

## MEETING AGENDA

**Meeting:** Board of Trustee  
**Date:** May 3-4, 2017  
**Time:** 12:00 PM  
**Location:** Grand View Inn & Suites, 2900 E Parks Hwy, Wasilla  
**Teleconference:** May 3: (844) 740-1264 / Session No: 809 640 646 # / Attendee No: #  
May 4: (844) 740-1264 / Session No: 807 312 893 # / 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

### Wednesday, May 3, 2017

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<b>12:00p</b>	<b>Catered Lunch</b>	
<b>1:00p</b>	<b>Call to Order – Russ Webb, Chair</b>	
	Roll Call	
	Approval of Agenda	
	Review of Guiding Principles	6
	Ethics Disclosure	
	Approval of Minutes	
	• January 5, 2017	13
	• January 25-26, 2017	17
	• February 28, 2017	43
	• March 24, 2017	56
	Current Bylaws	71
<b>1:10</b>	<b>Mission Moment</b>	
	Philip Licht, Executive Director	
	Set Free Alaska	
<b>1:30</b>	<b>Staff Report</b>	
	CEO Update	
<b>2:15</b>	<b>Staff Report</b>	
	TLO Director Update	
<b>2:45</b>	<b>Break</b>	
<b>3:00</b>	<b>Statutory Advisor Updates</b>	80
	Kate Burkhart, Executive Director	
	Alaska Mental Health Board /	
	Advisory Board on Alcoholism and Drug Abuse	

## Wednesday, May 3, 2017 (Continued)

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**3:30**      **Statutory Advisor Updates**  
Denise Daniello, Executive Director  
Alaska Commission on Aging

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**4:00**      **Recess**

**4:15**      **Public Comment**

- For Public Comment Guidelines click [here](#)

**Thursday, May 4, 2017**

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<b>9:00a</b>	<b>Call to Order</b> Announcements	
<b>9:10</b>	<b>Statutory Advisor Updates</b> Patrick Reinhart, Executive Director Governor's Council on Disabilities and Special Education	112
<b>9:45</b>	<b>Approvals FY17 March Small Projects</b> Small Project Application Spreadsheet	125 127
<b>10:00</b>	<b>Statutory Advisor Update</b> Valerie Davidson, Commissioner Department of Health & Social Services	
<b>11:00</b>	<b>Break</b>	
<b>11:10</b>	<b>Partner Update</b> Karen Cann, Deputy Commissioner Morgen Jaco, Reentry Program Manager Department of Corrections	
<b>12:00</b>	<b>Catered Lunch</b>	
<b>12:30</b>	<b>Planning Committee Report</b>	128
<b>1:30</b>	<b>Resource Management Committee Report</b>	131
<b>2:00</b>	<b>Break</b>	
<b>2:15</b>	<b>Finance Committee Report</b>	141
<b>2:30</b>	<b>Governance Discussion</b> Greg Jones, Interim CEO	
<b>3:30</b>	<b>Adjourn</b>	

## Future Meeting Dates

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

(Updated – April 25, 2017)

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#### **Planning Committee Dates:**

- August 1-2, **2017** (Tue, Wed)
- October 17, **2017** (Tue)
- **January 4, 2018** (Thu)
- **April 18, 2018** (Wed)
- **Jul 31- Aug 1, 2018** (Tue, Wed)
- **October 17, 2018** (Wed)
- **January 3, 2019** (Thu)
- **April 17, 2019** (Wed)
- **Jul 30-31, 2019** (Tue, Wed)
- **October 16, 2019** (Wed)

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

- August 3, **2017** (Thu)
- October 17, **2017** (Tue)
- **January 4, 2018** (Thu)
- **April 18, 2018** (Wed)
- **Aug 2, 2018** (Thu)
- **October 17, 2018** (Wed)
- **January 3, 2019** (Thu)
- **April 17, 2019** (Wed)
- **Aug 1, 2019** (Thu)
- **October 16, 2019** (Wed)

## Future Meeting Dates

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

(Updated – April 25, 2017)

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

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

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

- 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

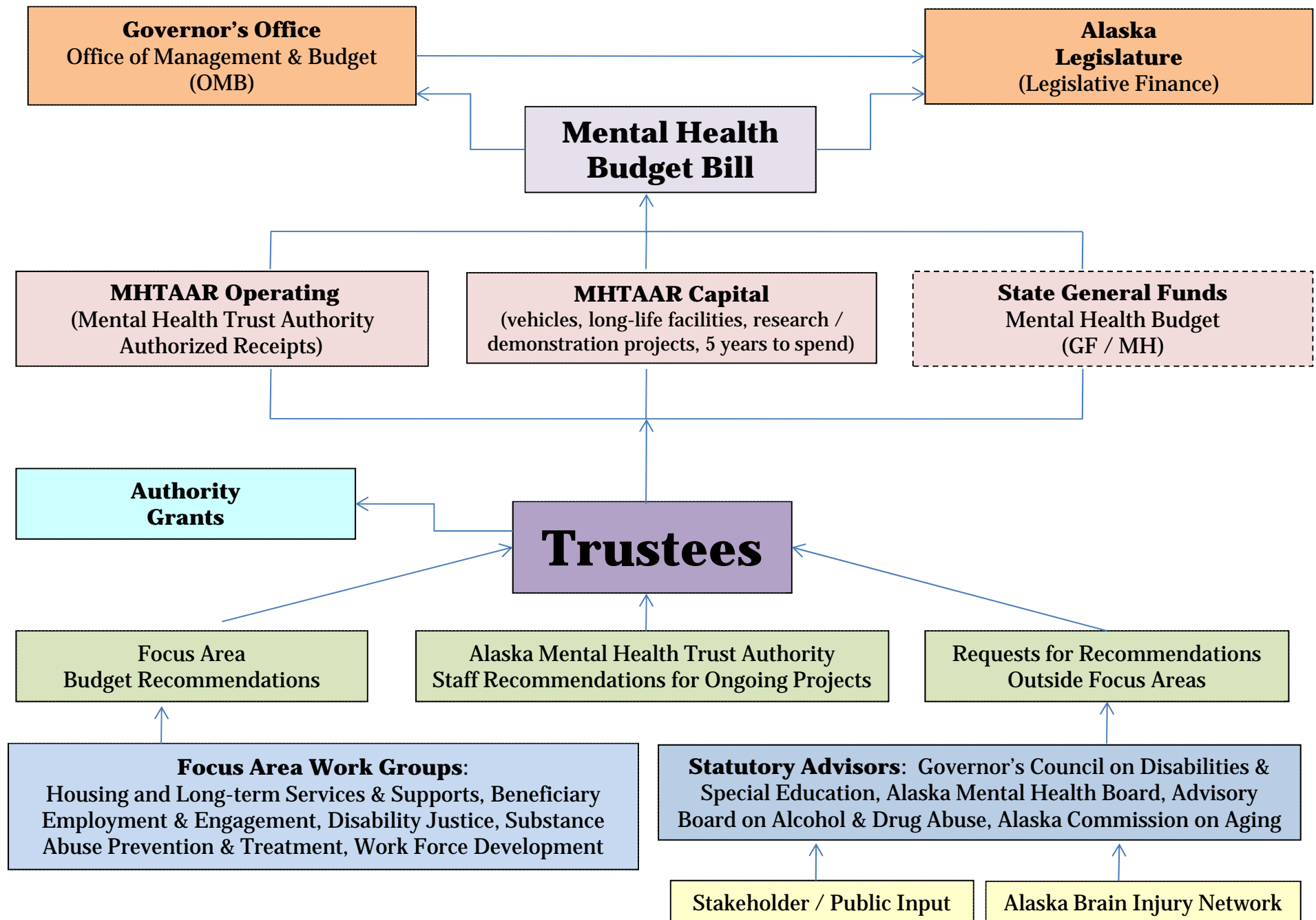
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The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust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

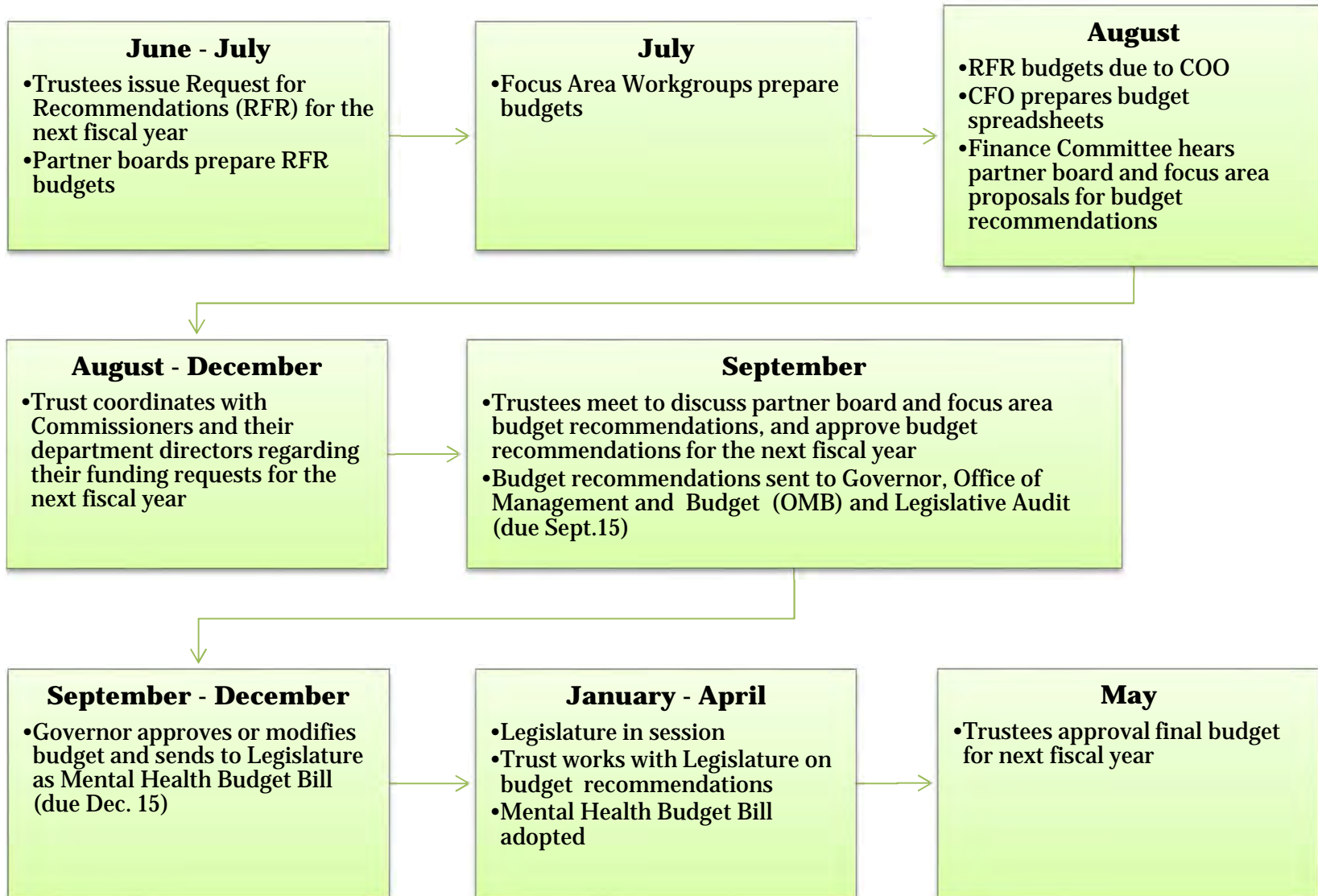
Approved 5-12-09, Board of Trustee meeting



# Alaska Mental Health Trust Authority Budget Process



## Annual Mental Health Budget Bill Process

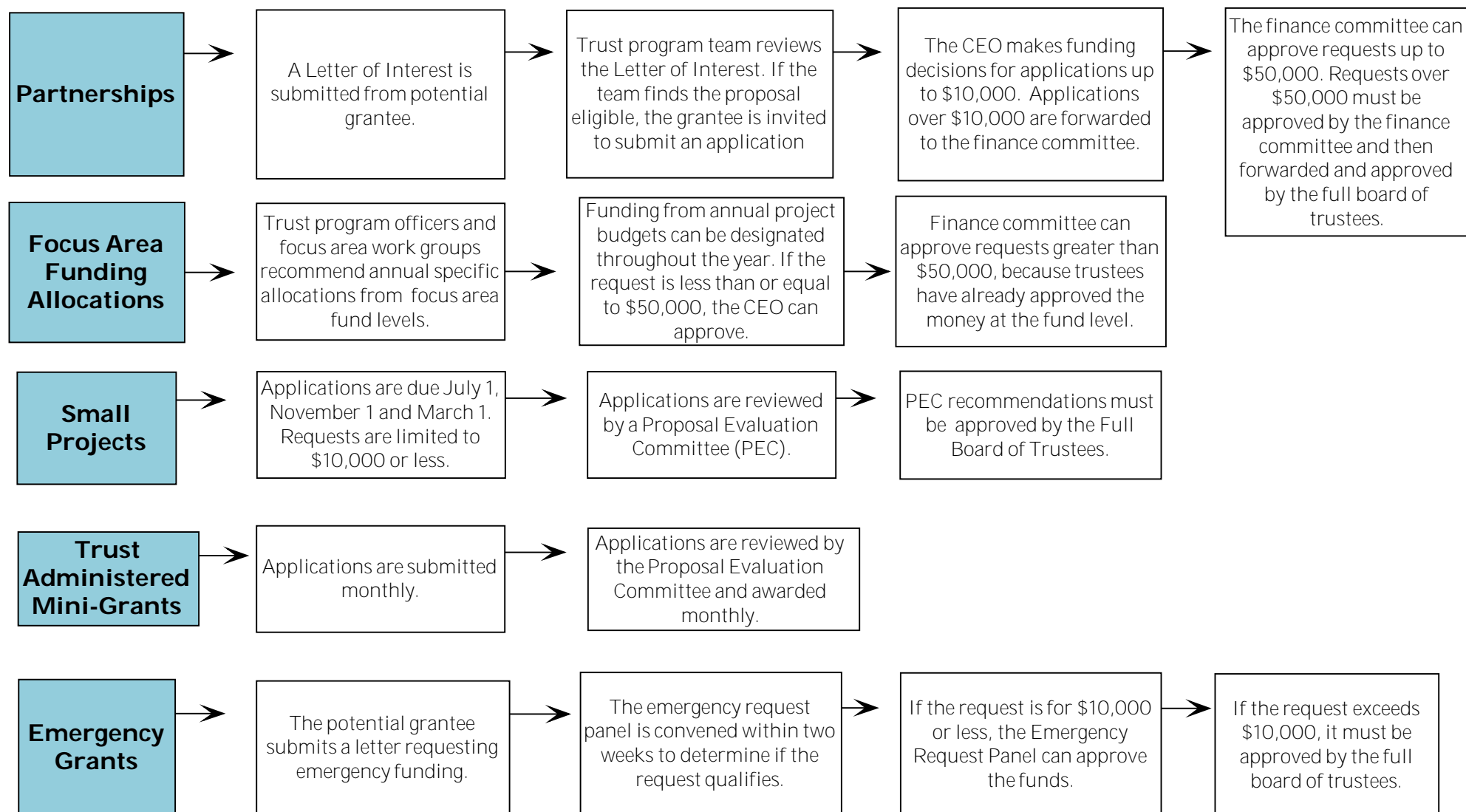


Note: timeline represents those items in the green boxes in the chart entitled "Alaska Mental Health Budget Process"

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  
January 5, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY  
SPECIAL FULL BOARD MEETING

January 5, 2017  
1:30 p.m.

Taken at:

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

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**OFFICIAL MINUTES**

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Trustees present:

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

Trust staff present:

Greg Jones  
Jeff Jessee  
Steve Williams  
Miri Smith-Coolidge  
Amanda Lofgren  
Heidi Wailand  
Carley Lawrence  
Luke Lind  
Michael Baldwin  
Carrie Predeger  
Katie Baldwin-Johnson  
Valette Keller

Trust Land Office present:

John Morrison

Others participating:

Kathy Craft; Kate Burkhart (via Speakerphone); Patrick Reinhart; Denise Daniello (via Speakerphone).

## PROCEEDINGS

CHAIR WEBB calls the meeting to order and notes that all trustees are present. He states that there is one item on the agenda, and asks for any other additional items to be covered.

MR. JONES states that he would like to report on the authorization to recruit for the CEO and then ask for some action on that. He asks that to be placed on the agenda.

CHAIR WEBB asks for a motion.

TRUSTEE DERR makes a motion to approve the agenda.

TRUSTEE MICHAEL seconds.

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

CHAIR WEBB asks for any ethics disclosures. There being none, he moves to the item coming from the Resource Management Committee that needs action to move forward. He states that the Trust Land Office is requesting approval for the matters regarding Yosemite.

MR. MORRISON states that he did hand out the standard memo that is still applicable on the two motions that came forward.

TRUSTEE NORENE makes a motion that the Resource Management Committee recommends that Alaska Mental Health Trust Board of Trustees approve 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 original Yosemite budget request was for \$900,000, and the available balance is \$485,000. The reallocation request would make the \$485,000 available for Yosemite Road access improvement.

CHAIR WEBB states that this is coming from committee and does not require a second. He asks for any objections.

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

TRUSTEE NORENE makes a motion that the Resource Management Committee recommends that the Alaska Mental Health Trust Board of Trustees authorize the executive director of the TLO to represent the Trust's interests in the Yosemite Drive utility extension and road access improvements project, Project No. 2014-83.

TRUSTEE SELBY asks for a roll call vote.

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

CHAIR WEBB recognizes Mr. Jones.

MR. JONES states that he is interim CEO, and there are specific instructions from the Governor's office to begin the search for the permanent CEO. He continues that the Governor has specified a process to go through, which includes consulting with the advisory boards. He states that approval was received by the chief of staff to recruit for the CEO position. He continues that before the position can be advertised, a job description and a variety of other things are necessary. He adds that he needs board approval before beginning the process of putting together an advertisement and job description for the CEO's position.

TRUSTEE DERR asks if the organization should be done first.

MR. JONES replies that will be done in conjunction with the recruitment.

TRUSTEE SMITH asks if the trustees would have input in the job description.

MR. JONES replies yes, and both the verbiage and the locations are going to be strategically important.

CHAIR WEBB asks for a motion.

TRUSTEE NORENE makes a motion to have the interim CEO draft a job description for board approval and move forward with the approval process.

TRUSTEE SMITH seconds.

TRUSTEE SMITH states that he would like to see a goal for a time frame for this.

MR. JONES states that he would like to be able to communicate with the board members between meetings on this. He would start sending out the drafts next week and then propose a time frame for meeting with the advisory boards, getting on the street, and where to start looking to find people.

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

CHAIR WEBB states that Mr. Jones is authorized to move forward. That is the last item on the agenda, and he would like a motion to adjourn.

TRUSTEE MICHAEL makes a motion to adjourn the meeting.

TRUSTEE NORENE seconds.

*There being no objection, the meeting is adjourned.*

(Special Board Meeting adjourned at 1:43 p.m.)



**Minutes for the  
January 25-26, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

BOARD OF TRUSTEES MEETING

January 25, 2017

8:15 a.m.

Taken at:

Elizabeth Peratrovich Hall  
320 West Willoughby Avenue  
Juneau, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

Russ Webb, Chair

Mary Jane Michael

Carlton Smith

Laraine Derr

Larry Norene (via speakerphone)

Paula Easley

Jerome Selby

Trust staff present:

Greg Jones

Jeff Jessee

Steve Williams

Heidi Wailand

Carley Lawrence

Michael Baldwin

Miri Smith-Coolidge

Katie Baldwin-Johnson

Amanda Lofgren

Others Participating:

Denise Daniello; Kate Burkhart; Patrick Reinhart; Director Duane Mayes; Philip Licht; Charlene Tautfest; Commissioner Valerie Davidson; Monique Martin; Kara Nelson; Bruce Van Dusen; Michael VanLinden; Deputy Commissioner Karen Forrest; Randall Burns; Diane Casto; Nelson Page; Don Habeger; Sandra Heffern; Brenda Moore; David Branding; Crystal Bourland.

## PROCEEDINGS

### CALL TO ORDER

CHAIR WEBB calls the meeting to order, noting that Trustees Selby, Derr, Smith, Michael and himself are present, and we are waiting for Trustee Norene to call in. He moves to the agenda and asks for a motion.

TRUSTEE MICHAEL makes a motion to approve the agenda.

TRUSTEE DERR seconds.

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

CHAIR WEBB reviews the Guiding Principles. He asks for any ethics disclosures.

MR. WILLIAMS states that there is an item on the agenda before the Finance Committee concerning Bean's Café. He reminds all that he sits on the board of Bean's Café.

CHAIR WEBB moves to the minutes of October 26, 2016 and November 16, 2016.

TRUSTEE DERR makes a motion to approve the minutes of the October 26, 2016 meeting.

TRUSTEE MICHAEL seconds.

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

TRUSTEE DERR makes a motion to approve the minutes of the November 16 and 17, 2016, meeting.

TRUSTEE MICHAEL seconds.

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

TRUSTEE DERR asks about the public comment that was included in the minutes.

MR. WILLIAMS replies that it is different than before and asks for some guidance from trustees as to whether those should be included as a formal portion of the minutes for approval.

TRUSTEE SMITH states that it would be a good time for the CEO to look at word-for-word minute-taking and offer some recommendations.

CHAIR WEBB states that the bylaws state that the Trust is governed by Robert's Rules of Order, and those rules specify what the minutes are supposed to be. He asks Mr. Jones to have the minutes follow the governance document that is followed. He moves to the mission statement of the Trust: 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 and advocacy, planning, implementing, and funding of the comprehensive integrated mental health program and acts as a catalyst for change. He continues that there was some discussion about lack of understanding of the role of the Trust Land Office. The statement is as follows: The Trust Land Office manages Mental Health Trust land to generate revenue to improve the lives of beneficiaries. He recognizes Steve Williams.

## **MISSION MOMENT**

MR. WILLIAMS introduces Michael VanLinden who is currently a Juneau resident and a graduate of the Wellness Therapeutic Court in Juneau. He is also very active in the reentry coalition efforts, as well as working full time for NCADD, the National Council on Alcohol and Drug Dependence. He is here to share his story.

MR. VANLINDEN states that he is a person in long-term recovery from substance-use disorder and owes most of his recent success to the opportunity of being a participant in the Juneau Therapeutic Court program. He continues that he had been living in untreated active addiction for most of his life. In thinking of the positive work the Alaska Mental Health Trust is doing in the communities, it should be understood when helping him, the Trust is also helping his family. His wife and children are the real benefactors in this story. It is not only the chance to save his life, but also to save the lives of his wife and son. He states that he dreamed of being a father to his son, and the tragedy was that he was there but unable to function as a father. He continues that today he can live in recovery and doing something for his recovery every day is necessary to stay clean and healthy. He adds that this led to a turning point when he had the opportunity to take the recovery coach training by John Showalter. This brought on a feeling of empowerment, of being able to make a difference not only in his life, but in the lives around him. The recovery coach training gave him a sense of purpose, a reason to stay clean. He states that, today, because of the help of the Trust, NCADD can lead the charge in Juneau with the peer support program based on these same principles. He explains the process and how it works. He thanks all at the Alaska Mental Health Trust for all the opportunities he would never have had. He serves on the board of the Alaska Therapeutic Court Alumni Group; provides a Wellness Together peer support group for the Juneau Therapeutic Court; and facilitates their monthly recovery activity. He has joined the team at NCADD where he coordinates the recovery coach project and serves as a case manager for a new reentry program. He has also been selected to chair the Juneau Reentry Coalition's peer support work group. Without recovery, none of these things would have been possible. He thanks the Trust for the support in making the communities healthy.

(Applause.)

CHAIR WEBB thanks Mr. VanLinden for not only coming today and sharing the work he is doing, but also for having the courage to be here and tell his story. He states that it is incredibly important for the public to hear that success occurs every day; that people are in recovery; and treatment works.

MR. WILLIAMS also thanks Mr. VanLinden and states that he shared some information about Dr. Kevin McCauley, who is coming up here on February 7<sup>th</sup>. He continues that he will talk about the recovery process and getting on a path to sobriety and wellness. He recognizes Dan Habeger, who is the reentry coalition coordinator in Juneau, one of the four that the Trust funds. He also introduces Kara Nelson, the executive director of Haven House, who provides safe, sober housing for women coming out of Corrections. He adds that both are huge advocates in the community.

MR. VANLINDEN acknowledges that they were partnering with Haven House as well as in the recovery coach program.

CHAIR WEBB acknowledges all who are here and moves on to the CEO update.

## **STAFF REPORT**

### **CEO UPDATE**

MR. JONES states that he and Mr. Jessee managed to meet 11 of the key legislators in the Capitol: Andy Josephson, the chair of Resources in the House, who is interested in the land trade; Gabrielle LeDoux, chairman of State Affairs in the House; Ivy Spohnholz, chairman of HSS in the House; Pete Kelly, president of the Senate; Anna MacKinnon at Finance; Kevin Meyer, the Rules chair and controls the flow of bills this session; Bert Stedman, who has strong opinions on the land trade and HSS. He adds that he, John Morrison, and Jeff Jessee were at all those meetings, and it was a good combination. There was interest in what was going on with the Trust, and they seemed to be satisfied that things are moving forward. He moves to the workshop and thanked everyone for their participation. He stated that he came away with some to-dos which includes working on the PR aspects for the Trust. He continues that it was clear that everyone would like to see some of the positions filled, including the CEO position. He adds that he will be circulating the job description drafts and will try to get feedback from everyone involved. He needs to get feedback on the organization chart, and he has been talking to some consultants. We will have some progress on that over the next few weeks. He states that prospective language for some of the obvious fixes in the statutes related to use of principal is being worked on. He continues that staff has been very active and there has not been any action on the audit yet, which may be a month down the line. He asks Amanda Lofgren to talk about the update on the Housing Summit.

MS. LOFGREN states that the groups have been meeting throughout the year and this was an opportunity for a larger group to come together and give updates and the status on the various components. She continues that the reason behind the Housing Summit update at the Health Summit was to continue to push the need for housing and health to be looked at together. She adds that she gave the update on senior housing and recognized the Commission on Aging and the Commissioners that put together a good update and summary. There were also updates on reentry and the work going on with housing, rural housing development, veterans and homelessness, and innovative strategies in financing. She moves on to senior services and states that she and Heidi Wailand presented at the Senior and Disability Services Care Coordination Conference. It is important that every individual in the state that receives home- and

community-based waiver services has a care coordinator. Annually all the care coordinators are brought together to do a two-day presentation and conference. A strong stance has been taken to continue pushing the envelope on person-centeredness. She states that there is a lot of work to do, and we are a long way from being a truly person-centered system. She continues that this presentation was done with leaders within the developmental disability provider world and care providers, and will continue with direct service workers and a few other groups. This will provide baseline data to come back to in a few years as the changes are worked through. She adds that there were about 90 people participating in that session.

MR. JONES asks Ms. Wailand to give an update on DHSS, and resolving the contract.

MS. WAILAND states that the second of three site visits from the technical assistance contractor was done January 17 through 19. She continues that they will be coming again February 13 through 15. On February 14, they will be working with the entire AHEN board to define a vision of what statewide interoperability looks like and the role of the Health Information Exchange in achieving that. She adds that, nationally, the HIEs are critical tools in creating a health learning system that can take research and evidence and putting it into practice to improve population health. Through this process there should be a final report by mid-March that includes a vision, a description of the role of AHEN, a list of priorities and projects that need to be pursued in the next five years, and a plan for how to tap the high-tech funding to support those initiatives. She states that it is an extensive effort that is being undertaken in collaboration with AHEN and the Department to move to a Health Information Exchange that aggressively pursues the kind of interoperability needed to support the Medicaid and health care reforms that are happening.

MR. JONES states that Mr. Jessee has been working on the Long-Term Care Office's need for legislation to get square with the feds. He asks Mr. Jessee to continue.

MR. JESSEE states that there is a draft of a bill, the analysis is done, and the Governor's office is processing that. He continues that there are not huge substantive changes, but they will bring the office into compliance with federal law. He adds that no problems are expected in moving this through the session.

MR. JONES states that Ms. Lawrence worked on getting an op-ed piece out and asks her to continue.

MS. LAWRENCE states that it was published in the Ketchikan Daily News on Friday, January 20, and has also been submitted to the Petersburg paper.

TRUSTEE MICHAEL asks if that could be sent to the trustees.

MR. JONES replies yes, and moves on, asking Mr. Jessee for an update on the Behavioral Health Seminar.

MR. JESSEE states that he and Judge Rhoades co-chaired the Behavioral Health Work Group, which had a three-month timeline to come up with some recommendations to the Commission, which was done. He continues that it was not sufficient to cover all the issues around behavioral

health and criminal justice that need to be addressed. He adds that the Commission has agreed that the work group will have a continued existence and meet bi-monthly. At the first meeting the issues that need to be addressed were winnowed down, and a work plan is starting to develop. He states that the Criminal Justice Commission met on January 19 and addressed the issues of Senate Bill 91, Criminal Justice Reform. He continues that there are several technical fixes needed, and some substantive issues that need to be addressed. He adds that there is a lot of misinformation on exactly what the bill and its impact is; and it is getting blamed for a few things that it has no effect on. It is a process of education and some amendments will probably come forward. Senator Coghill is leading that effort. He states that, from the Trust perspective, the biggest issue around Senate Bill 91 is the reinvestment which is really an investment that needs to be done up front for the potential outcomes that it can provide.

MR. JONES moves to the Criminal Justice Working Group Therapeutic Court Subcommittee, and recognizes Steve Williams.

MR. WILLIAMS states that the Criminal Justice Working Group has been in existence since around 2006. This policy-level work group is looking at how the existing therapeutic courts are operating, their capacities, and if they are being fully utilized. He continues that at the last meeting the work plan for 2017 was discussed. First, is to continue looking at capacity utilization. There are three communities, Bethel, Ketchikan, and Juneau, that are currently below the 75 percent utilization, and the working group will assess what factors are impacting the utilization. The other key thing will be looking at the standards that these various courts are operating at and pulling together a core set of operating standards that can be applied to any therapeutic court in any location. He states that another element discussed was looking to get at issues of legal competency as it relates to revising Title 12 statutes and corresponding Title 47 civil commitment statutes. A work group was developed, chaired by him, to look at that issue and report back on the findings and recommendations.

MR. JONES states that he and Mr. Morrison will be meeting with Angela Rodell at the Permanent Fund and will give the same briefing that was given to the legislators. Then, going forward, he will be working on more organizational things that have already been discussed.

MR. JESSEE wishes Mr. Jones a happy birthday.

(Applause.)

TRUSTEE EASLEY states that she had an opportunity to meet the head of the think tank in Ohio that worked on criminal justice reform. She continues that she asked about the bright line between felonies and misdemeanors. He stated that their standards have been relaxed. She explains that Ohio has been the national leader in criminal justice reform. He was asked if there was an increase in thefts, which some people have said will happen. He replied that they have very good data, and that has not happened.

TRUSTEE SELBY asks for the date of the current DNR memo of understanding.

MR. JONES replies that the year was 2005, but he did not have the exact date. He states that there have been discussions with DNR over the years to update it, and that was never successfully completed.

TRUSTEE SELBY thanks Mr. Jones.

CHAIR WEBB states that next on the agenda is an update from the Trust's statutory adviser. He introduces Commissioner Valerie Davidson of the Department of Health and Social Services.

### **STATUTORY ADVISER UPDATE**

COMMISSIONER DAVIDSON introduces Monique Martin, health care policy adviser, Deputy Commissioner Karen Forrest, Director Randall Burns, Division of Behavioral Health, and Diane Casto. She states that the first House Finance overview process is very different this year. It is a different format of preparing a matrix that contained every program or allocation. It was an interesting shift in approach that did not include the budget changes between last year and this year. She added that information was provided because it is important to see. She moves to the Governor's State of the State and he announced an opioid abuse strategy and asked several departments to work on this. There are five strategies: limit the prescribing ability by limiting the number of pills that can be prescribed; tighten the prescription drug monitoring program more; mobilize more quickly to classify drugs as they emerge into the classification systems; improve screening and enforcement for the transport of drugs into rural communities; and to require opioid addiction training for providers. She moves to Senate Bill 72, which is the Medicaid reform bill, and was encouraged by the Governor not pursuing any new major legislation this year. He is concerned that would distract from the need to pass a fiscal plan, which is the biggest priority for this year. Without a fiscal plan, all the reform will not get anywhere because the resources to do that are necessary. She states that the 1115 behavioral health waiver has been submitted to CMS. She adds that none of this reform effort would have been possible without the generosity of the Trust and the staff. She continues that the priorities of the 1115 behavioral health waiver are: expand treatment capacity, improve capacity; better integration of care between behavioral health providers, primary care providers and throughout different settings; third is cost and outcomes reform; fourth is provider payment and accountability reform; and fifth is delivery system reform. She states that the Department and Trust staff are working through and reviewing the resources that were allocated by the Trust. Some resources, that were not geared up quickly enough, may need to be moved. She talked more about the Affordable Care Act and what is happening at the national level. Medicaid expansion provides the cushion needed to do things more creatively. She adds that through the end of December, 27,415 Alaskans were enrolled in Medicaid expansion; and over \$316 million in new federal revenues came to Alaska at a time when the economy really needed a boost.

CHAIR WEBB asks if there would be any potential benefit from action by the Trust to advocate on the Affordable Care Act at the federal level.

COMMISSIONER DAVIDSON replies yes, absolutely. She states that the Trust is in a position of influence with the congressional delegation and talking about the impact that it would have to beneficiaries would be very beneficial. She continues that she would appreciate the support very



much. She states that the successful grantees for the \$6 million in grants for the new resources that were made available last year will be notified today. She asks Ms. Martin for the Senate Bill 74 update.

MS. MARTIN states that she will provide more specific detail on where they are with the implementation of SB 74. She continues that they are beginning the process of drafting the request for information for the Administrative Services Organization. The plan is to release the RFI in February, which could be helpful in the next round of site visits of what an ASO might be doing in Alaska. She adds that two RFPs are in the process of being drafted: one is for the technical writing of the 1115 application; and the other is the public input process. She asks for any questions.

A short question-and-answer period ensues.

MS. MARTIN continues to the other big reform which is coordinated-care demonstration projects. A request was issued for information, and 12 responses were received. The Pacific Health Policy Group, PHPG, has drafted a summary of those responses. Those were not released because of the impact to the RFP process. She notes that they will be reaching out to the Proposal Review Committee that is called out in SB 74 to get the group appointed. She states that the CEO of the Trust, or his designee, is one of the members of the Proposal Review Committee, and the chair. An e-mail will be sent soon asking for the appointee to that position. She moves on to 1915(i) and (k) and states that a one-pager is being prepared on some of the significant dollar savings attached to those options. She continues that the Emergency Department Care Improvement Initiative, which is the lead of the Alaska State Hospital and Nursing Home Association, is using their guidelines as a starting point. She explains this more fully. She states that the Tribal claim policy is probably the biggest opportunity for savings in FY17, and we got some permanent new employees with Trust funding for long-term nonperms. The Tribal Claim Group is working hard to identify the opportunities in achieving the \$32 million in savings. She adds that the first Annual Medicaid Reform Report was released to the Legislature on November 15; a requirement every year. She states that there are about 21 different elements that must be reported on. She continues that this report is a baseline and will look much different in future years. She states that the medical work group is the quality and cost effectiveness work group. It is an ongoing work group that will work with some stakeholders to create and recommend different measures for measuring the quality and cost effectiveness of the Medicaid program. One of the other reports that was released is the Fraud Abuse and Waste Payment and Eligibility Errors Report. That was due on November 15 and was completed by the Department of Health and Social Services with the Department of Law. Also, the Healthy Alaska Plan web page is being updated. She continues her update, and then asks for any questions.

COMMISSIONER DAVIDSON states that they are really committed to being as transparent as possible and adds that change is challenging and hard. She expresses appreciation to the Trust for all the support provided to make this possible. Thank you.

CHAIR WEBB recognizes Trustee Selby.

TRUSTEE SELBY thanks the Commissioner for the report and appreciates all the hard work being done with all the changes. He encourages, in terms of reporting requirements, to minimize the additional new administrative burden on the providers.

CHAIR WEBB comments on the spectacular job being done under the most difficult circumstances. He calls a 15-minute break.

(Break.)

CHAIR WEBB calls the meeting back to order. He recognizes Kate Burkhart, the executive director of the Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse.

## **STATUTORY ADVISER UPDATES**

### **ALASKA MENTAL HEALTH BOARD/ADVISORY BOARD ON ALCOHOLISM AND DRUG ABUSE**

MS. BURKHART states that she was asked to provide an overview of the proposed FY18 budget as it affects Trust beneficiaries and constituents, any legislation that has been prefiled or filed that is of interest to the constituency, and any policy issues coming up as important for this session. She begins with the State-funded core services, building on the presentation provided to trustees in September. She continues that the five-year perspective helps to show the effects of reductions. She adds that there is an increase in tribal assistance and public assistance in the proposed FY18 budget. Part of this is to address the demands of Medicaid expansion, being able to respond to the increased enrollment, and processing all of that information. She continues through her presentation, explaining as she goes along.

TRUSTEE MICHAEL asks for the number of people that have come on Medicaid.

MR. LICHT replies that while in many instances there is a great increase in the ability to bill, some individual providers or some services cannot be billed through Medicaid expansion. There is a need to continue to advocate that funding, not decrease to the point that services cannot be provided. He adds that some services and the grants fund cannot and will not be replaced by Medicaid.

MS. BURKHART continues her overview of the proposed FY18 budget, explaining as she goes along.

A discussion ensues on the Juvenile Justice state facilities closing and that operating funding is being lost because they are not Medicaid programs.

MS. BURKHART states the need to identify the need for services in the public school system. She continues that this is the place where the youngest beneficiaries and their families start to identify the need for services, or begin to access those services. She adds that it is more difficult for the constituents and beneficiaries in rural school districts to access the services that are needed.

MR. LICHT states that in Mat-Su there are collaborative partnerships with the school district for providers to come in and provide services within that environment that then the provider can bill Medicaid. That has been a great benefit. It is a model that could help people to build relationships and provide some technical assistance. He adds that very few communities have that role right now.

MS. BURKHART moved on to State support for locally funded services. She states that this new idea for revenue sharing is huge for local communities. It is a way for the State to pass the bounties of State resources to communities. She explains in detail and then moves to legislation. She states that there are two revenue bills from the administration. In 2015, the boards passed a resolution saying: A fiscal plan with diverse streams of revenue is needed. This should include income taxes, personal property taxes, sales taxes and the Permanent Fund earnings. She continues that Legislators and the administration were encouraged to consider those in trying to put together a fiscal plan. The first revenue bill from the Governor's office is a fuel tax bill which doubles the fuel tax bill 16 cents. It applies to the fuel in the cars, planes, and boats, and creates a transportation maintenance fund to help support infrastructure. The other bills are related to using earnings from the Permanent Fund, which is different from using the Permanent Fund dividend. It puts aside money for the dividend with a cap of \$1,000 for the first two years, and then has a formula for using part of the earnings to fund State government. These are just being presented, and we do not have a position on either of these bills. She states that Senator Bishop has a bill that would create a tax on self-employment income that would go to education, facilities maintenance, and construction. It does not create dedicated funding, but does create an educational, facilities maintenance, and construction fund. Representative Gara has a bill related to State corporate income taxes. There is no alcohol tax bill, which is something that the boards support. She moves to HB 10, which is a long bill and revises the child-in-need-of-aid statutes. There is a complimentary bill, HB 12 from Representative Wilson, that would limit the authority of the Office of Children's Services to remove a child in what would be considered a nondangerous situation. An emergency is usually defined as imminent physical harm. It would require OCS to instigate a child-in-need-of-aid court action before being able to remove the child. She states that HB 24 and SB 20 are bills the boards specifically support and will be delivering letters of support to the sponsors. It adds a designer synthetic opioid known on the street as "kink." HB 34 makes it a 500-foot requirement for liquor retailers between them and a church or school, and grandfathered in existing retailers. She highlights the work with Opioid Policy Task Force which is a group of 20 volunteers from around the state that spent nine months putting together a list of recommendations based on the public health framework to address the opioid crisis from very early prevention. She adds that the recommendations are all available online.

MR. JESSEE points out that Ms. Burkhart did a phenomenal job corralling that whole process, and thanks her for all the work she did.

TRUSTEE EASLEY asks if there is a person working to renew the licensing barriers to telehealth.

MS. BURKHART replies no, and it is still something that needs to be worked on. She states that the issue is that there is nothing in the statute that says that a doctor licensed in Alaska cannot practice through telemedicine. She continues that it does specify that if the doctor is not physically in the state, you cannot practice. She adds that she will bring this up with some of the legislators that were interested in solving it.

CHAIR WEBB thanks Ms. Burkhart and moves to an update from Patrick Reinhart, executive director of the Governor's Council.

## **GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION**

MR. REINHART states that the Governor's Council takes positions on State issues and is keeping a close eye on what happens nationally with Medicaid and health-care reform. The council did take a position as the Special Education Advisory Panel on the nomination of Betsy DeVos as Secretary of Education with Senator Murkowski. He continues, addressing the budget reductions and impacts, the overview of the FY18 Governor's budget, potential impacts on the beneficiary group. He continues explaining the intellectual and developmental disabilities and the Council's legislative priorities for the session. He then has some general comments and news to share.

DIRECTOR MAYES states that Health Management Associates, HMA, was funded by the Trust in October 2015 as a part of Medicaid reform, looking at two options: 1915(k) will go live July 1, and meets the institutional level of care; next is to move forward with the supports waiver to refinance the community developmental disability grant component. He explains in greater detail.

TRUSTEE SMITH asks for a couple of examples of the types of services these individuals are receiving, and what is at risk.

DIRECTOR MAYES replies that, for the 10 percent, the type of persons are individuals with developmental disabilities. He states that one of the common one-service-only type is case management.

MR. REINHART states that there are the ABLE account programs and asks if there are other Trust-type programs that can get under-resourced and become Medicaid eligible and then can get the waiver services. He continues that those are things that must be explored with those families.

A discussion ensues.

MR. JESSEE states that for this plan to succeed the supports waiver must get approved by CMS. If there is an unanticipated delay, he asks about the contingency plan for managing that.

DIRECTOR MAYES replies that there have been a lot of questions about that. Given the circumstances with this new administration, the change in guard, there is a need to regroup with the funding that is in place for CDEG. That is as far as he will go.

MR. REINHART moves on to an idea that has been worked on jointly with Ms. Lofgren and the Developmental Disabilities Design Collaborative Group. Out of this process the group came up with the idea of a vision statement for developmental disabilities. He states that a lot of time and energy went into developing this vision statement and the priorities. The idea is to look at codifying these in the statutes under home- and community-based services. This is the beginning phase of that. He continues his update, explaining as he goes along.

TRUSTEE EASLEY comments that the trustees ought to find a way to express some support for Senator Dunleavy's bill on the foster homes. That is serious.

CHAIR WEBB asks Mr. Reinhart and Mr. Jessee to work together on analyzing the bill and understanding what issues there are. He asks for a report about any action the trustees need to take, or whether they have the authority and the ability to just act in support.

MR. REINHART thanks all for their time.

CHAIR WEBB states that the morning agenda is over and calls a lunch break. Everyone will reconvene at 1:30.

(Lunch break.)

CHAIR WEBB calls the meeting back to order and introduces Denise Daniello, executive director of the Alaska Commission on Aging, for an update.

## **ALASKA COMMISSION ON AGING**

MS. DANIELLO states that she will provide a budget overview comparing the enacted FY17 budget with the FY18 Governor's budget. She continues on how the budget is impacting programs and services for senior Trust beneficiaries and other at-risk older people. She adds the policy recommendations for this legislative session, and shares some information regarding collaborations on three special projects: the CR Housing work group, the Governor's Housing Summit; the State plan for senior services; and Alaska's roadmap to address Alzheimer's disease and related dementias. She states that the Commission will be meeting with the legislators during the second week of February. There will be senior provider organizations and the priorities will be reinforced by AARP Alaska. February will be a good month for senior advocacy. She continues that there are three legislative priorities: to protect the senior safety net, which maintains the funding for those critical services; second is concern about supports for family caregivers; and third will be advocating in support of people with Alzheimer's disease and related dementias. She states that the bills that will be tracked are: HB 16, which would provide training to police officers and other first responders who are interacting with people with cognitive impairments; three bills having to do with end-of-life care; HB 67 has to do with food stamps and whether or not a person is employed; SB 16 would allow a way for someone who dies to pass on their online assets as a way of transferring them over to their heirs; and a bill about protection of vulnerable adults, for Adult Protective Services and the Office of Long-Term Care Ombudsman to have their statutes in line with federal changes. She states that in early December the Commission hosted an implementation meeting for the Alaska State Plan for

Senior Services. This brought together the partners to report out on their efforts. She continues that, in conjunction with the Trust, the ADRD Annual Implementation meeting was co-hosted. She adds that an implementation report has been drafted and will be handed out to policymakers. The Commission will be meeting February 6 through 10, the only opportunity to have a face-to-face meeting.

CHAIR WEBB asks for any questions or comments. There being none, he moves to approvals for November small projects.

### **APPROVALS FY17 NOVEMBER SMALL PROJECTS**

MR. BALDWIN states that the last small projects application round was in November and, as part of that process, there were 17 applications totaling \$140,430 in requests. Of those 17 applications, the review resulted in recommending eight projects totaling \$69,430.

TRUSTEE DERR makes a motion to approve the recommended FY17 small projects from the November application period in the amount of \$69,430.

TRUSTEE EASLEY seconds.

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

CHAIR WEBB calls a break.

(Break.)

CHAIR WEBB calls the meeting back to order for the purpose of considering the motion to move into Executive Session to receive legal consultation and advice.

### **EXECUTIVE SESSION**

TRUSTEE SMITH makes a motion to go into Executive Session and take up an issue that may have financial import to the body.

CHAIR WEBB states that, as he understands it, that issue involves receiving legal advice from the general counsel regarding use of Trust principal and the legislative audit.

TRUSTEE MICHAEL seconds.

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

(Executive Session from 2:10 p.m. to 3:46 p.m.)

CHAIR WEBB states that Executive Session is finished. He continues that Nelson Page helped with a legal consultation regarding use of principal and the legislative audit. He breaks until 4:30 when the meeting will reconvene for public comment.

(Break.)

## **PUBLIC COMMENT**

CHAIR WEBB calls the meeting back to order and moves into the public comment period. He gives a couple introductory guidelines, and then goes through the protocols. He recognizes Bruce Van Dusen.

MR. VAN DUSEN states that he lives in Juneau and is the executive director of Polaris House. He continues that they are dedicated to the recovery of men and women with mental illness by providing opportunities for members to live, work, and learn while contributing their talents to a community of support. He adds that Polaris House serves Trust beneficiaries who are living with a serious mental illness. Members are not charged fees for the supports received. He states that many Trust beneficiaries live in poverty which, combined with mental illness, presents challenges that one person on his own will not be able to resolve. Polaris House provides assurances that members will have safe, quality, affordable housing, assurance that members have access to community education programs, access to paid employment and supports, and services needed to maintain entitlements such as Medicaid applications and all forms of government community supports. It is a safe place for beneficiaries. Moving forward, the plan is to work on expanding their funding network and have access to foundations that provide financial support. He states that they will continue to provide support to the Trust Authority by serving the beneficiaries. He thanks all.

TRUSTEE EASLEY asks about Medicaid and billing.

MR VAN DUSEN replies that Medicaid is not a feasible funding source for the type of services provided, and he explains in detail.

CHAIR WEBB thanks Mr. Van Dusen and recognizes Don Habeger, Juneau Reentry Coalition.

MR. HABEGER shares what the Juneau Reentry Coalition has accomplished with the Trust investment within the last year. He states that the community was assessed and looked at the resources that can affect the outcome for someone needing treatments and services in the community as they come out of incarceration. The three major needs are housing, behavioral and physical health treatment, and jobs or employment. The community thinks that they have the capacity to service the target population, the misdemeanants, felons in the high risk area of recidivism. He continues that the community reentry plan is finished and the coalition is going to work with all the existing resources and plug reentrance. He adds that, lastly, they are working on case management. He thanks all for the investment.

CHAIR WEBB thanks Mr. Habeger, and asks for any comments.

TRUSTEE EASLEY asks if a seamless means of connecting people coming out of the prison system and into the services is in place.

MR. HABEGER replies not yet. There is still some work that needs to be done.

TRUSTEE MICHAEL asks if they are still in the planning process to do the transitions.

MR. HABEGER replies yes. He is working with his steering team, which has two DOC individuals on it, to make sure that the system is in place before moving people into it.

CHAIR WEBB recognizes Kara Nelson.

MS. NELSON states that she is the director of Haven House Juneau and thanks the Trust for the support from the beginning. She continues that Haven House is a peer-run recovery residence for women that are coming home after incarceration. She adds that it has developed into something much bigger than what was expected in the beginning. She explains the process and the community outreach and the reunification of families. She thanks the Trust for all the support.

CHAIR WEBB recognizes Crystal Bourland.

MS. BOURLAND states that she is the executive director of NAMI Juneau and is here to say thank you. She continues that they are one of the grantees of the Beneficiary Project Initiative, and they have had that grant for around nine years. She talks about the investment and the work that is being done. She states that they are the largest mental health organization in the country; and locally are a network of individuals who live with the mental illness of family members and friends, as well as caregivers, professionals, advocates, and community members. She continues that all the programs are led by volunteers that make the resources and money go far. She explains that process and how the programs were developed. She thanks all for the support, which is crucial to the success of the mission.

CHAIR WEBB thanks Ms. Bourland and recognizes Dave Branding.

MR. BRANDING states that he is the CEO at Juneau Alliance for Mental Health, Inc., JAMHI. He thanks all for the support of the administrative service organization or ASO travel. He continues that he was honored with the opportunity to look at two different ASO models with the team from Alaska and learned a lot. He has been able to incorporate some of what he learned into the 1115 planning groups, Medicaid reform planning groups, that he is a part of. He thanks Mary Jane Michael and Carlton Smith for walking through Housing First in Juneau earlier in the week. He thanks all for what they do.

TRUSTEE DERR states appreciation for bringing up Trustee Michael's name in going through Housing First. She continues that she serves on the Juneau Community Foundation Board, and Trustee Michael's foundation donated \$100,000 to Housing First. She recognizes and thanks her for that.

TRUSTEE MICHAEL thanks Mr. Branding for all his hard work. The Housing First project was so impressive. It is a six-star facility with 32 units. It is being built modularly, so each unit



is built and then stacked on top. She adds that it is amazing how many people are being served in that small space.

CHAIR WEBB thanks Mr. Branding and asks for anyone in the audience or online to comment. He asks the trustees for any comments. He states that what he sees each time we come back to Juneau is the real sense of community and all the work people do together in ways that is more difficult in a larger community. He recesses for the day, stating that we will reconvene tomorrow morning at the Capitol per schedule. He thanks all.

(Full Board of Trustee meeting recessed at 5:00 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY  
BOARD OF TRUSTEES MEETING

January 26, 2017  
11:25 a.m.

Taken at:

Elizabeth Peratrovich Hall  
320 West Willoughby Avenue  
Juneau, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

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

Trust staff present:

Greg Jones  
Jeff Jessee  
Steve Williams  
Heidi Wailand  
Carley Lawrence  
Michael Baldwin  
Miri Smith-Coolidge  
Katie Baldwin-Johnson  
Amanda Lofgren  
Carrie Predeger (via speakerphone)

Trust Land Office:

John Morrison  
Wyn Menefee

Others Participating:

Patrick Reinhart; Kevin Buckland.

## **PROCEEDINGS**

### **CALL TO ORDER**

CHAIR WEBB reconvenes the meeting, noting that all trustees are present, with Trustee Norene appearing via speakerphone. He states that the first item on the agenda is the Planning Committee report.

### **PLANNING COMMITTEE REPORT**

TRUSTEE MICHAEL states that there is an overview of the items discussed at the Planning Committee meeting in the packet. She continues that there is also a letter of support that was requested by Faith Myers and Dorrance Collins regarding API and patient rights. She adds that they were very pleased and thanks the trustees for supporting that letter. She moves on to an update on the performance summary of the MHTAAR grants, and states that Carrie Predeger will review the report.

MS. PREDEGER states that the Trust issues grants from two different fund sources: The Authority Grant Funds, which go to the community organizations around Alaska; and the Mental Health Trust Authority Authorized Receipts, or the MHTAAR funds, which go to State agencies for specific operating capital projects. She continues that the grants team is currently managing 164 active projects; 151 are FY17 Authority Grants, and 53 are FY17 MHTAAR grants. She reviews the FY16 grants performance summary which provides an overview of the MHTAAR projects that began July 1, 2015, and ended June 30, 2016. She states that in FY16, 8,915 primary and secondary Trust beneficiaries were served or impacted by these MHTAAR projects. She continues that 25,579 individuals were also served through training, outreach and educational efforts. In total, 34,494 individuals were served or impacted by MHTAAR projects in this past fiscal year. She notes the Aging and Disability Resources Center project, and states that Phase 2 began which expanded the Pilot First project. This pilot project required a lot of outreach and education of the public, both beneficiaries and nonbeneficiaries. She adds that, in FY18, it is projected that all the ADRC sites will transition to the same data collection software program. She moves to project performance and states that the evaluation is based upon progress made on the performance measures and whether the project is on schedule in accordance with a pre-established timeline. She explains in greater detail as she goes along.

TRUSTEE EASLEY asks about FASD.

MR. WILLIAMS replies that the FASD projects were begun at a time when the State started producing and not providing PCNs. The initial plan was for this to be a position within DOC. He states that there were several unsuccessful attempts of getting an actual long-term nonperm PCN.

TRUSTEE DERR asks if therapeutic court is the same as last year.

MR. WILLIAMS replies that the Fairbanks Juvenile Treatment Court, which has been Trust-funded for several years, has gone through a stability and demonstrated outcomes for

beneficiaries and then had decreased in both areas. He states that this was due to turnover within the team; utilization of the court dropped recently; and there is talk about the closure of youth facilities, and the decrease in youth going through the juvenile justice system. He continues that in the first quarter of FY17, the court stopped providing services and the balance of the FY17 funds are going to be restricted. He adds that there were no recommendations to Trustees for FY18 funding at this point.

MS. LOFGREN states that in looking at the projects, reading reports and reviewing them, there are quite a few things that go into rating them. Each of the projects have specific components that are being currently being addressed. She continues that OCS was very different and unique, and the Trust did not have that experience in the past. Repayment on that is being worked on with them. Essentially, the funding was spent on other projects.

TRUSTEE EASLEY asks if there was something that could answer Senator Dunleavy's questions on the details of the projects.

CHAIR MICHAEL replies that she had a conversation with Natasha afterwards. Her comment was that it would be helpful to have a map of Alaska that would show the amount of treatment plans in Fairbanks, Juneau, and others; how many are new; how many people are served. They are interested in numbers.

The discussion continues.

MS. PREDEGER states that the next section will look at project impact and whether Trust beneficiaries are better off because of the Trust funding. She continues that of the 44 projects in FY16, 14 were categorized as direct-service projects. The project funds for one project were not used as intended. For that reason, only the 13 remaining direct-service projects were included in this section's analysis. She states that for FY16, 100 percent reported direct beneficiary improvements in quality of life. She goes through a few examples of the direct beneficiary improvements. She continues that all but one of these projects have been funded for five or more years. This shows that Trust staff has really made a continual effort over the years to develop performance measures that demonstrate the overall impact that projects have for the beneficiaries. She completes her report.

TRUSTEE DERR comments that over the last ten years staff has done a phenomenal job on showing how the money is being used and reporting the numbers. She thanks them.

MS. LOFGREN states that Jackie Stewart, the long-term contractor for the microenterprise projects, passed away unexpectedly. She continues that there will be a memorial service in the coming weeks in Juneau. She adds that she wanted to recognize Jackie on behalf of the Trust and beneficiaries because her impact is long-lasting and irreplaceable.

CHAIR MICHAEL asks for any questions for staff, and if there are any other issues that need to be brought up.

MR. BALDWIN states that Ms. Lofgren will give a brief update on some of the work that has been done on some of the systems.

MS. LOFGREN states that, about a year ago, the Alaska Association on Developmental Disabilities requested some support with the developmental disabilities systems assessment and to look at the economic impact of what the DD systems provide into the communities through direct service work, wages, and staffing. She continues that this year all the groups are pulling together to put together this document that reflects both the history of the DD system and where it is going in the future with all the transformation that is happening. She adds that a concerted effort was made to try and identify the number of jobs in each region so that all the advocacy groups could have consistent messaging. More time was needed to be able to come up with more information on that. She states that the power about this is watching all the partners coming together and that it is going to take everybody moving forward together to make it happen. She continues, explaining as she goes along.

TRUSTEE EASLEY states that this is fabulous.

MS. LOFGREN states that trustees will get copies.

TRUSTEE MICHAEL concludes the Planning Committee meeting.

CHAIR WEBB calls a lunch break.

(Lunch break.)

CHAIR WEBB calls the meeting back to order and states that next on the agenda is the Resource Management Committee report.

## **RESOURCE MANAGEMENT COMMITTEE REPORT**

TRUSTEE SMITH states that there are two memos in the packet, and asks Mr. Morrison to begin with the land exchange update.

MR. MORRISON states that, since the last meeting, we have been successful in working with the entire congressional delegation to have new legislation submitted to Congress to facilitate the exchange. He continues that Senate Bill 131 and House Bill 513 have been introduced. It is a top priority to proceed with this exchange. In the interim, we are not pursuing other options for parcels involved in the exchange.

CHAIR WEBB states that at the last meeting it was decided that no further actions would be taken pursuing the exchange.

MR. MORRISON replies that what is understood is that it is not known if it is necessary for the board to take any further action. He states that if an action other than pursuing the land exchange is done, then it will be brought back before the board. He continues that at this time there is every indication from the congressional delegation that the passing of these bills is on track. He

moves to the Cushman Building in Fairbanks, a large institutional-grade building that is currently the home of the Fairbanks Community Mental Health program and is situated next to a detox facility. He adds that it is a complicated situation in that there are multiple lenders, and we have attempted to work with them and the bankruptcy trustee to figure out a way to get the property into Trust ownership or ownership of Fairbanks Community Mental Health. He states that Fairbanks Community Mental Health and the community have a strong need for uninterrupted services for Trust beneficiaries that occur daily at this facility. There is a current understanding that the timeline for the lienholder in first position on the property is expressing that on or before June 1<sup>st</sup> foreclosure of the loan will proceed. That has prompted the bankruptcy trustee to be more reasonable in the expectations of price. The first position loan is much closer to the price that the Trust is willing to pay, and much less than what the bankruptcy trustee was willing to accept previously. He reminds the trustees that this authority is outstanding and, unless there are some strong negatives, we will proceed with trying to find terms with which to either acquire the building for the long term or acquire it with the intention of getting it into the control of Fairbanks Community Health. He states that he anticipates that actions would be taken at the next scheduled meeting, but he is not sure if any further action from the board is needed now.

CHAIR WEBB states that the directions previously given by the trustees was to try to secure that facility so it continues to be used and is accessible to the Fairbanks Community Mental Health Center for Trust beneficiaries.

MR. MORRISON states that it seemed appropriate to review the subject and see if there was a change of heart. He reminds all that it could potentially be a wonderful opportunity to also provide some space for other collaborative efforts for Trust beneficiaries. Looking back at the record, Trustee Webb made the motion, and it was adopted by the full board: "The Trust Land Office negotiated a purchase price with the bankruptcy trustee for the facility at 3830 South Cushman Street, Fairbanks, on terms acceptable to the Executive Director of the TLO, or no more than the market value of the facility as determined by the Executive Director considering the age of the appraisals of the facility and the respective economic and market conditions."

CHAIR WEBB suggests going forward.

MR. MORRISON states that in the Community Park, across from the Trust Authority building, across Nichols Street, is a large area. He continues that the Arc is currently leasing the Trust land there. There is an opportunity behind the Arc to acquire from Hope a five-acre parcel that was original Trust land, as well as the facilities that are currently on there with the potential for a lease back to Hope for some continued use of some of those facilities. He states that the key is that it would reconsolidate some original Trust land and provide some much-needed exit access to the Arc facility and at the same time allow the Trust to clean up some of the oversights of the current lease in place with the Arc.

MR. JONES states that this parcel would be a very valuable consolidation.

MR. MORRISON explains the lease and states that there are some significant opportunities beyond just some access and reconsolidation of this parcel.

A discussion ensues.

MR. MORRISON continues with an update on some further conversations with Attorney General Wasden of Idaho. He is from the Idaho Department of Land Board, as well as the Attorney General. He happens to sit on their land board, as well as the school trust lands. He is willing and available to come to Alaska.

TRUSTEE SMITH asks if there are any objections to proceeding forward. There being none, we will proceed forward.

MR. MORRISON states that they will endeavor to get Attorney General Wasden here for the May meeting. He moves on to an update on Icy Bay and states that all the necessary ins and outs of setting up significant efforts in Icy Bay this summer are being worked through. It is a well-coordinated effort with Karsten doing an excellent job. He moves to the Subport C sale and, because of all the interest, he finalized the decision to move forward with that sale. We are working with the purchaser to finalize that transaction. He states that there was some back and forth over the Denardo and Fahrenkamp Centers. Potential use has been looked at, but no action has been taken on a potential charter school that may or may not work out in the long run.

MS. BALDWIN-JOHNSON states that the Department is going to be releasing a press release and formally announce the three awardees for the SUD treatment money.

CHAIR WEBB asks, without naming names, if there will be someone who is able or willing and interested in utilizing the Denardo facility.

MR. JESSEE replies that is distinctly possible. He states that it does not mean that it is a commitment to use the facility, and we are waiting for a decision period.

A short discussion on the two facilities ensues.

MS. BALDWIN-JOHNSON states that there were two applicants from Fairbanks. One was by FNA for an opiate detox, and TCC was an applicant for a sobering center.

MR. MORRISON states that the process will continue to be monitored. He continues that, outside of the specific need of this current facility, marketing the properties for potential private-sector use will begin. He reminds all that the process for potential less-than-fair-market use is rather lengthy and cumbersome, and he describes it in more detail. He adds that the grant process would be much more efficient and easier. He moves on, stating that there is one recommended motion.

TRUSTEE MICHAEL moves that the Resource Management Committee recommends that the Alaska Mental Health Trust Authority Board of Trustees concur with creating a pool of approximately 470 subdivision lots and small- to medium-sized parcels to offer through the TLO Statewide Land Sale Program.

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

TRUSTEE SMITH concludes the RMC report.

CHAIR WEBB states that next on the agenda is the Finance Committee report.

## **FINANCE COMMITTEE REPORT**

TRUSTEE NORENE asks if someone could be appointed to preside for him.

CHAIR WEBB asks Mr. Buckland to go through the cash management report.

MR. BUCKLAND states that the cash management update sheet, which is through December 31, 2016, with 50 percent of the year complete. He continues, explaining as he goes along, and asks for any questions.

CHAIR WEBB states that there are a couple items to be taken up by the Full Board. He begins with the annual payout transfer.

CHAIR WEBB makes a motion that the Full Board 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 FY2017.

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

CHAIR WEBB states that the next item is a partnership, land acquisition, Keel Center for Adaptive Sport, Therapeutic Recreation and Education to Challenge Alaska.

CHAIR WEBB makes a motion from the Finance Committee that the Full Board approve the Finance Committee's recommendation for a \$75,000 FY17 partnership grant to Challenge Alaska for the land acquisition of Keel Center for Adaptive Sports Therapeutic Recreation and Education project.

MS. LOFGREN states that Beth Edmonds came to the Finance Committee meeting to talk about purchasing the land on which the center currently stands. She continues that their lease is terminating with the landowner, and there is a clause in the lease that allows them to purchase it. She continues that they have done an extraordinary job working with various partners and other funding entities to raise nearly a million dollars, and they will be going forward this spring with making an offer and working with the landowner.

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

CHAIR WEBB states that there are three new items to be addressed by the board. There is the FY17/18 MHTAAR budget adjustments for reallocations.



MS. BALDWIN-JOHNSON states that work on that will continue, and we will be arranging a special telephonic meeting so that the proposals can be addressed.

MR. JESSEE states that he talked to Pat Pitney, and she would like to make any of the changes in the Legislature at the subcommittee level.

CHAIR WEBB states that the next item is a partnership fund to contract home- and community-based services for implementation of SB 74 and CMS final rule.

MS. LOFGREN states that a pretty extensive update on the reform efforts that are going on and related to SB 74 and home- and community-services was given at the Planning Committee with Duane Mayes. She requests that funding go forward with a sole-source contract.

TRUSTEE SELBY makes a motion that the Board approve \$200,000 from Partnership Authority Funds for contractual services to support the Trust and SDS, Senior and Disabilities Services, with implementing SB 74 and CMS rules that relate to long-term services and supports.

TRUSTEE MICHAEL seconds.

TRUSTEE DERR asks if the \$200,000 comes out of a focus area, or whether that is coming from the remaining \$456,000.

MR. WILLIAMS replies that the current available amount of partnership funds for FY17 is \$344,690. If all the partnerships before the trustees get approved, including this \$200,000 request, there will be a balance of about \$20,000 in partnerships remaining for FY17. He adds that this is on track.

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

CHAIR WEBB states that the next item is a partnership grant for Anchorage Cold Weather Shelter to United Way of Anchorage.

MR. WILLIAMS reminds the trustees that he sits on the board for Bean's Café, which is involved with the cold weather emergency shelter in Anchorage. He states that this project is an incredible recognition to the work that is going on in Anchorage and the collaboration in working to address homelessness. He continues that a memorandum of agreement was established with all the partners. This funding is a request from the partnership to cover some of the additional unexpected costs.

TRUSTEE SELBY makes a motion that the board approve a \$50,000 FY17 partnership grant request for the United Way of Anchorage for cold weather shelter.

TRUSTEE EASLEY seconds.

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

CHAIR WEBB states that the remaining issues are matters of action that occurred at the previous Finance Committee. He continues that there is no action required, and all have participated in those decision processes. He states that the agenda is completed, and asks for a motion to adjourn.

TRUSTEE SELBY states concern about the input that was received on Tuesday. There are a couple of big issues for this board, and he is uncomfortable leaving this meeting with no direction to deal with the boards and the fracture that exists between the Trust and the boards. The other issue is the staff morale. He states that he heard the Chair state that he intended to leave the board chairmanship in September. He asks if he would consider, for the good of the organization and the beneficiaries, stepping aside sooner so that the vice chair could start immediately working with the boards to try to resolve or heal the fracture there, and work with the staff on getting staff confidence back, showing that they are supported and appreciated for what they do.

CHAIR WEBB asks Mr. Jones to comment.

MR. JONES replies that he will continue to engage with the boards between now and the May meeting and may ask for another workshop between now and then. He continues that he would like some feedback from the boards on how many issues got resolved and, in going forward, what the organization should look like. He adds that he would also like to begin talking about what is needed in the way of a CEO. The boards have asked to have input into that. He states that, regarding staff morale, he will continue to try to keep people motivated and get them recognized for what they do.

CHAIR WEBB states that he thinks it is inappropriate for the advisory boards to be determining the leadership of this board. He continues that they are welcome to an opinion on that and recognizes that, for a variety of reasons, he has become a target. He adds that it is not the first time he has ever had that role, and he is not unaccustomed to it. He states that if he becomes convinced that he needs to step aside, he will.

TRUSTEE SELBY appreciates that, but when there is a fractured relationship, how much success will there be with Mr. Jones' efforts because those folks were fairly straightforward about their concerns and their positions. He states that he is concerned about not being a blockage to accomplishing two very critical things that need to be done, which is to restabilize a strong relationship with the boards and legislators.

CHAIR WEBB asks for a motion to adjourn the meeting.

TRUSTEE SMITH makes a motion to adjourn the meeting.

TRUSTEE MICHAEL seconds.

*There being no objection, the meeting is adjourned.*

(Full Board of Trustee Meeting adjourned at 1:45 p.m.)

**Minutes for the  
February 28, 2017  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

February 28, 2017  
1:00 p.m.

Taken at:

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 (via Speakerphone)

Trust staff present:

Greg Jones

Steve Williams

Heidi Wailand

Carley Lawrence

Michael Baldwin

Miri Smith-Coolidge

Katie Baldwin-Johnson

Amanda Lofgren

Carrie Predeger

Luke Lind

Vallette Keller

Kat Roch

Trust Land Office:

John Morrison

Aaron O'Quinn

Sarah Morrison

Wyn Menefee

Others Participating:

Kate Burkhart (via Speakerphone); Patrick Reinhart; Denise Daniello (via Speakerphone);  
Monique Martin (via Speakerphone); Nelson Page; Christopher Cooke; Ann Hillman; Charlene  
Tautfest; Andrew Naylor.

## **PROCEEDINGS**

### **CALL TO ORDER**

CHAIR WEBB calls the meeting to order and does a roll call, noting that all trustees are present. He states that also present is Chris Cooke, the newly appointed, yet-to-be confirmed, trustee. He asks to reverse the order of the agenda and take the last two items first so staff can get back to work. He asks for a motion to approve the agenda.

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

TRUSTEE MICHAEL seconds.

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

CHAIR WEBB asks for any ethics disclosures. There being none, he moves to the Denardo and Fahrenkamp disposition, and recognizes Mr. Morrison.

### **DENARDO/FAHRENKAMP DISPOSITION**

MR. MORRISON states that there is a memo for consultation with trustees for the Denardo/Fahrenkamp Centers. He asks Aaron O'Quinn, the PRI manager, to present the memo.

MR. O'QUINN states that the proposal for consideration is to allow the executive director of the Trust Land Office authority to lease or sell the Denardo/Fahrenkamp Centers, and the land upon which they are located, at fair market value. He gives a short background on the property, and states that both facilities are residential treatment facilities, and about half of each building is equipped for residential purposes. He adds that the buildings are vacant and present several management challenges. He explains in greater detail. He states that, currently, there is a proposal on the table from Tanana Chiefs Conference and the Greater Fairbanks Community Hospital Foundation in partnership with the City of Fairbanks. He continues that Tanana Chiefs submitted a proposal to the Department of Health and Social Services, and that proposal was funded. The award was to operate a sobering center, a facility where inebriated individuals are taken off the street, placed in custody, allowed to sober up, and then released. He adds that Tanana Chiefs have a tight timeline under this grant requirement to be operational by the end of June. He states that, currently, this is being pursued on a fair-market basis with a potential of them seeking less-than-fair-market rental assistance on that facility. He states that approval of this motion will give the executive director the ability to act in a commercially reasonable manner for proposals that potential lessors or purchasers bring to the table. He continues that this proposal will allow the executive director to move forward with Tanana Chiefs' proposal at fair-market value.

TRUSTEE MICHAEL asks where Tanana Chiefs are now, and if they are looking at other facilities and comparing costs, or are they committed to this building.

MR. O'QUINN replies that he has been assured that Tanana Chiefs plan to move forward with Denardo Center and may have some other programs to put in there. He states that this would

basically give the TLO the authority to move forward with the best-interest decision to allow entering a lease with them.

MR. MORRISON states that this is the first step in the disposal process which does have a lengthy lead time.

TRUSTEE MICHAEL asks about the process.

MS. BALDWIN-JOHNSON replies that other facilities have been ruled out, and this facility is the best one.

MR. O'QUINN adds that this property has been discussed as a fair-market deal, and the hospital foundation has agreed to chip in additional money for rent.

TRUSTEE DERR comments that this is giving complete authority ahead of time in making the agreement and then coming back and asking for money. She believes that the trustees should be asked up front about the rental agreement, and is speaking against this motion.

TRUSTEE NORENE states that he understands it as a revenue-neutral situation. If money is needed to pay for market rent and it is granted, it will come back as income.

TRUSTEE MICHAEL states that she is not sure that it has been determined on whether that is the way to do PRIs. She continues that the rest of the market rate will not be paid to the Land Office for the part of the rent that cannot be afforded. She adds that, in this case, it would be a new proposal saying that a grant to pay the rest up-to-the-market rate will be guaranteed.

TRUSTEE SMITH states that he has two questions about the two programs. First, are they generally compatible, short term/ long term; and are the benefits clear to the TLO in the motion.

MR. O'QUINN states, to be clear, the proposal to the Trust Land Office has not yet been received. It has been explored with the proposer that one program would occupy half of the buildings at the Denardo Center. There is nothing else there; it is compatible with the location, and in a residential neighborhood. He continues that to approve a lease at less-than-fair market value is an in-depth process. TCC just got the okay to move forward from DHSS, and it does not know what its operating expenses are going to be. He understands that it is the trustees' wish to provide the building at a reduced rate, and we are working on that. He adds that they are not at the point of bringing a discrete proposal. This will allow initiating the disposal process, and it will allow them getting into the building by the deadline.

MR. MORRISON states that this is a consultation for an intended action, not a granting of any specific authority. He clarifies that this will allow moving forward with the only currently identified prospect, which is a potential lease to the Tanana Chiefs, who have indicated interest.

TRUSTEE DERR thinks this is setting a new precedent, going down a new road; and while it is a lengthy process for them, it should be a process that includes the trustees.

CHAIR WEBB asks for a motion.

TRUSTEE NORENE makes a motion that the Trust Authority Board of Trustees concurs with the Trust Land Office recommendation for the executive director to negotiate leasing or the sale of all or part of the Denardo and/or Fahrenkamp Centers and to track data upon which the Denardo and Fahrenkamp Centers are located at market rent for lease or fair market value for sale.

TRUSTEE SMITH seconds.

*CHAIR WEBB calls the vote: Trustee Derr objects; Trustee Selby, yes; Trustees Easley, Michael, Smith, Norene raise hands in favor. The motion is approved.*

CHAIR WEBB states that the next item is funding requests, FY17 Medicaid reform budget adjustment.

## **FUNDING REQUESTS**

### **FY17 MEDICAID REFORM BUDGET ADJUSTMENT**

MS. BALDWIN-JOHNSON states that this request is for \$83,000 for FY17 to address the gap in the State match amount that was previously estimated at 90/10 percent. She continues that the Department informed us that these budgets were approved, and the match was an 18 percent State match requirement. It was 8 percent higher than what the previous estimate was based on. She continues that if this is approved, the OMB will need to add this into the Governor's amended budget for '17 so those funds can be accessed.

TRUSTEE DERR makes a motion to recommend approval of \$83,000 FY17 MHTAAR grant from FY17 unobligated funds to the Department of Health and Social Services for the cost of connectivity to the HIE project.

TRUSTEE MICHAEL seconds.

CHAIR WEBB asks, with the granting of this additional money, where the unobligated funds are.

MS. BALDWIN-JOHNSON asks Monique Martin to explain how this got to this point, and why it is not her fault.

MS. MARTIN explains that this funding typically is a 90/10 match from the Centers for Medicare and Medicaid Services. However, there is a complex calculation on some of the funds, the high-tech funds that CMS uses to calculate the exact match. 90/10 match is the starting point. She continues that once CMS went through the calculation based on the high-tech funding plan it came out to be 82 percent federal and 18 percent State funding. The funding is difficult to anticipate because of how CMS calculates the funding request.

CHAIR WEBB states that he received information that currently there is \$568,089 in unobligated funds from which this \$83,000 will come. There being no other questions or comments on the motion, he calls the vote.

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

## **CEO UPDATE**

CHAIR WEBB recognizes Greg Jones.

MR. JONES summarizes his memo and goes through some additional information that has happened since writing the memo. He moves to the legislative audit and states that the LB&A committee met and decided to launch the audit in May of this year. They believe that it will take approximately a year to complete. He continues that it is highly likely that they will require audits for sunseting programs and a couple of other mandatory audits that must be done on an annual basis. He adds that there is not much that can be done to influence that other than being prepared. He goes through the process and states that it will highlight any areas that need to be paid attention to in terms of the statutes, processes and programs. He continues the need to start addressing the issues that had come up in the request for the audit which involves the policies towards use of principal for stewardship and enhancing the value of the corpus of the Trust. He adds the hope of having a time line within the next week or so. He states that the search for the CFO is underway, with 22 applicants. A first round of reviews has been done, and interviews for the short list are being set up. He continues that the goal is to try to get someone identified and on board by the May 4<sup>th</sup> meeting. He moved to the question of the CEO. He states that he has talked to many executive search companies, basically reaching out to see what company is qualified and interested in working for the Trust. He explains in greater detail. He adds that once the reorganization or organizational evaluation is done, it will be clearer what skills are wanted for the new CEO. He suggests doing the organizational evaluation first to simply attract the most and best candidates for the CEO job. He asks for any questions.

CHAIR WEBB states that the legislative audit is off the table because it will happen when it does. He explains how the process works. He continues that his big concern is that the legislation is not yet in Senator MacKinnon's hands. At the January presentation, she invited the trustees to give her legislation to resolve this problem and make the legislative audit moot; to essentially resolve any questions about the ability to use Trust principal for protecting, enhancing, acquiring property. He asks what can be done to move that forward.

MR. JONES states that staff is exploring options for outside legal help to work either with the AG's office or to just submit suggestions on language. He continues that they have available very experienced outside lawyers with legislative drafters that work with the State extensively.

A brief discussion ensues.

MR. JONES states that the goal is to get legislation submitted and to make sure that it can get passed next year. He continues that there will be a lot of time for both input and amendment to those statutes before it gets to that process.

TRUSTEE SMITH asks if the Senator's commitment has been expressed verbally or in writing.

CHAIR WEBB replies that she expressed it on the record in the Senate Finance Committee hearing when the presentation was made.



TRUSTEE MICHAEL states that, after the meeting, the Senator said that she would work to help get any legislation that was needed passed.

CHAIR WEBB states that direction on this issue was requested. He asks if there is a motion from the floor to give direction, or if this discussion adequate.

TRUSTEE MICHAEL states that she does not think a motion is needed. This is probably the the most important thing on the agenda, and it is impacting us financially. There is nothing more important than getting the legislation going.

TRUSTEE SMITH goes back to a comment Mr. Morrison made that bears some amplification. The comment made is that the TLO is almost dead in the water. He asks for some support on that point of view.

MR. MORRISON replies that it is worth noting that we were previously on a nice trajectory with continued new income alternatives. That has come to a stop. He states the need to continue pursuing initiatives that brought that income about in the first place.

TRUSTEE DERR suggests a placeholder to make sure that it is very specific to what we want changed. She anticipates that some of those changes will be in other sections of the law than what we want them messing in. She states that she wants to be very specific to which sections of the law we want them to speak to.

CHAIR WEBB agrees. The issue is to know what we want, why we want it, and to be able to articulate it. He states that he would like to see something in Senator MacKinnon's hand next week. He adds that he would like a hard deadline.

MR. JONES replies that everything that can be done will be done consistent with trying to keep the attorney general's office comfortable with what is being done and moving ahead. He states the need to devise a way to get it back in front of this board, and we may end up having to call special meetings.

CHAIR WEBB moves to the process of hiring the CFO. He asks if the next step would be to interview the four candidates and decide.

MR. JONES replies that those four would be interviewed, and we would likely narrow it down to two. He continues that they would be introduced to members of the board with the interview process at that point.

TRUSTEE DERR asks if they are from Alaska.

MR. JONES replies that all four on the short list are in state, with a substantial amount of State government experience.

CHAIR WEBB moves to the organizational review and hiring the CEO. He asks for any comments from trustees about how to prioritize that, or the direction to go.

MR. JONES states that it is not clear on how much time each of those takes. The organizational evaluation is probably three to four months. It involves talking to quite a few people on the part of the consultant.

TRUSTEE EASLEY suggests approving the RFP for the organizational evaluation to get the discussion focused.

TRUSTEE NORENE comments that this CFO position is a key ingredient in the decision-making process. The stronger that position, the more help an organization will have in that field.

MR. SMITH states that the caliber of the person coming into the CEO position in an organization of this size will have to have a leadership ability and have in their resume a prudent ability to manage an organization in change. He continues, that is the skill set that will be needed. He adds that he sees little value in starting a third-party organization review first and then going into the CEO search. He states that the CEO is going to have a key role in how this organization goes forward because that person is going to be an agent of change. He suggests going forward with the CEO hire first.

TRUSTEE DERR agrees that it is better to do the CEO search first.

TRUSTEE MICHAEL states that proceeding with the CEO search now is important. Staff needs stability, and it is hard to go through a process where the person that is going to lead it is not in on the decisions. She adds that stability will only come when a permanent person is on board to move the Trust forward.

TRUSTEE EASLEY agrees on beginning the CEO search, and continues that the RFP process will take a long time.

TRUSTEE DERR makes a motion to start the CEO search and move forward with that.

TRUSTEE NORENE seconds.

TRUSTEE SELBY agrees with that general direction and would like to see it in front of the May meeting.

CHAIR WEBB states that the advisory boards have also suggested hiring a CEO to move forward. He continues that the purpose of the organizational review is to look at some of the things that have been most troublesome for this organization. This is the lack of clear defined governance and management, policies and procedures, and some differences of opinions about what the role of a board member is versus CEO. He tells Mr. Jones to move forward, finalize the position description and the solicitation for the search, and then finalize the solicitation for an organizational review.

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

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

TRUSTEE SMITH states that management and the trustees need to be continually mindful of the fact that this organization should try to state clearly that it is an equal opportunity employer.

CHAIR WEBB asks if there is a motion relating to the organizational review, or if one is needed.

TRUSTEE EASLEY makes a motion to proceed with the organization evaluation as soon as it is appropriate after the CEO search has begun.

CHAIR WEBB asks if all agree. He states that the agenda is done, and asks if there are any other items that anyone wishes to cover.

TRUSTEE MICHAEL thanks Mr. Jones for making today's process easy for the trustees.

TRUSTEE DERR states that she and Trustee Smith are here for six more hours and suggests extending the agenda and the conversation.

TRUSTEE EASLEY states that she would like to talk about Michelle Simon's budget report that addressed the significant increase in Medicaid.

CHAIR WEBB calls a five-minute break, and we will reconvene at 3:00 p.m.

(Break.)

CHAIR WEBB calls the meeting back to order and asks what items are wanted to discuss and engage in dialogue with Mr. Jones. It is an informational discussion under the CEO update. He continues that Trustee Easley indicated that she has questions about Medicaid.

TRUSTEE EASLEY states that Michelle Simon discussed, at the House DHSS hearing, that the Medicaid costs were coming in \$49 million above what had been projected. She asks for any information or comments.

MS. BALDWIN-JOHNSON replies that might be a reference to the costs that occurred with implementation of reform. She states that the Department was countering that by making some reductions, anticipating requesting some additional funding to cover the gap.

MR. JONES explains that they were anticipating some savings that did not occur; some savings in the implementation were overprojected.

MS. LOFGREN states that there were five areas that had been identified for realizing \$30 million in those savings. One was outpatient and inpatient costs for hospitals; professional licensing fees; eliminating procedural codes that were brought on after January 2015; reducing the cap for day habilitation services for individuals on intellectual and developmental disability waivers to eight hours. She continues that there has been an external stakeholder group that has been working on coming up with some items that SDS could potentially look to for savings.

CHAIR WEBB states that there is a lot of consideration being given to changing the Medicaid program at the national level. If the repeal of the Affordable Care Act goes through, there is

discussion about how Medicaid expansion would be retained and in what form. He continues that he is unaware of any efforts the Trust has made to communicate with the Congressional delegation and inform them about the importance of Medicaid to the beneficiaries. He asks to undertake some efforts in that regard, and states that he is willing to work on writing a letter. He recognizes Patrick Reinhart.

MR. REINHART states that there is a group going to the Disability Policy Seminar in Washington, D.C. on March 20 through March 22. He asks if there is a trustee or staff member that would like to join the group. The meetings with both of our Senators and Congressman have already been set up. He continues that the main topic of the discussion is the importance of home- and community-based services in Medicaid.

TRUSTEE DERR asks if a place has been determined for the May 4<sup>th</sup> meeting. She suggests Mat-Su, adding that there has never been a meeting held there.

MR. WILLIAMS replies that it is planned as a one-day meeting, and we can hook up with the partners in Mat-Su Health Foundation and do some site visits.

The consensus is to have the meeting in Mat-Su.

CHAIR WEBB asks if there are any other issues to bring up.

TRUSTEE NORENE asks if there are any plans for a meeting with the Permanent Fund people to get some understanding of their plans.

MR. JONES replies that he and Mr. Morrison met with Angela Rodell and talked about some of these very same things. He states that it was a good meeting and got right down to the discussion of what has been happening with the fund. He asked them if politics were beginning to affect the investment decisions which was met with a very robust "no." He continues that the politics are reaching into the earnings side of the fund, but not into the investment decisions, and not into projects that might be invested in. Ms. Rodell has offered to come to a Trust meeting and talk about what they are doing and the changes that are occurring at the Permanent Fund. He adds that he will try to get her for the next available meeting.

TRUSTEE EASLEY talks about the limitations on physical therapy and asks if people are complaining about Senate Bill 91 provisions.

MR. WILLIAMS replies that there has been significant discussion about Senate Bill 91. It is the Department of Law; local law enforcement agencies and others that have come to Commission meetings to express concerns about certain elements of Senate Bill 91. He states that there are several things that are happening, and it all connects to the criminal justice system.

A brief discussion ensues.

MR. WILLIAMS adds that the Criminal Justice Commission is doing education about SB91 in which the Trust has been involved, to make sure that the public understands what is in the 112-page document that was passed July 1.

TRUSTEE NORENE states that another issue on the street is the no-room-at-the-inn issues. He would like to see a note around here about planning for the possibility of a future second psychiatric hospital in Alaska.

MS. BALDWIN-JOHNSON states, that with the reforms that are moving forward, the intention is to more efficiently and effectively use the level of care for folks that are needing that care. There are folks in the hospital that really do not belong in the hospital, but there is no other place for them.

MR. WILLIAMS points out that communities are starting to discuss the reforms because of the impacts that are happening on the street with law enforcement and with the local emergency rooms.

TRUSTEE DERR asks what happened with the API privatization study.

MR. WILLIAMS replies that the report has been released and is on the DHSS Web site.

MS. LAWRENCE is working on a CEO report, and we will have the link to the report attached to it. That will go on later this week.

TRUSTEE EASLEY asks if the Pioneer Home has been finished.

CHAIR WEBB clarifies that it is the pharmacy piece of the Pioneer Home.

MS. LOFGREN replies that a request for proposals was put out, and they did not get respondents that met the satisfactory criteria, and they did not move forward with a privatization setting pharmacy.

TRUSTEE MICHAEL asks for any updates on the Clitheroe site.

MS. BALDWIN-JOHNSON replies that Steve Fishback was contracted to work some of the site issues there. The Municipality, Trust and the Division of Behavioral Health are talking about convening a planning session with behavioral health providers in the Anchorage area that can help inform the planning for the services. She states that a feasibility study was funded to look at detox needs and, in response to that, it was decided that there was a need to convene the providers and start looking at identifying the gaps in care.

TRUSTEE MICHAEL stresses the importance of getting site control and the Trust in an ownership position as soon as possible.

MS. BALDWIN-JOHNSON states that Aaron has had some meetings with the Municipality.

The discussion continues.

TRUSTEE DERR asks who has \$5 million.

TRUSTEE MICHAEL replies that the City has \$5 million for a substance abuse treatment program on that site, and for a new building.

TRUSTEE SMITH states that he has three items that are more on the long term and how this board will function in the future with the new CEO. He continues that one would be to pick up where the governance issues left off, with the bylaws.

MR. JONES states that the first item is part of the organizational review. The bylaws, the MOU with DNR, and any statute changes would be an integral part of that.

TRUSTEE SMITH states that the second item would be a session on the category of training working with the new CEO on refining, discussing what policy and administrative roles mean in this new structure to get a good understanding of how everyone would work together. Then, another short session working with the new CEO on a new strategic plan.

MR. JONES suggests asking the new CEO to put together the training and the discussion on the new strategic plan. That is going to be a vital part of his challenge. He urges making that the new CEO's first charge.

TRUSTEE EASLEY states that there is discussion about block grants to the State and a block grant would not work well with Alaska. She asks if it goes to block grant, the 1115, will there be more control over how the money is spent.

MS. LOFGREN explains that with a block grant the states get more control over how to administrate the programs. It would be similar to how the 1115 is currently being pursued in that it would be all the Medicaid programs in one funding mechanism. The challenge is when states have low or diverse populations.

A brief discussion ensues.

CHAIR WEBB asks Mr. Reinhart for any updated information.

MR. REINHART states that the biggest issue is going to be those that are not nursing-home eligible for care. He continues that what is being found is that in the grant-funded services the individuals are already eligible for some of the other services. On that they are finding that this money is going to go a lot further than it has before. He adds that the number of people eligible is unknown now.

CHAIR WEBB brings up the comprehensive plan and asks Ms. Wailand for a status report.

MS. WAILAND states that the trustees approved a technical assistance contract for supporting the health information exchange and having an organizational assessment and developing a roadmap and strategic plan. She continues that one of the biggest issues is the need to improve the technology systems and the access to data and the exchange of information across provider organizations. There are 150 provider organizations slated to be on board at the health information exchange over the next two-year period. This will propel the technology capacity for it. She adds that the ability to have a behavioral health provider access within five minutes of admission is a big game-changer. There is a plan in place, there is a planned development capacity to move that forward in 2017.

CHAIR WEBB asks Mr. Jones if he had any thoughts about organizational metrics that would be helpful.

MR. JONES replies that he is a firm believer in metrics, but just has not gotten there yet.

CHAIR WEBB asks for any other questions or comments.

TRUSTEE EASLEY asks why the Medicare and Medicaid reimbursement rates are not closer together, rather than Medicaid reimbursement being 30 percent more than Medicare.

MS. LOFGREN replies that the State sets the Medicaid rates and the Federal Government sets the Medicare rates. With the State setting the Medicaid rates, there is a lot more ability to acknowledge, recognize, and work with the providers in the State to make sure that it is incentivized to cover the services that are needed to provide those services.

TRUSTEE NORENE makes a motion to adjourn.

TRUSTEE DERR seconds.

*There being no objection, the meeting is adjourned.*

CHAIR WEBB thanks all for a very productive meeting.

(Special Full Board meeting adjourned at 3:38 p.m.)

**Minutes for the  
March 24, 2017  
Full Board of Trustee  
Meeting**



ALASKA MENTAL HEALTH TRUST AUTHORITY

SPECIAL FULL BOARD MEETING

March 24, 2017

11:00 a.m.

Taken at:

3745 Community Park Loop, Suite 120  
Anchorage, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

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

Trust staff present:

Greg Jones  
Jeff Jessee  
Steve Williams  
Heidi Wailand  
Carley Lawrence  
Michael Baldwin  
Miri Smith-Coolidge  
Katie Baldwin-Johnson  
Carrie Predeger  
Luke Lind  
Valette Keller  
Kat Roch

Trust Land Office:

John Morrison  
Wyn Menefee  
Crystal Benson-Carlough

Others Participating:

Chris Cooke; Randall Burns; Kathy Craft; Nelson Page; Charlene Tautfest; Brenda Moore; Faith Myers; Dorrance Collins; Karen Perdue (via Speakerphone); Bruce Van Dusen (via Speakerphone); Gordon Glaser; Randall Burns.

## PROCEEDINGS

### CALL TO ORDER

CHAIR MICHAEL calls the meeting to order and calls the roll. She moves to the agenda and adds a few changes. First, is the discussion regarding the process for the executive search and the organizational evaluation contract, and which should come first. Second, is an executive session to review the proposals for the CEO search; and an update on the interviews for the chief financial officer.

TRUSTEE NORENE makes a motion to approve the amended agenda.

TRUSTEE SMITH seconds.

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

CHAIR MICHAEL asks for any ethics disclosures. There being none, she moves to the FY17 Trust Authority operating budget line item transfer.

### FY17 TRUST AUTHORITY OPERATING BUDGET LINE ITEM TRANSFER

MR. WILLIAMS states that the essence of this request is to get trustee approval to move \$150,000 from the personal services budget amount in the FY17 budget down to the services line so two contracts can be executed. One will move forward with the executive search, and the other to move forward with contracting for an organizational assessment. He adds that the money in the services line currently is not enough to cover those contracts, which is anticipated to be up to \$100,000 each. He states the reason for bringing this forward is that any funding exceeding \$50,000 would come back to the trustees for approval.

TRUSTEE NORENE makes a motion to approve the line item transfer for the Trust Authority Office fiscal year 2017 administrative budget whereby personal services line, 1000, is reduced by \$150,000 and transferred to the services line, 3000.

TRUSTEE WEBB seconds.

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

MR. JONES asks Jeff Jessee to give a legislative update.

### LEGISLATIVE UPDATE

MR. JESSEE states that the House has passed their budget and sent the Mental Health Budget bill to the Senate, but did not send the overall State operating budget to the Senate. He continues that there is speculation that the Senate intends to modify the State operating budget, send it back to the House, and adjourn. He moves to the alcohol tax, stating that meeting with legislators has begun. He notes that there is more support among some key senators than anticipated. He adds

that this will be significant because the updated numbers are that the cost of alcohol abuse in Alaska is \$1.8 billion per year; and drug abuse is \$1.2 billion. This is expected to get some attention. He states that Title 4, the alcohol beverage control statutory rewrite, still has some issues. He continues that, this year, there is a companion bill sponsor in the House, and it looks promising that Chuck Cobb will get some significant majority party co-sponsorship.

MR. JONES states that the activities the TLO has been doing in terms of investment has some real fans on the Senate Finance Committee. Several members have been open and on the record about supporting it, including the chairman.

MR. MORRISON states that he has a few updates beginning with the outreach in Southeast Alaska for the land exchange. He continues that the TLO presented to the Ketchikan Assembly. They were very supportive and offered to come forward with a new resolution of support, which is forthcoming. He adds that there was a public meeting with good participation and a lot of questions, which went well. There were also public meetings in Petersburg that were well attended with good questions. He states that a letter of support from the Federal Forest Resource Coalition, which is a large nationwide organization, was sent directly to Lisa Murkowski, fully supporting our bill. The efforts in Southeast are going very well. He continues that in the coming weeks similar presentations requesting support and informing the public will be held in Sitka, Juneau, Prince of Wales and Wrangell. He states that HB 155 is moving forward in the Senate, and the State process seems to be in line. The federal process is also moving smoothly. He reminds trustees that it is of the utmost importance that the bills pass at both the state and federal levels this year. He continues that the Icy Bay initiative is going very well. He congratulates staff at TLO for a job well done in lining all that up. He states that there is a lot of activity in Juneau, and we met with the city manager there. One of the topics was about the DPS building. The Department of Administration, who had occupied the building for as long as the Trust has owned it, without paying rent, is leaving April 30<sup>th</sup>. He continues that the City and Borough of Juneau is somewhat interested in purchasing the building. The mayor was talking about it on a radio show. He adds that he would like to see who has the best interest of the Trust for that building, and the plans for it. He states that the DOA has contacted the TLO for a potential parking lease on the Subport parcel that is not under contract to sell. That will proceed as any other transaction. He continues that another transaction is the desire for the Department of Military and Federal Affairs to exchange a parcel in Fairbanks for a drawing on a map of two parcels that are Trust-owned in Fairbanks, and they want to subpart each parcel. He adds that we would be happy to sell the parcel for fair market value, but we are not interested in exchanging the parcel for the one that they own.

TRUSTEE WEBB asks about the \$250,000 reduction in the House TLO budget and how that will impact the Icy Bay work.

MR. MORRISON replied that the current budget is not affected by that for next year. He states that this reduction will severely hamper the ability to meet the mission to protect the Trust interests and make recommendations on our initiatives.

CHAIR MICHAEL acknowledges Chris Cooke, and asks about his confirmation hearing.

MR. COOKE replies that he had a confirmation hearing with two Senate committees and has been contacted about scheduling one for House Finance. He states that it is necessary, vital and important to communicate with local governments and local communities about the development of Trust land in their areas. He asks about the contact between the City and Borough of Yakutat and the Trust about the Icy Bay development.

MR. MORRISON replies that both Yakutat and Cordova have been reached out to to let them know about the series of meetings in May for follow-up. He states that it is very important to tie the activities of the TLO to the mission of the Trust and beneficiaries; the more that message gets out, the more the purpose and actions are understood. He introduces Crystal Benson-Carlough, the new administrative assistant, and thanks her for her work.

TRUSTEE SMITH asks Mr. Morrison to share the participation that the TLO had with the Southeast Conference, and also some of the materials that are provided for these public meetings.

MR. MORRISON states that a presentation will be forwarded to the trustees, along with copies of the support letters that were received.

MR. MENEFEE states that the report back from the Southeast Conference has been quite favorable, being able to meet with staff from Senator Murkowski's office. The discussions ranged from timber, the land exchange, to subdivision sales. He continues that Dave Griffin, the Southeast land manager, found it valuable to make facial contact with people that he will be working with in the future.

CHAIR MICHAEL appreciates the update and breaks for lunch.

(Lunch break.)

CHAIR MICHAEL calls the meeting back to order, and recognizes Greg Jones.

MR. JONES asks Nelson Page to make a brief announcement.

MR. PAGE states that he has accepted a position with the Alaska State Bar Association as bar counsel. He continues that he will be winding down his practice and will not be able to provide representation to the Mental Health Trust. He adds that he will offer transition to The Trust's new counsel.

MR. JONES states that he has counted on and has been very well served by Mr. Page's advice and counsel, both from a historical and legal standpoint. He is a huge resource, and we are sorry to see him go.

TRUSTEE NORENE thanks Mr. Page for his service.

TRUSTEE SMITH also thanks Mr. Page.

CHAIR MICHAEL states that, over the years, Mr. Page's diligence, both personally and professionally, have assured this organization's success. She thanks him.

MR. WILLIAMS states that Mr. Page has served the Trust in many distinct roles: as legal counsel, a trustee, he helped structure the organization that we have today, and has moved us forward over time. The Trust has been fortunate to have his expertise and thanks him.

CHAIR MICHAEL asks for any other comments. There being none, she moves to the public comment period. She recognizes Charlene Tautfest.

## **PUBLIC COMMENT**

MS. TAUTFEST states that her son is a beneficiary of the Trust and she is currently chair of the Alaska Mental Health Board. Regarding the CEO selection process, the board appreciates the opportunity of being included in that process. Regarding the proposal to pursue changes to the Trust statutes, the four advisory boards advised the Trust to wait until the organizational review and legislative audit process have finished before pursuing changes to the Trust statutes. Regarding the use of public buildings held by the Trust in Fairbanks to support programs for beneficiaries, the four advisory boards encourage trustees to authorize the use of one or both buildings for the sobering center, which is a direct use by beneficiaries. A sobering center is in the best interest of the Trust and its beneficiaries, and is consistent with the Trust management principles set up in regulations. The four advisory boards also encourage the development of clear and streamlined processes which, through the Trust Land Office, can make Trust assets available to programs providing direct services to beneficiaries. She thanks Mr. Jones and staff for the work being done to ensure that beneficiaries have a voice in the changes ahead for the Trust.

CHAIR MICHAEL thanks Ms. Tautfest, and recognizes Brenda Moore.

MS. MOORE states that she holds a consumer seat on the Mental Health Board, and also serves on the executive committee for the board. She continues that the Trust is in a state of change with staff and trustee leadership changes imminent. The external legislative audit and internal organizational review is proceeding at the same time as the leadership changes. She adds appreciation for all and advises that there should be public and inclusive conversations with beneficiaries and stakeholders with an interest in management of Trust assets and resources to determine what is in the best interest of beneficiaries regarding use of proceeds from the sale, lease or other disposition of Trust lands prior to the time. She looks forward to contributing and participating in these processes.

CHAIR MICHAEL thanks Ms. Moore and recognizes Faith Myers.

MS. MYERS states that she volunteers as a mental health advocate. Annually, there are approximately 10,000 individuals that end up in the locked psychiatric institutions or units in Alaska, annually. She continues that patient advocates estimate that up to 47 percent of the patients are mistreated. She adds that smarter state management and care of disabled psychiatric patients, Trust beneficiaries, would reduce suicides, recidivism, post-traumatic stress injury

because of poor treatment in institutions, and would promote positive recovery outcomes and reduce negative patient law enforcement encounters. She states that because most of the acute-care psychiatric patients are considered disabled, AS 47.30.847 states that “a patient advocate must be available to assist patients in filing a grievance or help in the seeking of other redress.” The loophole is: No regulations have been written by the Department of Health and Social Services to say when the patient advocate would be available. She continues that hospitals have gone out of their way to make sure the patient advocates are not readily available to patients. Advocates go home at 5:00, and they do not work on weekends or holidays. Hospitals set the due process for psychiatric patient complaints. She states that the State, through regulation and laws, must establish a partnership between disabled psychiatric patients and acute-care psychiatric institutions and units, and that would mean giving additional and enhanced rights to disabled psychiatric patients. She asks the Trust Authority to help improve rights for psychiatric patients.

CHAIR MICHAEL asks for anyone on-line who would like to testify. She recognizes Karen Perdue.

MS. PERDUE states that she lives in Fairbanks. She was involved in the early development of the Denardo and Fahrenkamp Center. She continues that Senator Betty Fahrenkamp stepped forward and used her capital money at the time to allocate and became an advocate for mental health rights. She built those two buildings with the capital money she was designated in the Legislature and provided some program money. This was before the settlement and before a mental health program in Alaska was launched. She states that she was delighted to understand that the Tanana Chiefs and the Fairbanks Foundation and other partners had determined the Denardo Center would be an appropriate place for a sobering center. She adds that it is consistent with the purposes that the original legislative grants made. She asks the Trust to support this, adding that doing so would really honor the memory of Anne Denardo and Betty Fahrenkamp.

MR. JONES adds that there will be an update on this later in the agenda.

CHAIR MICHAEL thanks Ms. Perdue, and recognizes Bruce Van Dusen.

MR. VAN DUSEN states that he is the executive director of Polaris House, which is a clubhouse community dedicated to recovery, and the only accredited clubhouse in Alaska. He continues that Polaris House provides a safe place for beneficiaries to belong and have rights to meaningful relationships, meaningful work, and a safe environment. It ensures members are housed, can access community education opportunities, achieve paid employment and wraparound services to assist in all aspects of beneficiaries’ lives. He adds that several decades of research have shown that peer support has as good of outcomes as more traditional clinical and mental health services. Peer support behavioral health service is the greatest single add-on to improve services in recent years. He states that peer-driven services are considerably less expensive than traditional services, and are being included in all community-based service plans coming from federal agencies.

CHAIR MICHAEL asks if any grants from the state are received.

MR. VAN DUSEN replies that, currently, a grant through the Division of Behavioral Health, which is the Community Behavioral Health Treatment Recovery grant, which was cut by 5% last year and is under a threat for a cut again.

TRUSTEE EASLEY states appreciation for what Mr. Van Dusen does.

TRUSTEE SMITH agrees and asks which local organizations in Juneau are collaborating in these efforts.

MR. VAN DUSEN replies, basically, all the behavioral health providers.

CHAIR MICHAEL thanks Mr. Van Dusen, and recognizes Gordon Glaser.

MR. GLASER states that he is on the board of the Anchorage Senior Activity Center and Alaska Commission on Aging, but is speaking on his own behalf and shares many of the concerns already mentioned. He continues that change should be a positive experience and states concern about how the change is happening in terms of what steps have been taken and the amount of change in a brief period. He adds that the organizational review is necessary and needed, and we would like the opportunity to have a discussion before events happen rather than after. He states that their next committee meeting is May 9<sup>th</sup> and invites the trustees on the agenda for discussion.

CHAIR MICHAEL thanks Mr. Glaser and asks for anyone else to testify. She states that testimony is scheduled until 1:30. She calls a break.

(Break.)

CHAIR MICHAEL calls the meeting back to order. Next on the agenda is the CEO selection process.

## **CEO SELECTION PROCESS**

MR. JONES states that the initial question that generated this agenda item was how does the board of trustees want to handle the selection of the CEO. He continues that, at this point, we are to the point of receiving proposals for a search firm, and we would like to know what procedure the board wants to use. The search firm will do background checks, verify the credentials and whether the candidates meet the minimum requirements, and then forward resumes that are believed to be qualified. He asks if the trustees want to see all the resumes and would like a special meeting to review them, or just circulate them to all. He also asks, when it comes down to interviews, how the trustees want that process to work, as a body or a committee of the board.

TRUSTEE SMITH states before looking at job descriptions and entertaining specific companies, the trustees need to define where we are right now and what is being looked for in a skillset.

MR. JONES explained how the process for search firms was done. He states that firms that

understood mission-driven organizations and could also look at the financial side of the business, were looked at. He continues that four requests for proposal were sent, and two very good proposals were received. He adds that discussing proposals in public is prohibited.

TRUSTEE SELBY fully supports what is recommended in terms of getting the organizational review done and agrees in identifying the skillset wanted for the executive search firm to use.

TRUSTEE SMITH states that this was discussed at some length, and it was the consensus of trustees for having a CEO seated and then do the organizational review.

MR. JONES states that the board decided to go with the CEO search first. The goal was to get the CEO hired before the assessment was complete, but probably while it was in process.

The discussion continues.

TRUSTEE WEBB states that both things need to get moving quickly, and the board will adapt as needed. If it is determined that a change to the statute is needed to become a more effective, higher-performing organization, then that will be done.

TRUSTEE DERR agrees.

MR. COOKE states that the time factor, as far as when this person needs to be on board and take over, will determine a lot in terms of the other issue that has been discussed.

TRUSTEE SMITH agrees with Trustee Derr in seeing some Alaska experience with the firms and states thanks for the reminder about not talking about those firms or discussing those proposals in public. He also would like to see proposals from at least one other firm.

TRUSTEE WEBB states that there is nothing that prevents resoliciting and seeking additional respondents, including contacting potential respondents in Alaska, to make sure that they are aware of and able to respond, if they wish.

CHAIR MICHAEL suggests holding off and discussing this in executive session or having Valette Keller respond to the question about procurement.

MS. KELLER replies that it is possible to cancel the solicitation and do another solicitation with a wider pool of potential proposers that would include possibly some Alaskan firms.

The discussion continues.

CHAIR MICHAEL states that public comment closes at 1:30 and asks if there is anyone on-line that called in to give public comment. There being no one, she closes the public comment period. She asks that the discussion regarding the CEO selection process continue. She states that the recommendation is to now proceed with the organizational review first and go ahead with the proposals for the CEO, and that would be about a six-month process. She asks if a motion is needed.



MR. JONES replies that a motion is not needed.

The discussion continues.

TRUSTEE WEBB makes a motion to proceed immediately with the subject -- to the discussion further in executive session on moving forward with solicitation for both the organizational review and the CEO search, and to move the organizational review as quickly as possible, with the understanding that we will not finalize that review until a selection for a CEO has been made.

TRUSTEE EASLEY seconds.

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

CHAIR MICHAEL asks Mr. Jones to put a timeline together that shows how things will fall over the next year. She also asks if more input was needed on how to do the executive search.

MR. JONES replies that he will submit a timeline, and states that the trustees will establish an interview schedule, and then the board will interview the final interview candidates.

TRUSTEE WEBB states the prerogative of the chair of the board and will appoint a committee to assist Mr. Jones in planning and conducting the search, working with the search firm, and then doing some screening.

CHAIR MICHAEL asks for any other comments. There being none, she moves to the draft statutory changes for the Alaska Mental Health Trust Authority.

### **DRAFT STATUTORY CHANGES FOR THE AMHTA**

MR. JONES states that when the request for the audit was received, the subject matter of that was looked at. The main important part of it was the question on how the Trust uses principal. The attorney general's office was engaged and asked the same questions about what the statutes say and what the exposure out there is. He continues that the attorney general began to draft a set of amendments to the statutes that would address the ways in which the Trust has used principal for investment purposes in the past. That involves principal used in stewardship of land: subdividing; building roads; building utilities to increase the value of Trust land; mineral surveys; timber surveys. These things are all intended to add revenue and help increase the amount of revenue from that land. He adds that if principal was invested to generate more principal, then it was an appropriate use of Trust assets. He states that the draft legislative language addresses each of those issues. He adds that this is strictly about the use of principal, for the reasons stated. He continues that the attorney general's office believes that these, as written, resolve the issues that were raised by the request for audit, and make clear what was unclear. He adds that he is pleased with the way they are written. He states that Mr. Page has reviewed them and believes that it would resolve the issues raised in the audit, and would provide some guidance to the board on decisions about the uses of principal or capital in the future.

CHAIR MICHAEL states that these are very important issues and, for the benefit of everybody in the room who may not know what these provisions entail, to go through it item by item.

MR. JONES states that the advisory boards have both the draft language and the analysis matrix, and they managed to fit two meetings in with different representatives.

CHAIR MICHAEL states that legislators recommend addressing it as soon as possible because it could help answer some of the questions that are in the audit, and would not require having an audit.

MR. COOKE states that it would be a great advantage and relevant in terms of sequencing and timing to have this legislation pending, if the Trust agrees with the content, for other people to consider in looking at the Trust through the prism of the legislative audit, as constituent groups look at the proposal. He continues that it seems that these needs can be met through this process with the cornerstone being that the Trust agrees with the content of the proposal.

MR. JONES recommends that delaying introduction is not delaying approval of the legislation. He believes approval will be accomplished at about the same time it would have been. He states that the sponsor of the bill, Senator MacKinnon, advised the need to have the advisory boards on board supporting legislation. This would give it a stronger legislative presentation.

TRUSTEE SELBY proposes giving the boards and the beneficiaries the opportunity to review and comment on the legislation itself.

The discussion continues as the trustees go through the document.

MR. MORRISON reminds the trustees that the Alaska statute about the prudent investor rule, specifically as an attachment to the Resource Management strategy, was adopted.

TRUSTEE SMITH states that at some appropriate time, given the complexity of the topic of real estate investment, that it might be a good thing to figure out how to involve the advisory boards so that they understand the complexity of this investment class and all the components of it. This is just an idea that would help them along to understand this particular direction in real estate.

MR. JONES continues going through the document, moving to Section 5, which discusses the allocation of principal and income. It basically allows the Trust to determine what is principal and what is income.

TRUSTEE WEBB states that this is moving us further forward to better define what we are doing, how it is being done, and why. He continues that this gives greater clarity and puts it in statute.

MR. JONES goes through the section on definition and moves to the new section, the implementation of the directors of the Mental Health Trust Authority regarding the acquisition of

real property. He continues, explaining and states that it is narrowly focused on how the principal is used and is targeted directly at the audit.

CHAIR MICHAEL states that this was very helpful.

MR. JONES states that it is important that when this is introduced as legislation, it becomes the Legislature's document and is no longer ours. There will be changes made to it, and then we will have to become an advocate for the Trust to make sure that the document is liked as it gets finished.

CHAIR MICHAEL asks if the trustees have any thoughts on the timing about introduction, other than what has already been discussed.

TRUSTEE SELBY proposes putting it on the May agenda for a public hearing, and specifically inviting the boards and mental health beneficiaries to provide any meaningful input they may have towards making the legislation better. He states that it is important to make a clear public effort to obtain that input in this legislation before it is put forward.

The discussion continues.

MR. JONES states that feedback is already being received. One of the advantages of delaying submitting until fall is that feedback will be received over the summer. There will be conversations with legislators through the summer which can be reported back at committee meetings before the bill is submitted. Then, there will be a better idea of what the language might look like by the September meeting. He continues that members of the Senate Finance Committee have suggested that an amount should go to the Permanent Fund every year no matter what, just for inflation-proofing. He suggests designating a percentage or a dollar amount, some sort of firm standard, perhaps an allocation.

CHAIR MICHAEL calls a break before moving to the partnership request.

(Break.)

## **PARTNERSHIP REQUEST**

CHAIR MICHAEL calls the meeting back to order. The next item on the agenda is the Interior Alaska partnership request for Denardo Center lease rate and the Program-Related Investment.

MR. JONES acknowledges that a letter was received on March 13<sup>th</sup> from Jeff Cook and Chief Victor Joseph about the Fairbanks sobriety center and the Denardo building. He states that we have been anxious to work with helping them on that project from Day One. He continues that there is an internal procedural issue that revolves around the role of the Trust Land Office with the current set of bylaws and regulations. The goal and mission of the Trust Land Office is to maximize the value of Trust assets. They do not have the authority to discount rents for a program. That authority is reserved for the Trust and its board of directors. He adds that the

Fairbanks folks were encouraged to apply to the Trust for assistance. He asks Ms. Baldwin-Johnson to continue.

MS. BALDWIN-JOHNSON states that they reached out to Shirley Lee and the Tanana Chiefs with a solution for this to move forward by inviting them to submit a proposal to assist them for two to three years with the help of lease cost that mirrors the period of funding from the Division for the actual operation of the sobering center. She continues, that would give them time to fully implement their program, get in the building on time, work out their sustainability issues, and we would have a better picture of what the plan looks like.

CHAIR MICHAEL asks if this grant is at the full market rate.

MR. MORRISON replies that the consultation done at the last meeting was for market-rate rent, which is the only rent that can be moved forward under the regulations. There was an in-depth discussion at the meeting in January, and the conclusion was that it is better organizationally and for the actual facilities.

CHAIR MICHAEL states that not all came to that conclusion.

TRUSTEE SELBY agrees with that.

MR. MORRISON explains the issue and the process involved.

A discussion on the subject with all the trustees expressing their opinions and concerns ensues.

TRUSTEE WEBB asks if a business plan was seen from the folks in Fairbanks.

MS. BALDWIN-JOHNSON states that Randall Burns worked closely with them on making the decision to grant them the funds.

CHAIR MICHAEL recognizes Randall Burns.

MR. BURNS states that he is director of the Division of Behavioral Health and talks about the group that put in this proposal. He continues that the Division is anxious that the grant gets started. It is a three-year grant, so these funds will not lapse; but the sooner they are able to get up and running, the better. He encourages the Trust, regardless of how they end up funding it, to move as quickly as possible so that the community is the beneficiary of this program.

CHAIR MICHAEL states that the trustees are supportive of the program but thinks it is more about how to support it now, in the future, and how it fits into and it is treated as part of the portfolio.

MR. COOKE states that, as he read the letter, he could not figure out what their proposal was and what they were asking for.

CHAIR MICHAEL replies that Ms. Baldwin-Johnson is working with them on a proposal that they will come forward with, and then we will go from there.

MS. BALDWIN-JOHNSON states that they will submit their concept with the proper information. It would be reviewed internally, and then brought to the trustees for consideration.

MR. JONES states that does require a budget, and we will need to be able to look at it and see the long-term sustainability.

CHAIR MICHAEL asks if a motion is needed, or if this is just an informational update.

MR. JONES replies that, unless the trustees want the direction to change, a motion is not needed. He states that the direction now is that we are working with the Fairbanks staff, with the Fairbanks chiefs, and we expect to see an application for a grant in the near term. It will be processed quickly and will be at the April 20<sup>th</sup> Planning Committee meeting for final approval.

TRUSTEE WEBB states that the process Mr. Jones defined is the right one, and is the one that should have been followed from the beginning. Present a grant application that can be carefully considered, make a rational decision, and go from there.

TRUSTEE SELBY states that he fully supports moving ahead and getting the grant on it, and to let the folks get going on this program. He asks Mr. Jones to identify at the April meeting what needs to be changed to fix this on a long-term permanent basis.

MR. JONES agrees.

CHAIR MICHAEL states that the proposal will come in April. Next on the agenda is executive session, and she asks for a motion.

TRUSTEE EASLEY makes a motion to go into executive session for the purposes of reviewing two proposals received for the executive search. Those are confidential documents that require going into executive session to review. Also, current candidates for the chief financial officer of the organization will be reviewed.

TRUSTEE NORENE seconds.

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

MR. JONES states that the procurement rules say that the selection committee can stay in the room for the discussions on the proposal and for the CFO. He continues that John Morrison, Vallette Keller, Steve Williams and himself are the permanent selection committee.

(Executive Session from 3:31 p.m. until 4:22 p.m.)

CHAIR MICHAEL asks for a motion to go out of executive session.

TRUSTEE NORENE makes a motion to go out of executive session.

TRUSTEE EASLEY seconds.

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

TRUSTEE WEBB states that this is probably Larry Norene's last meeting as a trustee and acknowledges and thanks Mr. Norene for everything he has done to take the Trust Land Office and develop that organization under his guidance as the Resource Management chair, to where it is today, as a hard-charging professional organization that is doing an excellent job. The contributions that Mr. Norene has made are going to continue to have tremendous impact for Trust beneficiaries long into the future.

TRUSTEE SMITH adds that it is his understanding, that Senator MacKinnon is preparing a legislative proclamation recognizing Mr. Norene's contributions. As Resources chair, he invites the TLO to make a similar recognition of Mr. Norene's work.

TRUSTEE NORENE thanks all for those accolades, and adds that he met a lot of good people.

CHAIR MICHAEL asks for a motion to adjourn.

TRUSTEE NORENE makes a motion to adjourn the meeting.

TRUSTEE WEBB seconds.

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

(Special Full Board Meeting adjourned at 4:25 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

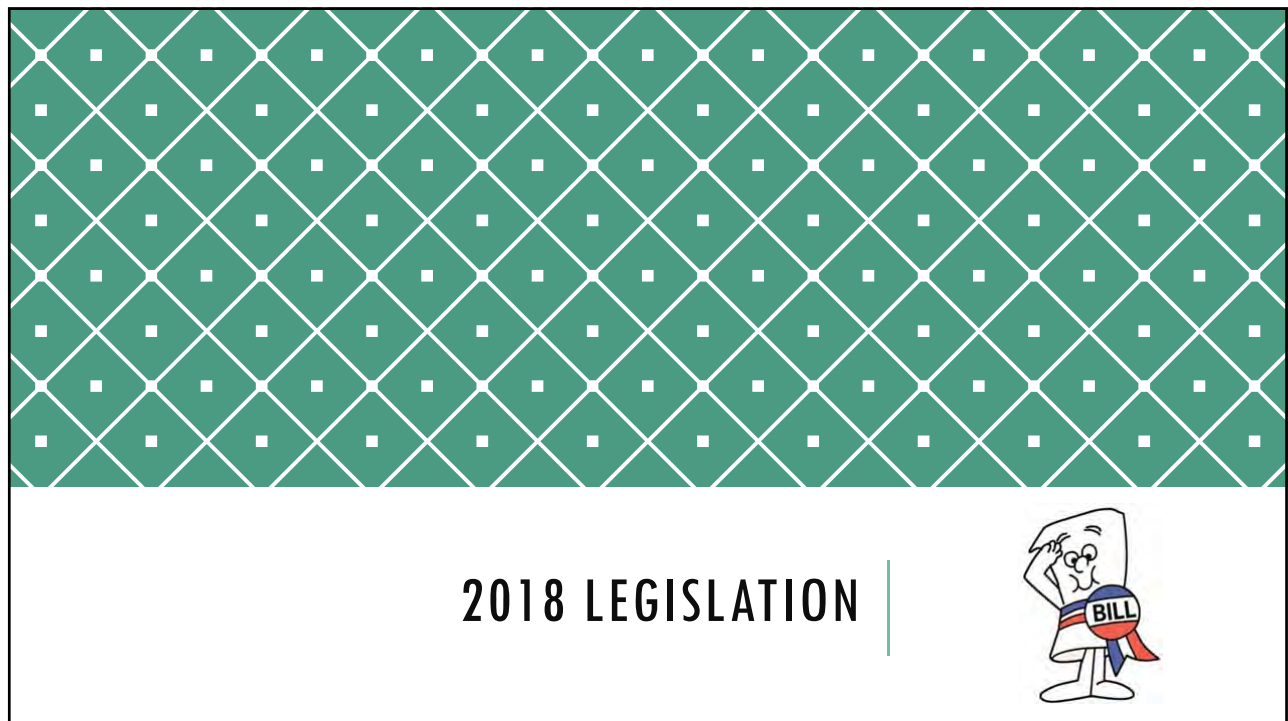
23 Section 3. Trust Authority members are required to comply with the Conflict of Interest  
24 Declaration as stipulated in the Alaska Executive Branch Ethics Acts.  
25

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

**Advisory Board on  
Alcoholism & Drug  
Abuse /  
Alaska Mental Health  
Board**





## BILLS THAT HAVE PASSED/ARE EXPECTED TO PASS

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

SB 91 (Gov) – Allows chief medical officer to issue standing orders for Naloxon

HB 106 (Fansler) – Civil Legal Services Fund

SB 55 (Coghill) – Criminal Justice Reform (technical update)



## BILLS TO WATCH NEXT SESSION

HB 1 (Tuck) – Voter Registration

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

HB 123 (Sponholz) – Mandates public disclosure of costs of certain health care services

HB 151 (Gara) – Child Protection Workload, Training

HB 159/SB 79 (Rules for Gov) – Opioid Response Plan (PDMP, prescribing guidelines)

SB 54 (Coghill) – Criminal Justice Reform (substantive update)

SB 63 (Micciche) – Regulation of Smoking

SB 76 (Micciche) – Title 4 Update (Alcoholic Beverages)





## FY18 BUDGET — PROJECTED IMPACT



## STATE-FUNDED CORE SERVICES

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

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



## PROGRAMS SUPPORTING BENEFICIARIES' BASIC NEEDS

Temporary Assistance for Need Families (TANF)

Supplemental Nutrition Assistance Program (SNAP)

Women, Infants and Children (WIC)

Adult Public Assistance (APA)

Medicaid

General Fund Health Programs

State Employee Health Insurance

State Employee Retirement Benefits

Pioneer Homes

Assisted Living and General Relief

Public Housing

Homeless Assistance Program

Special Needs Housing

Energy and Heating Assistance

Base Student Allocation (BSA) for Education

Special Education Services

Para-Transport and Accessible Transportation

State and local law enforcement

Village Public Safety Officers

Victim's Services



## PROGRAMS SUPPORTING BENEFICIARIES' ACCESS AND INCLUSION IN THE COMMUNITY

Para-Transport and Accessible Transportation

Peer Support

Division of Vocational Rehabilitation, Job Centers

Independent Living Centers

PreK-12 Education

Special Education

Post-Secondary Education



## CUMULATIVE IMPACT

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

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

	FY 2013	FY 2017
Capital Budget	\$2B	\$0.096B
Operating Budget	\$6B	\$4.3B
Unrestricted General Fund Revenue	\$7B	\$1.2B
PFD Payout	\$900	\$1,000

Source: Office of the Governor



## REVENUE BILLS

### SB 26/SB 70 Permanent Fund Restructuring

Started as Governor's bill; Senate Finance CS changed SB 26 to SB 70 (the Senate Majority's fiscal plan); passed Senate:

- redirects certain mineral income to General Fund
- 5.25% POMV until 2020, then 5% POMV
- 25% for PFD
- reduces draw on Earnings Reserve when oil revenues >\$1.2 billion
- set PFD of \$1,000 in 2018-2020
- \$4.1 billion annual appropriation limit

**The average annual PFD  
paid since 2006 is  
\$1,423**

House passed House Finance version:

- 5.25% POMV until 2019, 5% POMV after that
- 33% for PFD, 67% for government services
- reduces draw on Earnings Reserve when oil revenues >\$1.4 billion
- minimum PFD of \$1,250 in 2018-2019
- no appropriation limit
- conditional on passage of broad-based tax raising \$650m for education AND HB 111 as passed by the House (no amendments allowed)

**The average annual PFD  
paid since 1982 is  
\$1,114.48**



## REVENUE BILLS

### HB 115 Education Funding Act (Income Tax)

Creates a progressive individual income tax on federal adjusted gross income, applicable to residents and non-residents who earn income in Alaska. First \$14,300 individual/\$28,600 couple is exempt from state income tax. Creates a \$4,000 deduction/dependent.

Individual tax rate is 2.5% on \$10,300-\$50,000; \$992.50 + 4% on income \$50,000-\$100,000; \$2,992 + 5% on income \$100,000-\$200,000; \$7,992.50 + 6% on income \$200,000-\$250,000; and \$10,992.50 + 7% on income over \$250,000.

Tax extends to federally taxable trusts/estates. Special needs trusts are exempt. ANCSA trust income taxed at 2.5%. Tax can be paid with PFD.

Projects \$341 million in FY19, \$687 million in FY20, more after that.



## REVENUE BILLS

### HB 111 Oil and Gas Tax

Eliminates cash tax credits for net operating losses.

Oil producers would carry losses (decreasing in value after 7 years) and then use them to offset obligations when taxes due, instead.

Reduces base tax rate for North Slope production.

Eliminates per barrel tax credits.

More. . .

Administration/House Majority project revenues of \$130 million in 2019, increasing to \$475 million by 2027.



## CAVEAT



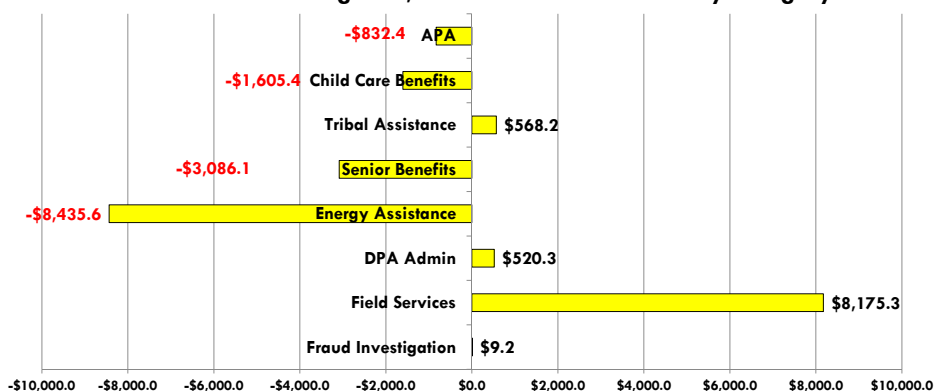
*"About your cat, Mr. Schrödinger—I have good news and bad news."*



As of April 19, 2017 – when this presentation was created – the FY18 operating and capital budget bills had not yet been referred to a conference committee. The following information is based on the operating and capital budgets passed by each chamber.

## BASIC NEEDS - PUBLIC ASSISTANCE

Public Assistance Programs, Difference FY13 to FY18 by Category



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

## BASIC NEEDS - PUBLIC ASSISTANCE

The Senate proposes a **\$3 million reduction** in General Funds for the Adult Temporary Assistance Program (ATAP is the state Temporary Assistance to Needy Families program).

DHSS is already projecting a shortfall in maintenance of effort for FFY2017 (due to \$7m in GF reductions in SFY17). Cutting the GF for ATAP by another \$3m compounds the maintenance of effort deficit, and will increase the need for a SFY18 supplemental to avoid imposition of a penalty by the federal government for failure to meet maintenance of effort obligations.

The Senate's proposed 2.75% reduction to GF personal services will result in closure of DPA offices in Homer, Kodiak, Sitka, and Kotzebue, and reduced staff in Bethel. Reduced access to public assistance programs will disproportionately affect AMHTA beneficiaries, many of who depend on ATAP (as well as Food Stamps, Adult Public Assistance, etc.) to cover the costs of basic needs.



## BASIC NEEDS - PUBLIC ASSISTANCE

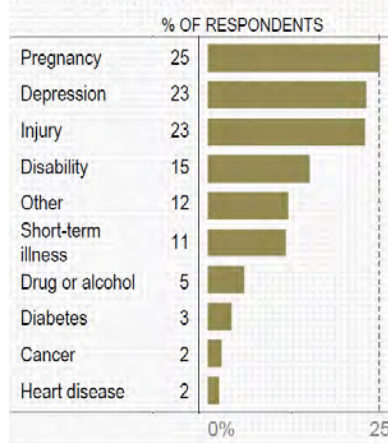
[ICHS Report "Evaluating the Challenges to Self-Sufficiency Faced by TANF Clients in Alaska" \(2011\)](#) found that health conditions are a barrier to self-sufficient for 62% of ATAP recipients.

Long-term ATAP recipients "were significantly more likely" than short-term recipients "to report depression, anxiety, or stress as a barrier to achieving self-sufficiency. However, the magnitude of the problem across all ATAP recipients was extraordinary, with 63% of long-term . . . and 40% of short-term" ATAP recipients reporting behavioral health conditions as a barrier to self-sufficiency.

Disability, depression, and other health conditions among family members also pose an obstacle to self-sufficiency.



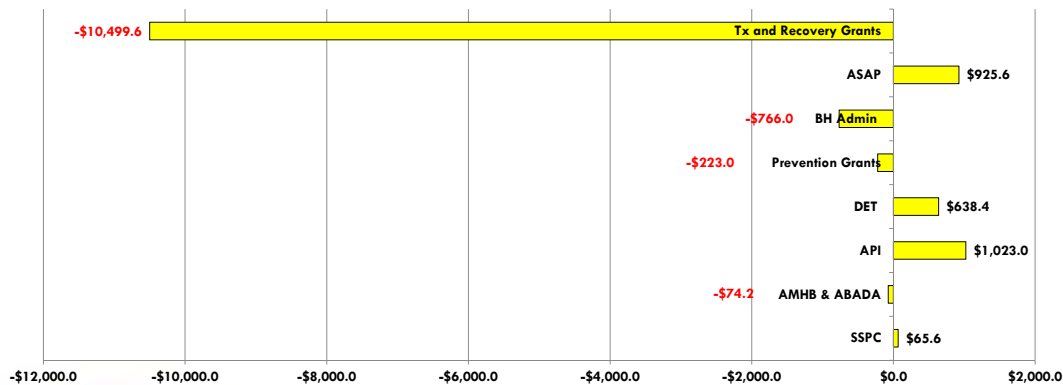
Table 2. Prevalence of Health Conditions





## HEALTH CARE

Behavioral Health Programs, Difference FY13 to FY18 by Category



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

## BEHAVIORAL HEALTH

Behavioral health treatment and recovery grants were flat funded for many years, followed by reductions in FY16-17. The 8.2% reduction in FY17 is mitigated in part by Medicaid Expansion. Neither the House nor Senate reduced this component beyond the Governor's FY18 Proposed Budget, which reduces behavioral health treatment and recovery grants by \$1,182,100 – resulting in a 14.2% reduction in the program since FY13.

The Senate proposes reducing the GF personal services budget across DHSS by 2.75%. This will result in elimination of premium pay for API nursing staff, which will further impair the ability to recruit and retain quality staff and increase the risk of inappropriate seclusion and restraint, workplace injury, patient injury, and negative patient experiences at the state's only psychiatric hospital.



## DESIGNATED EVALUATION AND TREATMENT, API

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

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



## ALCOHOL SAFETY ACTION PROGRAM (ASAP)

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

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

The Senate's proposed 2.75% GF personal services budget reduction will result in elimination of a full-time ASAP position.



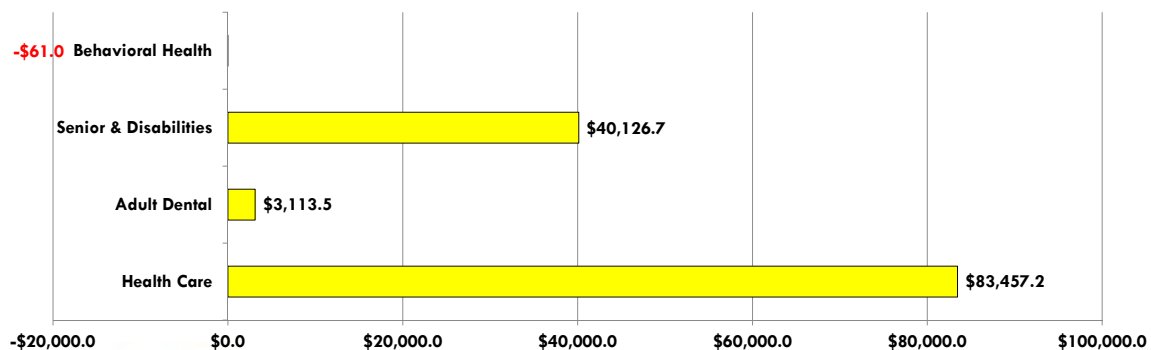
## AMHB & ABADA

The Senate's proposed 2.75% GF personal services budget reduction will result in the Boards keeping vacant the statistical technician position. This was formerly a research analyst III position, to be re-classed in 2017 due to FY17 budget cuts. The position has been vacant for a year.



## MEDICAID

Medicaid Programs, Difference FY13 to FY18 by Category



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

## MEDICAID

The Senate proposes reducing the General Funds for Medicaid Services:

- ✖ Behavioral Health Medicaid -\$462,000 (attributed to SB 74 savings)
- ✖ Adult Preventative Dental -\$288,300 (10%)
- ✖ Health Care Medicaid -\$15,162,900 (attributed to SB 74 savings)
- ✖ Medicaid Pharmacy -\$2,886,500 (\$973,500 GF + \$1,913,000 Fed)

These reductions will result in people going without care/medications until they seek emergency care in hospital emergency rooms and/or require treatment for acute health conditions that could have been prevented or mitigated with earlier interventions.

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



## PUBLIC HEALTH NURSING

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

The Senate proposes further reductions in GF personal services by 2.75% and reducing the overall GF budget by 5%. This will result in closure of the Kenai and Kodiak public health centers. (Seward Public Health Center closed in 2015. Haines and Wrangell Public Health Centers closed in 2016.)



## HOUSING

In FY13, the Special Needs Housing Grant component was funded at \$1.75 million (UGF, AHFC) and the Homeless Assistance Program at \$8 million.

In the FY18 Capital Budget, SNHG is \$1.7 million and the Basic Homeless Assistance Program is \$7.8 million.

*"flat funding is reduced funding"*



## State of Alaska Homeless Population



### 2016 Point in Time Count - Statewide

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

## HOUSING — FY18 PROPOSED CAPITAL BUDGET

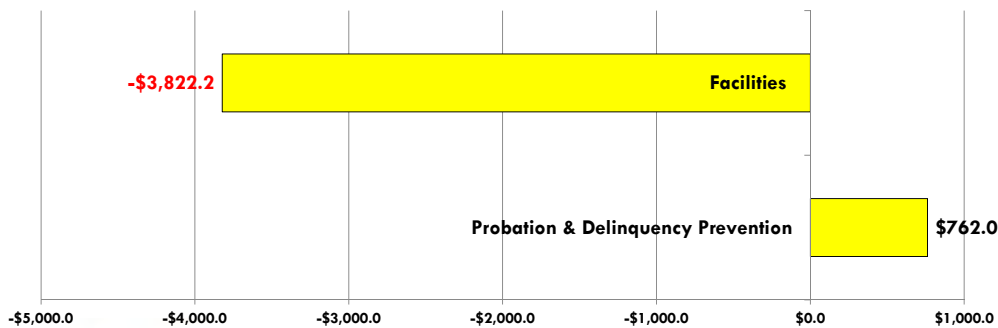


	UGF	DGF	Other	Federal	Total
<b>Revenue</b>	<b>16,700.0</b>	<b>1,500.0</b>	<b>1,150.0</b>	<b>22,200.0</b>	<b>41,550.0</b>
AHFC Housing and Urban Development Federal HOME Grant	750.0	0.0	0.0	3,750.0	4,500.0
AHFC Rental Assistance for Victims - Empowering Choice Housing Program (ECHP)	0.0	1,500.0	0.0	0.0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



## SAFETY AND SECURITY

Juvenile Justice Programs, Difference FY13 to FY18 by Category



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

## SAFETY AND SECURITY

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

The Ketchikan facility closed in August, 2016. The FY18 Governor's Proposed Budget anticipates closing the Nome Youth Facility. The House version of the budget provides funds to keep the facility open if closure doesn't result in actual savings.

The Senate proposes reducing the GF personal services budget for DJJ by 2.75%. This will result in elimination of the community detention (diversion) program in Anchorage and Mat-Su, making it necessary to increase detention capacity by 180-200 youth at McLaughlin Youth Facility (estimated cost of \$1.6 million).



## EDUCATION

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

The Senate proposes a reduction of **\$69,383,700 GF** (5%) to the K-12 Aid to Schools (BSA) budget.

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

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



## EDUCATION — WHAT'S 5%?

For Mat-Su School District, it's a projected loss of \$9,887,715 – a 5.81% reduction in the district's total state funding.

For Bristol Bay Borough School District, it's a projected loss of \$110,519 – a 9.3% reduction in the district's total state funding.

For Kodiak Island Borough School District, it's a projected loss of \$1,600,738 – a 5.87% reduction in the district's total state funding.

For Anchorage School District, it's a projected loss of \$21,885,339 – and a 6.74% reduction in the district's total state funding.

For Juneau School District, it's a projected loss of \$2,577,763 – and a 6.75% reduction in the district's total state funding.



**Source:** Association of Alaska School Boards

## EDUCATION

The Senate proposes eliminating GF for:

- ✖ Parents as Teachers, an effective evidence-based early childhood intervention program that supports healthy child development;
- ✖ Best Beginnings; and
- ✖ Pre-K Grants.

Also in the DEED budget, the WWAMI program is reduced by \$56,000 GF in the Senate's budget.



## STATE SUPPORT FOR LOCALLY FUNDED SERVICES

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

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

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







## 1115 BEHAVIORAL HEALTH MEDICAID DEMONSTRATION PROJECT WAIVER

AMHB and ABADA are facilitating the stakeholder engagement process for the waiver application. The first in person stakeholder conversation will be May 17 in Bethel (in conjunction with the Boards' quarterly meeting). Additional conversations will be held in June in Mat-Su, Anchorage, Fairbanks, and Juneau. The Juneau conversation will also be statewide, broadcast in partnership with 360 North. Alaskans will also be able to learn about and comment on the waiver application through a webinar series in May and June.

Board members and staff have been working with the various teams putting together the content for the application, as well as with DHSS Leadership.



## OPIOID ADDICTION

Great strides have been made to develop a coordinated, evidence-based response to the opioid epidemic in Alaska. This work will continue as existing policies are updated, new policies are created, and more community organizations join the effort.

- ✓ SOA Incident Command Structure led by Public Health
- ✓ Increased access to naloxone through CMO orders
- ✓ New community coalitions in Dillingham, Anchorage, & Fairbanks
- ✓ HB 159/SB 79
- ✓ Corrections MAT project



## TRANSITIONS



## QUESTIONS, COMMENTS?



J. Kate Burkhart, Executive Director  
431 North Franklin Street  
Juneau, Alaska 99801  
[kate.burkhart@alaska.gov](mailto:kate.burkhart@alaska.gov)

*Thank you!*

# **Alaska Commission on Aging**



**Alaska  
Commission on Aging**

**Presentation to the  
Alaska Mental Health Trust  
Authority  
May 4, 2017**

May is Older Americans Month in Alaska

*Forget-me-not, and remember me, for the times I made you smile...*

## Presentation Overview

- Budget and legislative highlights from the 2017 Legislative Session & potential impacts for Senior Trust beneficiaries & other vulnerable older Alaskans
- Senior programs at possible risk in FY2018
- Proposed federal policy items affecting programs serving Older Americans and persons with Alzheimer's disease
- Other items of interest
- Remaining questions and discussion

## Legislative Session Highlights, 2017

Legislation affecting Senior Trust beneficiaries & other at-risk seniors



## Legislation Overview

- **HB 236, Extend Alaska Senior Benefits Payment Program: Representative Kawasaki**
  - Status: Introduced 4.17.2017. Referred to Health and Social Services, Finance
- **HB 108(SB32), Fiduciary Access to Digital Assets: Representative Claman (Senator Hughes)**
  - Status: Passed both Houses, awaiting transmittal to Governor
- **SB83(HB164), Protect Vulnerable Adults/Long-term Care: Governor Companion bills**
  - Status: SB 83 passed Senate. SB 83 now scheduled for House Finance
- **HB 16, Drivers License Requirement; Disability; ID and Training: Representative Thompson**
  - Status: Passed House, passed Senate State Affairs and Finance, referred to Senate Rules

## Legislation Overview

- **HB 106, Civil Legal Services: Representative Fansler**
  - Status: Passed House, Senate Judiciary, and now in Senate Finance
- **HB 123, Disclosure for Health Care Costs: Representative Spohnholz**
  - Status: Passed House, then to Senate Health and Social Services and Finance
- **SB62/HB153, Repeal of Certificate of Need: Senator David Wilson/Representative Eastman**
  - SB 62 Status: Referred to Senate Labor and Commerce, Finance
  - HB 153 Status: Referred to House Health and Social Services, Finance
- **HB 186, Food Donations: Representative Talerico**
  - Status: Passed House, referred to Senate Health and Social Services

## Highlights from the 2017 Legislative Session

Budget impacts for programs serving Senior Trust Beneficiaries & vulnerable older Alaskans



## Operating Budget Impacts Affecting Senior Services: Conference Items

### □ Pioneer Homes

- House = Governor's Budget; **Senate = \$6.1 million (\$818,500 decrement to personal services in addition to the \$5.7 million unallocated reduction for DHSS personal services)**
- Currently, the Pioneer Homes serve a total of 418 residents across all six Homes of which 243 persons are Level III



Palmer Pioneer and Veterans Home Rally (4.15.2017) Photo courtesy of ACoA Commissioner Linda Combs



Palmer residents gather for a town hall meeting with Senator Hughes to address budget concerns about the Palmer Veterans Pioneer Home (4.23.2017).

## Operating Budget Impacts Affecting Senior Services: Conference Items

### □ Public Health Nursing

- House = Governor's Budget; **Senate = \$1.9 million GF decrement**
- Served 2,954 seniors (age 60+) in FY16; 3,141 in FY15; and 3,117 in FY14

### □ Adult Preventative Dental Medicaid Services

- House = Governor's Budget, \$0 reduction; **Senate = 10% reduction, \$288.0 GF + \$288.0 Fed match for \$576.0 total decrement**
- Adults receiving Medicaid emergent dental services = 21,632. Of those, 3,426 recipients were age 60+ in FY2016
- Adults receiving Medicaid enhanced dental services = 22,517. Of those, 3,770 recipients were age 60+ in FY2016

### □ Medicaid Prescription Drugs

- House = Governor's Budget; **Senate = \$2.8 million proposed reduction (\$973,500 GF and \$1.9 million federal match)**

Source: FY2018 Conference Committee Motion Sheet



## Operating Budget Impacts Affecting Senior Services: Conference Items

- ❑ **Adult Public Assistance**
  - ❑ House = **\$3,290.4 transfer to support OCS front line social workers;**  
Senate = **\$3,500.0 decrement proposed**
  - ❑ Served 19,160 eligible adults of which 5,738 are seniors (age 60+) in FY2016
- ❑ **Alaska Psychiatric Institute**
  - ❑ House = Governor's Budget; **Senate = \$631.3 GF proposed decrement**
  - ❑ Proposed reduction would eliminate premium pay for direct care staff who care for patients with complex and acute behavioral health needs, including seniors with dementia and challenging behaviors.
- ❑ **Senior and Disabilities Services**
  - ❑ House = Governor's Budget (\$0 cuts); **Senate = \$304.0 proposed reduction**
  - ❑ The proposed reduction is an unallocated cut to Personal Services. The impacts from this reduction are to be determined for vulnerable Alaskans.

Source: FY2018 Conference Committee Motion Sheet

## Other Programs Serving Senior Trust Beneficiaries and At-risk Seniors: Non-Conference Budget Items

- ❑ **Senior Benefits: Reduction of \$43,200** is supported by Governor and legislative proposed budgets. Senior Benefits currently serves 11,476 low-income seniors. Total expenditure in FY2016 was \$20,029,300 GF (Source: Division of Public Assistance April 2017)
- ❑ **Senior Community-Based Grants: No reductions proposed.** Senior grants served 27,091 recipients (age 60+) in FY2016 at an average annual cost of \$435 per senior. Total expenditure in FY2016 was \$11,784,585 GF/Fed/MHTAAR. (Source: Division of Senior and Disabilities Services, January 2017)
- ❑ **Personal Care Services: No reductions proposed.** PCS served a total of 3,261 seniors (age 60+) in FY2016 at an average annual cost of \$18,183 per recipient. Total FY2016 expenditure was \$59,294,763. (Source: Division of Senior and Disabilities Services, January 2017)
- ❑ **Alaskans Living Independently Waiver: No reductions proposed.** The ALI waiver served a total of 1,428 seniors age 65+ in FY2016 at an average annual cost of \$32,868 per recipient. Total FY2016 expenditure was \$46,935,504. (Source: Division of Senior and Disabilities Services, January 2017)

### Proposed Capital Budget Items for Programs Used by Senior Trust Beneficiaries and Other Older Alaskans

- **\$1 million GF** for Public and Community Transportation State Match that provides a local match for community public transit services applying for Federal transit grants that serve Alaska's vulnerable populations.
- **\$1.0 million re-allocated GF** for AHFC's Senior Citizen Housing Development Fund, combined with \$1.75 million Rasmuson Foundation investment, will provide a **total \$2.75 million** for construction and renovation of affordable senior housing projects statewide.
- **\$1,050.0 million using \$750.0 GF and \$300.0 MHTAAR** for the Home Modification & Upgrades to Retain Housing administered by the DHSS Financial Management Services Facilities Section.
- **\$250.0 MHTAAR** for Deferred Maintenance administered by the DHSS Financial Management Services Facilities Section.

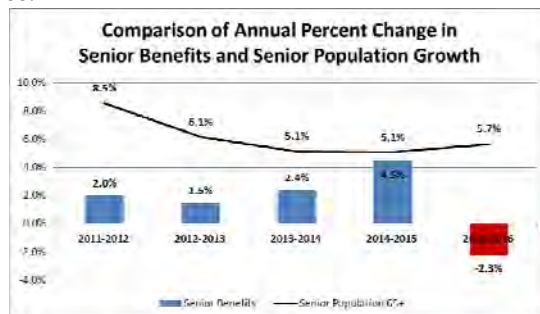
### Looking Forward to FY2018...

Possible impacts to safety net programs for Senior Trust Beneficiaries & other older Alaskans at-risk



## Alaska Senior Benefits

- Senior Benefits provides three payment levels to seniors (age 65+) who meet income limits tied to Federal Poverty Guidelines in order to help pay for life necessities. No asset test.
- Program served 11,476 seniors in 2016 with the largest number served being those at 100% FPL.



- Unless reauthorized, Senior Benefits is scheduled to sunset on June 30, 2018. Program is funded with 100% GF. Governor's budget allocates \$19,986,100 for FY2018.

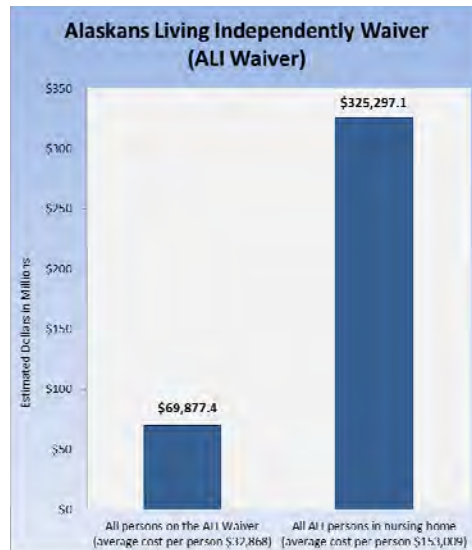
Source: Percent change based on data from Division of Public Assistance and Department of Labor and Workforce Development, Research and Analysis

## Senior Home and Community-Based Services

- Deliver essential community-based services for older people.
- Provide a variety of programs to promote health and independence for seniors and persons with dementia living in the community.
- Serve the largest number of seniors at the lowest cost and prevent the need for higher cost care.
- Senior grant-funded services serve seniors who need assistance but do not qualify for level of care required by waiver services, including persons with early to moderate stage dementia.
- Senior services are funded with GF and may be at-risk of future budget reductions.



## “Waivers are Savers”



## Congressional Legislation

Policies affecting older Americans and people with Alzheimer's disease



*Everyone with a brain is at risk for Alzheimer's.*  
National Alzheimer's Association

## Improving Access to Medicare Coverage Act of 2017 S. 586 / H.R. 1421

- Helps Medicare beneficiaries who are hospitalized in observation status to qualify for Medicare to pay for care provided by a skilled nursing facility.
- Problem: Currently, Medicare does not count the time spent in observation status towards the mandatory three-day inpatient care.
- Solution: S. 586/H.R. 1421 counts the observation status as part of the three day requirement so that patients can access appropriate care whether they are in the hospital in observation status or as in-patients.
- Legislation has strong bi-partisan support with 120 co-sponsors.
- Important legislation for Alaska because of our limited resources and need to be able to transition patients to the level of care they require.



## National Advocacy Efforts to Address Alzheimer's Disease & Related Dementias

- ❑ Increase base funding commitment to Alzheimer's research by at least \$400 million in FFY2017.
- ❑ Palliative Care and Hospice Education and Training Act: Waiting to be re-introduced in the House and Senate



## American Health Care Act and Impacts to Senior Trust Beneficiaries and other at-risk Older Alaskans

- ❖ Establishment of Per-Capita Caps do not account for aging population and rising health care needs.
- ❖ Repeal of the 6% enhanced federal match for Community First Choice services (1915k) would pose serious budget limitations for home- and community-based services.
- ❖ Changes in age rating, in combination with increase cost in health care premiums, would put the cost of health care insurance out of reach for many Alaskans age 50 to 64 and impact Medicare solvency.
- ❖ Elimination of the 90% federal match for new enrollees under Medicaid Expansion would limit access of young seniors to primary health care services.
- ❖ Repeal of the Public Health Prevention Fund would compromise health preventative care and health promotion efforts for seniors.

## Other items of interest

- Older Americans Month in Alaska
- Alaska Commission on Aging Board Meeting



## May 2017 is Older Americans Month in Alaska

- ❖ *Age Out Loud* is the 2017 theme for Older Americans Month
- ❖ Alaskan celebrations include:
  - ❑ Anchorage Senior Advisory Commission on Wednesday, May 3, 10:30 a.m. to 12:30 p.m., at the Anchorage Senior Activities Center
  - ❑ Fairbanks North Star Borough Senior Advisory Commission *Senior Recognition Day* celebration on Thursday, May 4, 10:00 a.m. to 1:00 p.m., at the Carlson Center



- ❖ Alaska Commission on Aging board meeting on Tuesday, May 9 by audio and video-conference. All are invited to attend!

## Thank you. Questions?



*Photo courtesy of Fairbanks Resource Agency  
Adult Day Program*

# **Governor's Council on Disabilities and Special Education**





Governor's Council on  
**Disabilities & Special Education**

May 3-4, 2017

**Board of Trustees Meeting**  
**Alaska Mental Health Trust**  
**Authority**

*Patrick Reinhart, Executive Director*  
*Kristin Vandagriff, Planner III*  
*Anne Applegate, Program Coordinator II*



## In this Report

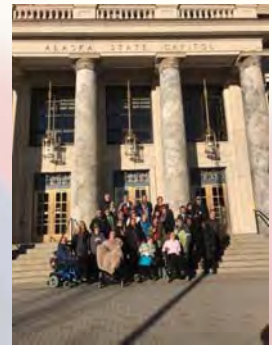
- Overview of highlights of this legislative session
  - Including federal, and local
- Impacts of legislative action on our beneficiaries and providers
- Intersection of the DD Vision and the future
- Supported Decision-making and other “cool” things the Council is up to



## Legislative Priorities

We followed or supported the following bills this session:

- HB 16: Disability ID and Training
- HB 64: Dyslexia Task Force
- HB 106: Civil Legal Services Appropriations
- SB 10: Adult Foster Care
- HB 80: Telecommunications for Disabled Subscribers
- Budget bills



## Results of Legislative Session

- Budget bills
- HB 16: Disability ID and Training
  - In Rules waiting for Senate floor vote scheduling
- HB 64: Dyslexia Task Force
  - Referred to Senate Education Committee with hearing held in April; set aside until 2018

## Results of Legislative Session

- HB 106: Civil Legal Services Appropriations
  - Referred to Senate Finance Committee with no hearing scheduled
- SB 10: Adult Foster Care
  - Referred to Senate HSS Committee with no hearing scheduled
- HB 80: Telecommunications for Disabled Subscribers
  - Passed Senate 19-1 (4/17/17)

## Potential Impacts on Beneficiaries of Further Budget Reductions

- Waiver service reductions (more caps on hours allowed per week)
  - Creates a challenge in following person centered practices
- Cuts to service rates
  - Increased challenge in staffing; concern over quality of staff
- More narrow eligibility criteria for services
  - Greater numbers of individuals falling through the cracks and entering into institutions or corrections
  - Less individuals staying in their home community





## Federal Changes that Worry Us

- Medicaid! Medicaid! Medicaid!
- Funding for our DD Act Programs
- Budget cuts and rhetoric: SNAP, HUD, ACL, Heating Assistance
- Social Security
- Education

- Council members and staff took part in Disability Policy Seminar -March 2017, DC
  - Meeting with Alaska's Congressional Delegation



## Future Impact on our DD System

- Significant cuts to rates and/or services make it hard to make needed changes
- Investment & support of DD Assessment and Vision by the Trust, SDS, AADD, and GCDSE
- The Focus is the Person!!!!
- Financial hardship does generate opportunities for efficiencies



## Supported Decision Making Equality - Individualization - Accommodation

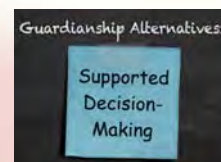
In one way or another, we all use Supported Decision Making on a daily basis. None of us make decisions completely on our own.

- Think of a recent decision that you made with the assistance of someone else. Why did you need the assistance?
  - Consulting a mechanic on a car repair; talking to friends about picking a school; talking to family about holiday plans, medical advice about having surgery or not, etc.
- Providing individualized accommodations for decision-making is consistent with public policy and with our community values.
  - Maximize individual potential
  - Inclusion
  - Equality of rights; even if someone needs more or different help



## Supported Decision Making/Guardianship

- Three pronged approach to systems change
  - Raise awareness about need (group-specific topics for trainings; parents, services providers, etc.)
    - Core indicators data shows 96% of Alaskan respondents had full guardianship
    - Other comparisons with states and nations (NCI average = 55% had full guardianship; UN Conf. Rights of People with Disabilities, Article 12)
    - Videos showing journeys and successes will be shown
    - Alaska stories will be needed; we have started collecting these, already
  - Develop Alaska standards and work plans with stakeholders
    - WINGS grant (filed February 28, 2017; will hear May 1, 2017)
    - GCDSE DD Committee (a strongly representative body)
    - Connect to other states for legal models and service models (i.e., Texas law, California services)
  - Institutional change
    - Statutes will be needed to define process, relationships, and must also include standards and funding for right to have support for decision making
    - Court Rules will be needed; must engage judges and focus on gains in efficiency and increased protection from exploitation
    - Supporting Regulations will be needed across departments and divisions



## Early Intervention Committee (EIC) Update



- Reviewed the Part C Annual Performance Report (APR)  
Submitted our annual report to the Governor on the APR
- Began learning about the Infant Learning Program's plans for professional development
- Presentation on the economic impact of ACEs (Adverse Childhood Experiences) in Alaska
- Beginning conversations on statewide Universal Developmental Screening for toddlers with a standardized tool. Developmental screening is now a Medicaid Quality Measure

## Early Intervention Committee (EIC) Update



### Strolling Thunder!

On May 2, parents, babies and toddlers from all 50 states will stroll Capitol Hill to call attention to what babies – and families – need to thrive. Alaska's baby is Lake Harvey. She is going with her mom, Mackenzie. The event is sponsored by Zero to Three's year long *Think Babies* campaign.





## Education Committee (Ed Comm)



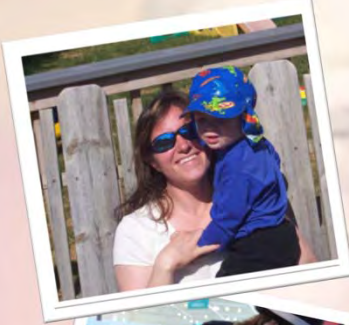
- Collaborated with agency partners to improve graduation rates
- Formed a suspension and expulsion workgroup to address disproportionality
- Reviewed Annual Performance Report data with Department of Education and Early Development
- Reported on important U.S. Supreme Court case: *Endrew F. v. Douglas County School District*
- Sponsored materials and participated in *Wrightslaw* training with agency partners

## Education Committee (Ed Comm)



- Continued engagement with National ACT directors on testing accommodations and standards
- Reviewed Alaska Performance Scholarship for possible discriminatory effect
- Opposed U.S. House Joint Resolution 57, which rescinded regulations on accountability standards under the Every Student Succeeds Act
- Supported Alaska House Bill 64 to establish Task Force on Dyslexia and Reading Proficiency

## Autism Ad Hoc Committee



- The Autism Committee met on April 12
- We may have recruited 1, and perhaps 2, Pediatric Neurodevelopmental Doctors to replace Dr Brennan
- We have developed a curriculum to teach doctors and nurse practitioners how to diagnose autism and one to teach family navigators how to support families in multiple systems. Training has begun!
- We are launching Alaska Autism Echo which uses telementoring to create high quality specialty care and innovative learning communities. Partners include University of Missouri and Boston University

## DD Committee



- There are 558 individuals on the Registry
- Included DD System Assessment booklet in conference and advocacy opportunities statewide and nationally
- Submitted public comment on SDS draft policies
- Reviewing 2016 DDDR Report
- Reviewing proposed changes to waivers - cost containment
- Discussions around day habilitation reduction from 15 hours to 8 hours (weekly average)
- Discussions on the proposed new assessment tool, interRAI
  - Helped host AADD March Hot Topic (interRAI)



## Employment & Transportation Committee



- Transition handbook draft developed
- Collaborative work on accessible cabs with MOA Transportation Inspector
- Full Lives Employment Keynote
- Partnerships in Employment meeting
  - National employer engagement presentation
- Juneau Project SEARCH expansion
  - Two initial planning meetings held



## Employment First Update

- DEED, DHSS, & DOLWD Employment First Reports for 2016  
Submitted to the Trust Jan. 2017
- Employment First Job Fair 2017
  - 718 job seekers
  - KTUU coverage
  - 2016 Job Fair: It's estimated **75 individuals were hired as a result!**
  - 2017 Job Fair: It's **expected 167 hires will result!**
  - Collaboration between DHSS & DOLWD
    - The Business Employment Services Team (BEST)
- AK APSE Collaboration
  - Take Your Legislator to Work
  - CESP Exams (Anchorage and Juneau)



**Real Job & Real Wages  
for Individuals with Disabilities!**

## FASD Workgroup

- Presentation to House HSS Committee
- Senior and Disability Services FASD Proposal (pilot program)
- 5 year work plan planning session Fall 2017



## Health & Disability Update / ASPEN

- Inclusive playgrounds
  - Teddy Bear Picnic - July 22<sup>nd</sup> noon-3pm (Cuddy Family Park)
  - 10 inclusive playgrounds in Anchorage
    - Parks and Rec Bond passed = 6 more playgrounds
- Last ASPEN Community
  - Needs Assessment Complete
    - Focus Groups: 37 participants
    - 48 people interviewed (directors, managers, board members, direct staff)



## ABLE Update: “Achieving a Better Life Experience” Act

1. Multiple trainings on the Alaska ABLE Program and the Alaska Disability Benefits website (DB 101) across the state
2. AK ABLE accounts went live Dec. 2016
3. Mail out project in process
  - (to SDS and Medicaid recipients)
4. Assisting with 1915(c) limited supports waiver/refinance of CDDG, for those not Medicaid eligible due to being over resource
5. Advocacy on AK ABLE completed with 2017 Alaska Legislature as part of the Council’s Juneau Council meeting (Jan./Feb. 2017)



## Council Member & Staff Update

- **Lanny Mommsen**, long-time ASPEN and Health and Disability program manager became Research Analyst III
- Hired **Anne Applegate** as Program Coordinator II-- attorney from Disability Law Center for Education and Employment
- Gave up Health Program Manager Position for FY 18
- We got **Anna Attla** back as a Council Member but are losing Lucy Odden and Christine King






## Other Council Items

- Next Council Meeting - May 9 (Anchorage)
- Amending State Plan - Aug. 2017
- State Plan Public Booklet - *Coming Soon!*
- Judy Heumann's Alaska Visit:
  - Multiple Events (May 18)
  - SHRM Conference Keynote (May 19)



**JUDITH HEUMANN**

Judith Heumann is an internationally recognized leader in the disability community and a lifelong civil rights advocate for disadvantaged people. She has served as Special Advisor for International Disability Rights at the U.S. Department of State as well as the Director for the Department on Disability Services for the District of Columbia, where she was responsible for the Developmental Disability Administration and the Rehabilitation Services Administration.




GOVERNOR'S COUNCIL  
ON DISABILITIES &  
SPECIAL EDUCATION

**Governor's Council on  
Disabilities and Special Education**

#earlyintervention #supportservices #education #employment #inclusion #healthcare

Improved quality of life	Empowered to live & thrive in communities	Competitively employed in an integrated setting	Skills for educational success and independence	Appropriate early intervention services and support
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# Do you have any questions?



**Patrick Reinhart**  
*Executive Director*  
Governor's Council on Disabilities & Special Education  
3601 C Street, Suite 740  
Anchorage, Alaska 99503  
907-269-8990  
[patrick.reinhart@alaska.gov](mailto:patrick.reinhart@alaska.gov)

# **FY17 Small Projects Approvals**

## **March 2017**

## MEMO

**To:** Russ Webb, Chairman, Board of Trustees  
**Date:** May 3, 2017  
**Re:** FY17 March Small Project Approval  
**Fiscal Year:** 2017  
**Amount:** \$44,300.00  
**Grantee:** Multiple Small Project Grantees (attached)  
**Project Title:** FY17 March Small Projects

### REQUESTED MOTION:

*Approve the recommended FY17 small projects from the March application period in the amount of \$44,300.00*

#### 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 March 2017 application period, the Trust received 9 applications totaling \$76,040. A review committee comprised of Trust staff, with input from the statutory advisory boards met on April 5 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 \$44,300 for 6 small project grants.

Attachment: Small Project PEC Recommendations, March 2017

PEC recommends Trustees approve							
ID	Organization	Title	Brief Description	Request Amount	Location	PEC Recommendation	PEC Comments
8143	Sitka Community Hospital	Long-Term Care & Dementia Unit	This project will create an accessible, sheltered outdoor garden for residents of the Sitka Community Hospital's long-term care (LTC) unit, which provides the only skilled nursing care on Baranof Island. A majority of LTC residents are beneficiaries of the Alaska Mental Health Trust Authority. The project budget includes the plants, containers, paving stones, latticework, clear roofing panels, and outdoor furniture necessary to establish a dedicated, accessible space where residents can enjoy the many benefits of gardening.	\$6,900.00	Sitka	Recommend approval, \$6,900.00	<i>This project will provide a direct positive impact on Trust beneficiaries with ADRD by creating an accessible outdoor gardening space.</i>
8144	Community Connections, Inc.	Sensory Room	The purpose of this project is for Community Connections to offer a Sensory Room to individuals that receive services. A sensory room is a specifically designed room, which combines a range of stimuli to help individuals develop and engage their senses. Sensory rooms help individuals with learning difficulties, developmental disabilities, sensory impairments, or other sensory needs.	\$10,000.00	Ketchikan	Recommend approval, \$10,000.00	<i>This project is targeted at Trust beneficiaries with developmental disabilities and will provide a sensory room which will help them develop and engage their senses in a calm environment.</i>
8145	Presbyterian Hospitality House, Inc.	Shaping Roots	Shaping Roots intends to combine evidence based therapeutic principles with the practical skills of learning to farm vegetables on a small scale farm in the Alaskan summertime. This project will help to meet the nutritional needs of the youth who Presbyterian Hospitality House serves, and provide both therapeutic and practical lessons to youth involved in the program.	\$3,700.00	Fairbanks	Recommend approval, \$3,700.00	<i>This project will combine evidence based therapeutic principles with practical farming instruction for youth with severe emotional issues.</i>
8149	Eagle River United Methodist Camp	FASD Whitecrow Village Juneau	The 2017 Juneau Whitecrow FASD Camp will provide a positive family camping experience based on best practices strategies for people with FASD, along with an environment that supports and improves working relationships between beneficiaries, their families, and professionals. The camp will provide the opportunity for beneficiaries to gain knowledge and insight into their needs and how to better meet those needs. It will offer the beneficiaries connections after camp, knowing that they are not alone in their FASD experience and now have an informed support system including peers, family, and professionals.	\$7,300.00	Juneau	Recommend approval, \$7,300.00	<i>An innovative program targeting youth with FASD and their families to encourage and inform long-term support systems, and how to improve beneficiaries ability to collaborate with professionals for optimal outcomes.</i>
8151	Anchorage Neighborhood Health Center	Health Literacy- Health and Wellness Passport	This project is for printing of Health and Wellness Passports, which are booklets that the Anchorage Neighborhood Health Center will give to clients. The Health and Wellness Passport is a clinical tool helping patients with mental health disorders set wellness goals, monitor progress and integrate into their life the skills they acquired. The Health and Wellness Passport is designed based on latest research to increase adherence to treatment and improve self-efficacy. The passport will include psycho-educational information about depression, anxiety, hypertension, diabetes and wellness as well as tools for self monitoring health behaviors and progress toward self established goals and emergency resources.	\$8,900.00	Anchorage	Recommend partial approval, \$6,000.00	<i>This pilot project will provide Health and Wellness Passports, a psychoeducational workbook and resources, to Trust beneficiaries to support treatment compliance and their continuing wellness as they work towards their treatment goals.</i>
8152	Ionia Inc.	Trust Beneficiary Kitchen and Garden Wellness Kits	This project will give forty motivated Kenai Peninsula Trust Beneficiaries nourishing kitchen and organic garden kits to support the self-care and wellness practices they are learning through Ionia's Natural Path Peer Support Circle. These will include practical wellness tools chosen by these Beneficiaries, in the spirit of peer to peer support. The kits will play an important piece in the sustainability of their recovery journey.	\$10,000.00	Kasilof	Recommend approval, \$10,000.00	<i>This project will provide Trust beneficiaries with tools needed to implement self-care and wellness strategies, and nutritional planning and preparation skills learned from Ionia.</i>
				\$43,900.00			

PEC recommends Trustees decline							
ID	Organization	Title	Brief Description	Request Amount	Location	PEC Recommendation	PEC Comments
8146	Wellspring Revival Ministries	Skate Park Pumptrack	This project will provide Fairbanks North Star Borough Skatepark riders a professional pump track to BMX, skateboard or scooter at Joel's Place. We know that healthy activities build resilience in young people and this addition to Joel's Place will provide hours of exercise and fun.	\$10,000.00	Fairbanks	Recommend Decline	<i>The application did not contain sufficient information about how the pump track would be an effective prevention tool for Fairbanks youth. The applicant will be encouraged to provide that information and apply again at a later date.</i>
8148	Labor Neighbor Research And Training Center Inc	Mental Health Consumers Action Network (MCAN) Advocacy & Support Project	MCAN is a growing membership organization of mental health consumers. Our mission is to empower this community in Alaska with both information and tools to be able to voice concerns and improvements in the lives and livelihoods of consumers. We seek to correct the situation of people speaking for consumers by supporting consumers to raise their own voices about better services, training, job provision, representation, care, and their role in the overall community. Our approach is both democratic and rights-based to advance the collective interests of consumers through action, intercession, and advocacy.	\$10,000.00	Juneau	Recommend Decline	<i>This request for start-up and operating funds does not fit within the small project guidelines.</i>
8150	Mat-Su Central	Health of our Community	This project engages student, staff, and families within our school to engage in 30 days of focused healthy habits including: 1. Eating a whole foods diet as prescribed by the program, 2. Exercising min. 3 hours/week, Mindfulness practice/meditation 3/Week for minimum 10 mins. Calm app., 4. Support the body nutritionally by having Ningxia (Immune support drink) every day. 5. Tee-shirt promotion incentive	\$9,240.00	Wasilla	Recommend Decline	<i>This project does not provide a direct connection to the beneficiaries of the Trust.</i>
				\$29,240.00			

# **Planning Committee Report**



## MEMO

**To:** Trustees  
**From:** Michael Baldwin, Evaluation & Planning Officer  
**Date:** April 25, 2017  
**Re:** Planning Committee Report

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There has been one Planning Committee meeting since the last board report. The meeting occurred on April 20, 2017. Trustees participating in the meeting were Mary Jane Michael (Chair), Russ Webb, Larry Norene, Carlton Smith, Laraine Derr (via telephone), Jerome Selby, and Paula Easley.

A brief summary of the topics addressed on April 20, 2017 are provided below:

- *FY19 Budget Planning and Stakeholder Process:* Michael Baldwin provided a brief update on the status and timeline for the stakeholder and budget process. The process includes an in-person stakeholder meeting scheduled on Monday, June 12 that will focus on updates on Medicaid and Criminal Justice reform, Trust initiatives, and a review of the FY19 budget. This process will result in budget recommendations for the August Planning Committee, and ultimately a budget for review and approval by Trustees at the September Board meeting.
- *DHSS Update – State Reform Initiatives and Federal Health Care Law Repeal Status:* Monique Martin, DHSS Deputy Director of Health Care Policy, provided an update to key state health care reform activities. Kate Burkhart, Executive Director of the Alaska Mental Health Board (AMHB), provided an overview of the stakeholder engagement process AMHB will be doing to assist the DHSS in reform activities. Randall Burns, Director of the Division of Behavioral Health provided input as well. Monique Martin gave an update on the status of federal efforts to repeal the Affordable Care Act, and replace it with the American Health Care Act. She described DHSS efforts working with the Alaskan Congressional Delegation, and an assessment of where the department believes the federal health care law will proceed. Ms. Martin also agreed to share correspondence and documents the department has submitted in response to federal efforts.
- *Economic Impact of Alcohol & Drug Abuse in Alaska:* The Trust contracted with the McDowell Group to update reports on the economic impact of alcohol and drug abuse in Alaska. These reports were recently released, and presented to the legislature. Jim Calvin, principal of the McDowell Group provided an overview of key findings from the two reports. The big take away is that the economic impact of alcohol and drug abuse in Alaska totals approximately \$3.2 Billion annually.
- *Governor’s Council on Disabilities & Special Education – Fetal Alcohol Spectrum Disorder working group update:* Christie Reinhardt of the Governor’s Council, and Jean Gerhart-Cyrus a Governor’s Council board member provided an update on the current and future activities of the FASD working group and coalition. Trust staff will be collaborating with the Governor’s Council

members and stakeholders to develop a 5-year plan to address key issues for individuals with a FASD, and explore a potential health services demonstration project for juveniles with an FASD engaged in the juvenile justice system.

- *Health Information Exchange Update:* As part of the Trust's work to address the data sharing and infrastructure needs in support of a comprehensive and integrated mental program, Heidi Wailand provided an update on the Trust's work with the Alaska electronic Health Network (AeHN) and the State of Alaska. There has been intensive work with the AeHN board, State of Alaska, and with the Trust's contractor Cedar Bridge group to move forward with strategic planning and obtaining federal funds to further development of the health information exchange.
- *Potential Program Related Investment Opportunity - :* John Morrison, Executive Director of the Trust Land Office, and staff Aaron O'Quinn provided Trustees an update on a recent site visit and potential opportunity to assist the Alaska Mental Health Consumer Web and Choices in locating a new facility. The existing facility in poor state of repair, and the organizations are in need of a new facility. Executive Directors from Alaska Mental Health Consumer Web and Choices also participated in the discussion. Next steps were identified in obtaining more information to assist trustees in decision-making, as well as the need for further discussion about the process of approving or pursuing program related investments.

**May 3 & 4, 2017:** As part of the Trustee board meeting Planning Committee report there will be an update on the Comprehensive Integrated Mental Health Program planning, and a follow-up discussion of the Program Related Investment.

**Next Planning Committee meeting:** The next scheduled meeting of the Planning Committee is **August 1 & 2, 2017.**

# **Resource Management Committee Report**

# Memorandum



**To:** Carlton Smith, Chair  
Resource Management Committee

**Date:** April 20, 2017

**From:** Leann McGinnis

**Subject:** April 20, 2017 – Resource Management Committee Meeting Summary

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**Board Approval:** The following action requiring full board of trustee approval occurred at the April 20, 2017 RMC Meeting:

**Item 1 Motion 1– FY18 Real Estate Budgets:** The TLO is requesting approval from the board of Trustees for the expenditures necessary to operate and maintain the properties.

**Anticipated Revenues/Benefits:**

The following buildings would continue to be serviced through tenant rents and any other revenues collected by the properties:

**Real Estate Management Plan Properties**

1111 Israel Road; Tumwater, WA  
1973 North Rulon; Ogden, UT  
2600 Cordova Street; Anchorage, AK  
2618 Commercial Drive; Anchorage AK  
2420 & 2500 Ridgpoint Drive; Austin, TX  
17319 San Pedro Avenue; San Antonio, TX  
9601 Amberglen Blvd; Austin, TX

**Other AMHT Properties**

3745 Community Park Loop Road; Anchorage, AK  
650 Yonker Court; Fairbanks, AK  
2330 Nichols Street; Anchorage, AK

**Recommended Motion One:** "The Resource Management Committee recommends that the Trust Authority board of trustees concur with the recommendation to approve the incremental building expenditures, totaling \$8,538,000 budgeted for the fiscal year 2018 to be paid by the property manager from rents and other income collected from the properties."

**Item 1 Motions 2 and 2– FY18 Non-Investment/Program-Related Real Estate Facility Budgets:**

The TLO is requesting approval from the Alaska Mental Health Trust board of trustees for the expenditures necessary to operate and maintain the properties. The proposed property expenditures are an incremental increase to previously approved expenditure amounts.

**Anticipated Revenues/Benefits:** The following buildings would continue to be serviced through the incremental increase to the budget:

1300 Moore Street, Fairbanks, AK  
1423 Peger Road, Fairbanks, AK  
450 Whittier Street; Juneau, AK  
3745 Community Park Loop Road; Anchorage, AK

**Recommended Motion Two:** “The Resource Management Committee recommends that the Trust Authority board of trustees approve funding the expenditures for the Non-Investment/Program Related Real Estate – Trust Funded properties in the amount of \$555,000 for the fiscal year 2018, which appropriation shall not lapse.”

**Recommended Motion Three:** “The Resource Management Committee recommends that the Trust Authority board of trustees instruct the CEO to transfer up to \$555,000 to the third-party property manager, as requested by the TLO, for management of the Non-Investment/Program Related Real Estate – Trust Funded properties and capital improvements to the Non-Investment/Program Related Real Estate – Rent Funded properties.”

**Board Concurrence:** The following actions requiring full trust board of trustees concurrence occurred at the April 20, 2017 RMC Meeting:

**Item A – Buckeye Land and Minerals Placer Lease:** The TLO is requesting concurrence from the board of Trustees to lease the mineral estate on Olive Creek for exploration and development of placer gold on a negotiated basis.

**Anticipated Revenues/Benefits:** Revenues will consist of an annual rental fee of \$5,000, which can be credited against production royalty accrual for that year. Any production that occurs is subject to a 10% net royalty. In addition, the areas that are mined will be reclaimed according to current state standards.

**Recommended Motion:** “The Resource Management Committee recommends that the Trust Authority board of trustees concur with the negotiated lease of Trust mineral estate on Olive Creek for exploration and development of placer gold, as proposed.”

**Item B – Juneau Subport Subdivision Lot C1 Lease and/or Sale Negotiations:** The TLO is requesting concurrence with the motion for the Executive Director of the TLO to negotiate a fair market rent lease or sale of a Trust Parcel C20499 (lot C1), or portions thereof, at the Juneau Subport Subdivision.

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director would have discretion to configure a lease and/or sale of the Property at fair market value. Total revenue is dependent on the term and size of any lease or the size of any sale, including any tenant improvement allowances or enhancements necessary to market or let the Property. By approving this motion, the Executive

Director will be able to negotiate and execute the transaction(s) in a more expedient manner than waiting to consult for a specific transaction. It is the goal of this consultation to make the board aware of pending opportunities that could require this type of expedience to be recognized.

**Recommended Motion:** “The Resource Management Committee recommends that the Trust Authority board of trustees concur with the Trust Land Office (TLO) recommendation for the Executive Director to negotiate a lease or sale of a part of Trust Parcel C20499, further referred to as Lot C1, or portions thereof, at the Juneau Subport Subdivision in Juneau, Alaska.”

**Item C – Disposal of Three Trust Parcels on the Homer Spit:** The TLO is requesting concurrence with the offer and disposal of three Trust parcels on the Homer Spit on terms acceptable to the TLO’s Executive Director, consistent with the TLO’s Resource Management Strategy and all applicable regulations and laws, as proposed.

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director will be able to negotiate and execute a sale of all or portions of the parcels. Total revenue is dependent on the term of the sale, including considering the clouds on title. A successful sale will divest the Trust of the liability currently related to unauthorized use of Trust land and the TLO benefits from this transaction through a reduction in management costs.

**Recommended Motion:** “The Resource Management Committee recommends that the Alaska Mental Health Trust Authority board of trustees concur with the Trust Land Office to offer and dispose of all or a portion of three Trust parcels located on the Homer Spit through a negotiated or competitive sale, combined with a lease for any residual parcels if not sold.”

**Item D – 450 Whittier Street Lease and/or Sale Negotiations:** The TLO is requesting concurrence of the proposed motion for the TLO’s Executive Director to negotiate a fair market lease rent or fair market value sale of the building, by either negotiated or competitive process (to include the potential of an auction if deemed appropriate), located at 450 Whittier Street (the “Building”), the land upon which it is located (as described below, the “Land,” the Land and Buildings collectively referred to as the “Property”) to a tenant or purchaser on terms acceptable to the Executive Director, consistent with the TLO’s Resource Management Strategy (“RMS”) and all applicable regulations and laws.

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director would have discretion to configure a lease and/or sale of the Property at fair market value. Total revenue is dependent on the term and size of any lease or the size of any sale, including any tenant improvement allowances or enhancements necessary to market or let the Property. The Executive Director will be able to negotiate and execute the transactions, which will help alleviate the significant financial operating burden on the Trust of maintaining a vacant building. Income would be in the form of lease income and sale of the facilities would result in principal revenue.

**Recommended Motion:** “The Resource Management Committee concurs with the Trust Land Office recommendation for the Executive Director to negotiate leasing or the sale of all or part of the 450

Whittier Street building and the land on which the building is located, at market rent for lease or fair market value for sale.”

cc: Board of Trustees  
Greg Jones, Interim CEO, Alaska Mental Health Trust Authority  
Steve Williams, COO, Alaska Mental Health Trust Authority  
John Morrison, Executive Director, Trust Land Office  
Wyn Menefee, Deputy Director, Trust Land Office



**To:** Russ Webb, Chair  
Alaska Mental Health Trust Board of Trustees  
**From:** Bryan Yackel  
**Date:** 5/5/2017  
**Re:** Negotiation of Land Lease with Afognak Leasing, LLC  
at MH Parcel C20141 in Valdez, AK  
**Fiscal Year:** 2017

## Consultation

### Proposed Motion:

*"The Trust Authority board of trustees concur with the Trust Land Office (TLO) recommendation for the Executive Director to dispose of all or portions of Trust Parcel C20141 located in Valdez, Alaska through a competitive or negotiated lease, or competitive or negotiated sale."*

### Background:

#### Revenue Projections:

#### Principal Income

Fair market value if sale  
Fair market rental, up to \$60,000 annually  
(term T.B.D.) under current negotiations

**Transaction/Resource:** The proposal is for the Executive Director of the TLO (the "Executive Director") to dispose of MH Trust Parcel C20141, or portions thereof, in Valdez, Alaska. Currently a ground lease is under negotiation with the applicant who is Afognak Leasing, LLC. Negotiations will be completed on terms acceptable to the Executive Director. However, should the specific transaction contemplated herein fail to complete, then the Executive Director may evaluate other applications, and ultimately complete, other competitive or negotiated sale or lease transactions. Transactions will be consistent with the TLO Resource Management Strategy ("RMS") and all applicable regulations and laws.

**Property Description/Acreage/MH Parcel(s):** Trust Parcel C20141, as shown on Exhibit A having the following legal description:

Township 008 South, Range 006 West, Section 35 in the Copper River Meridian, Alaska:  
That unsurveyed parcel of land labeled "State Land" on Alaska State Land Survey No. 79-116, lying west and north of Tract "A" of Alaska State Land Survey (ASLS) No. 79-116, East of U.S. Survey 439 and U.S. Survey 5671 and South of U.S. Survey 4810.



Containing 20 acres, more or less, as referenced on the ASLS No. 79-116 filed in the Valdez Recording District on September 28<sup>th</sup>, 1980 as Plat 80-11.

The applicant seeks to lease an approximate 5 acre portion of the parcel at the northwest end, and fronting Airport Road and Salcha Way. The approximate dimensions of this area total 630' x 350' as further depicted in Exhibit B.

**General Background:** Parcel C20141 was received by Quitclaim Deed from the State of Alaska Department of Natural Resources in September of 1996. At the time of conveyance this land was vacant, and has remained as such to date.

The applicant describes the intended use as mobilization and construction of a temporary (modularized) man-camp consisting of 65 single beds, a commercial kitchen, individual and shared showers and bathrooms, laundry facilities and recreation/workout facilities. The camp is proposed for relocation from Deadhorse to Valdez.

The parcel is zoned light industrial by the City of Valdez, and the applicant is in the process of gaining a conditional use permit that would allow for the use described above.

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director would have discretion to configure a lease or sale of the Property at fair market value. Total revenue is dependent on the term and size of any lease or sale, including any tenant improvement allowances, enhancements or other administrative costs necessary to facilitate the transaction.

The lease terms remain to be finalized with the current applicant, but tentatively includes a thirty-six (36) month initial term with consideration of \$5,000/month totaling \$60,000 per annum. The applicant has requested two option periods of twenty-four (24) months each making for a total term of up to seven years with total income revenue of up to \$420,000.

**Anticipated Risks/Concerns:** Overall, there are few concerns associated with this transaction. This consultation gives the Executive Director the ability to move forward with proposed fair market transactions, subject to a best interest decision process, providing notice to stakeholders and an opportunity for any of said stakeholders to provide timely comments.

The applicant has reported the presence of illegally dumped materials on the area of the site under consideration for use, which may include the presence of trash, abandoned vehicles and/or hazardous materials. The cost for remediation of any deficiencies in the Property required to consummate the transaction remains to be evaluated and negotiated. This risk is exclusive of the proposed transaction, as it is possible that the Trust would need to share in the cost or effort to remediate at some point in the future.

**Project Costs:** This consultation anticipates minimal project costs. To reiterate, the applicant has reported the presence of some amount of trash at the site. The cost for remediation of any

deficiencies in the Property required to consummate the transaction remains to be evaluated and negotiated. A portion of rental revenues could be applied towards any required site cleanup and/or TLO operating budget could also be utilized to accomplish the same. The TLO is not requesting an appropriation for any of the purposes outlined herein at this time, but may seek funding at a later time and in accordance with AMHTA/TLO regulations and procedures.

**Other Considerations:** An additional benefit to this transaction includes having an occupant at the site that may assist in monitoring, reporting and ultimately deterring any future trespass, and/or illegal dumping activities that would likely otherwise go unnoticed.

**Due Diligence:** As stated under Project Costs above, some amount of site remediation and/or site cleanup may be required in advance of the proposed use. The transaction is contingent on the completion of a site inspection by TLO Staff to further evaluate the current state of the site and the extent of effort required in remediation or cleanup.

Regarding the lease document, the transaction will utilize the standard form ground lease of the Trust Land Office with supplemental legal review of any non-standard terms or clauses if deemed necessary by the Executive Director.

**Alternatives:** The alternatives to this proposal are:

- Do nothing. This scenario offers no definitive timeline for revenue generation and likely further trespass dumping incurred.

**Consistency with the Resource Management Strategy:** The proposal is consistent with the "Resource Management Strategy for Trust Land" (RMS), which was adopted in March of 2016 in consultation with the Trust. The RMS acknowledges negotiated leases as an acceptable action provided they are subject to a stringent adjudication process as outlined in this consultation.

**Trust Land Office Recommendation:** The Trust Land Office recommends approval of the motion as described herein.

**Applicable Authority:** AS38.05.801, 11 AAC 99.010(b); Resource Management Strategy

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

**Exhibit(s):**

Exhibit A – Google Earth Aerial – MH Trust Parcel C20141 in Valdez, Alaska

Exhibit B – Afognak Conceptual Site Plan - MH Trust Parcel C20141 in Valdez, Alaska



Exhibit A - Google Earth Aerial - MH Trust Parcel C20141 in Valdez, AK



## EXHIBIT B

### SITE PLAN

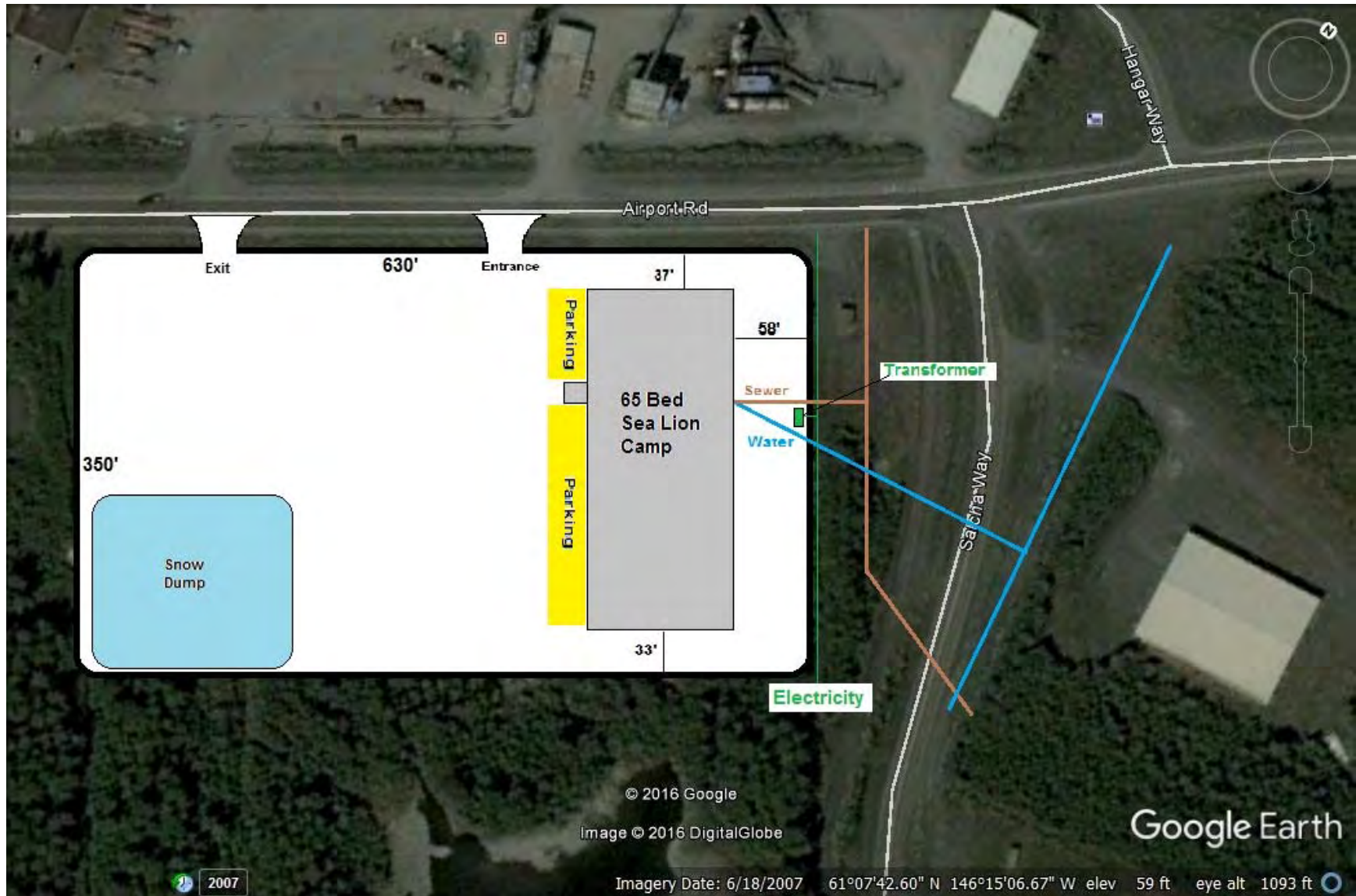


Exhibit B - Afognak Conceptual Site Plan - MH Trust Parcel C20141 in Valdez, AK

# **Finance Committee Report**

	Item Type	Proposal	Organization	Page #	Proposed Motion
1	Trust Land Office Item	FY18 Real Estate and Program-Related Real Estate Facility Budgets	Trust Land Office	143	<p><b>Proposed Motion One:</b> “Approve the Finance Committee's recommendation to approve the incremental building expenditures, totaling \$8,538,000 budgeted for the fiscal year 2018 to be paid by the property manager from rents and other income collected from the properties.”</p> <p><b>Proposed Motion Two:</b> “Approve the Finance Committee's recommendation to approve funding the expenditures for the Non-Investment/Program Related Real Estate – Trust Funded properties in the amount of \$555,000 for the fiscal year 2018, which appropriation shall not lapse.”</p> <p><b>Proposed Motion Three:</b> “Approve the Finance Committee's recommendation to instruct the CEO to transfer up to \$555,000 to the third-party property manager, as requested by the TLO, for management of the Non-Investment/Program Related Real Estate – Trust Funded properties and capital improvements to the Non-Investment/Program Related Real Estate – Rent Funded properties.”</p>
6	Partnership	Ernie Turner Center, Eklutna	Cook Inlet Tribal Council, Inc.	147	Approve the Finance Committee's recommendation for a \$75,000 FY18 partnership grant request to Cook Inlet Tribal Council for the Ernie Turner Center, Eklutna.
7	Partnership	Anchorage School Based Health Centers - Expansion	Christian Health Associates	159	Approve the Finance Committee's recommendation for a \$75,000 FY18 partnership grant request to Christian Health Associates for the Anchorage School Based Health Centers Expansion project.
<b>Finance Report - Approved at the April 20, 2017 Finance Committee Meeting</b>					<b>(NO ACTION REQUIRED)</b>
	Focus Area Allocation - Housing	Person Centered Care Coordination	Alzheimer's Resource of Alaska		Approved a \$150,000 FY18 housing focus area allocation to the Alzheimer's Resource of Alaska for Person Centered Care Coordination.
	Focus Area Allocation - Disability Justice	Local Reentry Coalition Coordinator and Coalition Capacity Development	Multiple Grantees		Approved a FY18 focus area allocation in the amount of \$400.0 from the FY18 Local Reentry Coalition Coordinator line of the Criminal Justice Reform and Reinvestment Priority/Disability Justice focus area funds to support Local Reentry Coalition Coordinators and Coalition Capacity Development. The funds for this project will be allocated to the fiscal agents listed in the below table.
	Focus Area Allocation - Substance Abuse Prevention and Treatment	Fairbanks Sobering Center Lease-Cost Assistance Request	Tanana Chiefs Conference		Approved a \$210,939 FY17 Substance Abuse Prevention and Treatment focus area allocation to the Tanana Chiefs Conference for the Fairbanks Sobering Center Lease-Cost Assistance Request.
	Focus Area Allocation - Beneficiary Employment & Engagement	FY18 Beneficiary Employment and Engagement Program Grants	Multiple Grantees		Approved a \$1,195,370 Beneficiary Employment and Engagement focus area allocation for the purpose of FY18 BPI grant funding.
	Partnership	Circle Health Clinic	Tanana Chiefs Conference		Approved a \$50,000 FY18 partnership grant with the Tanana Chiefs Conference for the Circle Health Clinic.
	Partnership	A Sustainable Facility for The Children's Place	The Children's Place		Approved a \$25,000 FY18 partnership grant request to the Children's Place for the Sustainable Facility for the Children's Place project.



**To:** Larry Norene, Chair  
Finance Committee  
**From:** Craig Driver  
**Date:** 4/20/2017  
**Re:** FY18 Real Estate and Program-Related Real Estate Facility  
Budgets – Item 1  
**Fiscal Year:** 2018  
**Amount:** \$9,093,000

Approval

#### Proposed Finance Motion:

**Proposed Motion One:** “The Finance Committee recommends that the Trust Authority board of trustees concur with the recommendation to approve the incremental building expenditures, totaling \$8,538,000 budgeted for the fiscal year 2018 to be paid by the property manager from rents and other income collected from the properties.”

**Proposed Motion Two:** “The Finance Committee recommends that the Trust Authority board of trustees approve funding the expenditures for the Non-Investment/Program Related Real Estate – Trust Funded properties in the amount of \$555,000 for the fiscal year 2018, which appropriation shall not lapse.”

**Proposed Motion Three:** “The Finance Committee recommends that the Trust Authority board of trustees instruct the CEO to transfer up to \$555,000 to the third-party property manager, as requested by the TLO, for management of the Non-Investment/Program Related Real Estate – Trust Funded properties and capital improvements to the Non-Investment/Program Related Real Estate – Rent Funded properties.”

#### Background:

##### FY18 Real Estate Budget (Proposed Motion One)

**Transaction/Resource:** Budgets are presented to seek approval from the board of trustees for the expenditures necessary to service the properties. The proposed property expenditures are funded by tenant rents and other income collected from the properties.

**Property Description/Acreage/MH Parcel(s):** Real Estate Management Plan and other AMHT Properties are as follows:

**Real Estate Management Plan Properties**

1111 Israel Road; Tumwater, WA  
1973 North Rulon; Ogden, UT  
2600 Cordova Street; Anchorage, AK  
2618 Commercial Drive; Anchorage AK  
2420 & 2500 Ridgepoint Drive; Austin, TX  
17319 San Pedro Avenue; San Antonio, TX  
9601 Amberglen Blvd; Austin, TX

**Other AMHT Properties**

3745 Community Park Loop Road; Anchorage, AK  
650 Yonker Court; Fairbanks, AK  
2330 Nichols Street; Anchorage, AK

**General Background:** We have established a system to adequately plan, manage, audit and report activity in the real estate portfolio. Through the use of professional management services, the property information is accounted for by:

- 1) matching income to expenses;
- 2) comprehensive reporting and budgeting for each property; and
- 3) capital expense forecasting.

**Consistency with the Resource Management Strategy:** The proposal is consistent with the “Resource Management Strategy for Trust Land” (RMS), which was adopted March 2016 in consultation with the Trust and provides for maximization of return on investment and provides for long term income generation at prudent levels of risk.

**Trust Land Office Recommendation:** The TLO recommends that it is in the Trust’s best interest to approve the incremental building expenditures for FY18 to be funded by tenant rents and other income collected from the properties.

**Applicable Authority:** AS 37.14.009(a), AS 38.05.801, 20 AAC 40.710-720 and 11 AAC 99.

**Trust Authority Approval:** The motions presented in this briefing document fulfill the approval requirements that are applicable to the transaction.

**FY18 Non-Investment/Program-Related Real Estate Facility Budget (Proposed Motions 2 and 3)**

**Transaction/Resource:** Budgets are presented to seek approval from the Alaska Mental Health Trust board of trustees for the expenditures necessary to operate and maintain the properties. The proposed property expenditures are an incremental increase to previously approved expenditure amounts.

**Property Description/Acreage/MH Parcel(s):** The Non-Investment/Program-Related Real Estate properties are as follows:

1300 Moore Street, Fairbanks, AK  
1423 Peger Road, Fairbanks, AK



450 Whittier Street; Juneau, AK  
3745 Community Park Loop Road; Anchorage, AK

**General Background:** The Trust Land Office (TLO) has established a system to adequately plan, manage, audit and report activity in the real estate portfolio. Through the use of third party professional management services, the property information is accounted for by:

- 1) matching income to expenses;
- 2) comprehensive reporting and budgeting for each property; and
- 3) capital expense forecasting.

**Consistency with the Resource Management Strategy:** The proposal is consistent with the “Resource Management Strategy for Trust Land” (RMS), which was adopted March 2016 in consultation with the Trust and provides for assuring that the real estate needs of mental health programs sponsored by the Alaska Mental Health Trust Authority are met as appropriate. In addition, 11 AAC 99.020(c)(3) cites protection and enhancement of the long-term productivity of Trust land.

**Trust Land Office Recommendation:** The TLO recommends that it is in the Trust’s best interest to approve the incremental building expenditures for FY18.

**Applicable Authority:** AS 37.14.009(a), AS 38.05.801, 20 AAC 40.710-720 and 11 AAC 99.

**Trust Authority Approval:** The motions presented in this briefing document fulfill the approval requirements that are applicable to the transaction.

**Exhibit(s):**

Exhibit 1 - Property Budget Summary

FY18 Real Estate Budget Summary

Real Estate Management Plan

Name	City, State	Operating	Capital Improvements <sup>1</sup>	Debt Service	Total
Parks- 1111 Israel Road	Tumwater, WA	440,000	-	909,000	1,349,000
IRS- 1973 North Rulon White Blvd.	Ogden, UT	843,000	76,000	620,000	1,539,000
Commercial- 2618 Commercial Drive	Anchorage, AK	14,000	-	100,000	114,000
Cordova- 2600 Cordova Street	Anchorage, AK	257,000	75,000	-	332,000
Promontory Point- 2420 & 2500 Ridgepoint Drive	Austin, TX	600,000	55,000	636,000	1,291,000
North Park- 17319 San Pedro Avenue	San Antonio, TX	706,000	-	604,000	1,310,000
Amber Oaks- 9601 Amberglen Blvd.	Austin, TX	1,247,000	124,000	941,000	2,312,000
Totals		4,107,000	330,000	3,810,000	8,247,000

Non-Investment/Program Related Real Estate - Rent Funded

Name	City, State	Operating	Capital Improvements <sup>1</sup>	Debt Service	Total
TAB- 3745 Community Park Loop Road	Anchorage, AK	262,000	-	-	262,000
Detox- 650 Yonker Court	Fairbanks, AK	15,000	5,000	-	20,000
Assets- 2330 Nichols Street	Anchorage, AK	9,000	-	-	9,000
Totals		286,000	5,000	-	291,000

Motion 1 Subtotal8,538,000

Non-Investment/Program Related Real Estate - Trust Funded

Name	City, State	Operating	Capital Improvements <sup>1</sup>	Debt Service	Total
Fahrenkamp Center- 1423 Peger Road	Fairbanks, AK	103,000	-	-	103,000
Denardo- 1300 Moore Street	Fairbanks, AK	34,000	-	-	34,000
450 Whittier Street	Juneau, AK	193,000	45,000	-	238,000
TAB- 3745 Community Park Loop Road	Anchorage, AK	-	180,000	-	180,000
Totals		330,000	225,000	-	555,000

Motions 2 & 3 Subtotal555,000

1 - Capital Improvements

IRS	Chiller BAS upgrade, concrete slab repair, south parking lot replacement
Cordova	Compressor replacement, HVAC/VAV box replacements, building improvements, tenant improvements
Promontory	Parking lot replacement Phase 2 of 3
Amber Oaks	Tenant improvements
TAB	Replacement of water service line; major overhaul/replacement of HVAC components
450 Whittier	Redevelopment evaluation, building renovation planning, feasibility, engineering, architecture, pre-bid consulting
Detox	Additional flooring repairs

## MEMO

To: Larry Norene, Finance Committee Chair  
Date: April 11, 2017  
Re: FY18 Partnership Grant Request  
Fiscal Year: 2018  
Amount: \$75,000.00  
Grantee: Cook Inlet Tribal Council, Inc.  
Project Title: Ernie Turner Center, Eklutna

### REQUESTED MOTION:

*Recommend approval to the full Board of Trustees for a \$75,000 FY18 partnership grant request to Cook Inlet Tribal Council for the Ernie Turner Center, Eklutna.*

Assigned Program Staff: Katie Baldwin

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

#### PROJECT DESCRIPTION

Cook Inlet Tribal Council requests Trust support in furnishing a 16-bed residential treatment center, the new Ernie Turner Center, located in Eklutna, which will provide culturally appropriate, trauma-informed residential treatment for adult Trust beneficiaries experiencing chronic alcoholism and other substance related disorders. Alaska's treatment capacity for this population does not meet its need for services, making this a valuable resource for Trust beneficiaries, and CITC's Ernie Turner Center's successful treatment outcomes exceed national rates. Additionally, as a 16-bed facility, the program's long-term sustainability through Medicaid billing will be enhanced.

Substance abuse and addiction are among Alaskans' top health concerns, contributing to an array of accidental injuries, elevated rates of disease, child maltreatment, domestic and sexual violence, unemployment, homelessness, crime, and recidivism. Cook Inlet Tribal Council has responded to this problem through the development of a comprehensive continuum of treatment programs for substance abuse and co-occurring substance abuse and mental health disorders that includes assessment, outpatient, intensive outpatient, and residential treatment programs. CITC's Recovery Services are physically and administratively housed out of the Clare Swan Outpatient Center, Chanylut, and the Ernie Turner Center (ETC). However, as part of a transfer to Southcentral Foundation of detoxification service provision in Anchorage, the current facility

housing CITC's 12-bed ETC, will no longer be available to house CITC's residential treatment program.

**What This Project Will Do:** CITC is constructing a 12,000 square foot, 16-bed residential treatment facility in Eklutna. Construction of the new Ernie Turner Center facility will increase capacity to treat Trust beneficiaries without triggering the Medicaid IMD Exclusion. This will enable the program to significantly increase the number of beneficiaries served whose treatment requires residential care and will enhance the program's financial sustainability. The design team has created a facility that will feel like a welcoming home, not an institution. The construction phase is projected to break ground in summer of 2017 and be completed by late spring 2018. Total project budget is \$5.5 million. Trust funds will be used to provide furnishings for the new facility, with the balance of the total project funding coming from CITC internal resources and loan proceeds.

**Target Population and Geographic Area Served:** The new Ernie Turner Center will provide trauma-informed residential treatment (ASAM 3.5) services for adults diagnosed with a substance use disorder and will be able to treat participants with co-occurring mental health disorders. The facility will be located in Eklutna, in the Municipality of Anchorage, but will accept referrals from all regions of the state.

**Expected Outcomes:** Short-term outcomes include completing the construction of the treatment facility. Long-term outcomes include increasing the annual number of beneficiaries served to make a meaningful impact on our community. In FY 2016, as a 12-bed program the Ernie Turner Center served 48 people -- all of whom were Trust beneficiaries. As a 16-bed program this service rate projects to serving 64 beneficiaries annually -- a 33% increase in treatment capacity. That the Ernie Turner Center's treatment completion rate of 64% significantly exceeds the national rate (45%) speaks to its capacity to meaningfully impact our community.

**Community Support for the Project:** Plans to construct the new Ernie Turner Center have been broadly welcomed within the community. The project team has held two meetings with the Eklutna Valley Community Council about the project. The Council unanimously passed a resolution in support of the project. In addition, the project has received support from the Eklutna, Inc. board of directors.

**Trust Beneficiary Group That Is The Focus Of This Project:** This project focuses on people experiencing chronic alcoholism and other substance related disorders.

## EVALUATION CRITERIA

Cook Inlet Tribal Council will measure project success in two ways: 1) Completion of the facility and 2) On-going participant outcomes.

- 1) Trust funding will be used to purchase new comfortable yet durable and easy to clean furnishings as part of finishing the new Ernie Turner Center, The relevant performance measure is completion of the new facility and the admission of an expanded group of new participants.
- 2) CITC's Recovery Services tracks numbers participants admitted and numbers of participants completing treatment. Assessing whether or not participants' experience an improved quality

of life is accomplished through the use of the Substance Abuse and Mental Health Services' (SAMHSA) Government Performance and Results Act (GRPA) measures for substance abuse treatment. CITC's Recovery Services programs, including the residential treatment program, routinely exceed national averages. The residential treatment program housed in the new Ernie Turner Center will promote participant recovery through improvement in life domains associated with recovery, achieving the following outcomes:

- Achieve a reduction in substance use at 6-month and 12-month follow-ups.
- Achieve an increase in either employment, education, or income.
- Achieve a decrease in crime and criminal justice involvement.
- Achieve an improvement in physical and mental health.
- Achieve an increase in participants' social connectedness.
- Achieve an increase in family and living conditions.

Recovery Services measure participants' status on these indicators at intake and at 6 months after program graduation.

## SUSTAINABILITY

CITC's Ernie Turner Center (ETC) program is funded through State Division of Behavioral Health funding, Indian Health Service funding, and third party billing revenue. However, program sustainability is at the very heart of the new ETC service plan. While the new facility will be constructed with more beds -- and, therefore, more participants -- than our previous program, it is intentionally a 16-bed facility in order to comply with the Medicaid Institutions for Mental Diseases (IMD) exclusion threshold, which prohibits facilities with more than 16 beds from billing Medicaid for substance abuse treatment. Because our previous 12-bed program was housed in the same facility as a 10-bed medical detoxification unit, our residential program was unable to bill Medicaid for services that would otherwise have been eligible for reimbursement. The move to a new 16-bed facility will enable both an increase in residential treatment capacity for Trust beneficiaries and an increase in the program's long-term financial stability.

## WHO WE SERVE

The Ernie Turner Center provides services to adult Trust beneficiaries experiencing chronic alcoholism and other substance related disorders. All persons receiving treatment will be Trust beneficiaries.

CITC Recovery Services has operated a comprehensive continuum of care for substance use treatment, from assessment to outpatient and intensive outpatient treatment to residential treatment. The Ernie Turner Center, whose services will be expanded through this project, is the core of CITC's residential services for Trust beneficiaries.

While the Ernie Turner Center serves beneficiaries of all ethnicities, its culturally modified Therapeutic Community service model, the "Therapeutic Village of Care", was specifically designed to be a culturally appropriate treatment model for Alaska Native people, who experience disproportionately high rates of substance related disorders, and has been recognized as a promising evidence-based practice for Alaska Native populations. In the previous year, 79% of Trust beneficiaries served at the Ernie Turner Center were Alaska Native or American Indian.

More than a decade's on-going independent program evaluation confirms that Ernie Turner Center graduates experience the following benefits: a reduction in substance use, a decrease in criminal justice involvement, improved physical and mental health, increased social connectedness, increased housing stability, increased employment outcomes, and a decrease in risky behavior. This project will result in an increased number of Trust beneficiaries experiencing this benefit each year.

ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	48
Substance Abuse	64

BUDGET

Space or Facilities Costs	\$75,000.00
Space or Facilities Narrative:	<p>Total project budget is \$5.5 million. Cook Inlet Housing Authority is acting as Project Manager, Contractor is Eklutna Construction &amp; Management, Architect is Spark Design.</p> <p>Land: \$423,000  Feasibility, Planning &amp; Design: \$352,000  Permits, Admin: \$377,380  Construction:\$3,600,000  Furniture, Fixtures &amp; Equipment: \$424,000  Contingency:\$323,620</p> <p>Trust funds will be used as a portion of the \$424,000 furniture, fixtures and equipment (FF&amp;E) expenditure and will be designated to cover the common area furnishings such as tables, chairs, sofas. The budget for those items is \$100,000, so the Trust funds will cover a significant portion. The common areas will be a key location for the peer to peer counseling and group interactions that are such an important a part of the journey to recovery. Furnishings will be chosen to be comfortable, durable and easy to clean. The new Ernie Turner Center is designed to feel like a warm and welcoming home, not an institution.</p>

Total Amount to be Funded by the Trust	\$75,000.00
Total Amount Funded by Other Sources	\$5,425,000.00

Other Funding Sources	
Cook Inlet Tribal Council, Inc. Funding SECURED	\$1,750,000.00
Wells Fargo Bank. Funding	\$3,675,000.00

SECURED	
Total Leveraged Funds	\$5,425,000.00

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: Cook Inlet Tribal Council

Contact: Kelly Hurd

Email: [khurd@citci.org](mailto:khurd@citci.org)

Phone: (907) 793-3272

#### 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> Cook Inlet Tribal Council's mission is <i>"to work in partnership with Our People to develop opportunities that fulfill Our endless potential."</i> CITC has pursued this mission through four primary service departments: Child & Family Services, Education Services, Employment & Training Services, and Recovery Services. The new Ernie Turner Center project described here will house CITC's residential treatment facility serving
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		Trust beneficiaries.
<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> <ul style="list-style-type: none"> <li>CITC's strategies are documented in a recently updated plan entitled: <i>Sustainability 2021: A five-year plan for our self-determination</i>. The plan serves as a focal point and primer of how we engage our participants, staff, and stakeholders for the next five years and outlines three overarching goals focused on impact. Annual target and stretch goals are set by the Board of Directors and carried out by our leadership team with laser focus on sustainability plan alignment: <ul style="list-style-type: none"> <li>Goal 1 – <b>Participant and Community Impact</b> outlines how CITC is an organization actively moving from program results to community impact.</li> <li>Goal 2 – <b>Sustainability</b> outlines how CITC is an impact investor in Social Enterprise that is moving the organization from being dependent to sustainable.</li> <li>Goal 3 - <b>Our People</b> outlines how CITC is an impact investor in Our People and moving from a conventional employer to a progressive, multigenerational employer.</li> </ul> </li> </ul>
<b>A3</b>	<b>Does this project fit into a community or regional plan or process? How?</b>	<b>Response:</b> CITC is and has been deeply engaged with partners, stakeholders, and Tribes in the Mat-Su valley to expand addiction treatment and prevention services throughout the region.
<b>A4</b>	<b>How many months of operating reserves do you maintain?</b>	<b>Response:</b> 4 months
<b>A5</b>	<b>Have you explored opportunities for collaboration with other organizations on this project? If so, how?</b>	<b>Response:</b> CITC is collaborating on the design and construction phase of this project with Eklutna Inc and Cook Inlet Housing Authority.

#### 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> CITC Recovery Services operates a comprehensive continuum of treatment programs for substance abuse and co-occurring substance abuse and mental health disorders that includes assessment, outpatient, intensive outpatient, and residential treatment programs. The new Ernie Turner Center construction project will expand our residential treatment program by 33% while enhancing its long-term sustainability.
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**C. Site Issues**

<b>C1</b>	<b>Has a site been identified for this project?</b>	<b>Response:</b> A site has been selected on Eklutna Lake Road, in a lovely area that will enhance the feeling of warmth and security needed to aid in recovery.
<b>C2</b>	<b>Were alternative sites fully evaluated?</b>	<b>Response:</b> Yes, numerous sites were evaluated in Anchorage, Chugiak and Eklutna.
<b>C3</b>	<b>Has the selected site been evaluated for appropriate size, access, utilities, and environmental constraints?</b>	<b>Response:</b> Due diligence is continuing over the winter. The site is being rezoned and replatted to conform to the needs of the new Ernie Turner Center program.
<b>C4</b>	<b>Has a site plan been completed?</b>	<b>Response:</b> Site plan will be completed in late March, 2017 as part of the replat and rezone process.
<b>C5</b>	<b>What is the status of site ownership?</b>	<b>Response:</b> Site is owned by Eklutna, Inc and is subject to a Purchase and Sale Agreement, which governs terms of the final sale to CITC following completion of the replat and rezone process. In the interim full facility design is underway so construction can begin as soon as CITC completes purchase of the site.

**D. Facility Issues**

<b>D1</b>	<b>Explain why you need a new, expanded, or remodeled facility.</b>	<b>Response:</b> The existing Ernie Turner Center building in Anchorage has been sold to Southcentral Foundation and they are taking over the detox services offered in that facility. This presents CITC a unique opportunity to build a new facility custom designed for the Ernie Turner Center program. The building is designed for an increase in capacity to 16 beds, filling a community need. With 16 beds CITC can bill Medicaid for services, something which is not possible in the current building, which has 31 beds and is thus subject to the IMD exclusion. The new design will feel like a warm and welcoming home rather than an institution.
<b>D2</b>	<b>How much total square footage do you think you will need?</b>	<b>Response:</b> The new design is approximately 12,000 square feet of residential space. The site plan will include future phases to incorporate a garage and potentially a greenhouse where residents can learn to grow healthy food.
<b>D3</b>	<b>Has a construction cost estimate been prepared? Who prepared it?</b>	<b>Response:</b> Cook Inlet Housing Authority is under contract to CITC as Project Manager. Their experienced team has worked with CITC on several capital projects with excellent results. As Project Manager they have prepared a detailed budget and will provide oversight to ensure completion within the designated financial resources for this project.

**E. Financial Issues**

<b>E1</b>	<b>Is the full cost of the project identified?</b>	<b>Response:</b> Yes. The total project budget is \$5.5 million.
<b>E2</b>	<b>What funding has been identified for the capital project? Please provide amounts and sources.</b>	<b>Response:</b> Proceeds from sale of existing building to SCF: \$1,750,000 Loan proceeds: \$3,675,000 AMHTA grant: \$75,000
<b>E3</b>	<b>How will increased operating expenses be covered?</b>	<b>Response:</b> A component of the long term financial sustainability of the Ernie Turner Center is the ability to bill Medicaid for certain services provided onsite to Beneficiaries. To maximize revenue CITC has hired a firm which specializes in this field to review the billing procedures of CITC's Recovery Services programs to verify that all services are billed as appropriate. They will also identify other potential revenue sources in Recovery Services that could help sustain and grow the program services.

**F. Other information that helps explain your project:**

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MUNICIPALITY OF ANCHORAGE

CHUGIAK-EAGLE RIVER ADVISORY BOARD RESOLUTION 2017-02

February 11, 2017

MEETING Re: Eklutna Valley Rezone to establish a residential treatment facility

WHEREAS, the Chugiak Eagle River Advisory Board is established in Title 21 by Section 21.10.030.B and is constituted in order to review and make recommendations on actions regarding potential changes in land use law that impact multiple Community Council areas in the Chugiak Eagle River area; and

WHEREAS, the Board, with local representation present from Eklutna Village, South Fork, Eagle River Valley, Chugiak, Eklutna Valley, Eagle River and Birchwood Community Councils, met on February 11, 2017 to hear local testimony and to discuss the above local issues; and

WHEREAS, the Board discussed the importance of maintaining the integrity of the Chugiak-Eagle River Comprehensive Plan and 21.10 in local code, and

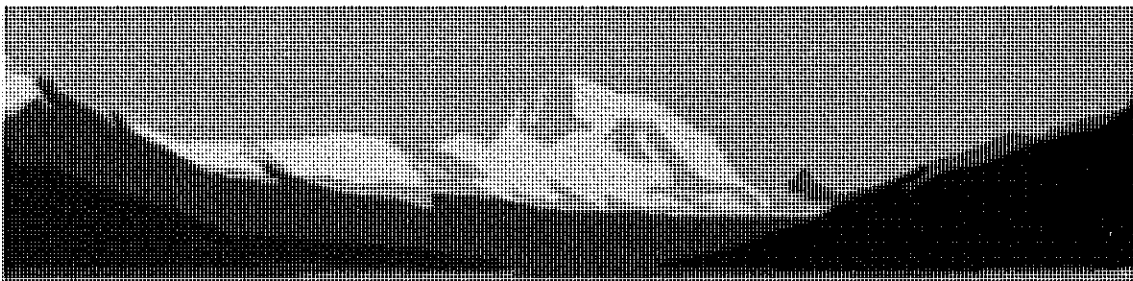
WHEREAS, the Board noted our Comprehensive Plan policy (housing and residential development) 3.a. *Support private and public efforts to provide alternative housing options for...those with special needs; e.g., people requiring special housing because of age, physical or mental conditions, taking into account the location relative to community facilities and services*

WHEREAS, the Board heard that Eklutna Valley Community Council and the Village of Eklutna have endorsed the rezone through resolution and public meeting, and that public comment has generally been positive, and

Therefore the Board RESOLVES, to unanimously support the rezone plan. The Board also notes the special challenges that may be faced due to isolation, particularly from emergency services and public transportation.

Respectfully,

Debbie Ossiander, Chugiak Eagle River Advisory Board, Co-Chair



## EKLUTNA VALLEY COMMUNITY COUNCIL

### RESOLUTION 2017-02

#### **A RESOLUTION AGREEING WITH THE CONCEPT OF A PROPOSED ERNIE TURNER RECOVERY CENTER ON EKLUTNA LAKE ROAD**

WHEREAS, Eklutna, Inc., Cook Inlet Tribal Council (CITC), and Cook Inlet Housing Authority (CIHA) are partnering to build a new Ernie Turner Recovery Center on Eklutna Lake Road; and

WHEREAS, the proposed 16-bed facility will treat individuals with substance abuse within all stages of recovery; and

WHEREAS, the treatment program will include short- and long-term residential care; and

WHEREAS, there will be a stringent screening process for all applicants accepted into the program; and

WHEREAS, the focus is inpatient treatment and there will be no detox services; and

WHEREAS, the facility plans to employ 13 staff onsite during daytime hours as well as several staff persons who will be onsite for 24-hour care and management of the facility; and

WHEREAS, CITC has successfully managed and operated a similar program in Anchorage for over 20 years and is committed to the success of this new facility; and

WHEREAS, the proposed development will require a replat, a zoning map amendment to rezone the smaller area from Chugiak-Eagle River Low-Density Residential, Alpine Slope District with Special Limitations (CE-R-10-SL1) to Chugiak-Eagle River Public Land and Institutions (CE-PLI) District, and a conditional use permit; and

WHEREAS, the project is the early stages of planning, and considerable work needs to be done to determine whether the chosen site is feasible and the project meets the requirements for replatting, rezoning, and conditional use; now, therefore, be it

**RESOLVED** that the Eklutna Valley Community Council commends Eklutna, Inc., CITC, and CIHA for their partnership and the proven success of the former Ernie Turner Center and supports the concept of a new and improved recovery facility in the proposed location on Eklutna Lake Road; however, we may constructively critique and comment

on the replatting, rezoning, and conditional use permit applications as more details are made available.

Passed this 18<sup>th</sup> day of January 2017.



Margan Grover, President

## MEMO

To: Larry Norene, Finance Committee Chair  
Date: April 20, 2017  
Re: FY18 Partnership Grant Request  
Fiscal Year: 2018  
Amount: \$75,000.00  
Grantee: Christian Health Associates  
Project Title: Anchorage School Based Health Centers Expansion

### REQUESTED MOTION:

*Recommend approval to the full Board of Trustees for a \$75,000 FY18 partnership grant request to Christian Health Associates for the Anchorage School Based Health Centers Expansion project.*

Assigned Program Staff: Katie Baldwin

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

### PROJECT DESCRIPTION

ASBHC would like to expand comprehensive healthcare access to serve students at additional schools, in partnership with Volunteers of America (VOA), pending ASD School Board approval. Depression and anxiety screenings would be included in physical exams to identify high-risk students and school staff would also make referrals. Regular treatment sessions will be provided to high-risk students in order to positively impact behavior and attendance. Bartlett and East High Schools would be targeted for service expansion because they provide continuity with existing services at Begich and Clark Middle Schools.

Anchorage School Based Health Centers (ASBHC) began medical services at Clark Middle School in 2010 and Begich Middle School in 2014. Because the Anchorage School District observed students struggling academically and socially, it was requested that ASBHC add behavioral health services. Counseling began at Begich in January 2015, in partnership with Volunteers of America, and with funding from Providence Alaska and the Alaska Mental Health Trust. To date, over 700 therapeutic treatment sessions have been provided. Evaluation of Begich behavioral health services have shown improved attendance and punctuality, reduced likelihood of in-school suspension, reduced school nurse visits, and improved functioning of students at school. Symptoms experienced by students referred for a mental health evaluation include discipline issues in the classroom and with fellow students (fighting), irritability, nervousness and worry at

school, and hopelessness and thoughts of suicide. Common diagnoses have been depression, anxiety, stress related to trauma, oppositional defiant disorder, and adjustment disorder.

These issues, along with substance abuse concerns, become even more prevalent as adolescents go through high school. When individuals struggle emotionally, it negatively impacts their academic success, their families, their peers, and their teachers.

ASBHC plans to continue collaboration with Volunteers of America to provide assessment and treatment services at additional schools within Anchorage. The initial focus will be on continuity of care for students receiving services at Begich as they progress to Bartlett High School. Another site being considered is East High School, also in the northeast area of Anchorage. Both high schools, like the nearby middle school currently served, have students from diverse socio-economic backgrounds.

Referrals for **students'** possibly needing treatment will continue to come from key school staff such as administrators, academic counselors, and the school nurse. Teachers and other school staff will refer students through one of the key school staff. ASBHC providers will complete brief depression and anxiety screenings during student wellness visits (physical exams). If these screenings, and follow up questions indicate concern, a referral will be made. Participation in school based counseling will not be required by the schools, but will be a convenient, affordable resource for families. Mentally ill adolescents are the primary beneficiary group to be served. Adolescents experiencing substance abuse problems will also be a target beneficiary group.

Similar to Begich Middle School, expanded services could have positive outcomes for students who receive care:

- decreased nurse visits
- improved attendance and punctuality
- decreased disciplinary actions
- improved academic functioning (grades and graduation rates)
- Self-reporting higher quality of life -- from parents and students.

There is extensive community support for ASBHC serving more students through expansion to additional sites. Pending school board approval, the Anchorage School District will provide space and utilities, in-kind, for ASBHC services; No additional ASD funding is used. Volunteers, private donations, and grants support the care provided by ASBHC. This support, along with billing revenue, make services sustainable.

## EVALUATION CRITERIA

### 1) How much will we do?

- a. ASBHC will continue to provide counseling to at least 20 students at Begich Middle School each year.
- b. During each school year, ASBHC will provide at least 600 comprehensive physicals, including depression and anxiety screening, to students throughout the Anchorage School District.
- c. ASBHC plans to provide counseling to at least 40 students between two high schools (20 per site) during the first year of the grant.



- d. Based on demand for services and billing revenue, an additional 10-20 students per site may be served in future years.
- e. If demand is not high at selected sites, other ASD schools will be evaluated for expansion of behavioral health services.

## 2) How well will we do?

- a. The number of student nurse visits will decrease by 50% compared to the year before counseling services began and compared to students who were referred, but declined treatment.
- b. Attendance and punctuality for students receiving counseling will improve by 20% compared to before services began and compared to students who were referred, but declined treatment.
- c. Disciplinary action for students receiving counseling will decrease by 25% compared to the year before services began and compared to students who were referred, but declined treatment.
- d. Student GPA will not decrease after at least a semester in counseling treatment.

## 3) Is anyone better off?

- a. 75% of the students who received counseling services will report an improved quality of life.
- b. All parents of students receiving counseling will be surveyed and 75% of those reached will note improved functioning of their student.

## SUSTAINABILITY

ASBHC hopes to use grant funding from the Alaska Mental Health Trust Authority, Providence, and the Rasmuson Foundation to help with initial startup costs by expanding services.

The majority of the ongoing income is from billing revenue. Medical and behavioral health counseling services use a fee based model, billing insurance when available, and a sliding fee scale based on the federal poverty guidelines when a student is not insured. No student is turned away because of inability to pay. When it is identified that a student does not have insurance, various options are explored with a family to try and get coverage, if possible. Anticipated revenue, annually, for medical services is \$ 110,000 and \$ 170,000 for behavioral health services (\$560,000 for both programs over two years).

The in kind donation of office space and utilities from ASD sustains services. The Alaska Family Practice Residency commits one morning per week to provide care to ASD students at ASBHC. Individual volunteer physicians and nurse practitioners also provide medical care at ASBHC. Providence Alaska Medical Center donated \$45,000 for 2017 and an additional \$30,000 for 2018 and \$15,000 for 2019, tentatively. ASBHC receives funding from the United Way of Anchorage and the Anchorage Education Association donated \$5000 recently. Private donors support ASBHC, including contributions through Pick.Click.Give. ASHBC has been invited to apply to the Rasmuson Foundation to potentially fund expansion as well.

## WHO WE SERVE

The Trust beneficiary groups served by the project will be based on the needs of students referred by the school and screened during medical services provided. This could be students experiencing

mental illness or mental health conditions, such as depression, anxiety, and trauma, similar to students seen at Begich. Students experiencing alcohol and substance related disorders might also be referred. With consent from parents, referred students are quickly given a mental health assessment and a treatment plan is developed based on their needs. Counseling happens at the school minimizing absences from class compared with treatment at a community provider. Afterschool treatment sessions may be considered for high school students that have transportation options. Clinicians' partner with teachers in support of students in this school based model of care. Behavioral Health Clinicians also collaborate with ASBHC Medical Providers, a student's medical home, or community based specialists. Ongoing school based treatment has the potential to improve basic functioning, quality of life, and relationships with peers resulting in decreased disciplinary actions. This clinical support at the school has the potential to decrease the risk of suicide in students who experience mental illness. Research on school based health centers offering behavioral health services throughout the United States has shown similar successes. (References available.)

#### ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	100
Substance Abuse	20
Secondary Beneficiaries(family members or caregivers providing support to primary beneficiaries):	240
Non-Beneficiaries:	4,500

#### BUDGET

Personnel Services Costs	\$0.00
Personnel Services Costs (Other Sources)	\$220,000.00
Personnel Services Narrative:	<p>Positions not funded by the Trust:</p> <p>A) \$122,000 for ASBHC Program Director: (.75 FTE position for two years) Overall program oversight; Staffing and Supervision; Policy Review; Grant Reporting; Budget Preparation; ASD Liaison; and Advisory Council Administration.</p> <p>B) \$48,000 for ASBHC Support Staff (Part-time over two years). Liaison with students and School Nurse; Parent Communication; Records Management; and Assists Medical Providers</p> <p>C) \$50,000 for ASBHC Paid Nurse Practitioners (Part-time over two years) Provides direct medical care to students.</p>

Travel Costs	\$7,200.00
Travel Costs (Other Sources)	\$0.00
Travel Narrative:	VOA staff must regularly travel from the schools to the

	VOA office downtown for supervision, meetings, etc. The case manager position will also travel between the schools.  \$100 month * 24 months * 3 sites
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Space or Facilities Costs	\$20,000.00
Space or Facilities Costs (Other Sources)	\$60,000.00
Space or Facilities Narrative:	The Anchorage School District allows ASBHC to use space in the schools free of cost, however, the space is currently not designed for medical or behavioral health services. Therefore, grant funding will allow two school classrooms to be renovated to meet the needs of the program. One classroom at each high school site (East and Bartlett) will be retrofitted for one medical clinic and one counseling office, and one office that can accommodate both services, based on need. \$40,000 remodel cost for each site * 2 sites = \$80,000

Supplies Costs	\$4,300.00
Supplies Costs (Other Sources)	\$7,500.00
Supplies Narrative:	Trust \$4300 Ongoing behavioral healthcare supply costs for snacks, office supplies, student journals, crafts, and puzzles \$60/month * 24 months = \$1440 * 3 sites = \$4320 (\$4300)  Costs Paid by Other Funding Sources \$1500 Therapeutic Supplies -- Start-up (Providence) \$3300 Medical supplies - Start-up (Providence and Rasmuson) \$2700 Office Supplies for Medical and Administration (\$1350 split between Rasmuson and Providence)

Equipment Costs	\$1,500.00
Equipment Costs (Other Sources)	\$6,500.00
Equipment Costs Narrative:	Trust \$500 - Furniture (one site) \$1000 - Laptop (one site)  Costs Paid by Other Funding Sources \$500 - Furniture (one site) \$1000 - Laptop (one site)

	\$5000 - Medical Equipment (\$2500 for one site - Providence funded AND \$2500 for one site - Rasmuson funded)
Other Costs	\$42,000.00
Other Costs (Other Sources)	\$681,900.00
Other Costs Narrative:	<p>Partially Funded by AMHTA  A) \$652,300 VOA Contract for treatment services (Positions include VOA Supervisor, VOA Case Manager and VOA Clinician)  \$42,000 -- Trust  \$610,300-- Providence, Medical Billing, Behavioral Health Billing, VOA funding (various sources)  Positions include ASBHC Program Director, ASBHC Medical Clinic Support staff, VOA Supervisor, VOA Case Manager and VOA Clinician.</p> <p>1) VOA Clinicians work directly with students providing therapeutic services to address mental health concerns.  Total - \$516,700  One full time positions at each of the 3 sites for two years = \$35/hr. * 1783 Hours (reduced for limited summer services) * 38% benefits * 2 years * 3 sites = \$516,714</p> <p>2) VOA Case Manager will support the clinician's work in treating students. They will help coordinate with parents, including help completing insurance forms when necessary, manage referrals (medication management, family therapy, and neurological evaluations), organize extracurricular activities for students, act as a liaison with school staff, and under the guidance of the clinician, practice communication and problem solving skills with students.  \$18/hr. * 2080 hours per year * +38% benefits * 2 years = \$103,334 (\$103,300).</p> <p>3) VOA Supervisor provides support and guidance to VOA Clinician.  \$75 hour for 1 hour per week, 52 weeks per year over two years. \$7800 + 38% benefits * 3 sites = \$32,292 (\$32,300)</p> <p>Costs Paid by Other Funding Sources  A) \$27,600 (over two years) Ongoing operational costs for medical services: Insurance, Billing fees, Cell Phone, Background checks, Interpretation, Printing, etc.</p>

	B) \$44,000 for CHA Administration (Includes Additional Insurance, grant reporting, IT support, HR support and bookkeeping/accounting)
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Total Amount to be Funded by the Trust	\$75,000.00
Total Amount Funded by Other Sources	\$975,900.00

Other Funding Sources	
Providence Alaska Medical Center (Secured for 2017)	\$45,000.00
Providence Alaska Medical Center (Pending for 2018 and 2019)	\$45,000.00
United Way of Anchorage (Pending)	\$5,000.00
Medical Service Billing Revenue (Pending)	\$220,400.00
Behavioral Health Services Billing Revenue (Pending)	\$338,700.00
Volunteers of America - Various Funding through grants and donations (Pending)	\$221,800.00
Rasmuson Foundation (Pending)	\$100,000.00
Total Leveraged Funds	\$975,900.00