive Summary or Performance Measure section of their status report.

The number of individuals served is broken out into the following categories:

**Primary Beneficiaries** – the traditional Trust beneficiaries (i.e. individuals with mental illness, individuals with chronic alcoholism and other substance related disorders, individuals with traumatic brain injury resulting in permanent brain damage, individuals with Alzheimer’s disease and related dementia, and individuals with developmental disabilities).

**Secondary Beneficiaries** – family members and non-paid caregivers providing support to Primary Beneficiaries.

**Outreach & Education** – members of the general public who were the focus of outreach, prevention or education activities (i.e. health fairs, screenings, media campaigns, etc.).

**Professionals Trained** – individuals with professional training and various educational backgrounds who are paid to provide care and/or services to Primary Beneficiaries.

The following table provides an estimate of the number of individuals served through FY16 MHTAAR projects. Totals from FY13 to FY15 are included for comparison. It is important to note that the number of grants and types of projects that are funded vary from year to year; thus, contributing to the variance in the total number of individuals served each fiscal year.

<b>FY16 MHTAAR – Numbers Served</b>						
<b>Project Category</b>	<b>Primary Beneficiary</b>	<b>Secondary Beneficiary</b>	<b>Total # of Beneficiaries</b>	<b>Outreach &amp; Education</b>	<b>Professionals Trained</b>	<b>Total # Served</b>
Capacity Building	898	0	898	250	195	1,343
Capital Equipment	0	0	0	0	0	0
Data and Planning	0	0	0	0	0	0
Direct Service	6,762	289	7,051	18,273	376	25,700
Outreach	17	0	17	0	16	33
Workforce Development and Training	833	116	949	215	6,254	7,418
<b>FY16 Total Served</b>	<b>8,510</b>	<b>405</b>	<b>8,915</b>	<b>18,738</b>	<b>6,841</b>	<b>34,494</b>
FY15 Total Served	8,512	1,853	10,365	3,635	7,877	21,877
FY14 Total Served	8,781	2,604	11,385	441	10,004	21,830
FY13 Total Served	11,082	7,235	18,317	10,959	9,587	38,863

## Project Performance – How Well Did our Grantees Do?

Trust staff evaluated the FY16 MHTAAR project status reports and assigned a color rating of *Red*, *Yellow*, *Green*, or *Blue (Other)*. Projects receiving a *Red* or *Yellow* color rating are projects of concern for Trust staff. For these projects, Trust staff works with grantees where possible to address relevant project issues and concerns. One project received a *Blue (Other)* rating for FY16 due to MHTAAR funds not being expended as intended.

The following table represents the number and percentage of projects by color rating for the 44 MHTAAR grants awarded in FY16:

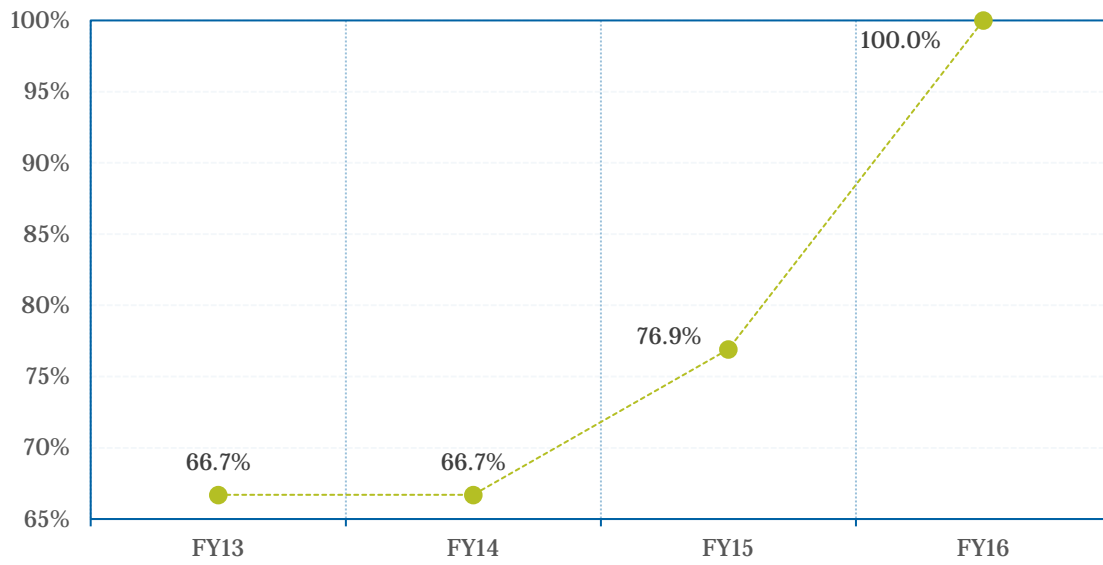
Color Rating	TOTAL # of Projects	% of TOTAL Projects
Green	36	81.8%
Yellow	5	11.4%
Red	2	4.5%
Blue	1	2.3%
<b>TOTAL</b>	<b>44</b>	<b>100%</b>

## Project Impact – Is Anyone Better Off?

Of the 44 projects in FY16, 14 were categorized as *Direct Service* projects. Project funds for one (1) project, as noted in the section above, were not used as intended. Therefore, our analysis for this section will include the remaining 13 projects that were categorized as *Direct Service*. Of the 13 eligible projects, 13 (100%) reported direct beneficiary improvements in quality of life. The percentage reported for FY16 is higher than the percentage reported in both FY14 and FY15, indicating an upward trend in reporting project outcomes and quality of life improvements for Trust beneficiaries. Trust staff is grateful to our MHTAAR grantees for demonstrating quality of life improvements and for supporting the Trust's need for improved data on how Trust funding impacts beneficiaries.

On the following page for historical purposes, is the percentage of *Direct Service* projects that have reported beneficiary improvements in quality of life from FY13 to FY16.

## % OF DIRECT SERVICE PROJECTS REPORTING BENEFICIARY IMPROVEMENTS



# FY16 MHTAAR Grants by Project Category

## Capacity Building

Organization Name	Project Title	Grant Amount
Division of Behavioral Health (DBH), Department of Health & Social Services	Housing: Office of Integrated Housing Operations	\$230,400
Division of Juvenile Justice (DJJ), Department of Health & Social Services	Justice: Mental Health Clinician Oversight in Youth Facilities	\$155,400
Governor's Council on Disabilities & Special Education (GCDSE)	Justice: Alaska Safety Planning & Empowerment Network (ASPEN)	\$150,000
Division of Senior and Disabilities Services (SDS), Department of Health & Social Services	Housing: Rural Long Term Care Development	\$142,100
Division of Vocational Rehabilitation (DVR), Department of Labor & Workforce Development	BEE: DVR Counselor/Liasion	\$125,000
Department of Corrections (DOC)	Justice: DOC Rural Reentry and FASD Education Pilot	\$120,000
Division of Behavioral Health (DBH), Department of Health & Social Services	Justice: Predevelopment for Developing Sleep Off Alternatives in Targeted Communities (Nome)	\$100,000
Division of Senior and Disabilities Services (SDS), Department of Health & Social Services	Housing: Telehealth Service System Improvements	\$100,000

## Capital - Equipment

Organization Name	Project Title	Grant Amount
Finance and Management Services (FMS), Department of Health & Social Services	Housing: Housing Modifications and Upgrades to Retain Housing - Capital (FY16-20)	\$300,000
Department of Transportation (DOT)	Coordinated/Non-coordinated Transportation- Capital (FY16-20)	\$250,000

## Data/Planning

# APPENDIX

Organization Name	Project Title	Grant Amount
Alaska Mental Health Board/Advisory Board on Alcoholism & Drug Abuse (AMHB/ABADA)	AMHB-ABADA Joint Staffing	\$465,500
Governor's Council on Disabilities & Special Education (GCDSE)	BEE: Technical Assistance and Program Coordination	\$200,000
Division of Senior and Disabilities Services (SDS), Department of Health & Social Services	Acquired/Traumatic Brain Injury Program Research Analyst and Registry Support	\$136,500
Governor's Council on Disabilities & Special Education (GCDSE)	Research Analyst III GCDSE	\$127,400
University of Alaska (UA) Anchorage	Justice: Alaska Justice Information Center	\$125,000
Alaska Commission on Aging (ACoA)	ACoA Planner	\$119,100
Department of Corrections (DOC)	Justice: Research Analyst	\$97,200
Division of Public Health (DPH), Department of Health & Social Services	Scorecard Update	\$40,000
University of Alaska (UA) Anchorage - Center for Human Development	Workforce: Behavioral Health Vacancy Study	\$25,000
<b>Direct Service</b>		
Organization Name	Project Title	Grant Amount
Alaska Housing Finance Corporation (AHFC)	Housing: Homeless Assistance Program - Capital (FY16-20)	\$850,000
Division of Behavioral Health (DBH), Department of Health & Social Services	Housing: Bridge Home Program and Intensive Services for Community Integration	\$750,000
Division of Senior and Disabilities Services (SDS), Department of Health & Social Services	Mini-Grants for Beneficiaries with Disabilities	\$300,000
Department of Corrections (DOC)	Justice: Implement the APIC (Assess, Plan, Identify and Coordinate) Discharge Planning Model	\$260,000
Alaska Court System (ACS)	Justice: Fairbanks Juvenile Therapeutic Court	\$245,900
Alaska Court System (ACS)	Justice: Mental Health Court Expansion to Targeted Community	\$204,400
Governor's Council on Disabilities & Special Education (GCDSE)	BEE: Micro Enterprise Funds	\$150,000
Public Defender Agency (PDA), Department of Administration	Justice: Public Defender Social Service Specialist Position	\$138,800



## APPENDIX

Division of Senior and Disabilities Services (SDS), Department of Health & Social Services	Funding for Aging and Disability Resource Centers	\$125,000
Division of Juvenile Justice (DJJ), Department of Health & Social Services	Justice: Rural Re-entry Specialist	\$113,300
Department of Education & Early Development (EED)	Alaska Autism Resource Center - AARC	\$100,000
Division of Behavioral Health (DBH), Department of Health & Social Services	Housing: Discharge Incentive Grants	\$100,000
Alaska Court System (ACS)	Justice: Holistic Defense Model	\$55,000
Office of Children's Services (OCS), Department of Health & Social Services	Early Intervention/Infant Learning Program Positive Parenting Training	\$40,000
<b>Outreach</b>		
<b>Organization Name</b>	<b>Project Title</b>	<b>Grant Amount</b>
University of Alaska (UA) Anchorage - Center for Human Development	BEE: Partners in Policy Making	\$200,000
<b>Workforce Development and Training</b>		
<b>Organization Name</b>	<b>Project Title</b>	<b>Grant Amount</b>
University of Alaska (UA) Anchorage - Center for Human Development	Workforce: The Alaska Training Cooperative	\$984,000
University of Alaska (UA) Alaska - Center for Human Development	Justice: Technical Assistance and Implementation of D.A.R.T. teams in targeted communities	\$210,000
Division of Public Health (DPH), Department of Health & Social Services	Workforce: SHARP Loan Repayment	\$200,000
University of Alaska (UA) Anchorage	Workforce: Workforce Development Coordinator	\$185,400
Division of Behavioral Health (DBH), Department of Health & Social Services	Housing: Assisted Living Home Training & Targeted Capacity for Development	\$100,000
University of Alaska (UA) Anchorage - Center for Human Development	Justice: Interpersonal Violence Prevention for Beneficiaries	\$80,000
Division of Public Health (DPH), Department of Health & Social Services	Autism Workforce Development Capacity Building	\$75,000
University of Alaska (UA) Anchorage - Center for Human Development	Justice: Specialized Skills & Services Training on Serving Cognitively Impaired Offenders	\$72,500
Department of Corrections (DOC)	Justice: Training for DOC Mental Health Staff	\$25,000

## APPENDIX

Office of Public Advocacy (OPA), Department of Administration	Justice: Deliver Training for Defense Attorneys	\$15,000
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January 5, 2016

Faith Myers and Dorrance Collins  
3240 Penland Pkwy, Sp. 35  
Anchorage, Alaska 99508

Dear Faith and Dorrance,

Thank you for your presentation to the Trust Planning Committee last month. Your advocacy on behalf of patient rights has been long standing and much appreciated by the Trust.

An effective grievance policy that ensures the ability of every psychiatric patient to have their concerns addressed in a thorough and timely manner is essential and should be a basic right enjoyed by all patients. We also agree with you that this must apply to all psychiatric inpatient facilities not only those operated by the state such as API.

In addition, individuals with psychiatric disorders committed to State custody for treatment often experience "institutional trauma" which can add to their feelings of helplessness and even exacerbate their underlying symptoms. We also agree with you that this issue needs to be addressed immediately so that all employees of psychiatric hospitals are trained to recognize and appropriately treat institutional trauma.

Finally, during the course of their treatment some patients exhibit aggressive or violent behavior toward hospital staff or other patients because of their illness. In fact they are being treated precisely because of the possibility of such behaviors. Too often, rather than employing appropriate security measures and continuing treatment for the disorders, hospital staff contact police and lodge criminal complaints. As a result, patients are charged with crimes during the course of treatment. These patients can be arrested, while in custody at API, discharged from API, and transferred to a correctional facility. For many such patients these criminal charges, arising only because of their involuntary commitment for treatment, represent their first and only criminal charge.

We believe that addressing these issues is extremely important and must be addressed with a greater sense of urgency. Therefore, we have directed Trust staff to work with you and other appropriate stakeholders such as the Department of Health and Social Services, the Alaska Mental Health Board and the Disability Law Center to develop comprehensive strategies to address these concerns as soon as possible. It is our expectation that to the extent that legislative action is needed that agreement

will be reached soon with a goal of having any necessary legislation introduced and passed this session.

Again, thank you for your tireless advocacy on behalf of the beneficiaries. We look forward to hearing from you further as we work together on these issues of vital importance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Russ Webb", written over a horizontal line.

Russ Webb, Chair  
Alaska Mental Health Trust Authority

# **Resource Management Committee Report**

# Memorandum



**To:** Carlton Smith, Chair  
Resource Management Committee

**Date:** January 6, 2017

**From:** Crystal Benson-Carlough, Executive Assistant *CBC*

**Subject:** January 5, 2017 – RMC Quarterly Meeting

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**Board Concurrence:** The following actions requiring full board of trustee concurrence occurred at the January 5, 2017 RMC meeting:

**Item A – 2017-2019 Statewide Land Sale Program.** The TLO is requesting concurrence with the 2017-2019 Statewide Land Sale Program, as proposed.

**Anticipated Revenues/Benefits:**

1. TLO can consolidate costs such as appraisals and parcel inspections over multiple land sale years, have more flexibility to public interest and market trends, and more effectively market the parcels.
2. Sales data indicates, the TLO will receive \$1 million of the \$3.5 million in down payments and parcels paid in full. The remaining \$2.5 million will be financed under TLO sale contracts which will generate an additional \$2 million in interest (Income).

**Recommended Motion One:** “The Resource Management Committee recommends that the Alaska Mental Health Trust Authority board of trustees concur with creating a pool of approximately 407 subdivision lots and small to medium sized parcels to offer through the TLO’s Statewide Land Sale Program.”

cc: Board of Trustees, Alaska Mental Health Trust  
Greg Jones, Interim CEO, Alaska Mental Health Trust Authority  
Steve Williams, Alaska Mental Health Trust Authority  
John S. Morrison, Executive Director, Trust Land Office  
Wyn Menefee, Deputy Director, Trust Land Office

# Memorandum

**To:** Trustees

**Date:** January 17, 2017

**From:** John Morrison  
Executive Director



**Subject:** USFS Land Exchange Update

Federal legislation introduced by Senator Murkowski authorizing the land exchange between the Alaska Mental Health Trust and the USFS failed to pass in the last legislative session. Great progress had been made in advancing the legislation, getting the USFS support, obtaining bipartisan support, as well as negotiating resolve to conservation groups concerns. The legislation represented a balanced exchange that was the result of extensive negotiation with the USFS. Unfortunately, it got delayed by unrelated issues because of the Energy Bill it was attached to and the results of the federal election. Congress adjourned without passage of the Energy Act. In the last days of session, we met with the congressional delegation and their staff to emphasize the necessity of passing this legislation.

Understanding the importance of this exchange to the communities, timber industry and the Trust, the Alaskan congressional delegation reintroduced the Alaska Mental Health Trust Land Exchange Act of 2017 on January 12th in both the House and the Senate. The desire of the congressional delegation is to pass this federal legislation by this summer.

Meanwhile, in order to expedite this exchange, the Trust Land Office has been working with Representative Ortiz of Ketchikan to introduce complimentary legislation into the Alaska Legislature. The desire is to pass this legislation this year. Further delay, by waiting until Congress passes legislation, may result in another missed field season of survey and appraisal work that needs to be accomplished to complete the exchange. It is critical that we get timber to market as quickly as possible, so as to not lose the timber industry due to lack of supply.

For timber revenue, this is the TLO's number one priority. TLO is placing its efforts fully on advancing this land exchange through both the Congress and the Alaska State Legislature. As we are undertaking this effort, the TLO will not be pursuing any other options for either of the Petersburg P1 or Deer Mountain parcels. I will inform the board at a future meeting if the TLO intends to pursue a timber harvest contract for either of these two parcels. The sincere hope and focus of effort will be for completion of the exchange.

The TLO will work to garner additional support from communities for the pieces of legislation that will increase future trust revenues as well as support protection of lands adjacent to some of the communities in Southeast.

# **Finance Committee Report**



	Item Type	Proposal	Organization	Page #	Proposed Motion
<b>Action Items - Items recommended for approval at the January 5, 2016 Finance Committee Meeting</b>					
1	Trust Item	Annual Payout Transfer	The Trust	186	Approve the Finance Committee's recommendation that the full board of trustees authorize the transfer of \$20,613,000 from the Alaska Permanent Fund Budget Reserve accounts to the Mental Health Settlement Income Account to finance the FY 2017 base disbursement payout calculation. This may be fulfilled with one lump sum or multiple transfers.
2	Partnership	Land Acquisition Keil Center for Adaptive Sports, Therapeutic Recreation, Education	Challenge Alaska	187	Approve the Finance Committee's recommendation for a \$75,000 FY17 partnership grant to Challenge Alaska for the Land Acquisition Keil Center for Adaptive Sports, Therapeutic Recreation, and Education project.
<b>New Items</b>					
3	FY17/18 MHTAAR Budget Adjustments	FY17/18 MHTAAR Reallocation	Department of Health and Social Services and Alaska Housing Finance Corporation	Hand-Out	Memo to be distributed at meeting.
4	Partnership Fund Contract	HCBS contract support for implementation of SB74 and CMS Final Rule	Contractor to be determined	194	Approve \$200,000 from partnership authority funds for contractual services to support the Trust and SDS with implementing SB74 and CMS rules as it relates to Long Term Services and Supports.
5	Partnership	Anchorage Cold Weather Shelter	United Way of Anchorage	197	Approve a \$50,000 FY17 partnership grant request to the United Way of Anchorage for the Anchorage Cold Weather Shelter.
<b>Finance Report - Approved at the January 5, 2016 Finance Committee Meeting</b>					<b>(NO ACTION REQUIRED)</b>
	Trust Land Office Item	Yosemite Drive Utility Extension and Road Access Improvements - Project #2014-83 - Item 1	Trust Land Office		<p><b>Proposed Motion One:</b> "Approved a reallocation of original budget previously approved for the expenditure of principal funds for sewer and water infrastructure improvements to and for a portion of the parcel known as Yosemite. The reallocation will make \$485,000 in budget formerly allocated to the installation of sanitary sewer infrastructure improvements now available for road access improvements. The original budget request was for \$900,000, and the current overall budget remains unchanged."</p> <p><b>Proposed Motion Two:</b> "Authorized the Executive Director of the TLO to represent the Trust's interests in the Yosemite Drive Utility Extension and Road Access Improvements Project (Project #2014-83) to ensure a successful project. This will include reallocations to the expenditure of approved budget resultant to future changes in project scope if necessary."</p>
	General Authority Grant	FY17 Pre Development Program	The Foraker Group		<p>1) The Finance Committee approved an \$80,000 FY17 general authority grant to the Foraker Group Pre Development Program. \$10,000 is allocated from prior Trustee approved FY17 Pre development funding to provide the Trust contribution to the pooled resource available for front end discovery on Pre Development projects. \$70,000 of this approval is a reimbursable services agreement (RSA) from Alaska Housing and Finance Corporation (AHFC) to the Trust for the Pre Development Program.</p> <p>2) Trust staff are directed to bring Pre Development projects forward for approval utilizing the existing approval process for authority grants: projects under \$50,000 are reviewed and approved by the finance committee. Any project above \$50,000 are reviewed by the finance committee and if approved, forwarded with recommendation to the full board of Trustees.</p>
	Partnership	Kenai Intentional Neighborhood	Hope Community Resources		The Finance Committee approved a \$50,000 FY17 partnership grant to Hope Community Resources, Inc. for the Kenai Intentional Neighborhood project.
	Partnership	Establishing Associate in Arts Degree in Behavioral Health	Alaska Christian College		The Finance Committee approved a \$48,000 FY17 partnership grant to the Alaska Christian College for the Establishing Associate in Arts Degree in Behavioral Health project.
	Partnership	Patient Benefits and Patient Services	Christian Health Associates		The Finance Committee approved a \$25,000 FY17 partnership grant request to Christian Health Associates for the Patient Benefits and Patient Services project.
	Partnership	Behavioral Intervention Team Training	University of Alaska Anchorage		The Finance Committee approved a \$20,500 FY17 partnership grant to the University of Alaska Anchorage for the 2nd Care-ful Intervention Statewide BIT/Threat Coalition Conference.

## MEMO

**To:** Larry Norene, Finance Committee Chair  
**From:** Kevin Buckland, Chief Financial Officer  
**Date:** December 16, 2016  
**Re:** Annual payout transfer  
**Fiscal Year:** 2017

### REQUESTED MOTION:

*The Finance Committee recommends that the full board of trustees authorize the transfer of \$20,613,000 from the Alaska Permanent Fund Budget Reserve accounts to the Mental Health Settlement Income Account to finance the FY 2017 base disbursement payout calculation. This may be fulfilled with one lump sum or multiple transfers.*

### 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 principal and budget reserve investment balances held the Alaska Permanent Fund Corporation (APFC) and the Department of Revenue.

The calculation for the FY17 payout and drawdown from APFC budget reserves is as follows:

	<i>FY Ending NAV</i>
FY 2013	\$ 454,350,603
FY 2014	500,866,741
FY 2015	500,472,541
FY 2016	484,334,872
Average NAV:	\$ 485,006,189
	x 4.25%
Payout disbursement calculation ( <i>rounded</i> ):	\$ 20,613,000

The payout disbursement calculation excludes investment and cash balances of other accounts (namely the Trust Authority Development Account) since the earnings from those are made available for program funding by other means.

## MEMO

**To:** Larry Norene, Finance Committee Chair  
**Date:** December 26, 2016  
**Re:** FY17 Partnership Grant Request  
**Fiscal Year:** 2017  
**Amount:** \$75,000.00  
**Grantee:** Challenge Alaska  
**Project Title:** Land Acquisition Keil Center for Adaptive Sports, Therapeutic Recreation, Education

### REQUESTED MOTION:

*The Finance Committee recommends approval to the full board of trustees for a \$75,000 FY17 partnership grant to Challenge Alaska for the Land Acquisition of the Keil Center for Adaptive Sports, Therapeutic Recreation, and Education project.*

**Assigned Program Staff:** Amanda Lofgren

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

### PROJECT DESCRIPTION

Challenge Alaska is seeking to purchase the land on which the Challenge Alaska Keil Center for Adaptive Sports, Therapeutic Recreation and Education is located. Challenge Alaska currently owns the facility which is completely paid. The facility is located on land owned by Alyeska Resort and has had a long-term lease. At the expiration of the lease the land owner is requiring Challenge Alaska to purchase the land or sell the facility to the Resort per the lease agreement.

Challenge Alaska has been serving individuals with disabilities (including Trust beneficiaries with developmental disabilities) for over 35 years through adaptive sports, therapeutic recreation and education. It is well documented that individuals with disabilities lack the access to sports, recreation and leisure opportunities that their nondisabled peers enjoy. In addition, individuals are less active, more obese and suffer in greater numbers from depression, isolation and low self-esteem. This affects their ability to be productive members of our communities and state. Challenge Alaska addresses these issues through adaptive sports, therapeutic recreation and education. Many of the individuals with disabilities Challenge Alaska serves and the programs we deliver are done so at our Keil Center for Adaptive Sports, Therapeutic Recreation and Education located in Girdwood, Alaska. Challenge Alaska desires to purchase the land the facility is located on to continue to provide adaptive sports and therapeutic recreation

### **Target Population**

The target population is Alaskans with disabilities which include Trust beneficiaries who experience developmental disabilities, mental illness, traumatic brain injury and chronic alcoholism. Challenge Alaska serves approximately 1,000 individuals with disabilities each year. Of those one thousand clients approximately 75% are Trust beneficiaries.

### **Geographic Area**

Although the Keil Center is located in Girdwood, Alaska Trust beneficiaries from all over the state utilize the facility and the programs Challenge Alaska offers. Approximately 90% of facility users are from Southcentral Alaska with the remaining 10% from other areas of the state.

### **Outcomes**

Improve the lives of Trust beneficiaries and their families through adaptive sports, therapeutic recreation and education in a state of the art fully accessible facility.

### **Community Support**

There is wide spread diverse community support for this project as evidenced by the current financial commitments to the project.

Municipality of Anchorage \$250,000

Stanley H. Reitman Foundation \$200,000

Caelus Energy \$30,000

David Hart \$30,000

Carr Foundation \$10,000

Sholton Family Foundation \$5,000

Pending Requests include:

Rasmuson Foundation

Conoco Phillips

## **EVALUATION CRITERIA**

Challenge Alaska will collect data on Trust beneficiaries benefiting from services at the Keil Center.

### **Goal 1)**

Challenge Alaska will serve a minimum of 500 Trust beneficiaries per year at the Keil Center. This information will be collected and tracked through our existing reporting process.

### **Goal 2)**

75% of Alaska Mental Health Trust beneficiaries participating in Challenge Alaska programs will have documented goals in their files with regularly reported progress toward their goals. Challenge Alaska will document client goals and progress for Alaska Mental Health Trust beneficiaries participating in Challenge Alaska programs at the Keil Center. This data will be collected and tracked in existing client files through case notes recorded following activities and/or instruction.

### **Goal 3)**

75% of Alaska Mental Health Trust Beneficiaries will self-report or secondary beneficiaries will report an improved quality of life in at least one area of functioning such as social, emotional, skill development, or mobility. Challenge Alaska will conduct an annual client satisfaction survey of beneficiaries and secondary beneficiaries for 3 years following the completion of the project.

## **SUSTAINABILITY**

Challenge Alaska has been providing adaptive sport and therapeutic recreation programs and services in Alaska for 35 years. Those services will continue after the Trust funding ends. The funds requested from the Alaska Mental Health Trust are requested for the specific one-time purpose of helping to purchase the land that the Challenge Alaska Keil Center occupies. The purchase of the land will help ensure that Challenge Alaska's services can continue on into the future. Challenge Alaska has a broad funding base that provides for its ongoing services. Funding comes from the following sources: 31% Special Events, 24% Gaming, 19% Program Fees, 17% Donations, 9% Grants. These sources are considered to be stable and growing on into the future.

## **WHO WE SERVE**

### **Benefit to Trust Beneficiaries**

By participating in adaptive sports and therapeutic recreation programs offered by Challenge Alaska Trust Beneficiaries improve their physical and emotional health as well as increased socialization and community involvement. Physical and health is improved through movement and activity which increases flexibility, range of motion, strength, stamina and cardiovascular. The improvement in physical health supports improved mobility as well as mental health. Through participation socialization is increased along with community involvement creating a recurring cycle of life improvement.

**ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING**

Mental Illness:	130
Developmental Disabilities:	490
Substance Abuse	25
Traumatic Brain Injuries:	40
Secondary Beneficiaries(family members or caregivers providing support to primary beneficiaries):	1,370
Non-Beneficiaries:	2,500

**BUDGET**

Space or Facilities Costs	\$75,000.00
Space or Facilities Costs (Other Sources)	\$939,000.00
Space or Facilities Narrative:	All funds will be used for the purchase of the land occupied by the Challenge Alaska Keil Center

Total Amount to be Funded by the Trust	\$75,000.00
Total Amount Funded by Other Sources	\$939,000.00

**Other Funding Sources**

Municipality of Anchorage - secured	\$250,000.00
Stanley H. Reitman Foundation - secured	\$200,000.00
David Hart - secured	\$30,000.00
Caelus Energy - secured	\$30,000.00
Carr Foundation - secured	\$10,000.00
Sholton Foundation - secured	\$5,000.00
Conoco Phillips - Pending	\$14,000.00
Rasmuson Foundation - Pending	\$400,000.00
<b>Total Leveraged Funds</b>	<b>\$939,000.00</b>

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

### **Trust Capital Project Questionnaire**

The Alaska Mental Health Trust Authority, along with our funding partners, Rasmuson Foundation, Denali Commission and the Mat-Su Health Foundation, participate in a program that promotes early and thorough planning for capital projects called the Pre-Development Program. It is administered by The Foraker Group.

This program has demonstrated the need for a thorough examination of the health and operations of a non-profit organization before undertaking a capital project. To assist The Trust in this assessment, all applicants seeking capital funds must complete the following questionnaire and be prepared to respond to questions regarding any of the areas covered.

If you would like more information about the Pre-Development Program and how to participate, please see The Foraker Group's website at  
<http://www.forakergroup.org/index.cfm/Shared-Services/Pre-Development>

Organization name: \_\_\_\_\_ Challenge Alaska \_\_\_\_\_

Contact: \_\_\_\_\_ Elizabeth Edmands-Merritt \_\_\_\_\_

Email: \_\_\_\_\_ beth@challengealaska.org \_\_\_\_\_

Phone: \_\_\_\_\_ 907-301-3641 \_\_\_\_\_

#### **A. Organizational Issues**

<b>A1</b>	<b>What is your organization's core mission? How does this project fit into your core mission?</b>	<b>Response:</b> Challenge Alaska improves the lives of people with disabilities, their families and the whole community through adaptive sports, therapeutic recreation and education.
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<b>A2</b>	<b>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?</b>	<b>Response:</b> Complete and being monitored annually.
<b>A3</b>	<b>Does this project fit into a community or regional plan or process? How?</b>	<b>Response:</b> Yes it fits into the Alyeska Resort Master Plan and the Girdwood Community Plan.
<b>A4</b>	<b>How many months of operating reserves do you maintain?</b>	<b>Response:</b> 1 month
<b>A5</b>	<b>Have you explored opportunities for collaboration with other organizations on this project? If so, how?</b>	<b>Response:</b> Yes. Alyeska Resort and Girdwood Board of Supervisors

#### **B. Program Issues**

<b>B1</b>	<b>What are your current services and how will the project enhance/expand your services?</b>	<b>Response:</b> The Challenge Alaska Keil Center is used November through April as an adaptive ski and snowboard school. May through October the facility is used for other Challenge Alaska activities and to support other organizations that provide services to individuals with disabilities such as Adam's Camp which is an intensive interactive therapy camp for children with autism.
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#### **C. Site Issues**

<b>C1</b>	<b>Has a site been identified for this project?</b>	<b>Response:</b> Yes
<b>C2</b>	<b>Were alternative sites fully evaluated?</b>	<b>Response:</b> The facility already occupies the site and Challenge Alaska owns the facility.
<b>C3</b>	<b>Has the selected site been evaluated for appropriate size, access, utilities, and environmental constraints?</b>	<b>Response:</b> Yes
<b>C4</b>	<b>Has a site plan been completed?</b>	<b>Response:</b> Yes



<b>C5</b>	<b>What is the status of site ownership?</b>	<b>Response:</b> Alyeska Resort currently owns the land which the Challenge Alaska facility occupies

#### **D. Facility Issues**

<b>D1</b>	<b>Explain why you need a new, expanded, or remodeled facility.</b>	<b>Response:</b> Challenge Alaska is required to purchase the land by Nov. 30, 2018 by our current lease. If we fail to do so the Resort may purchase the facility from Challenge Alaska.
<b>D2</b>	<b>How much total square footage do you think you will need?</b>	<b>Lot size is already determined</b>
<b>D3</b>	<b>Has a construction cost estimate been prepared? Who prepared it?</b>	<b>Response:</b> No construction costs at this time. Strictly a land purchase

#### **E. Financial Issues**

<b>E1</b>	<b>Is the full cost of the project identified?</b>	<b>Response:</b> Yes in the appraisal at \$1,014.000
<b>E2</b>	<b>What funding has been identified for the capital project? Please provide amounts and sources.</b>	<b>Response:</b> Please see attachment
<b>E3</b>	<b>How will increased operating expenses be covered?</b>	<b>Response:</b> There will be no increased operating expenses. Actually our costs will be reduced by \$400 per month or \$4,800 annually which we currently pay in land lease payments to Alyeska Resort

#### **F. Other information that helps explain your project:**

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## MEMO

**To:** Larry Norene, Finance Committee Chair  
**Date:** January 25, 2017  
**Re:** FY17 Partnership Contract Request  
**Fiscal Year:** 2017  
**Amount:** \$200,000.00  
**Organization:** Contract to be awarded through state procurement process  
**Project Title:** HCBS contract support for implementation of SB74 and CMS Final Rule

### REQUESTED MOTION:

*Approve \$200,000 from partnership authority funds for contractual services to support the Trust and SDS with implementing SB74 and CMS rules as it relates to Long Term Services and Supports.*

**Assigned Program Officer:** Amanda Lofgren

### PROJECT BACKGROUND

For more than 30 years, an array of home and community based services in Alaska have provided essential services and supports for beneficiaries who choose to live in their own home and community instead of an institution. While the system has evolved and adapted to the ever changing needs throughout the years, never before has it seen the magnitude of changes brought forward by self-advocates and families, federal regulations, and state legislation (SB 74) that have created the opportunity to truly transform the way services are provided. The foundation of these changes is to ensure that beneficiaries direct their own services that are based on their strengths and abilities to achieve their goals to live a meaningful life. It is also intended to create a more efficient and sustainable system for beneficiaries today and into the future. These transformation efforts coupled with the budget deficit Alaska faces requires an aggressive timeline with limited resources to achieve the desired goals.

The Department of Health and Social Services; Division of Senior and Disabilities Services (SDS) has provided tremendous leadership, resourcefulness, and collaboration with stakeholders to develop and begin implementation of the plan for serving Trust beneficiaries through the various federal authorities; 1915 (c), (k), (i) and targeted case management. The magnitude of tasks, requirements and complexities that each of these authorities bring should not be underestimated. It is essential to have access to highly specialized national technical expertise and assistance to accomplish the desired system reform goals, minimize disruption in service delivery for those transitioning from grant funded services to Medicaid

services, and keep pace with changes that will be occurring due to the new federal administration.

## **PROJECT DESCRIPTION**

Senior and Disabilities Services (SDS), the Trust, and other stakeholders are working collaboratively to implement the major systems changes required under SB74. In conjunction with these changes, SDS must significantly alter their operations and services to comply with Centers for Medicare & Medicaid Services (CMS) requirements included in the final rule for Home and Community Based Services (HCBS).

While SDS has made substantial progress in improving internal operations and staff capabilities, it has never had to manage a systems change effort of this magnitude in addition to still managing the day to day operations that SDS oversees. The purpose of this contract is to assist SDS in enhancing its project management capabilities to successfully implement the HCBS elements of SB74. In addition, this contract will provide access to a highly skilled and very specific technical expertise for long term services and supports (LTSS), as it relates to all components of SB74 and other system change efforts.

In addition to funding key components of SB74, over the years the Trust has previously contracted with HCBS Strategies, Inc. to assist with specific components of these efforts. This resulted in a number of important achievements, including:

- The development of an Implementation Advanced Planning Document (IAPD) that will allow SDS to receive enhanced Medicaid match for a variety of activities to support these transformation efforts.
- A Gantt Chart that outlines an integrated plan for implementing the changes necessary to comply with SB74. This plan identifies the 514 tasks, outlines their dependencies and establishes a timeline for each of the tasks.
- An implementation plan for conflict free case management, which separated care coordination from service providers.

The changes included in the Gantt Chart also impact other Trust initiatives and other stakeholders. For example, the stakeholder engagement process and vision developed under the DD Systems Assessment project could evolve into the broader stakeholder engagement project. Stakeholders could use the vision and related values to shape the input they provide to SDS as it develops the systems change initiatives.

Once the HCBS components of SB74 are successfully implemented, there will be major changes to the delivery of long term services and supports (LTSS) for Trust beneficiaries with:

- Intellectual/Developmental Disabilities (IDD)
- Alzheimer's and related dementias (ARD)
- Traumatic brain injuries (TBI)

## **PROJECT SCOPE**

This contract is specifically intended to assist SDS, the Trust, and the other stakeholders by providing the following assistance in two key areas:

- **Project management support:** The contractor will assist SDS with using the integrated plan to assign work to SDS staff and others, track progress towards meeting

plan goals, and updating the plan. This will include facilitating weekly meetings with SDS's internal staff and updating the Gantt Chart and an online project management tool.

- **Program operations and policy development support:** The contract includes funding for consulting and site visits to assist with the development of operations and policies to include but not limited to:
  - Development of regulations
  - Development of protocols, tools, and changes to existing operations necessary to change programs
  - Researching national best practices and CMS regulations and guidance
  - Identifying, reviewing, and developing alternative plans that reflect requirements and/or opportunities created by changes at the federal level
  - Facilitating meetings to achieve agreement on policies and operations
  - Stakeholder engagement

This support may be provided to the following:

- SDS and DHSS
- Trust staff and Trustees
- Pioneer Home
- The Trust Statutory Advisory Board
- Other key entities identified by SDS and/or the Trust

The Trust intends to apply for a sole source contract with HCBS Strategies. The Trust and SDS will continue to collaborate and establish a project management framework that is mutually agreed upon that is the most efficient and effective use of the contract resources. While it is anticipated that HCBS Strategies will conduct most of the work, they may subcontract some of the work to other individuals as long as this is approved by the Trust and SDS. This will allow HCBS Strategies to bring in individuals with specific subject matter expertise related to critical components.

## MEMO

**To:** Larry Norene, Finance Committee Chair  
**Date:** January 18, 2017  
**Re:** FY17 Partnership Grant Request  
**Fiscal Year:** 2017  
**Amount:** \$50,000.00  
**Grantee:** United Way Of Anchorage  
**Project Title:** Anchorage Cold Weather Shelter

### REQUESTED MOTION:

*Approve a \$50,000 FY17 partnership grant request to the United Way of Anchorage for the Anchorage Cold Weather Shelter.*

**Assigned Program Staff:** **Amanda Lofgren**

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

### PROJECT DESCRIPTION

The proposed project will expand and enhance critical cold weather shelter for 2016-2017 season. United Way of Anchorage will partner with the Downtown Soup Kitchen, Catholic Social Services, and Beans Café to provide shelter in the Stolt Building warming center.

Anchorage had, at the start of the 2016-17 cold weather shelter season a shortage of up to 62 shelter beds per night for homeless individuals. If left without shelter there is an increased risk of exploitative vulnerability, illness, hypothermia, and death. United Way and the Municipality of Anchorage were able to secure the additional spaces to shelter these individuals by better utilization of existing assets including the Downtown Soup Kitchen, Beans Café, and the Stolt Building. To be in compliance with Anchorage Municipal Code which mandates a specific number of staff observers to sleeping clients, additional financial resources are necessary.

The homeless population of Anchorage (single adults, families and adolescents) has historically been predominantly Trust beneficiaries or at-risk individuals. The outcomes we expect include:

1. Increase access and contact with the sheltered individuals which will allow our service providers/care coordinators to assess them with the new (January 1, 2017) Coordinated Entry protocols to match them with appropriate housing and services,
2. Decrease exposure to weather, illness and other exploitative vulnerabilities, and

3. Increase engagement on behalf of existing case management to better prepare this population for placement in housing.

The requested funding, when blended with other sources will provide for compulsory staff oversight (per DHSS and Anchorage Fire Code) of individuals sheltered overnight at the Downtown Soup Kitchen, Catholic Social Services (Brother Francis Shelter), and Beans Café.

The agencies providing shelter worked collaboratively with the Anchorage Coalition to End Homelessness, United Way of Anchorage and the Municipality to create the current community plan. Further, the aforementioned agencies, along with 17 additional community providers work together to improve coordinated entry specific to accessing appropriate shelter and housing including immediate shelter, transitional housing, permanent supportive housing, and voucher/market-rate housing through an Interagency Data Sharing and Coordinated Services Agreement. By working collaboratively, direct service providers optimize the community's shelter and housing resources, vouchers, and case management services ensuring individuals are housed as quickly and appropriately as feasible. All agencies regularly record and share housing and homeless data through the Alaska Housing Management Information System (HMIS.) Data gathered this winter will be utilized to inform and draft the 2017-18 Cold Weather Shelter plan for the Municipality.

### **EVALUATION CRITERIA**

Providers will record the number of individuals sheltered at the Brother Francis Shelter, Beans Café, and the Downtown Soup Kitchen in addition to those utilizing the Stolt Building each night during the project period. This project will be a component of the Community Plan to End Homelessness and the Collective Impact goals of housing people in the homeless services delivery system. The goals are in edit and review currently and we would be happy to provide them to the Trust for review and participation in building effective results based programming. Important measures that will feed into the community outcomes include:

- reporting on the number of people sheltered at main shelter
- reporting on the number of people accessing overflow shelter
- number of people engaged by work programs and vocational training through the shelter+work programs at the Downtown Soup Kitchen and Bean's Café.
- Distribution of VI-SPDAT scores of shelter users (in aggregate) to assist in building community resources for Permanent Supported Housing and rapid re-housing programs and to ensure safe shelter staffing levels.

### **SUSTAINABILITY**

Given the relatively new ability to accurately count the number of homeless people requiring safe shelter, this project will continue to be scoped and planned over the course of 2017. Emergency Cold Weather Shelter resources are only available during the winter months so this portion of the program will come to an end at that time. The costs for increased staffing for the three partner agencies will be addressed during preparation of the 2017-18 Cold Weather Shelter Plan and a summer plan to increase access to housing is currently being reviewed. Agencies anticipate that through utilizing coordinated entry and data sharing, the timeframe for rapid-rehousing of

individuals experiencing homelessness will be decreased and therefore reduce the number of requisite beds needed during the winter months.

## WHO WE SERVE

Historically, Anchorage has not been able to fully track people using the shelter system in a coordinated manner, however, there is daily evidence that Trust beneficiaries are represented in a disproportionate manner in the homeless population. Additionally, these conditions worsen over time in homelessness due to increased substance use, violence in camps and places where large numbers of people congregate and a substantial lack of access to primary care, mental health services and substance treatment. However, given the HUD prohibition of asking disability status at intake, the shelters have been only able to provide information on disability status through staff perception, knowledge of supportive service provision to individuals and self-report surveys. In the first group of people who were able to become stabilized in the Housing First projects, Trust beneficiaries were over-represented with approximately 70% of the people experiencing a mental illness, underlying traumatic brain injury or other diagnosis accompanying a severe substance use history. Recently, assessments have been administered to 270 people in the homeless services system that allows a better understanding of the needs of the population and will assist the social service providers in directing individuals to the right level of services and interventions needed for stabilization in housing. Each night, particularly in the cold winter months, there are more than 500 individuals utilizing Anchorage's emergency shelter systems. Approximately 60% of them are served through Catholic Social Services, Beans Café, the Downtown Soup Kitchen and the Stolt Building. This project will continue the efforts to access people in a timely manner by providing overflow shelter and day time services to the population. It will also provide lifesaving shelter for people who are at highest risk to die on the streets. Estimated beneficiaries are based on 300 individuals served each night by the agencies included in this application with 30% of them non-beneficiaries.

## ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness @ estimated 20%	60/night
Alzheimer's Disease & Related Dementias @ estimated 5%	15/night
Substance Abuse @ estimated 35%	105/night
Traumatic Brain Injuries @ estimated 10%	30/night
Non-Beneficiaries @ 30%	90/night

## BUDGET

Personnel Services Costs	\$43,138.00
Personnel Services Costs (Other Sources)	\$94,903.00
Personnel Services Narrative:	<p>Funds requested from the AMHTA represent 31.3% of the total cost of the additional staff and fringe for the partner agencies and for United Way Anchorage to administer the project as follows:</p> <p>\$ 11,788 - Downtown Soup Kitchen - one part-time staff/fringe</p>

	<p>\$ 4,288 - Catholic Social Services - one part-time staff/fringe</p> <p>\$ 19,562 - Bean Café - two part-time staff/fringe</p> <p>\$ 7,500 - United Way Anchorage - Offset staff/fringe devoted to project administration</p> <p>\$ 43,138 - Total Personnel/fringe requested from AMHTA</p> <p>The remaining funds required, 68.7% of the total necessary for the personnel associated with this project come from Providence Health Services as follows:</p> <p>\$ 25,932 - Downtown Soup Kitchen - one part-time staff/fringe</p> <p>\$ 25,932 - Catholic Social Services - one part-time staff/fringe</p> <p>\$ 43,039 - Bean Café - two part-time staff/fringe</p> <p>\$ 94,903 - Total Personnel/fringe provided by Providence Health Services</p>
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Travel Costs	\$0.00
Travel Costs (Other Sources)	\$0.00
Travel Narrative:	There are no travel funds associated with this request.

Space or Facilities Costs	\$3,206.00
Space or Facilities Costs (Other Sources)	\$7,053.00
Space or Facilities Narrative:	<p>\$ 3,206 - Funds requested from the AMHTA represent 31.25% of the increased utility costs @ Beans Café.</p> <p>\$ 7,053 - Funds provided by Providence Health Services represent 68.75% of the increase utility costs @ Beans Café.</p>

Supplies Costs	\$3,656.00
Supplies Costs (Other Sources)	\$8,044.00
Supplies Narrative:	<p>Funds requested from the AMHTA represent 31.25% of the total cost of supplies as follows:</p> <p>\$ 3,125 - Stolt Building - minor renovations, locks, chairs, coffee service station</p> <p>\$ 531 - Additional direct-service supplies @ Beans Café</p> <p>Funds provided from Providence Health Services represent 68.75% of the total cost of supplies as follows:</p>



	\$ 6,875 - Stolt Building - minor renovations, locks, chairs, coffee service station \$ 1,169 - Additional direct-service supplies @ Beans Café
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Total Amount to be Funded by the Trust	\$50,000.00
Total Amount Funded by Other Sources	\$110,000.00

<b>Other Funding Sources</b>	
Providence Health Services - SECURED	\$110,000.00
<b>Total Leveraged Funds</b>	<b>\$110,000.00</b>