

## MEETING AGENDA

**Meeting:** Board of Trustee  
**Date:** May 24, 2018  
**Time:** 9:00 AM  
**Location:** Trust Authority Building, 3745 Community Park Loop, Anchorage  
**Teleconference:** (844) 740-1264 / Meeting Number: 807 516 574 # / Attendee No: #  
<http://thetrust.webex.com>  
**Trustees:** Mary Jane Michael (Chair), Chris Cooke (Vice Chair), Laraine Derr (Secretary), Verné Boerner, Paula Easley, Carlton Smith, Jerome Selby

### Thursday, May 24, 2018

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<b>9:00a</b>	<b>Call to Order – Mary Jane Michael, Chair</b>	
	Roll Call	
	Approval of Agenda	
	Review of Guiding Principles	6
	Ethics Disclosure	
	Approval of Minutes	
	• January 24-25, 2018	13
	• February 9, 2018	43
	• March 19, 2018	48
	Current Bylaws	51
<b>9:10</b>	<b>Mission Moment</b>	
	South Peninsula Behavioral Health Services	
<b>9:30</b>	<b>Staff Report</b>	
	CEO Update	
<b>9:45</b>	<b>Statutory Advisor Updates</b>	58
	Patrick Reinhart, Executive Director	
	Governor’s Council on Disabilities and Special Education	
<b>10:15</b>	<b>Break</b>	
<b>10:30</b>	<b>Statutory Advisor Updates</b>	60
	Denise Daniello, Executive Director	
	Alaska Commission on Aging	
<b>11:00</b>	<b>Statutory Advisor Updates</b>	71
	Alison Kulas, Executive Director	
	Alaska Mental Health Board /	
	Advisory Board on Alcoholism and Drug Abuse	

## Thursday, May 24, 2018 (Continued)

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<b>11:30</b>	<b>Catered Lunch</b>	
<b>12:30</b>	<b>Ethics Training</b> <ul style="list-style-type: none"><li>• Stuart Goering &amp; Maria Bahr, Department of Law</li></ul>	
<b>1:30</b>	<b>Finance Committee Report</b> <ul style="list-style-type: none"><li>• Approvals</li></ul>	80
<b>2:05</b>	<b>Audit &amp; Risk Committee Report</b>	91
<b>2:20</b>	<b>Break</b>	
<b>2:35</b>	<b>Resource Management Committee Report</b> <ul style="list-style-type: none"><li>• Approvals</li></ul>	93
<b>3:15</b>	<b>Program &amp; Planning Committee Report</b> <ul style="list-style-type: none"><li>• Approvals</li></ul>	102
<b>4:00</b>	<b>Approval of CEO Job Description</b>	143
<b>4:15</b>	<b>Trustee Comments</b>	
<b>4:30</b>	<b>Recess</b>	
<b>4:45</b>	<b>Public Comment</b> <ul style="list-style-type: none"><li>• For Public Comment Guidelines click <a href="#">here</a></li></ul>	
	<b>Adjourn</b>	

## Future Meeting Dates

### Full Board of Trustee / Program & Planning / Resource Management / Audit & Risk / Finance

### 2018 / 2019 / 2020

(Updated – May 10, 2018)

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- |                                |                            |                        |
|--------------------------------|----------------------------|------------------------|
| • Full Board of Trustee        | May 24, <u>2018</u>        | (Thu) – Anchorage      |
| • Program & Planning Committee | Jul 31- Aug 1, <u>2018</u> | (Tue, Wed)             |
| • Resource Mgt Committee       | August 2, <u>2018</u>      | (Thu)                  |
| • Audit & Risk Committee       | August 2, <u>2018</u>      | (Thu)                  |
| • Finance Committee            | August 2, <u>2018</u>      | (Thu)                  |
| • Full Board of Trustee        | Sep 5-6, <u>2018</u>       | (Wed, Thu) – Anchorage |
| • Program & Planning Committee | October 17, <u>2018</u>    | (Wed)                  |
| • Resource Mgt Committee       | October 17, <u>2018</u>    | (Wed)                  |
| • Audit & Risk Committee       | October 17, <u>2018</u>    | (Wed)                  |
| • Finance Committee            | October 17, <u>2018</u>    | (Wed)                  |
| • Full Board of Trustee        | November 15, <u>2018</u>   | (Thu) – Anchorage      |

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|--------------------------------|----------------------------|------------------------|
| • Program & Planning Committee | January 3, <u>2019</u>     | (Thu)                  |
| • Resource Mgt Committee       | January 3, <u>2019</u>     | (Thu)                  |
| • Audit & Risk Committee       | January 3, <u>2019</u>     | (Thu)                  |
| • Finance Committee            | January 3, <u>2019</u>     | (Thu)                  |
| • Full Board of Trustee        | January 30-31, <u>2019</u> | (Wed, Thu) – JUNEAU    |
| • Program & Planning Committee | April 17, <u>2019</u>      | (Wed)                  |
| • Resource Mgt Committee       | April 17, <u>2019</u>      | (Wed)                  |
| • Audit & Risk Committee       | April 17, <u>2019</u>      | (Wed)                  |
| • Finance Committee            | April 17, <u>2019</u>      | (Wed)                  |
| • Full Board of Trustee        | May 8, <u>2019</u>         | (Wed) – TBD            |
| • Program & Planning Committee | July 30-31, <u>2019</u>    | (Tue, Wed)             |
| • Resource Mgt Committee       | August 1, <u>2019</u>      | (Thu)                  |
| • Audit & Risk Committee       | August 1, <u>2019</u>      | (Thu)                  |
| • Finance Committee            | August 1, <u>2019</u>      | (Thu)                  |
| • Full Board of Trustee        | September 4-5, <u>2019</u> | (Wed, Thu) – Anchorage |

## Future Meeting Dates

### Full Board of Trustee / Program & Planning / Resource Management / Audit & Risk / Finance 2018 / 2019 / 2020

(Updated – May 10, 2018)

- Program & Planning Committee      October 16, 2019      (Wed)
- Resource Mgt Committee      October 16, 2019      (Wed)
- Audit & Risk Committee      October 16, 2019      (Wed)
- Finance Committee      October 16, 2019      (Wed)
- Full Board of Trustee      November 14, 2019      (Thu) – Anchorage

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- Program & Planning Committee      January 3, 2020      (Fri)
- Resource Mgt Committee      January 3, 2020      (Fri)
- Audit & Risk Committee      January 3, 2020      (Fri)
- Finance Committee      January 3, 2020      (Fri)
- Full Board of Trustee      January 29-30, 2020      (Wed, Thu) – JUNEAU
  
- Program & Planning Committee      April 22, 2020      (Wed)
- Resource Mgt Committee      April 22, 2020      (Wed)
- Audit & Risk Committee      April 22, 2020      (Wed)
- Finance Committee      April 22, 2020      (Wed)
- Full Board of Trustee      May 7, 2020      (Thu) – TBD
  
- Program & Planning Committee      August 4-5, 2020      (Tue, Wed)
- Resource Mgt Committee      August 6, 2020      (Thu)
- Audit & Risk Committee      August 6, 2020      (Thu)
- Finance Committee      August 6, 2020      (Thu)
- Full Board of Trustee      September 2-3, 2020      (Wed, Thu) – Anchorage  
– TAB
  
- Program & Planning Committee      October 21, 2020      (Wed)
- Resource Mgt Committee      October 21, 2020      (Wed)
- Audit & Risk Committee      October 21, 2020      (Wed)
- Finance Committee      October 21, 2020      (Wed)
- Full Board of Trustee      November 19, 2020      (Thu) – Anchorage – TAB

## **Future Meeting Dates**

### **Statutory Advisory Boards - 2018**

(Updated – May 10, 2018)

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#### **Alaska Mental Health Board / Advisory Board on Alcoholism and Drug Abuse**

- Executive Committee – monthly via teleconference (First Wednesday of the Month)
- October 2018 - Kodiak <tentative>
- Spring 2019 – Juneau <tentative>

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

- May 15, 2018 – Video/Teleconference
- June 5, 2018 – Statewide Universal Screening Task Force Meeting
- September 29-30, 2018 – Anchorage – Self Advocates Summit
- September 26-27, 2018 – Anchorage – Annual Aging & Disability Summit
- October 1, 2018 – Anchorage – Statewide Workgroup on FASD
- October 4-6, 2018 – Anchorage
- November 15, 2018 – Anchorage – Supported Decision Making Agreements Summit

#### **Alaska Commission on Aging**

- August 14-17 (face-to-face) or September 25 by video/teleconference <tentative>
- September 26-27, 2018 – Anchorage – Annual Aging & Disability Summit
- December 12 by video/teleconference <tentative>
- February 11-13, 2019 (face-to-face) or February 13 by video/teleconference <tentative>
- May 1, 2019 by video/teleconference <tentative>

**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

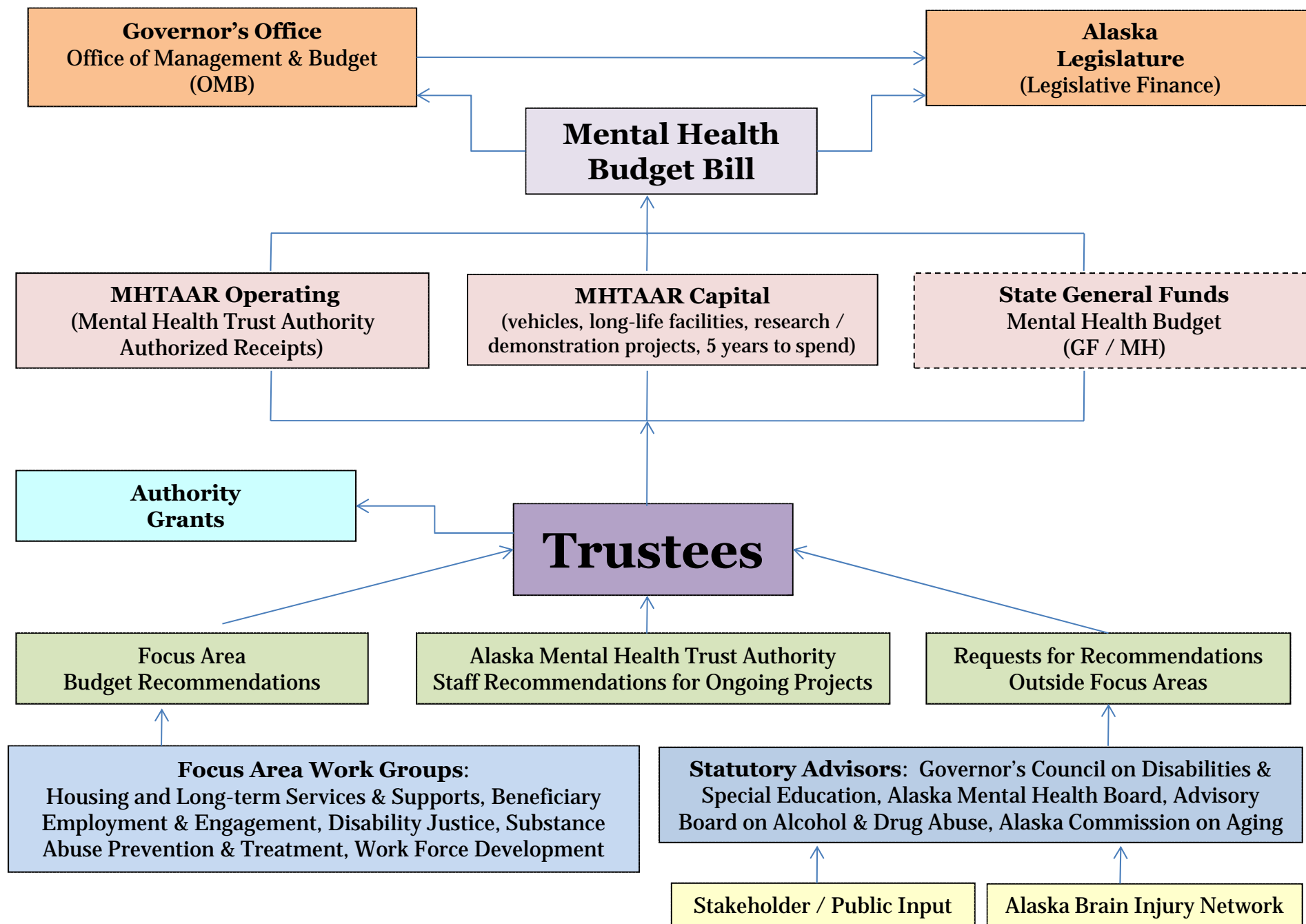
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The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust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

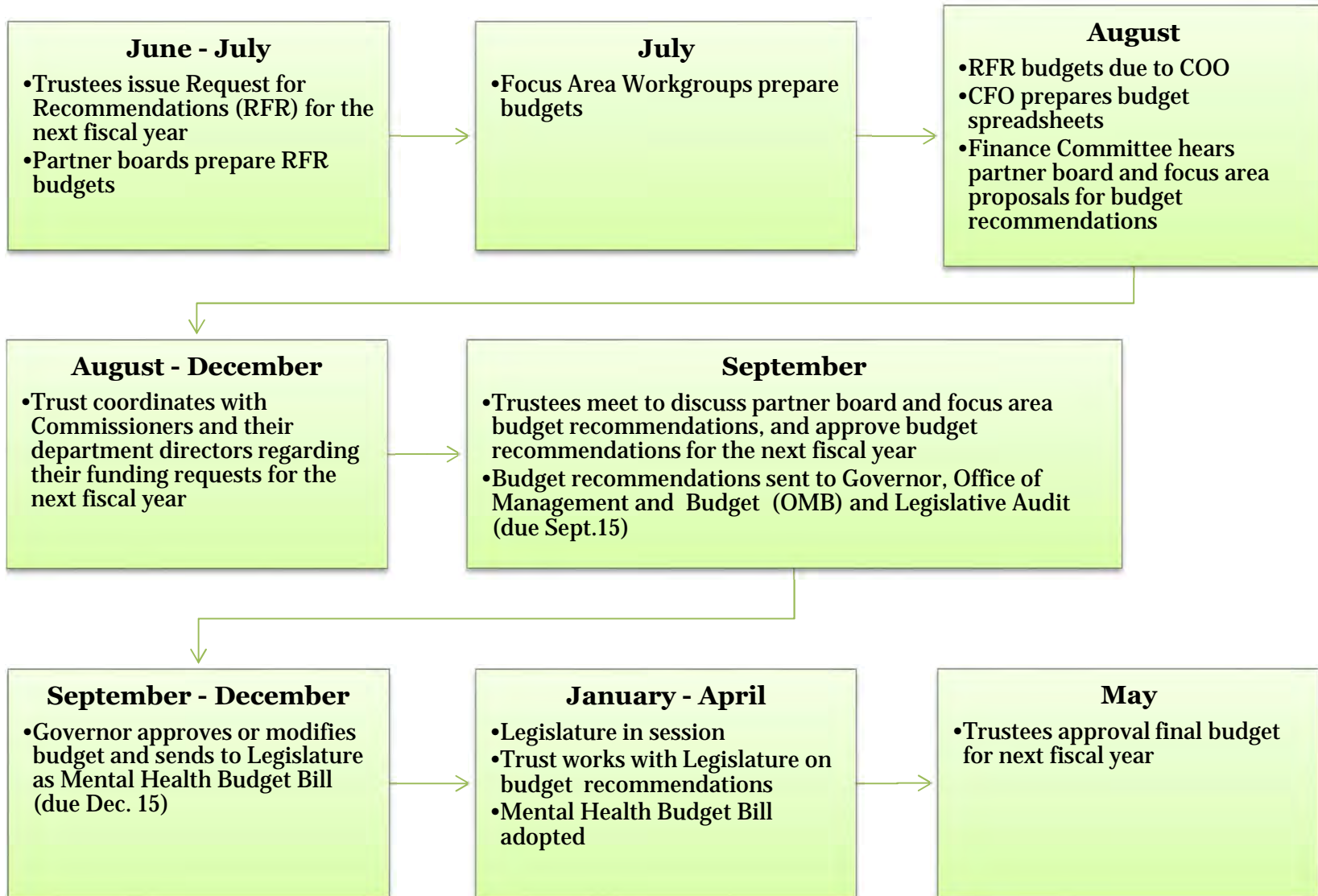
Approved 5-12-09, Board of Trustee meeting



# Alaska Mental Health Trust Authority Budget Process



## Annual Mental Health Budget Bill Process

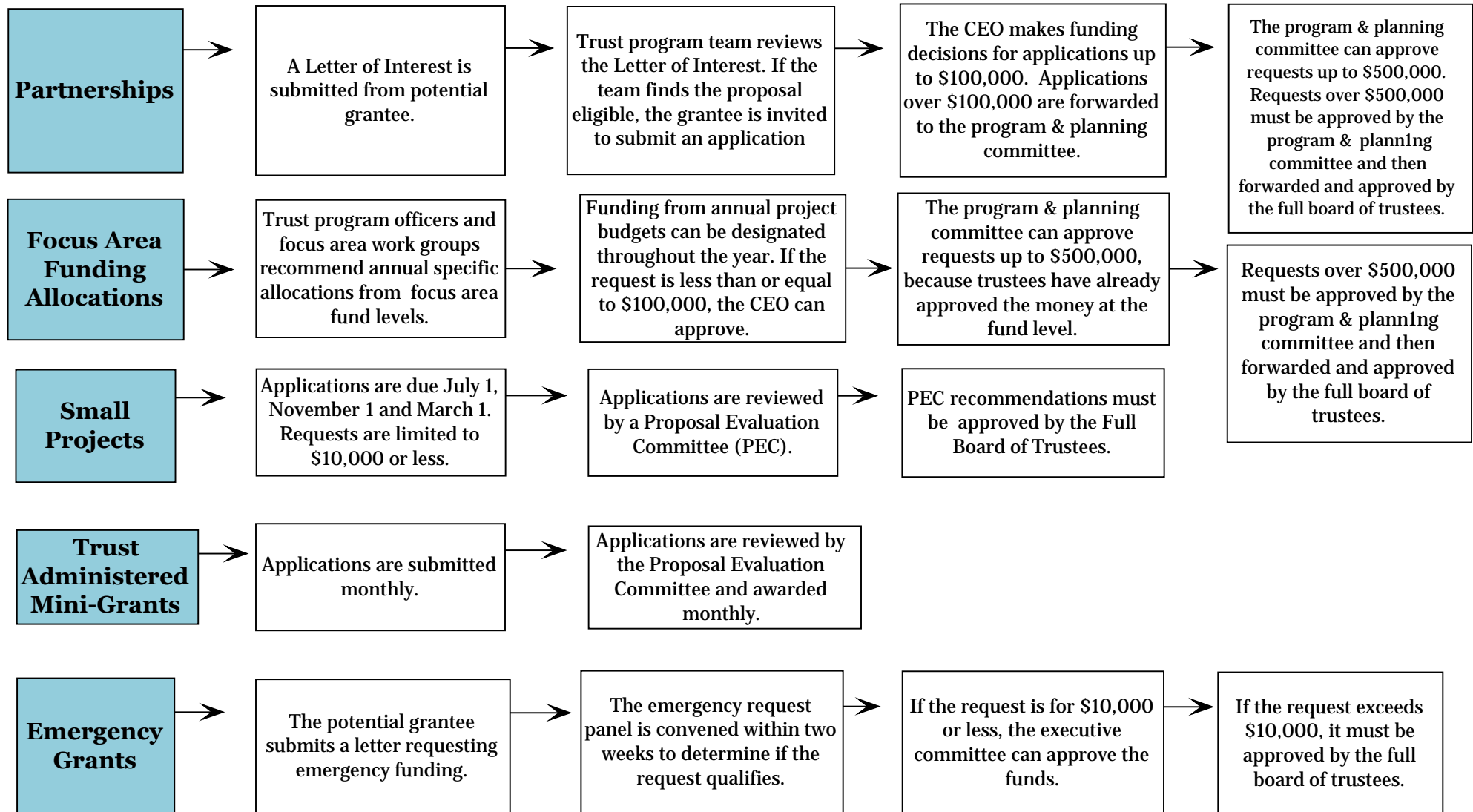


Note: timeline represents those items in the green boxes in the chart entitled "Alaska Mental Health Budget Process"

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 24-25, 2018  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY  
FULL BOARD OF TRUSTEES MEETING

January 24, 2018  
8:30 a.m.

Taken at:  
Elizabeth Peratrovich Hall  
320 W. Willoughby Avenue  
Juneau, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair  
Carlton Smith  
Laraine Derr  
Paula Easley  
Jerome Selby  
Christopher Cooke  
Greg Jones

Trust staff present:

Mike Abbott  
Steve Williams  
Miri Smith-Coolidge  
Carley Lawrence  
Katie Baldwin-Johnson  
Andy Stemp  
Kelda Barstad

Trustee Land Office present:

Wyn Menefee  
Craig Driver  
Sarah Morrison  
Aaron O'Quinn

Also present: Verne Boerner; Mike Powers; Commissioner Valerie Davidson; Monique Martin; Karen Forrest; Kathy Craft; Patrick Reinhart; Alison Klaus; Denise Daniello; Marie Darlin; Patrick Sidmore; Bev Schoonover; Teri Tibbet; Sandra Heffern; Brenda Moore; Robert Boghill, Jr.; Paul Voelkers; Carly Uchytel; Bob Janes; Dave Branding; Bruce Habberger; Bruce Van Dusen; Duff Mitchell.

## PROCEEDINGS

CHAIR MICHAEL welcomes all and states that the presentation before the Senate Finance Committee just finished, and it seemed to be favorably received. She continues that it was a good precedent for the day, and she is looking forward to the meetings over the next two days. She asks for a motion to call the meeting to order.

TRUSTEE DERR makes a motion to call the Full Board of Trustees meeting to order.

TRUSTEE JONES seconds.

CHAIR MICHAEL calls the roll, and states all trustees are present. She also states that present today are two future trustees, Verne Boerner and Mike Powers, who have been recommended by the Governor and are awaiting legislative confirmation. She thanks them for attending. She then asks for any changes in the agenda.

TRUSTEE COOKE states the it was his impression that part of the reason for having this meeting in Juneau was the opportunity to meet with the Permanent Fund people to discuss investment strategies, but that is not on the agenda.

MR. ABBOTT replies that Angela Rodell discussed that point with trustees in September, and that meeting is tentatively scheduled for September 2018.

CHAIR MICHAEL asks for any other questions and changes to the agenda. There being none, she asks for a motion.

TRUSTEE SELBY makes a motion to approve the agenda.

TRUSTEE JONES seconds.

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

## STATUTORY ADVISOR UPDATE

CHAIR MICHAEL welcomes the Commissioner and staff and thanks them for coming this morning. She asks the Commissioner to continue.

COMMISSIONER DAVIDSON states that she is Commissioner of the Department of Health and Social Services. She introduces Karen Forrest, deputy commissioner; Randall Burns, director of the Division of Behavioral Health; and Monique Martin, who helps the policy advisor for the Department in the Commissioner's Office. She states that she will provide several updates and begins with the budget; specifically, on some of the Governor's SUD funds that were put into the budget. She continues that all have been struggling with the budget deficits since 2015 and have cut government spending across the state significantly. There are 3,000 fewer state employees throughout the state; over 40 facilities have been closed; and about 100 programs and services have been reduced or eliminated funding. She adds that her department

has cut \$210 million from the General Fund budget since 2015, and has eliminated about 120 jobs. The good news is that the funding in the Governor's FY19 budget requests are the same as last year, with a few exceptions. There were no additional decreases from the '18 budget. She states that there is an increase of \$18 million for grants for substance use disorder treatment programs for '19. In terms of the SUD treatment funding, the Governor, as part of his public safety action plan, recognizes that public safety continues to be an issue in the state, and it has become increasingly problematic. She continues that, as part of the criminal justice reform effort, that treatment is a significant opportunity to be able to reverse some of the unfortunate trends. She explains that when there are gaps in the behavioral health system, there are increases in public safety encounters. The cases increase in the number of inmates in correctional facilities, and increases in the number of children in and out of home placements and encountering the welfare system. Also, increases in emergency room overutilization are expected. She states that the \$18 million invested over a several-year period in providing more SUD treatment services is one of the attempts to change the dynamic in the state. She talks about some of the services that are being anticipated, and she wants to make sure that the opportunities exist throughout the state, not just in the urban centers. There is about \$4.5 million for medically monitored withdrawal management, inpatient service; \$1.5 million for ambulatory withdrawal management; \$4.5 million for residential and outpatient substance use disorder treatment. She states that there is a need for sobering centers, and substance misuse crisis evaluation services, and \$3 million will be dedicated to that. \$1.5 million will be dedicated to housing assistance and supports, and then \$3 million to assist with startup costs. This will also build upon the past SUD appropriations that came in 2017. She continues that the community engagements, community partnerships are critical to making the most of the opportunities offered. The Central Peninsula Hospital received \$2.5 million to be able to do detox and opened in August of 2017. They have six beds with a capacity to increase to ten. Their average length of stay is about five days; and the hospital has been able to move patients to their residential treatment programs. She adds that a part of their program also includes the opportunity for patients to return for monthly naltrexone shots. The funds to purchase the facility were made available by the Kenai Peninsula Borough on behalf of the hospital. That level of community engagement really was critical to being able to allow those dollars to stretch farther. Set Free Alaska in Mat-Su was awarded \$1 million. They provide substance use disorder treatment for women and children and opened in August of 2017. Their facility reached capacity in November. They have 12 treatment beds for women; and four additional beds for their children. She states that the Mat-Su Health Foundation purchased a facility and contributed about \$400,000 for renovations. The third grantee was Tanana Chiefs Conference in Fairbanks, serving the Interior, received a \$2.5 million grant for a sobering center. It opened in December of 2017 with a capacity for 12 beds. They opened for outpatient services first in December, and they are going to be able to expand to overnight services by the end of this month. She adds that their facility was secured with a no-cost or low-cost lease through the Trust; once again, an example of how those community engagements are important. She gives a shout-out to the Fairbanks Memorial Hospital, who sponsored the cost of the architectural design to make sure that a modern facility was built and met the needs of the individuals living in that community. She moves on to API and talks about workplace safety and what is happening there. The original API opened in 1963, and by 1965 had 225 available beds that provided care to Alaskans who needed inpatient psychiatric services. She states that the new facility has 80 beds. That level of reduction is a challenge, especially since there are more people in Alaska now than there were in



1963. She continues that, at that time, the opportunity was to reduce the number of folks that were systematically institutionalized inappropriately, which was a step in the right direction. There was also an effort and an intent to build more community-based programs. Unfortunately, the level of community support that was needed did not keep pace with what is needed as a state. She adds that every new employee at API is required to do safety training at orientation, and then an annual four-day refresher course to ensure their safety and the patients' safety. There are also other kinds of on-line trainings that are available to employees. She continues that there is tremendous pressure trying to meet the needs of Alaskans with the resources that are not in this budget. The other piece is what happens when someone is discharged. She states that included in the FY19 budget is requests for appropriation to be able to remodel the Anchorage Pioneer Home to convert a wing for additional dementia beds, and to have nine dedicated beds in that facility for dementia. She continues that API has become the State's defacto place to go when Alaskans are struggling with dementia. The other is an 1115 waiver. Two certificates of need were signed and approved for 24 beds at Alaska Regional, and 13 beds at Mat-Su Regional. She moves to Medicaid expansion and states that almost 40,000 Alaskans are enrolled, and \$50 million has been spent. Claims have been paid for behavioral health services through Medicaid expansion, which is an incredible opportunity to be paid for services that were not paid for before. She continues that the coordinated care demonstration projects were a requirement of Senate Bill 74. Various kinds of payment models were looked at, and an RFP for various models was put up. There are three finalists in negotiations, which will be announced soon, with the details. One of the other requirements for Senate Bill 74 was a stakeholder work group, looking at opportunities to be able to engage with stakeholders and providers. She asks for any questions.

TRUSTEE COOKE asks what kind of demand the criminal holds or placements place on API.

COMMISSIONER DAVIDSON replies that there are three ways for people to get admitted to API. First, is court-ordered for evaluation and treatment; second is voluntary; and third is involuntary hospitalizations. She asks Director Burns to provide more detail.

MR. BURNS states that the forensic unit at API, called Taku, has only ten beds. It was built at medium security. He continues that when the Court sends an individual to API for competency evaluation, staff tries to do those evaluations in the jails. They do not actually transfer people to the Taku unit for evaluation. He explains the process in more detail and adds that they are under a great deal of pressure from the Court because there is a waiting list for those beds for the purpose of doing restorations.

TRUSTEE COOKE asks if support from those folks come from the Department of Health and Social Services or from Corrections.

MR. BURNS replies no, there are three forensic psychologists, plus the psychiatrist and the nursing staff that do both the evaluation for competency at the jails and then are responsible for the restoration plan for the individuals.

TRUSTEE COOKE asks if API is paying for that care even though it is Corrections' hold.

MR. BURNS replies that this is a long-standing debate about just who is responsible for that care. The statute does not name the Department of Health and Social Services around the issue of competency evaluations or the culpability evaluations. The Department of Health and Social Services generally pays for at least one of the examiners.

TRUSTEE SMITH states that, in the budget overview, a \$3 million allocation for sobering centers was mentioned. He continues that it is a modest number, and asks what can be expected as a result of that.

COMMISSIONER DAVIDSON replies that it is not enough for sobering centers and also crisis evaluation services. The resources are not enough, but they are a step in the right direction.

TRUSTEE SELBY thanks the Commissioner and asks about the percentage of the beds being used for dementia patients at API.

MR. BURNS replies that the Denali unit is a 10-bed longer-term unit. There are about five patients that have been on that unit for a considerable length of time. There is also a contract with Hope Cottages to open a five-bed unit to transfer those individuals out of the hospital and into a nonhospital level of care. They agreed to take five, which was two years ago. Currently, the house has two people in it. They are very complex, difficult, and the issues are behavioral.

TRUSTEE SELBY states that it seems that is not a cost-effective use of the API facility, and a strong effort should be put on to finding an alternative way to not tie up API beds, facilities and staff.

COMMISSIONER DAVIDSON replies that it is a constant challenge and struggle when going from 225 beds to 80. She states that any business model for any kind of service will have that kind of incredible pressure. She adds that if anyone is interested in participating in the stakeholder work group, February 2nd is the deadline for participation and getting the information.

CHAIR MICHAEL thanks all, and recognizes Kelda Barstad.

MS. BARSTAD states that she has the focus area long-term care and supports. There are some plans that will be worked on for FY19 to see how capacity can be built up, and to look at serving seniors who have behavioral health issues and dementia. They will be taking a look at some of those complex needs of seniors in Alaska.

TRUSTEE JONES thanks the Commissioner, and asks if there is a contingency plan if money came from wherever and if there is room on the site to expand API.

MR. BURNS replies that it was built with the capacity to add one additional unit, which was up to 24 beds. It would be relatively easy to extend that system into a new unit.

A brief discussion ensues.

TRUSTEE COOKE states that one of the core elements of the mission of the Trust is the advocacy, planning and implementation of funding of a comprehensive integrated mental health program. He asks how to address all these issues that seem to be in perpetual crisis, and how can the Trust help.

COMMISSIONER DAVIDSON replies that another plan is clearly needed, and she would be happy to work with Trust staff on how to make that happen. She also acknowledges the Trust and its role and resources in providing care for Alaskans in a most appropriate setting. She thanks the Trust for ensuring the safety of Alaskans.

TRUSTEE SMITH states that, in discussions, every time API comes up there is high interest in what the future may look like. He asks when an appropriate time would be to learn about the specific plans.

COMMISSIONER DAVIDSON states that the time is now. There is the rising crime, children in out-of-home placements, emergency-room overutilization. Most Alaskans would agree that the time is now.

MR. WILLIAMS states that it is important to remember that some of the variables that have created the pressure could not have been foreseen in the past. Beneficiaries were cycling through and did not understand the process that was happening before them. The Trust started working on looking at that area and providing the education in the Court System so that when beneficiaries were in front of the judge and raised questions, they could be answered, which drove into the Disability Justice focus area. He continues that this is a reactive system which now has to look forward and plan so overbuilding does not occur as a reaction to the overflow of water that is coming. He thinks of the emphasis of preventions and how to start thinking about preventing people from getting to the higher levels of care and managing a system that really looks at the individual early on, and then works with them through the process. He adds that there will always be a crisis.

CHAIR MICHAEL asks for any other comments. There being none, she thanks the Commissioner, stating that she appreciates the partnership. She calls a short break.

(Break.)

CHAIR MICHAEL asks that the trustees review the Guiding Principles, and then asks for any ethics disclosures. Hearing none, she moves to the minutes from September 6 and 7, October 4, October 26 and 27, and November 16.

TRUSTEE COOKE makes a motion to approve the minutes for September 6 and 7, October 4, October 26 and 27, and November 16.

TRUSTEE SELBY seconds.

TRUSTEE JONES seconds.

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

CHAIR MICHAEL moves to the Mission Moment, and welcomes Kara Nelson from Haven House, and Denny Starr.

### **MISSION MOMENT**

MS. NELSON states that she is the director of Haven House Juneau. Haven House is a faith-based recovery place for women coming out of incarceration. It has been open since March 17, 2017, which is when the first sister was welcomed, and it has been operational for over three years. She explains that over that time the services have expanded based upon just the need in the communities, not just for navigating for reentry, but also for recovery support services. There is one part-time staff member, and we have been able to change policy and procedures to be able to go inside the prison at any time to help support folks' prerelease, and we also have an incredible relationship with Probation and the Department of Corrections, as well as all of the stakeholders through the coalitions and substance disorder agencies. She gives a snapshot of a six-month period. She states that Haven House is an incredible home which houses up to eight women. There is a very structured program that people are guided through. She continues that there are also nonresidential services that also help contribute to the larger picture. She introduces Denny Star who has graciously accepted to share her story, and been a part of Haven House before it was even opened.

MS. STARR states that she is originally from Angoon and was a long-term inmate at Hiland Mountain. She lives in Juneau now. She stated that she was in a domestic relationship for 8.5 years, and had two children very young. She explains that she got sentenced to prison for 35 years, with 15 suspended. She explains that at 10 years she was able to go to the parole board, but had no support and needed reference letters. She continues that her mom told her about Haven House as a place that she could possibly come home to because she had no place to go. Her mom contacted Ms. Nelson, who came and visited. The next thing, a few days later, she had three reference letters to go to the parole board. She had 2.5 years to go, which was hard to accept. She ended up getting letters of encouragement in the mail from multiple people that she did not know that were a part of Haven House. She adds that she struggled with being in a place in the community, but Kara was always on hand when she was needed. Being placed at the Haven House was an incredible experience because there were times that she felt alone and was reassured, which helped her make sense of her life. She states that she was supposed to leave six months later, but felt that one more month was needed. She was allowed to stay the additional month, and that was when she felt that she was okay to move forward. She continues that Haven House helped her with her self-esteem, and a lot of values were developed from what she did there. She adds that Kara is still in her life and is a friend that continues to be supportive. She states that she has a future from Haven House, because of the support of people who believe in people who change. She continues to be a work in progress.

(Applause.)

CHAIR MICHAEL thanks Ms. Starr, and states that she is an inspiration with her story. She asks for any questions from the trustees.

TRUSTEE EASLEY comments that she toured the facility some years ago.

CHAIR MICHAEL asks for any other questions from the trustees. She asks how Haven House is funded.

MS. NELSON replies that the Alaska Mental Health Trust is one funder; there is also funding through the Juneau Community Foundation; and about 50 percent of the budget comes from community donations. One of the challenges and successes concerning funding is being a new entity that is doing something different. She adds that it is a time of developing relationships and hopes that there will be more collaborations locally.

CHAIR MICHAEL appreciates the presentation, and then breaks for lunch.

(Lunch break.)

CHAIR MICHAEL states that next on the agenda is the CEO report.

## **STAFF REPORT**

### **CEO UPDATE**

MR. ABBOTT states that the 2017 annual report of the Trust has been handed out. It represents the first time that the Trust Land Office is consolidated inside the Trust annual report. He continues that staff is working hard to create one public identity for the Trust, not segmenting the Trust Land Office and the Trust Authority Office. He adds that there are some limitations on that consolidating, but with the clear guidance received from the trustees, we look forward to continuing to push that. On social media, all of the communication efforts should be linked in coming months. He states that the consolidated advocacy effort and information-sharing process that the Trust has supported, and in some cases funded, is well underway. He continues, stating that Heidi Wailand has accepted a position with the Alaska Native Tribal Health Consortium, and Mr. Williams is in the process of building a recommendation on what changes, if any, should be made to that position as we are considering filling it. He adds that there is one other vacancy in the program officer position, and potentially others in the offing. He states, that with the new committee charters being cemented, he wants to make sure that the trustees are clear with what the staff assignments are for the different trustee committees: The Planning and Policy Committee will be staffed by Steve Williams; Resources Committee will be staffed by Wyn Menefee; Andy Stemp will be supporting both the Finance Committee and the Audit Committee. Some of the highlights from the Trust Land Office are: The Southeast land exchange is moving forward on schedule, and we are tracking to implement phase I by the May 5<sup>th</sup> deadline that is referenced in the Congressional legislation. That will trigger the Naukati timber sale on Prince of Wales Island. The best-interest decision on that was submitted about a week ago. He adds that the procedural steps necessary to complete the land exchange and then initiate timber sales associated with that are being finalized. He states that staff has been approached by a couple of folks that are interested in the Trust gaining control of a piece of land that is currently controlled by the Department of Defense adjacent to Fort Wainwright in Fairbanks. He explains that there

is a subdivision of housing built on DOD land that is being leased to a private owner that owns the housing there. That private owner has said that they would like the Trust to consider acquiring that land, likely through an exchange, so that a long-term arrangement for the continuation of providing housing on that parcel could be reached. He states that right now the Department of Defense is only willing to lease the land on a continuing basis for five years at a time. The housing is in reasonably good condition and has been there for about 25 years. It does require additional investments, and the owners are uncomfortable making those investments if there is only five years of leasing at a time. He continues that there are Trust lands on the east side of Fort Wainwright that have limited near-term economic value that may be good candidates for a land exchange. He adds that that conversation is in the very early stages, but it does present the opportunity to provide immediate cashflow from Trust lands that would otherwise not be available in the near future. He explains the process in more detail. He moves to the legislation audit and states that word has been received from the legislative audit team that they are almost done and are ready to start the process of presenting their preliminary findings next week.

A brief discussion ensues.

TRUSTEE EASLEY comments that this is outstanding, informative, and staff did an amazing job on it.

MR. ABBOTT states that Carley deserves all the credit for having that put together, and adds that it has been distributed to the Legislature. He concludes his report.

CHAIR MICHAEL states that the meeting will recess to the State Capital and will reconvene at 3:00 p.m.

(Break.)

CHAIR MICHAEL states that the trustees are all back, and she recognizes Patrick Reinhart to make his presentation on the Governor's Council on Disabilities and Special Education.

## **STATUTORY ADVISOR UPDATES GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION**

MR. REINHART begins by handing out the annual report. He begins with the Early Intervention Infant Learning Programs in the budget. He states that this particular budget issue is typically one that could be targeted. There are maintenance-of-effort requirements with this program that if the safe funding is reduced there would be an exponential negative impact on the funding available to all the infant learning programs around the state. He continues that the Council acts as the advisory board to the Infant Learning Program with the State, which is now with the Division of Senior and Disability Services. There is \$110,000 given to support part of one of the staff people to act as that staff to the early intervention committee. He points out that a lot of their funding, a significant amount in the past has been RSA, reimbursable services agreement, with the Center for Human Development at UAA. There is an issue because they are not given as much money as they have been given in the past. He states that the big change in this year's budget is in the grant-funded community development disability grants, which are

gone for next year. Any disability grants are combined into a category of just senior and disability grants. He continues that all the funding for this is essentially being replaced by the individual supports waiver that was supposed to start January 1. It looks like that transition will not occur until March. There may be an issue related to not enough funding in the current year's budget to fund some of the obligations to individuals that are in grant services. He adds that SDS is looking to see if there is an opportunity to switch it from Medicaid receipts. The funding was there, but was put in a different category under Medicaid versus grant funding.

CHAIR MICHAEL asks about the ISW, some of the individuals are already receiving Medicaid services and are going to transition to the new waiver, and some are new people who are taken off the waitlist will also get the ISW.

MR. REINHART explains that it was supposed to be a minimal amount of funding to help individual families until they got on the waiver while waiting. This ISW kind of replaces the old grant-funded program. He moves on to the Alaska Training Cooperative, which coordinates almost all of the training for all of the beneficiary groups. The Alaska Mobility Coalition is still going. The coordinated transportation funding has gone up both on the Trust and State levels. This supports those human service transportation programs that are all over the state. He moves on to the legislative priorities. One of them is the developmental disability vision and values codified in state law. He states that he met with Senator Micciche's staff about a new version of a draft bill that the Department is reviewing today. He encouraged them to get it done and will advocate for it. It is primarily an aspirational language type of bill that we want future administrations to abide by when home- and community-based services are provided. It will be a primary focus of the Key Coalition. In support of decision-making agreements, there is a draft bill through Representative Millett's office about what to do about making these supported bills legal to guardianship, and she is totally for it. He continues that there is also a resolution about bills that increase revenues and contribute to a stable government economy, which is the biggest issue, and concern is a balanced budget that can be counted on for services going into the future. Also, being watched closely, is the civil legal services fund, which got pretty far last year. He states that a lot of the beneficiaries depend on Alaska Legal Services and Disability Law Services for free help. He continues, going through and explaining their support. He states that they have an opportunity to meet with the Governor's wife for the third year in a row. There is an hour spent in the Governor's house with both him and his wife, which is a good experience and opportunity to share our legislative priorities. He continues that the inclusive practice award is on February 6<sup>th</sup> and welcomes any trustees to come to any of these things. The Key Campaign is March 1 in Juneau. He adds that the Full Lives Conference is April 12 and 13 in Anchorage. This year the Senior and Disability Services will put on a care coordinator's conference, which is going to be combined as one event for care coordinators and for direct-service workers. It will be three days rather than two, with a bit different focus. The National Disability Policy Seminar is April 23-25. The national organization meets every other year in Washington, D.C. and this year they are meeting in July. That will be kind of the annual advocacy with the Senators and our representative in D.C. He moves to the education committee and recognizes staff person Anne Applegate, who has been invited, along with committee chair, David Kohler, by Commissioner Johnson to be part of the monthly leadership calls with partners around the state. They are working on looking at issues, particularly around the education of children that are Deaf. This is something that the Council never had access to before. He states that DD and

Medicaid Ad Hoc Committees are commenting about regulation packets put out in the Community First Choice options in the individualized supports waiver. There is also a work group working on proposed legislation for supported decision-making. He continues that there is a workforce work group survey to inform what is going on in terms of barriers to employment. The Early Intervention Committee is involved in the universal developmental screening, and they developed a task force working on making sure that all infants are screened for developmental disabilities early so they can get early intervention services. He adds that is a very active group which is involved with getting a lot of different organizations to participate. He updates on the Alaska ABLE account. There was a significant amount of energy and effort into getting the work out about ABLE accounts. There are now 94 funded ABLE accounts in the state, with \$395,000 in those savings accounts. He adds that there are more accounts opened that are not being counted because there is no money in them yet. He explains that they worked with the Department of Revenue Banking Division on the report for the Alaska Legislature on that, and they are going to continue to do outreach throughout 2018 to people with disabilities and families, service providers, and state agencies.

CHAIR MICHAEL asks for any questions.

TRUSTEE EASLEY asks about the workforce work group survey and if that was the survey results or the survey itself going out.

MR. REINHART replies that the survey is going out to providers on what some of the barriers are being experienced in getting people to work.

TRUSTEE EASLEY states that she would be interested in seeing these results.

TRUSTEE DERR asks about House Bill 54 and the Council being against that on the voluntary termination of life. She asks what kind of discussion was had.

MR. REINHART replies that it generates a lot of conversation and the Council cannot come to agreement on it. Some people support it and some people do not. He states that it is one of those slippery-slope issues that if it is done, then someone may be encouraged to go that route with a family member with a significant disability.

TRUSTEE COOKE asks how many Alaskans are within the Council's framework of focus.

MR. REINHART replies that it is a poor calculation that goes back to the '60s. He states that their national group is working on recalculating things differently based on certain factors. It is basically a percentage of the population that experiences these series of developmental disabilities, and is calculated on the number of people in the state.

TRUSTEE SMITH encourages Mr. Reinhart to engage in the Mission Moment, having someone from the Council share their story.

CHAIR MICHAEL asks Mr. Reinhart to tell the story of how you helped get the land for the Challenge Alaska facility. It is a great Mission Moment.



MR. REINHART tells the story about how Challenge Alaska arrived at the piece of property in Girdwood where Challenge Alaska's ski school is located. He explains that this happened when he was a director of Challenge Alaska. The Japanese owners that bought the resort basically kicked out Challenge Alaska from the spot they were, and they built a new day lodge. Challenge Alaska was wandering around without a home for a few years. He states that he looked at this spot off the side of Chair 3 at Alyeska, and decided that was the place. It had a cliff base with a road going up to it that people could come into the building, get into their adaptive equipment, ski downhill to the chair lift, and be able to come from the uphill side into the building. That essentially could be the most independent they could possibly be. He states that at the time, the Japanese owners would have nothing to do with it and got to the point that they did not want people with disabilities skiing there. It was frustrating. Then a miracle happened. He stated that he got a call from Justin Dart, Jr., the father of the Americans with Disabilities Act, the chair of the President's Committee on Employment of the Handicapped. He was going to all 50 states to promote the passage of the Americans with Disabilities Act. He continued that Mr. Dart got in contact and asked to have a public hearing set up and to have interviews with the television stations. He explained that the Dart family owned Tupperware, and Mr. Dart was in charge of Tupperware Asia, where he met his wife, Yoshiko. He stated that he asked for one favor, that Mr. Dart meet with the Japanese general manager of Alyeska and convince them that giving this piece of property for the ski school was the right thing to do. Mr. Dart said to set up the meeting. The meeting at Alyeska was set up, and he brought Mr. and Mrs. Dart to meet with the Japanese general manager, who did not speak very good English. He states that Mr. Dart was in a wheelchair from polio, and we had to lift him up all the stairs to go into the general manager's office. Mr. Dart stated to the manager that he comes from the President of the United States' office, and to give Patrick whatever he wants, make a deal. And the meeting was over. He adds that Yoshiko Dart interpreted everything, and there was a deal for the lease of the land for 25 years. At the end of the 25 years, the land had to be bought or they would buy us out or continue with another lease. The acquisition deal was done because Challenge Alaska and Alyeska did not want to continue with the lease.

CHAIR MICHAEL thanks him because it is such a great story.

TRUSTEE SMITH asks Mr. Reinhart to talk a bit more about the Key Campaign for those that do not know about it.

MR. REINHART states that the Key Campaign has been going on for over 30 years. It is an annual fly-in for the beneficiary group to inform the Legislature about what their priorities are. He continues that there are 24 council members; they come in with a couple hundred families and individuals with developmental disabilities. They go up and meet with the legislators and also end up in a meeting with the Governor. He adds that there is a capital steps rally which is always covered by the local news. Then there is a candlelight vigil and a big dinner. There are a lot of legislators, the families, an auction and entertainment.

CHAIR MICHAEL thanks Mr. Reinhart and calls a break.

(Break.)

CHAIR MICHAEL reconvenes the meeting and moves to the Commission on Aging.

## **ALASKA COMMISSION ON AGING**

MS. DANIELLO introduces Vice-Chair Marie Darlin. She continues that Ms. Darlin is a long-term commissioner for the Commission of Aging and is a resident of Juneau. She continues that the Commission's purpose is to work to maintain the health, dignity and independence of older Alaskans, 60 years of age and older, through planning, advocacy, education and interagency collaboration. The Commission fulfills the federal requirement for the Federal Aging Act to advise the state on aging matters. The Commission's roster shows 11 members. Some of the members are public members; six members are of senior age, 60 years and older. She continues that they have designated seats for the Department of Health and Social Services, the Department of Economic Development, a senior services provider, and for the chair for the Pioneer Home Advisory Board. There are two staff members for the Commission. She proceeds with a quick overview of the senior population, 2017 estimates that were released a couple of weeks ago. She continues talking about the budget, looking at the enacted budget with the Governor's proposed FY 2019 budget, and then looks at the federal budget appropriations. She gives a quick update on the Commission's advocacy priorities; this is year two of a two-year session with the same priorities as last year. She talks about the Behavioral Risk Factors Surveillance Survey, the 2016 perceived cognitive impairment module findings which presents findings that compare Alaska with the 20-state composite. She states that the Department of Labor Workforce Development released the new population of estimates for Alaska. According to those estimates, the total state population, including all age categories, is now 737,000. That represents a loss of 2,629 residents from 2016. She adds that the senior population continues to grow, and it now makes up close to 18 percent of the total state population. There are 6,386 seniors age 85 and older who are the ones most at risk for developing chronic health conditions, cognitive impairments, Alzheimer's disease and related dementias, and in need of long-term services. The good news is that funding for the senior core programs has been maintained or increased. She expounds on this more fully on both the state and the federal funding. She then moves to legislation and the Commission's advocacy efforts, stating that they are working on and will continue to work on four bills: House Bill 236, which is to extend the Alaska Senior Benefits Program; House Bill 123, disclosure of health-care costs to improve consumer awareness about the cost of medical services; support of the Civil Legal Services Fund to have a sustainable funding source for organizations that provide free and low-cost legal assistance to low-income Alaskans, veterans and seniors; House Bill 186, food donations that would remove company liabilities, allowing donation of excess food to food banks. She continues that the Commission will also be advocating for protecting the senior safety net. They will also continue to support increased supports for family and other natural caregivers. She adds that, a few weeks ago, Congress passed the RAISE Act, which stands for Recognized Assist Include Support and Engage. It has a special emphasis on updating the family caregiver strategy for the Nation. The Commission will also support funding for all senior services, including improved capacity for people with Alzheimer's disease.

TRUSTEE DERR states that HB 54 has the Older Aging Commission, which is the one on assisted-end-of-life care. She asks whether there has been a discussion in regard to that legislation.

MS. DARLIN replies that there are bi-weekly call-in sessions throughout the whole state regarding all of these issues. She states that the Commission is trying to track all of this and keep people throughout the state informed about where this legislation is in the process.

TRUSTEE DERR asks if a stand on HB 54 has been taken.

MS. DANIELLO replies that it is interesting because some people are for it and others oppose it. An official stand has not been taken. She moves on and shares some new findings received that look at the 2016 BRFSS Perceived Cognitive Impairment Module. This compares Alaska with 20 other states. She explains that BRFSS are telephone surveys that are conducted in every state and is based on reports. This was started in 1984, and it was based on people having land lines. Over the last couple of years, it has transitioned to cell phones. Every state participates, and it is the largest health-related surveillance system in the world, gathering a lot of data. She states that the Commission on Aging, the Trust and the National Alzheimer's Association partnered and asked the Commission on Public Health to include this special optional module in the BRFSS survey called the Perceived Cognitive Impairment Module. Perceived cognitive impairment is a self-report of increasing memory loss and confusion. She talks about the results, stating that Alaska has a higher percentage of people who are reporting increasing memory loss and confusion. She explains this in greater detail, focusing on the people that are talking with their doctors to get connected with services as early as possible. The troubling news is that about one in three people in Alaska that have increasing memory problems are also reporting that they live alone. This same module was done in 2013, and the ratio was 1 in 8 Alaskans reported memory problems and lived alone. She continues that the preliminary planning efforts for the next state plan for senior services has begun. It will be for FY 2020-2023. A senior survey has been put together for publication in the Senior Voice. She continues that the Elder Senior Listening forums will also be starting. The Commission meets February 5-9 in Juneau and will discuss the next state plan which will be looking at a more broader population of aging needs. They will also be working on the roadmap, which will intensify in the fall, doing the needs assessment activities for the state plan. She states that the annual report is complete, but has not been properly formatted. This report includes the senior snapshot which has a lot of data on a number of health and wellness indicators for Alaska seniors, as well as the number of people receiving services, and demographic information. This is a very useful resource and is updated every year. She moves back to the Commission meeting on February 5-9 and states that in addition to the board meeting and partner reports, a special called The Partnering and Advocacy for Alaska Seniors meeting will be hosted on the morning of February 6. There will be a special presentation from AARP, the national office, about the long-term services scorecard. A scorecard was released for every state to basically evaluate the services that each state provides for seniors. The Commissioners will also be meeting with legislators and their staffs, and then will visit a few communities in Southeast on Thursday as part of the rural outreach.

TRUSTEE SMITH asks for a history of Marie Darlin's longstanding commitment for the Commission.

MS. DANIELLO replies that Ms. Darlin started with the Commission in 2008 and is an important Commissioner. She is also a model for successful aging. She gives to the community, to the state, to her family, and to the organizations she serves. She has worked tirelessly as an advocate for Alaska seniors, for the Commission on Aging and for AARP Alaska for about 15 or 16 years. She also testifies on various bills of interest for seniors. Legislators know her, recognize her and respect her, and they especially listen when she speaks. Another aspect of Ms. Darlin is that she also is a volunteer for the State's Historical Society and had a major role in the design of the State Museum. She also volunteers for the Juneau City Museum. She is an active member of the National Active Retired Federal Employees Association and served on the Juneau Commission on Aging for many years.

TRUSTEE DERR states that many aspire to be as active as septuagenarians and octogenarians.

TRUSTEE SMITH states the Ms. Darlin was at the Assembly every year, and goes there regularly. The Assembly pays attention to what she has to say. He thanks her for that.

CHAIR MICHAEL thanks all and calls a break.

(Break.)

## **PUBLIC COMMENT**

CHAIR MICHAEL calls the meeting back to order for the public comment period. She reads the guidelines for public comment and then begins in Juneau, recognizing Duff Mitchell.

MR. MITCHELL states that he is a resident of Juneau, and is here to ask for consideration to sell the lot that is waterfront to the Alaska Ocean Center. He talks about his background as a previous purchaser with Develop Juneau Now where the Juneau district heating facility will be placed.

CHAIR MICHAEL thanks Mr. Mitchell, and recognizes Bruce Van Dusen.

MR. VAN DUSEN states that he lives in Juneau and is executive director of Polaris House. He explains that Polaris House is a club house member of Club House International Corporation which consists of more than 300 club houses in more than 30 countries. Polaris House serves a beneficiary population of adults 18 and older who are living with mental illness diagnosis, currently serving more than 70 people. He adds that new memberships grow 12 to 15 each year, which has caused growing out of the current space. He states that the City and Borough of Juneau has made a property available for applications for businesses or services that benefit the community. He continues that a proposal has been submitted to purchase the property. He adds that Polaris House has had discussions about purchasing the property with Trust Authority staff, which looks promising. The property has been valued at \$320,000 with more than 3,000 square feet. It has all the necessary equipment modifications to make this a permanent home for Polaris House. He adds that it will provide the ability to start much needed psychiatric respite services, which the Division of Behavioral Health is supportive of for Juneau. He states the intent is to

solicit funds from the Trust Authority to aid in purchasing this property with the aim of securing the funds necessary. He continues that it provides a first step to a long-term goal of establishing the Polaris House Foundation. He adds that the Trust has been supportive of Polaris House for many years, and this has insured providing the best most effective services to persons living with a mental illness diagnosis. He also takes the opportunity to thank the Trust as an active partner serving Trust beneficiaries.

CHAIR MICHAEL thanks Mr. Van Dusen, and recognizes Don Habberger.

MR. HABERGER states that he is speaking of behalf of the Juneau Re-entry Coalition and will touch upon three things for the coalition's highlights and progress: Planning, engagement and results. He explains each in greater detail and goes through community assessment which was a requirement of the agreement with the Trust. He adds that the community as a whole is ready for the conversation. The business community shows the receptiveness, but the community in Juneau wants to know how to solve the opiate crisis and getting more engagement. He continues that one of the big processes that the coalition got engaged in was case management for those coming out of incarceration, volunteering to go through a program, and having that program for resources on the inside, planning for them and getting connected to resources on the outside. He states that in January the first two program volunteers graduated from the nine-month program. There are community members going into the Lemon Creek in-reach program for folks coming out into the community.

TRUSTEE EASLEY states that this is exciting to hear, and she hopes that more and more communities will form these coalitions. She asks if there is any interest from other communities.

MR. HABERGER replies that Ketchikan is forming a coalition.

TRUSTEE SMITH shares that, in his opinion, Mr. Habberger has already created Juneau as a model coalition. He recognizes the high level of coordination work that he has done, encouraging him to get the Municipality and the Assembly involved.

CHAIR MICHAEL thanks Mr. Habberger, and recognizes Dave Branding.

MR. BRANDING states that he is the CEO at JAMHI and begins with a history of NCABD Juneau, established in 1965, and with the Salvation Army, helped to establish the first halfway house for people with alcoholism in this community. Notably, more recently, it was instrumental, along with the Trust, in establishing the Juneau Re-entry Coalition. He continues with a history of JAMHI which has grown, over time, into becoming an integrated primary-care provider, expanding its focus into whole-person health and wellness. He announces the merger of these two organizations into JAMHI Health and Wellness, Inc. This has been a focus of the organizations for the last six months, and it was completed last week. He states that together as a merged organization they are now pursuing the mission of helping people live their own best lives. He continues that the integrated behavioral health services and primary-care services that are provided are open to anyone in the community at the new clinic, which has been open for several weeks, which will provide primary-care services for serving youth and anyone in the community that needs health-care on a sliding-fee schedule. He hopes that when the trustees do

the site visit at Forget-Me-Not Manor, they will take time to see the clinic and learn a bit more about the work that has been happening, in part, because of this merger.

CHAIR MICHAEL thanks Mr. Branding, and recognizes Bob James.

MR. JAMES states that he lives in Juneau, and three years ago, along with several very well-meaning people, founded Alaska Ocean Center. The desire at that time was to provide a \$24 million center, self-sustaining for the cruise ship visitors to learn about the issues of ocean health and climate change in Alaska. He talks about the design, and adds that the Alaska Ocean Center has partnered with another entity that has the \$3,220,000 to purchase the property. He explains in more detail, stating that the ocean center is going to have a research arm with the technology to help provide Alaskans with the information needed to make the changes. He asks for the Trust's help, and thanks all for their time.

CHAIR MICHAEL thanks Mr. James, and recognizes Carl Uchytel.

MR. UCHYTIL states that he is the port director in Juneau, which entails the four municipal harbors throughout the borough, two of the cruise ship docks Downtown. There are six long-trap facilities throughout the Borough from Echo Cove to Taku Harbor. He continues that he is here with his strongest unqualified request to sell the C-1 property. He adds that it would be a private harbor with private funds, which would increase the capacity of small cruise ships that come to Juneau annually. He, once again, states a strong support for the sale of C-1 for the ocean center.

CHAIR MICHAEL thanks Mr. Uchytel, and recognizes Paul Voelkers.

MR. VOELKERS states that he is a Douglas resident and talks about the ocean center and the potential purchase of C-1. He continues that he is a member of the board and is involved in the trench level, working on the plan and design of the project since 2015. He describes the planning lever and understands what it will do for local commerce. He adds that the Juneau delegation, the state level, the mayor's office and Juneau Assembly are all supportive because of the linkages and the opportunities for some things to converge together.

CHAIR MICHAEL thanks Mr. Voelkers, and asks for anyone on-line who would like to testify. There being no one, she concludes the public comment period for the day. She states that the meeting will begin again at 9:00 a.m. tomorrow morning.

(AMHTA Full Board meeting adjourned at 5:03 p.m.)

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD OF TRUSTEES MEETING

January 25, 2018

8:30 a.m.

Taken at:

Elizabeth Peratrovich Hall  
320 W. Willoughby Avenue  
Juneau, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair

Carlton Smith

Laraine Derr

Paula Easley

Jerome Selby

Christopher Cooke

Greg Jones

Trust staff present:

Mike Abbott

Steve Williams

Miri Smith-Coolidge

Carley Lawrence

Katie Baldwin-Johnson

Andy Stemp

Kelda Barstad

Trustee Land Office present:

Wyn Menefee

Craig Driver

Sarah Morrison

Aaron O'Quinn

Also present: Verne Boerner; Mike Powers; Randall Burns; Commissioner Valerie Davidson; Monique Martin; Karen Forrest; Kathy Craft; Patrick Reinhart; Alison Klaus; Denise Daniello; Marie Darlin; Patrick Sidmore; Bev Schoonover; Teri Tibbet; Sandra Heffern; Brenda Moore; Robert Boghill, Jr.

## **PROCEEDINGS**

CHAIR MICHAEL reconvenes and states that there is a meeting with the auditors on the legislative audit on February 1. She would like to see if the trustees are available for a teleconference special board meeting in the morning of February 2. The trustees agree on 11:00 a.m. She adds that the meeting needs to be noticed. She asks Mike Abbott to continue.

MR. ABBOTT announces that Kathy Craft, long-time team member that has been working on workforce development, has accepted a position at UAA College of Health as statewide director. He congratulates her.

(Applause.)

MR. ABBOTT states that she will be working with Jeff Jessee. He continues that she has agreed to continue to support the Trust over the next few months on workforce development. He thanks her for so much great service, and he looks forward to working with her on a bigger job.

CHAIR MICHAEL asks for any other announcements. There being none, she moves to the next statutory advisory update.

## **STATUTORY ADVISORY UPDATE**

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

MS. KULAS states that she is the new executive director for the Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse. With her are two of the board representatives: Brenda Moore, Chair of the Alaska Mental Health Board, and Bob Coghill from the Advisory Board on Alcoholism and Drug Abuse. She mentions that the State Suicide Prevention Council is also a part of their duties. She gives a brief history about her public health background and previous positions. She moves on to the mission of the boards, stating that they are charged with planning and coordinating behavioral health services funded by the State of Alaska. The joint mission is to advocate for programs and services that promote healthy, independent and productive Alaskans. She continues that the vision includes getting all Alaskans to be able to live their healthiest, most productive lives, and wanting to provide and promote meaningful opportunities to share ideas and experiences related to behavioral health and support solutions and constituent problems, and also engaging folks to really connect ideas in what they are doing. She states that problems are identified, and then we work with the communities to identify those solutions. She continues that work services are evaluated with the focus on clinical practice and client outcomes; tracking, identifying and promoting the programs that are achieving enormous success, and we have seen good outcomes. She moves to some of the major component accomplishments so far in FY18. One of the biggest things that the boards have been working on is Medicaid redesign and reform, the 1115 behavioral health demonstration waiver. She describes the direction the boards worked for engagement to draft the 1115 waiver concept paper to be part of that conversation with CMS within 2017. That was compiled and sent out for public comment, with 350 comments received. They were collected



and sent to DHSS for the next steps in the application, and then submitted it into CMS. She states that the next piece is the opioid misuse and addiction. The task force issued a broad set of recommendations to work on preventing, treating and supporting recovery from opioid misuse and addiction. That work was always grounded in the science of addiction and how opioids really affect the brain and the body. She moves to the Alaska Fetal Alcohol Spectrum Disorders Partnership, which is a statewide coalition of individuals diagnosed with FASD, their families, service providers, and other interested community members. This statewide work group worked on the educational component for foster families, as well as OCS workers. Adverse childhood experience is another component of the work which continues with the state and community partners in collecting information, analyzing data, and reporting out Alaska-specific information. She adds that there has been significant work on early childhood and mental health. She talks about the trauma-informed schools pilot project program where schools are using findings to better understand students' behaviors, and to support student achievement. This pilot project is working in Juneau, San Francisco and New York. She continues that doctors were worked with to ensure the screening for ACEs and incorporating that into the treatment. The resources that are standing out were added so that Alaskans can access them on the trauma-informed project. She states that for criminal justice reform, the re-entry coalitions were worked with to identify justice-involved individuals.

MS. MOORE states that the Statewide Suicide Prevention Council worked with the Department of Education, and staff created an eLearning module for all the educators that the public can access.

MS. KULAS states that they are also working with re-entry coalitions to identify the needs of individuals with behavioral health disorders, their handlers and providers of services. The next meeting is with API and the re-entry coalitions to identify how to better coordinate across programs.

MS. MOORE adds that it is also with the Statewide Housing and Homelessness Coalition. The coordinated entry system has been operating in Anchorage, and the statewide system is getting ready to be up and running. This will be to connect API with the Housing and Homelessness Resources because some of the patients that are released from the hospital are homeless and go back to shelters. She informs the trustees that API has an executive order that created an advisory board to API. The executive order sunseted, and the API Governance Council felt that they wanted to continue with the advisory board, but it fell into limbo and was not as effective as it could have been.

MS. KULAS moves to the other pieces of the criminal justice reform and support. Teri Tibbet has done a fantastic job with advocacy training and providing educational materials to the re-entry coalition and getting people with experiences to testify on criminal justice reform. She moves into the advocacy efforts where Ms. Tibbet is working to train the grassroots advocates throughout the state on various topics, and also coordinating the weekly advocacy calls during the session.

MR. COGHILL states that an end-of-session legislative advocacy report will also be provided.

MS. KULAS states that soliciting the public input is another critical piece that came from consumers, families and community members at the board meetings that were held in Bethel and Ketchikan. Public input is critical to how the boards are prioritizing items and what is really being worked towards. She continues that working with the constituents to make Alaska a place where everyone has the opportunity for a meaningful life through access to holistic and a person-centered array of services that are delivered with competence, respect and compassion. She looks forward to growing partnerships in the coming years with the Trust and other partners.

MS. MOORE states that the Statewide Suicide Prevention Council is gearing up to release a new Statewide Suicide Prevention Plan. She continues that they will be meeting to finish up the work on all of the goals and strategies. She adds that the Suicide Prevention Council has worked closely with a number of partners, especially the Department of Education and Early Development.

MS. KULAS states that it will be voted on today to finalize it, and it should be released at the end of the month.

MS. BALDWIN-JOHNSON briefly highlights some of the examples in how staff partners with the boards. The work done is amazing, and she commends them on this. She then moves to the advocacy training and to the 1115 public outreach efforts. She reminds trustees that that was part of the funding approved for Medicaid reform.

MS. TIBBET states that it is important to say that the advocacy effort is a complete partnership with and paid for entirely by the Trust. She adds that all the trainings happen in collaboration with Trust staff, and it is co-managed together.

MR. COGHILL states that the advocacy has changed, and the Trust reorganized it. He adds that there is a way to go forward.

TRUSTEE EASLEY asks if there is a way to get data on how successful any of the programs are, both public and private, and whether a difference is being made in the substance abuse field.

MS. KULAS replies that making a call to DBH to identify how to start capturing the cost per patient will be worked on.

MR. STEMPEL states that this is a universal question when people try to allocate resources and match what is received for the money spent. He speaks to his experiences on the subject. He states that he can get information from the insurance side of things, and to ask if there is other data available.

MS. KULAS states that the ASO, as part of the 1115 waiver, will try to get some advice on those pieces.

TRUSTEE COOKE comments on the cost of treatment and care, and the need to build into that equation the cost of not treating and caring for people. The cost to communities, businesses, and society. He states that one of the things you do is inform and make recommendations to the

Trust and others about concerns of the boards. He asks if there are any recommendations to the Trust.

MS. MOORE replies that the executive committees of the boards had the opportunity to meet with the executive staff of the Trust and shares some of the concerns. They were mostly around the legislation and moving forward. She states that the hope is to move forward with a new organizational structure and bylaws and charters in order to be able to work more effectively and efficiently together.

MR. WILLIAMS comments that those recommendations come through in an ongoing, realtime way, and then, in some very specific and targeted ways throughout the year. Staff is closely working with the advisory boards.

A brief discussion ensues.

CHAIR MICHAEL reminds trustees that future meeting dates for all the advisory boards are in the packet, and the next board meeting is in Barrow.

MR. ABBOTT highlights a few things and states that he was impressed with the boards and the quality of the teleconference conversations.

CHAIR MICHAEL states that next on the agenda is the approval of the FY18 budget modifications, Small Projects.

## **APPROVAL**

### **FY18 BUDGET MODIFICATION – SMALL PROJECTS**

TRUSTEE SELBY makes a motion to approve the transfer of \$250,000 of FY18 Authority Grant Funds from the FY18 small projects line to the FY18 partnership/designated grants line.

TRUSTEE DERR seconds.

MR. ABBOTT states that staff recommends the approval of the motion and explains in detail.

MR. WILLIAMS gives a brief history and states that the small projects have been small innovative grants that nonprofits in the community can apply for to impact beneficiary lives. He states that 13 applications were received to date, about halfway through the fiscal year. None of them met the guidelines for small projects. These grants do not go through the State budget and are awarded directly to the community nonprofits. He describes the applications and grants in more detail.

A clarifying discussion ensues.

CHAIR MICHAEL asks for any objections.

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

## **PROGRAM AND PLANNING COMMITTEE REPORT**

TRUSTEE COOKE states that there is a brief memo from Michael Baldwin about the last meeting of the Program and Planning Committee meeting, which was held January 4. It summarizes the presentations that were heard at that time. He continues that the next committee meeting is in mid-April. He adds that Mr. Baldwin has started the process of providing quarterly reports of grants approved at the staff level. He found it very useful in keeping aware of the flow of projects coming to and through the Trust.

CHAIR MICHAEL comments that she would like to have the opportunity to sit down and talk about issues in more depth.

TRUSTEE SELBY agrees and requests that for the April Planning Committee meeting that the staff bring some information to start discussing an API plan.

TRUSTEE JONES agrees, and suggests doing some short-term things, particularly at API. Facilities are in a crisis in almost every area of mental health. He asked the Commissioner's office to put together a basic scope and budget for the 24-bed expansion. There is the possibility that the Planning Committee is the place to look at it and work with the Department to get that done quickly. He would like that conversation of the Trust helping to get started.

TRUSTEE DERR states that she was encouraged when, yesterday, they said that they were using a wing in the Pioneer Home. She continues that we keep hearing that the Pioneer Homes cannot be full because they cannot hire the staff. There are Pioneer Homes all over the state and there is or may be an empty wing because they cannot put people in there because they do not have the staff. She suggests thinking outside of the box. There are facilities all over the state that are sitting vacant. She asks why communities can't begin to think about some of this inter-coordination.

TRUSTEE COOKE states that this requires planning and the only way to get change is by a broad community effort to demand that such facilities be utilized. He endorses that whole idea.

MS. BARSTAD states that the Pioneer Home has issued a request from the program staff which will be assisting in obtaining a contractor to look at a staffing study. This is very new, and she adds that some of that work is beginning.

TRUSTEE SELBY states the need to be creative and supports Trustee Jones' idea to move quickly on API. He adds that this is the kind of stuff he would like to see thought about in the whole process.

CHAIR MICHAEL states that the Program & Planning Committee would like to meet more frequently and more intensely. She moves to the Resource Management Committee report.

## RESOURCE MANAGEMENT COMMITTEE REPORT

TRUSTEE SMITH states that the committee met on January 4 and took up two consultations. After consultation, the committee concurred. He would like for Mr. Menefee to speak to the process of consultation.

MR. MENEFEE explains that the Trust Land Office has projects that have started or were applied for and need consideration. One, there is a valid proposal, and, in the interest of the Trust, a best-interest decision was prepared. Regarding the best-interest decision, the regulations say that before public notice can be issued, there is a need to consult with the Board of Trustees. He states that with the new charters and bylaws there are different levels at which the value of the transaction requires either going to the CEO and consult by informing and receiving feedback. It goes to the Resource Management Committee or the Full Board because of the different levels of value. He explains in more detail, and then states that the purpose of the consultation is to actually provide background and information about the benefits of the transaction for feedback.

TRUSTEE JONES makes a motion that the Alaska Mental Health Board of Trustees concur with the Executive Director of the Trust Land Office's decision that the land exchange contemplated by the Alaska Mental Health Land Exchange Act of 2017 is in the best interest of the Trust, as required by 22 SLA 17, Section 6(a)(2).

TRUSTEE SMITH seconds.

MR. MENEFEE states, for the record, that this exchange is of great value to the Trust in the sense of having assets that are by communities that we are not able to develop. There is much resistance, conditional-use permits, and everything else that will thwart the Trust from really realizing gains from some of these properties that are next to the communities. He adds that the communities want them protected, and they want their recreational trails, scenic backdrops all protected. He continues that by doing this exchange with the U.S. Forest Service, the assets will be repositioned into an area that can be developed. They are prime timber assets and there are contractors that will want those timber lands. Timber is a harvestable crop that will grow again. The aspect of bringing in the \$40 million is anticipated with \$15 million from the first sale. This is a very lucrative transaction. He highly suggests doing this.

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

TRUSTEE SELBY makes a motion that the Alaska Mental Health Authority Board of Trustees concurs with the Executive Director of the Trust Land Office to dispose of a portion of Trust parcels SM-7016, DM-7015, SM1530-A01, SM-1505-A01, and SM-1506-01, through the selling of a conservation easement, lease, deed restriction, restrictive covenant or other conveyance or instrument restricting certain surface use activities for purposes of retaining or protecting wetland values of the Trust property.

TRUSTEE JONES seconds.

MR. MENEFEE states that this is one of the asset types of doing mitigation marketing. In a situation like this, some the assets to be conserved in a certain way and getting value for that is to set aside some of the assets. That value is sold to conservation. He continues that, in this case, Donlin Gold, a mining company, has to get 401 permits from the Corps of Engineers. If they are going to fill or destroy wetlands, they have to mitigate for that. The way the Corps allows for that is to conserve other areas of wetlands. He adds that wetlands are not key for development, for putting structures on. They are undesired because it is hard to develop on them. He states that this is a good use of wetlands in a very remote location, and he highly recommends this sale of wetlands.

TRUSTEE COOKE states that through inheritance he owns a small number of shares of Calista Corporation, which he believes has a financial interest or ownership interest with Donlin Gold, LLC. To avoid any appearance of conflict of interest, he declares that connection and will abstain from the vote on the motion.

TRUSTEE EASLEY states that she supports the motion and reminds everyone that Alaska has more wetlands than all of the other states combined. She continues, if a compensatory mitigation is going to be done, do it on dry land. She expounds on this with examples.

MR. MENEFEE states that the point is valid, but the challenge is that federal law that drives the Corps is used equally across all the Nation. He continues that until laws actually change, the Corps is required to do this.

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

TRUSTEE COOKE states that he abstained.

CHAIR MICHAEL calls a break.

(Break.)

TRUSTEE SELBY commends Mr. Menefee and staff, particularly with regard to the land exchange effort that has been made here.

(Applause)

CHAIR MICHAEL states that next is the Audit & Risk Committee.

## **AUDIT & RISK COMMITTEE REPORT**

TRUSTEE DERR states that the Audit and Risk Committee met on January 4 and received the audit from BDO. She turns it over to Mr. Stemp.

MR. STEMPEL states that the final report document was passed out and is substantially the same document that was presented at the committee. He notes that the committee made some recommendations to improve the level of detail around the real investments. That change was

made in the final report, and the footnote was expanded to include that information. He continues that he summarized the key points from the auditor's report. The third bullet point talks about upcoming changes. This area is going to impact all governmental entities that are participating in the PERS system. This is the second half of the changes to accounting around retirement. He sums up the auditor's report and the presentation of the final published report for the trustees' consideration.

TRUSTEE DERR makes a motion that the Audit and Risk Committee recommends the Full Board of Trustees accept the Trust audit report as presented by BDO in this final document.

TRUSTEE SELBY seconds.

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

TRUSTEE COOKE asks if the Trust has a contract with BDO to perform future audits.

MR. STEMPEL replies that BDO was the auditor on contract between the Trust. The relationship and the communications of the Authority is outside of management. They work for the board, and they are independent of management in reporting back. It is an objective review of the results. He states that they have an agreement with the Trust with an option to extend the agreement. In his opinion, their work is satisfactory, with no expectation of changing the arrangement.

TRUSTEE SMITH asks to review how this new committee will function during the year.

MR. STEMPEL states that this is a very positive, very proactive step in terms of governance. He continues that by having this committee there is a proactive model and there are more opportunities for communication, as well as collaboration between the trustees and the auditors. It is designed to complement the existing work, and to give more resources and tools to discharge the duties of the trustees.

MR. POWERS asks if there is any training for committee members on some of the nuances associated with that audit.

MR. STEMPEL replies that he will pass out an excellent handout.

CHAIR MICHAEL moves to the Finance Committee.

## **FINANCE COMMITTEE REPORT**

TRUSTEE SELBY states that the Finance Committee met on January 4 and had some actions.

TRUSTEE SELBY made a motion that the Full Board of Trustees approve the Finance Committee's recommendation to consolidate the inflation-proofing account into the main investment portfolio.

TRUSTEE JONES seconds.

MR. STEMPEL states that there was money identified, and the segregated portion of the reserves, and the request is to consolidate that money into the main body of the Trust investments. He continues that this will simplify the administration of the assets. He adds that the significance of this action is that it does permanently commit that \$5 million to the Trust investment portfolio.

TRUSTEE DERR asks what the remaining inflation-proofing liability is.

MR. STEMPEL replies that he will get that number updated.

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

TRUSTEE SELBY makes a motion that the Full Board of Trustees approve the Finance Committee's recommended motion to authorize the transfer of \$21,111,000 from the Alaska Permanent Fund Budget Reserve accounts to the Mental Health Settlement Income Account to finance the FY2018 base disbursement calculation.

TRUSTEE JONES seconds.

MR. STEMPEL states that this action will move out of the investment accounts and be transferred over for our regular operations of the Trust.

TRUSTEE DERR asks if this changes the bottom line on the budget.

MR. STEMPEL replies no.

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

TRUSTEE SELBY concludes his report, and states that he has one item that he would like the board to consider. He continues that his two esteemed colleagues on his left have done a lot of work for this board over many years. He requests that the board invite them to the May meeting of the board and maybe have a recognition dinner for the two parting colleagues. He thinks that the board should have this as a routine part of acknowledging people's contributions to the organization.

TRUSTEE EASLEY states that it has been more than 20 years for some of the trees, and she asks that someone might do an aerial survey to see if some of the old trees are getting old enough to cut again.

TRUSTEE JONES states that it takes 50 years.

MR. MENEFEE replies that the aspect is that it is about 70 years in a good area. He states that some of the lands with trees are coming close to harvest.



TRUSTEE JONES states that he thinks that the staff can work with the departments that the Trust deals with to help with the facility side. There are facilities shortfalls in almost every area from Alzheimer's to general elderly to Corrections to API to substance abuse. In keeping with the intent to stay out of programs, the Trust could ideally be involved in the facilities part of the solution. He adds that he would like to see the Trust being uniquely qualified to focus on that area.

CHAIR MICHAEL asks for any other comments.

TRUSTEE JONES states that he is impressed with how quickly Mike Abbott has come up to speed, and he is feeling good about the transition.

TRUSTEE SMITH makes a brief comment about the public testimony received about the disposal process and the Trust's role in that process. He thinks that the committee and the trustees need to focus on improving the public understanding of how it works.

TRUSTEE COOKE states that it seems that it is an unnecessary step to present the same motion twice, once in committee and then to the full board. He, once again, asks why the committee meetings could not just be board meetings dealing with committee-focused topics. It seems that this could make the board more efficient.

MS. BOERNER commends the staff for the great preparation and welcomes the new staff and their ability to jump right in. To the trustees, she states that this has been invaluable as she goes through the process and the confirmation process overall.

MR. POWERS states appreciation for the welcome and friendly ways extended to him. He continues that he was surprised by the Pioneer Home discussion and the robustness of that; and the vulnerability of the dementia patients in API; and the opiate use. He adds that he is honored to be at this table.

TRUSTEE DERR comments in regard to Mike Powers coming up on this board. When Dr. Doolittle was appointed to this board, Mike Powers was one of the letters of recommendation that got him appointed. She thinks that it is great that the cycle has come around and has completed.

MS. KULAS thanks all for allowing them to sit at the table and listen. She looks forward to working with all.

MR. COGHILL agrees.

MS. BARSTAD appreciates being part of the process and is excited to hear that Planning & Programming wants to hear about different contracts. She looks forward to bringing some material soon.

MS. BALDWIN-JOHNSON states appreciation for everybody and for their time and appreciates working with both Paula and Greg. She continues that this was a good meeting with lots of good dialogue.

MR. STEMPEL thanks the trustees and colleagues for the support and encouragement extended over the last several months. He also expresses his respect and appreciation to Trustees Jones and Easley for their service and efforts on behalf of the beneficiaries.

MS. LAWRENCE echoes the sentiments of her colleagues.

MR. MENEFEE thanks the trustees and states appreciation specifically for the recognition of some of the work that the staff does. He continues that there is a lot of staff that do not come to these meetings, and they are diligently working their best to do the best for the Trust.

MR. WILLIAMS agrees, and states that it is an unbelievable amount of work to make sure that the job is done efficiently and in the best interests of the beneficiaries.

MR. ABBOTT thanks both Trustees Jones and Easley. He states that Representative Seaton, co-chair of the Finance Committee, has decided he might come down and join us for lunch. He asks everybody to enjoy the hospitality of this facility for another hour.

CHAIR MICHAEL thanks everyone, and is very proud to be a part of it. She states that she is looking forward to the rest of this year.

TRUSTEE COOKE states that at these meetings a lot of time is spent listening and taking in the presentations. Having the opportunity to talk with each other and staff is very valuable, and he hopes that is built into future agendas. He continues, stating that Chair Michael is doing a fantastic job, and he appreciates the work that she does.

TRUSTEE SELBY states that all would be remiss to not thank Madam Chair and Mr. Abbott for yesterday's presentations. He states that he was impressed with the response from the Senate Finance Committee, in particular.

CHAIR MICHAEL entertains a motion to adjourn.

TRUSTEE SELBY makes a motion to adjourn the meeting.

TRUSTEE SMITH seconds.

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

(AMHTA Full Board meeting adjourned at 11:38 a.m.)

**Minutes for the  
February 9, 2018  
Full Board of Trustee  
Meeting**

ALASKA MENTAL HEALTH TRUST AUTHORITY  
SPECIAL FULL BOARD OF TRUSTEES MEETING

February 9, 2018  
11:00 a.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:

Mary Jane Michael, Chair (via Speakerphone)  
Christopher Cooke  
Laraine Derr (via Speakerphone)  
Carlton Smith (via Speakerphone)  
Paula Easley  
Jerome Selby (via Speakerphone)  
Greg Jones (via Speakerphone)

Trust staff present:

Mike Abbott  
Steve Williams  
Andy Stemp  
Carley Lawrence  
Miri Smith-Coolidge

Trust Land Office:  
Wyn Menefee

**PROCEEDINGS**

CHAIR MICHAEL calls the Special Full Board meeting to order. She calls the roll and acknowledges that all trustees are present. She asks for a motion to approve the agenda.

TRUSTEE COOKE makes a motion to approve the agenda.

TRUSTEE SELBY seconds.

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

CHAIR MICHAEL asks for any ethics disclosures. There being none, she moves to the Legislative Audit Report, recognizing Trustee Jones.

## LEGISLATIVE AUDIT REPORT

TRUSTEE JONES states that a verbal report was received. He continues that an update to the board, which is sensitive, warrants the discussion to be held in Executive Session.

TRUSTEE JONES makes a motion that the board go into Executive Session to discuss the Legislative Audit Report in accordance with the Open Meetings Act, AS 44-62310(c).

TRUSTEE EASLEY seconds.

MR. ABBOTT recommends that the motion be clarified because there will be a conversation about a similar subject to describe that the materials to be discussed in the Executive Session are required to be held in confidence by the Trust at this time.

TRUSTEE JONES notes that and places it in the motion.

TRUSTEE EASLEY seconds.

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

(Executive Session from 11:10 a.m. until 12:30 p.m.)

CHAIR MICHAEL states that they are out of Executive Session.

TRUSTEE SELBY notes, for the record, that the trustees just came out of Executive Session where no action was taken.

MR. ABBOTT goes through an overview of the expected timeline and states that the Legislative Audit folks are not able to be very specific about all of the timelines, which he suggests are their fault. He continues that they are not able to accurately predict when different elements will be finished. He adds that the next document expected is the management letter, which will be produced in draft form and sent to the Trust for comments around February 28, a relatively firm date. He adds, that will be a confidential document which will be delivered to Chair Michael, the Commissioners of DNR, and Department of Revenue. He states that there will be ten working days to comment on that. From the end of that comment period, it will take them one to two weeks to convert that into a preliminary report to the Legislative Budget & Audit Committee. He continues, that will be presented to Senator Stedman and his group in Executive Session. At the same time, it will be presented to the Trust confidentially, as well as to DNR and Department of Revenue. Then, there will be 20 calendar days for the opportunity to comment on that. He adds that the final will be released publicly at an LB&A Committee meeting, three to five weeks after the first LB&A meeting. It will be late April to early, mid-May before there will be a fully public final report blessed and released by the committee. He states that the first comment period is a chance to actually convince the Legislative Audit staff that they want to change their report. He considers this an important opportunity that should be taken full advantage of.

TRUSTEE COOKE states that the timeline described sounds as though it could run to the normal end of the legislative session. He asks what happens if the Legislative changes to the Trust are introduced but not acted on during this Legislative session.

MR. ABBOTT replies that it will die.

TRUSTEE COOKE asks how that will be reconciled.

MR. ABBOTT replies that it will be challenging.

TRUSTEE COOKE states that it behooves the trustees to persuade people in the Legislature to not link the two as far as sequencing one to the other.

MR. ABBOTT replies yes.

CHAIR MICHAEL asks for any other questions on the timeline or any other topics.

MR. ABBOTT asks the committee to consider the creation of some sort of a trustee review or group that the staff could work with for the next several weeks on building a proposed response. He adds, that does not necessarily need to be resolved today. He states that he would expect to bring this issue back to the Full Board, but would like some guidance in the meantime.

CHAIR MICHAEL replies that it needs to be three or less members, or the meeting would have to be noticed.

MR. ABBOTT states that the charters give the authority to establish those ad hoc committees, and knowing by this time next week on how to move forward would be enough.

TRUSTEE JONES asks if there will be a report from outside counsel within the next week.

MR. ABBOTT replies no.

TRUSTEE JONES states that he was trying to get Chair Michael as much information as possible before determining on what type of activity she should decide about.

CHAIR MICHAEL asks if there are individuals interested in participating.

TRUSTEE DERR states that she is.

TRUSTEE JONES suggests talking with the members, and deciding in the next few days.

TRUSTEE SMITH believes that the conversation should occur with every trustee.

CHAIR MICHAEL asks for any other comments or questions.

TRUSTEE COOKE states that there is a need to also consider that there are two people who have been appointed by the Governor to the board that should be coming up for confirmation hearings in the next month or so. He continues that they should be briefed on some of the issues discussed today.

CHAIR MICHAEL replies that she will touch base with them. She states that, since this is confidential, she will not tell them any details other than what is on the public record.

MR. ABBOTT states that he will send a couple of public documents that can be shared. He also states that the audit team was very complimentary of the staff and other Trust folks. They also apologized for it taking so long. He adds that this audit may not have been wanted, but once it was commissioned, all participated professionally and generously.

CHAIR MICHAEL thanks Mr. Abbott, adding that if there are no other comments, a motion to adjourn is in order.

TRUSTEE JONES makes a motion to adjourn the meeting.

TRUSTEE SELBY seconds.

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

(Special Full Board meeting adjourned at 12:50 p.m.)

**Minutes for the  
March 19, 2018  
Full Board of Trustee  
Meeting**



ALASKA MENTAL HEALTH TRUST AUTHORITY  
SPECIAL FULL BOARD OF TRUSTEES MEETING

March 19, 2018  
11:00 a.m.

Taken at:  
Alaska Mental Health Trust Authority  
3745 Community Park Loop, Suite 210  
Anchorage, Alaska

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**OFFICIAL MINUTES**

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Trustees present:

Mary Jane Michael, Chair (via Speakerphone)  
Laraine Derr (via Speakerphone)  
Carlton Smith  
Paula Easley  
Jerome Selby (via Speakerphone)  
Greg Jones

Trust staff present:

Mike Abbott  
Andy Stemp  
Miri Smith-Coolidge  
Valette Keller

Trust Land Office:

Wyn Menefee  
Craig Driver  
Aaron O'Quinn

Others participating:

Stuart W. Goering, Attorney General's Office; Elizabeth Hodes, Davis Wright Tremaine.

**PROCEEDINGS**

CHAIR MICHAEL calls the Special Full Board meeting to order. She calls the roll and acknowledges the trustees that are present. She asks for any announcements. There being none, she asks for a motion to accept the agenda.

TRUSTEE JONES makes a motion to approve the agenda.

TRUSTEE EASLEY seconds.

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

CHAIR MICHAEL asks for any ethics disclosures. There being none, she moves to the first item on the agenda, Legislative Audit Report and recognizes Trustee Jones.

## **LEGISLATIVE AUDIT REPORT AND RESPONSE**

TRUSTEE JONES makes a motion that the board go into Executive Session to discuss the confidential response to the Legislative Budget and Audit Committee Management Letter in accordance with the Open Meetings Act, AS44.62.310(c).

TRUSTEE EASLEY seconds.

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

(Executive Session from 11:10 a.m. until 12:10 p.m.)

CHAIR MICHAEL states that they are out of Executive Session.

TRUSTEE SELBY notes, for the record, that the trustees just came out of Executive Session in which the confidential draft of the legislative audit and response to that were discussed, but no action was taken.

CHAIR MICHAEL asks for any other comments.

TRUSTEE JONES makes a motion to adjourn the meeting.

TRUSTEE EASLEY seconds.

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

(The Special Full Board Meeting adjourned at 12:12 p.m.)

# **Current Trust Bylaws**

1  
2  
3 ALASKA MENTAL HEALTH TRUST AUTHORITY  
4 BYLAWS  
5

6  
7 ARTICLE I  
8 NAME  
9

10 The name of this organization is the Alaska Mental Health Trust Authority.  
11

12  
13 ARTICLE II  
14 PURPOSE OF THE AUTHORITY  
15

16 The Alaska Mental Health Trust Authority acts in the best interest of the beneficiaries  
17 of the trust. It is accountable to:

- 18 (a) Provide for sound governance, fiduciary oversight and direction in achieving the  
19 mission of the Trust Authority;  
20 (b) Ensure an integrated, comprehensive mental health program for the State of Alaska  
21 in partnership with Department of Health and Social Services (DHSS); and  
22 (c) Preserve, protect, and grow the trust corpus and administer trust assets.  
23  
24

25 ARTICLE III  
26 BOARD OF TRUSTEE MEMBERSHIP AND TERMS OF OFFICE  
27

28 Section 1. Trust Authority board of trustees composition:

- 29 (a) The Trust Authority shall be governed by its board of trustees.  
30 (b) The Trust Authority board of trustees, hereafter referred to as the board, consists of  
31 seven members appointed by the governor in accordance with AS 47.30.016 and  
32 confirmed by the legislature.  
33

34 Section 2. Term of office, vacancies, and removal:

- 35 (a) The members of the board serve staggered five-year terms. A member shall continue  
36 to serve until the member's successor is appointed and confirmed by the legislature.  
37 (b) A vacancy occurring in the membership of the board shall be filled within 60 days by  
38 appointment of the governor for the unexpired portion of the vacated term.  
39 (c) The governor may remove a member of the board only for cause per AS 47.30.021.  
40 (d) Except for a trustee who has served two consecutive five-year terms, a member of  
41 the board may be reappointed. A member of the board who has served two  
42 consecutive five-year terms is not eligible for reappointment to the board until one  
43 year has intervened as per AS 47.30.021(d).  
44  
45

ARTICLE IV  
BOARD OF TRUSTEE DUTIES

Section 1: The role of the board is to:

- (a) Set the vision for the organization;
- (b) Set policies for the organization, including adoption of regulations as appropriate under AS 47.30.031;
- (c) Adopt charters that define the role, authority, operating procedures, duties, and responsibilities of the board and standing committees; and
- (d) Approve contractual agreements with advisors as defined in statute and the settlement agreement, specifically Alaska Permanent Fund Corporation (APFC), Department of Natural Resources (DNR), and Statutory Advisory Boards.
- (e) Fulfill the duties listed in AS 37.14.007(b)(1)-(12).

Section 2: The board will conduct business in accordance with AS 47.30.036.

ARTICLE V  
OFFICERS AND DUTIES

Section 1. The board, by a majority vote of its membership, shall annually elect a Chair, Vice Chair, and Secretary from its membership.

Section 2. The officers will be elected by a majority vote at the annual budget approval meeting, and officers' terms of office commence upon adjournment of that meeting. Officers' terms of office end effective at adjournment of the meeting in which new officers are elected.

Section 3. Officers may be re-elected to the office in which they serve by vote of the membership of the board as above. The board's intention is to allow board members the opportunity to serve in officer roles in support of ongoing board development. To that end, no member may serve more than 2 consecutive terms in the same office except as provided for by affirmative vote of 5 board members.

Section 4. If the office of the Chair becomes vacant, the Vice Chair succeeds to the office of the Chair and serves until an election held at the next board meeting. The newly elected Chair will serve until the next annual election.

Section 5. Except for the office of Chair, if an office of the board becomes vacant, an election shall be held to fill the vacancy at the next regular meeting following the vacancy. The officer will serve until the next annual election.

Section 6. The duties of the officers shall be as follows:

(a) Chair

- 1. Call all meetings. Preside at all meetings.
- 2. Appoint chairs of committees and committee members.

3. Serve as ex-officio (voting) member of all committees, but may not concurrently serve as board Chair and chair of any standing committee, with the exception of the Executive Committee.
4. Act as primary spokesperson for the board.
5. Act as one of the official spokespersons for the Trust Authority, together with the Chief Executive Officer (CEO), when requested by the Chief Communications Officer.

(b) Vice Chair

1. Assist the Chair in the discharge of his/her duties.
2. Perform the duties of the Chair in the absence or incapacity of the Chair.
3. Perform other duties as assigned by the board.

(c) Secretary

1. Assume duties of the Chair when Chair and Vice Chair are unavailable.
2. Perform other duties as assigned by the board.
3. Assure that the records of board proceedings are maintained in accordance with these bylaws and in accordance with AS 37.14.007(b)(2) and the Records Management Act (AS 40.21).

ARTICLE VI  
MEETINGS

Section 1. The board will hold four regular meetings each fiscal year. Committees will meet as necessary to accomplish their responsibilities.

Section 2. Special or emergency meetings of the board may be held at such time and place as the Chair may order; or upon the written request to the Chair of any four trustees.

Section 3. Reasonable public notice of board and committee meetings shall be provided in accordance with AS 44.62.310. Meetings of the board and its committees are subject to the Open Meetings Act, AS 44.62.310 and 44.62.312.

Section 4. A quorum at all board meetings shall consist of four board members. A quorum at committee meetings is a majority of the committee's members.

Section 5. No member of the board may designate a proxy.

Section 6. The board will schedule at least one period for public comment during each regularly scheduled board meeting.

Section 7. Formal actions by the board are accomplished through adoption of motions.

ARTICLE VII  
COMMITTEES OF THE BOARD

There will be five standing committees of the board. Standing committee chairs and members will be appointed by the Chair after polling the board regarding individual trustee's interest and ability to serve. A member may serve as chair of only one standing committee at any time except as a stand-in until the next regularly scheduled board meeting. Standing committees will have a minimum of 3 committee members. The board chair may designate ad hoc committees to accomplish special purposes. Persons other than board members may serve on the board's ad hoc committees; however, such persons may not be voting members of such committees, only appointed board members may vote on committee actions. Committee recommendations will be reported to the board for action at the next regular board meeting.

Section 1. The Executive Committee of the board is composed of three board officers, the Chair, the Vice Chair, and the Secretary. The Executive Committee will:

- (a) Ensure development of policies for governing the Trust Authority for approval by the board.
- (b) Oversee implementation of governance policies at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.
- (c) The Executive Committee will meet only as needed.

Section 2. The Resource Management Committee will, in consultation with the CEO and Executive Director (ED) of the TLO:

- (a) Ensure development of policies for protecting, enhancing, and managing the trust's non-cash resources in the best interests of the beneficiaries for approval by the board.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with law and the committee charter adopted by the board.

Section 3. The Program and Planning Committee will, in consultation with the CEO and Executive Director (ED) of Mental Health Policy and Programs.:

- (a) Ensure development of policies to meet needs and improve the circumstances of beneficiaries; and recommends to the board for approval.
- (b) Oversee implementation of plans at the direction of and on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

Section 4. The Finance Committee will, in consultation with the CEO and Chief Financial Officer (CFO):

- (a) Ensure development of policies for investment and fiscal management for approval by the board.
- (b) Oversee implementation of approved investment and fiscal management policies on behalf of the board in accordance with Trust Authority statutes and regulations and the committee charter adopted by the board.

- 1 Section 5. The Audit and Risk Committee will, in consultation with the CEO and CFO:
- 2 (a) Ensure development of policies for managing the annual audit process and
- 3 identifying and addressing organizational risk for approval by the board.
- 4 (b) Oversee implementation of approved audit and risk management policies on behalf
- 5 of the board in accordance with Trust Authority statutes and regulations and the
- 6 committee charter adopted by the board.

7

8

9 ARTICLE VIII

10 CHIEF EXECUTIVE OFFICER

11

12 Section 1. The board shall select and employ a Chief Executive Officer as provided by law.

13

14 Section 2. The Chief Executive Officer is responsible for day-to-day operations of the Trust

15 Authority including planning, organizing, coordinating, and directing all activities

16 necessary to enable the Trust Authority to exercise its powers and duties, and

17 fulfill the purpose of the Trust Authority. The CEO will operate and conduct the

18 business and affairs of the Trust Authority according to the statutes, regulations,

19 bylaws, policies, and charters adopted by the board. The CEO duties and

20 responsibilities shall be set forth in a CEO Job description to be adopted by the

21 board.

22

23 Section 3. The Chief Executive Officer shall oversee administration of the contract with the

24 Trust Land Office on behalf of the Trust Authority to ensure compliance with

25 AS 37.14.009(a)(2).

26

27

28 Section 4. The board will evaluate the Chief Executive Officer's performance annually in

29 writing. The board will define the process for conducting annual reviews and

30 include it in the Board Operations Manual.

31

32 Section 5. Termination of employment of the Chief Executive Officer is by majority vote of

33 the board.

34

35

36 ARTICLE IX

37 PARLIAMENTARY AUTHORITY

38

39 Unless otherwise provided by law or these bylaws, the board's procedures shall be

40 governed by Robert's Rules of Order Newly Revised. The Chair may appoint an appropriate

41 person to serve as parliamentarian.

42

43

44 ARTICLE X

45 ETHICS

46

47 Board members are required to comply with the Alaska Executive Branch Ethics Act

48 (AS 39.52) and AS 47.30.016(c)(2).



1  
2  
3 ARTICLE XI  
4 AMENDMENT OF BYLAWS  
5

6 These bylaws may be amended at any meeting of the board. Amendment of these  
7 bylaws requires 5 affirmative votes of board members provided that written notice and  
8 copies of the proposed amendment have been submitted to the members 30 days prior to  
9 the meeting, or by unanimous vote without notice.  
10

11  
12 ARTICLE XII  
13 DEFINITIONS  
14

15 In these bylaws,  
16

17 **The Alaska Mental Health Trust** means the sum of all assets owned by the Alaska  
18 Mental Health Trust as established by the Alaska Mental Health Trust Enabling Act, P.L. 84-  
19 830, 70 Stat. 709 (1956) and the Mental Health Settlement Agreement (June 10, 1994),  
20 including cash and non-cash assets.  
21

22 **The Alaska Mental Health Trust Authority (the Trust Authority)** means the entity  
23 charged with administering the trust, as trustee, is governed by a seven-member board. (AS  
24 37.14.007, AS 47.30.011, AS 47.30.016)  
25

26 **The Trust Land Office (TLO)** means the unit of the Alaska Department of Natural  
27 Resources that is charged with managing the trust's natural resources, land, and other fixed  
28 assets. (AS 44.37.050)  
29

30 **Regular Meeting** means a board meeting that is scheduled at the annual budget  
31 meeting to occur during the succeeding year, provided that a regular meeting that is  
32 rescheduled on reasonable notice to the public is still a regular board meeting.  
33

34 **Special Meeting** means any board meeting other than a regular meeting, including  
35 an emergency meeting.  
36

37 **Emergency Meeting** means any board meeting conducted for the purpose of  
38 addressing time sensitive matters that may not be capable of resolution within the statutory  
39 or delegated authority of the Executive Committee or the CEO. If an emergency meeting is  
40 conducted on less than the customary public notice, public notice shall be published as  
41 soon as practicable. If the agenda of an emergency meeting is not available in advance, the  
42 agenda will be published as soon as practicable after the emergency meeting.

\_\_\_\_\_  
Mary Jane Michael, Chair

\_\_\_\_\_  
Laraine Derr, Secretary

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

**The Governor's Council on Disabilities and  
Special Education Report will be distributed at  
the Full Board of Trustee meeting  
on May 24, 2018**

# **Alaska Commission on Aging**

# Alaska Commission on Aging Presentation to the Alaska Mental Health Trust Authority



May is Older Americans Month in Alaska  
May 24, 2018  
Denise Daniello, ACoA Executive Director

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

## Presentation Outline

2

- ❑ FY2018 review of highlights from legislative session
- ❑ Impacts from legislative action for Senior Trust Beneficiaries and other vulnerable older Alaskans
- ❑ Looking forward to FY2019 and possible impacts for seniors
- ❑ ACoA updates
- ❑ Wrap-up: Questions and discussion



3

## Legislative Session Highlights, FY2018

Legislation and Budget items affecting Senior Trust Beneficiaries & other at-risk seniors



## Legislation Overview: Passed Bills (as of 5.14.2018)

4

- **Extend Alaska Senior Benefits Payment Program: CSHB 236, Representative Kawasaki/SB 70, Senator Kelly**
  - ❑ Status: HB 236 signed into law on May 10, 2018
- **Food Donations, HB 186: Representative Talerico**
  - ❑ Status: Signed into law on March 7, 2018
- **Medicaid Behavioral Health Coverage, CSSB 169: Senator Giessel**
  - ❑ Status: Awaiting transmittal to Governor
- **Civil Legal Services Fund, SCS HB 106: Representative Claman**
  - ❑ Status: Awaiting transmittal to Governor

## Passed Bills (continued)

5

- **Regulation of Smoking, CSSB 63: Senator Micciche**
  - ❑ Status: Awaiting transmittal to Governor
- **Public Health Fees, CSHB 215: House Finance**
  - ❑ Status: Passed House, referred to Senate Rules
- **New Drugs for the Terminally Ill, CSHB 43: Representative Grenn (Senator Wielechowski/SB 19)**
  - ❑ Status: Awaiting transmittal to Governor
- **Crimes Against Medical Professionals, CSHB 312: Representative Claman**
  - ❑ Status: Awaiting transmittal to Governor
- **Comprehensive Health Insurance Fund, SB 165: Senator MacKinnon**
  - ❑ Status: Awaiting transmittal to Governor

## Bill Fusion: HB 123 and CSSB 105

6

- **Disclosure of Health Care Costs, HB 123: Representative Spohnholz**
  - ❑ Status: Passed House, referred to Senate Rules
- **Marital/Family Therapy License and Medical Service, SB 105: Senator Wilson**
  - ❑ Status: Awaiting transmittal to Governor

## Mental Health (HB 285) and Operating Budget (HB 286) Conference Committee Items

7

- **DHSS Division of Behavioral Health, Hospital-based Behavioral Health Care, \$10.5 million state ACHI/\$10.5 million federal DSH funds over 3 years:** Requested funding to support hospitals in their efforts to provide treatment of persons in need of crisis intervention.
  - *Outcome: \$7 million ACHI/\$7 million DSH appropriation over 2 years.*
- **DHSS Health Care Services, Medicaid Funding:** Support \$48 million to cover shortfall in FY2018 budget and \$244.9 million to reinstate reduced funding in FY2019 budget.
  - *Outcomes: For FY18 Medicaid supplemental, \$28 million was approved. For FY19, restored funding to Governor's request less \$30 million (\$214.9 million).*
- **DHSS Division of Public Assistance, Public Assistance Field Services:** Requested \$2.2 million state/\$2.2 million fed over 3 years to hire 41 new positions to address backlog of applications and improve communication with public members.
  - *Outcome: Adds 20 new positions with \$1.1 million state/\$1.1 million federal*
- **Department of Administration, Office of Public Advocacy, Public Guardians:** Support at least \$1 million to hire 9 new public guardians and 1 guardian ad litem.
  - *Outcomes: (1) Approved \$700.0 GF appropriation for hire of 7 new PFT guardian positions; and (2) Adds \$465.0 GF to hire 4 permanent full time Guardian ad Litem positions to improve services provided to abused and neglected children.*

## Capital Budget (HB 284/SB 142 and SB 140)

8

- **DHSS Health Care Services, Medicaid Funding:** Support \$48 million to cover shortfall in FY2018 budget and \$244.9 million to reinstate reduction in FY2019 budget.
  - *Outcomes: For FY18 Medicaid supplemental, \$28 million was approved. For FY19, \$214.9 million was approved, which was the Governor's request less \$30 million.*
- **DOR AHFC Housing:** Funding for the Senior Citizen Housing Development Fund (\$2 million GF) and Weatherization (\$18 million fed/state) were in SB 140 (*contingent budget*).
  - *Outcomes: SCHDF was reduced to \$1 million and Weatherization to \$6 million (\$3 million GF/\$3 million Federal) and transferred to SB 142 (regular budget).*
- **DHSS Alaska Pioneer Homes, Renovations and Repairs:** \$2 million requested to fund ADRD wing at the Anchorage Pioneer Homes (\$747,300) and upgrades at the Ketchikan Pioneer Home (\$1.253 million). These requests were in SB 140 (*contingent budget*).
  - *Outcomes: \$1 million was approved for these projects and transferred to SB 142 (regular budget).*
- **DHSS Division of Behavioral Health: Hospital-based Behavioral Health Care, \$10.5 million state ACHI/\$10.5 million federal DSH funds:** Requested funding to support staff training, development of safe rooms, and treatment of persons in need of crisis intervention at hospital emergency rooms.
  - *Outcome: \$7 million ACHI/\$7 million DSH appropriation over 2 years.*
- **DOT Public and Community Transportation Funds:** Request \$1 million to leverage federal funds to support transit services for seniors and disabled persons.
  - *Outcome: \$500.0 state funds were approved.*



## Federal FFY2018 Budget and Policy Update

9

- Funding was increased for many Older American Act funded services.
- Funding was also increased for at-risk programs including the State Health Insurance Assistance Program, Senior Community Service Employment Program, and the Low Income Home Energy Assistance Program.
- New federal mandate *Electronic Visit Verification (EVV)* goes into effect on January 1, 2019 requiring all states to have EVV technology in place to monitor Personal Care Services in 2019 and for Medicaid funded home health care services in 2023 or risk losing a portion of federal funding for these services.

10

## Looking Ahead to FY2019

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



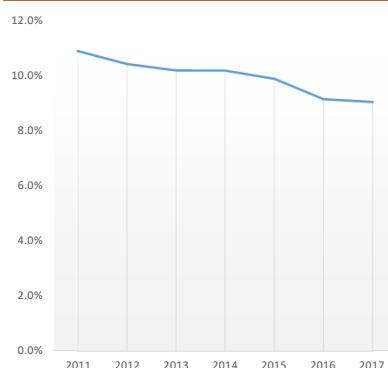
## Utilization of Nutrition, Transportation, Support Services by Alaska Seniors, FY2011-FY2017

11

**Number of Seniors, Age 60+ Receiving NTS Services**



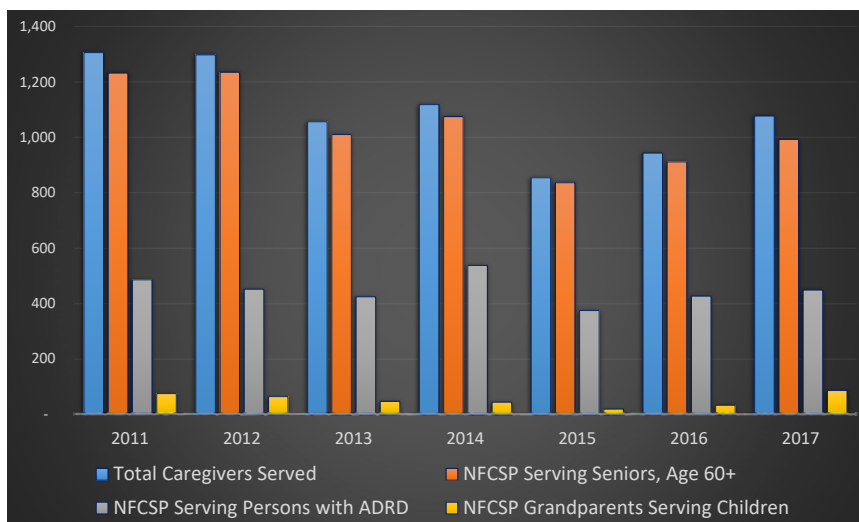
**Percentage of Seniors, Age 60+ Receiving NTS Services**



Source: Division of Senior and Disabilities Services, Grants Unit, FY2011-FY2018

## Senior Trust Beneficiaries and Alaska Seniors served by the National Family Caregiver Support Program, FY2011-FY2017

12



Source: Division of Senior and Disabilities Services, Grants Unit, FY2011-FY2018

## Exploring new ideas serving at-risk seniors and their family caregivers

13

### □ Context

- ▣ Majority of seniors needing long-term support services rely on family caregivers exclusively.
- ▣ Caregiving is hard work and places many caregivers and care receivers at-risk.
- ▣ Quality care provided by family caregiving and low cost home and community-based services helps to control rising long-term care costs and Medicaid spend by diverting those at risk of institutionalization allowing seniors to remain at home longer.

### □ New innovations to sustain and continue long-term support services

- ▣ Maintain capacity to meet the needs of the increasing senior population.
- ▣ Provide effective supports to unpaid family caregivers.
- ▣ Strategically target Medicaid investments to slow the growth rate of public expenditures.
- ▣ New 1115 Demonstration Waivers show promise to promote independence and reduce reliance on institutional care for elderly persons.

14

## Other Important Updates

2018 Older Alaskans Month Activities and the Centenarian Project

State Plan for Senior Services, FY2020-FY2023

ACoA Officer Elections



## 2018 Older Americans Month in Alaska *Engage at Every Age*

15



## 2018 Alaskan Centenarians by Community

16



## 2018 Alaskan Centenarians

17

**Alice Stevenson Green,  
Anchorage**



**Traditional Chief Fred Ewan,  
Gulkana**



## State Plan Needs Assessment Activities Update

18

- Senior Survey
  - ▣ Paper and on-line
  - ▣ 52 questions
  - ▣ May 1 – July 13, 2018
- Elder Senior Listening Sessions
  - ▣ Interactive polling exercise
  - ▣ Facilitated discussions
  - ▣ 6 sessions planned with two completed
  - ▣ Focused forums pending
- Provider Survey
  - ▣ On-line survey, August-October 2018



## Passing the Gavel

19



David Blacketer passing the gavel to Gordon Glaser as ACoA's newly elected FY2019-FY2020 Chair



Mary Shields of Anchorage was elected As ACoA's new Vice Chair, FY2019-FY2020

## Thank you! Questions?

20



*Old age ain't no place for sissies.*  
Betty Davis, Legendary Actress

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

# Alaska Mental Health Board & Advisory Board on Alcoholism and Drug Abuse

May 2018 Update



Alison Kulas, MSPH  
431 North Franklin Street  
Juneau, AK 99801

## Mission



- The Advisory Board on Alcoholism and Drug Abuse (ABADA) and the Alaska Mental Health Board (AMHB) are the state agencies charged with planning and coordinating behavioral health services funded by the State of Alaska. The joint mission of AMHB and ABADA is to advocate for programs and services that promote healthy, independent, productive Alaskans.



# FY 19 Legislative Update

## Joint Advocacy Efforts FY19

- Track and monitor all legislation that pertains to Trust beneficiaries
- Confers with Trust staff and partner boards to develop a priority legislation list including critical budget items
- Alert partners on joint advocacy priorities
- Using the bill tracking spreadsheets provided by the Trust, the Advocacy Coordinator informs partners on a weekly advocacy call
- Written report summarizing the events of session (Due May 31<sup>st</sup>, 2018)



## Key Legislation Passed- Not exhaustive and some pending Governor approval

- HB 151- Foster Care, Child Protection
- HB 273- Extend Marijuana Control Board
- HB 299- Extends Alcohol Beverage Control Board
- HB 312- Crimes Against Medical Professionals
  - Including HB 291/SB 145 AG Controlled Substances, HB 295/SB 150 Pre-Trial Release/Non-AK Criminal History, and HB 294/SB 149 Surcharge for Commission of Offense.
- SB 104- Education Curriculum Requirements
  - Including SB 128 related to establishing and depositing 25% of the state's marijuana tax into a marijuana education and treatment fund. Also provisions related to allowing the legislature to use the annual estimated balance of the recidivism reduction fund to make appropriations to DOC, DHSS, or DPS for recidivism reduction programs.
- SB 105- Marital and Family Therapy Licenses and Services
- SB 169- Medicaid Behavioral Health Coverage



## Key Legislation Not Passed- Not exhaustive

- HB 123- Disclosure of Health Care Costs
  - Rolled into SB105, awaiting transmittal
- HB 268- Opioid Prescription Information
- HCR 2- Respond to Adverse Childhood Experiences
  - Some of the language rolled into SB 105 which is awaiting transmittal
- SB 76 - Alcohol Beverage Control; Regulations
  - HB301 and HB269 to address Roadhouses and Mixed Drink in Distilleries rolled into SB45.
- SB 193- Medicaid Assistance Work Requirement
- SB 198- Long Acting Reversible Contraception (LARC) Study



# FY 19 Budget

## Conference Committee Items- Not Exhaustive

### Department of Health and Social Services

- Adds \$7 million ACHI (GF) for matching \$7 million federal DSH funds. Language: Funds were appropriated to DHSS “for hospital-based mental health care, for the fiscal years ending June 30, 2019 and June 30, 2020.”
- Adds \$3.1 million for API nursing shortage- recruitment and retention
- Adds \$12 million of the \$18 million requested to the capital budget for Substance Use Disorder Service Expansion over 3 years



## Conference Committee Items

### Medicaid Services

- Intent language as follows: "It is the intent of the legislature that the department significantly increase its efforts to reduce the state share of Medicaid service costs by managing Medicaid utilization to index with the national average per enrollee cost. In doing so, the department should take into consideration a multiplier to the national average to account for a reasonably higher cost of health care in Alaska."
- FY18 supplemental included in the capital budget: \$28M of the \$48M needed
- FY19 operating budget: \$30M less than the Governor's proposed budget



## Conference Committee Items

### Senior and Disability Services

- Intent language adopted: It is the intent of the legislature that funding for day habilitation be sufficient to provide up to 624 hours annually per recipient. The request for additional day habilitation over the annual "soft cap" of 624 hours may be approved to avoid institutional care or for the safety of Medicaid recipients.

### Division of Public Assistance

- Adds \$1,107.2 GF and \$1,107.2 federal and 20 PFT
- Funding addresses "the backlog of public assistance applications and unmanageable caseloads." House requested adding 41 positions and \$2,214.3 GF and \$2,214.4 federal for FY19-FY21.



## Conference Committee Items

### Department of Administration

- Adds \$700,000 GF and 7 PFT (Permanent Full Time) Public Guardians positions to the Base.
- Adds \$465,000 GF and 4 PFT Guardian ad Litem positions to the Base to improve services provided to abused and neglected children.

### Public Defender Agency

- Adds \$453,500 GF to the Base to reduce delay, litigation, and case costs.
- Adds \$827,200 GF and 4 PFT to the Base.



## Conference Committee Items

### Department of Corrections

- Adds intent language that the commissioner “prioritize funding and implement solutions that may include, but not limited to, transitional housing and diversion programs, that reduce the disparity in Alaska Native incarceration throughout the state.”
- Adds intent language that the commissioner “prioritize expanding the Electronic Monitoring program to Bethel.”

### Department of Education and Early Development

- Restores \$1.2 million GF for additional early learning programs support to the Base.



# FY 19 Looking Forward

## Current Focus Areas



- Adverse Childhood Experiences
- Alaska Fetal Alcohol Spectrums Disorders Partnership
- Criminal Justice Reform
- Advocacy Efforts
- Medicaid Redesign and Reform
- Alaska Opioid Incident Respond Structure
- Public Input
- Coordination and Collaboration with DHSS and other Boards

## Emerging Focus Areas

- Prevention and Treatment for Substance Use Disorders
  - Specifically alcohol, methamphetamine, and benzodiazepine misuse.
- Housing and Homelessness
- Psychiatric Emergency Care



## Questions? Comments?

Alison Kulas, Executive Director  
431 North Franklin Street  
Juneau, AK 99801  
[alison.kulas@alaska.gov](mailto:alison.kulas@alaska.gov)  
907.465.8920

Thank You!

# **Finance Committee**



**To:** Mary Jane Michael, Chair  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** May 8, 2018  
**Re:** Finance Committee Report

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### **Meeting Summary:**

There has been one meeting of the Finance Committee since the last board report. The meeting occurred on April 19, 2018 and was attended by trustees Christopher Cooke, Laraine Derr, Paula Easley, Vernè Boerner, Mary Jane Michael, Jerome Selby (Chair), and Carlton Smith.

The April 19, 2018 Finance Committee addressed four items:

**Cash Management Report:** The Committee reviewed the report provided, with additional attention and commentary around the volatility of the investment markets and the overall success of the Trust's investment portfolio. A suggestion was made to modify the cash management report to make it clearer for the readers. This suggestion will be followed up on by the staff and a new report format will be presented to the committee chair for consideration prior to the next meeting.

**FY 2019 Budget Update:** CEO Mike Abbott provided the committee members with a detailed discussion of the upcoming budget.

**Real Estate Facility Budget:** Trust Land Office Executive Director Wyn Menefee provided committee members with an update on lease renewal negotiations and the potential funding requirements for building upgrades and tenant improvements. Staff will provide the Trustees at the May meeting with a proposal to reserve a portion of monthly rental income in a shared account to help fund these building needs. This proposed change is intended to set aside money on a regular basis to meet building needs rather than present large requests with an immediate need for funding.

**Alternative Funding Sources:** CEO Mike Abbott provided an overview of alternative funding options in the event that the Trust no longer utilizes principal for certain projects.

No committee motions were made during this meeting.

The Finance Committee concluded at approximately 3:30 pm. The next scheduled meeting of the Finance Committee is **August 2, 2018**.

Trust Finance Committee Spreadsheet  
May 24, 2018

	Item Type	Proposal	Organization	Page #	Proposed Motion
<b>NEW ITEMS. BOARD ACTION REQUIRED</b>					
<b>1</b>	Authority Grant Reallocation	Reallocate FY16 Authority Grant Funds to FY19 Partnership Grants	The Trust	<b>83</b>	The trustees authorize the transfer of \$2.0 million in unallocated FY16 Authority Grant funds into the FY19 Partnership grants category.
<b>2</b>	Joint Authorization	FY19 Real Estate Management Plan and Non-Investment/Program-Related Real Estate Facility Budgets	The Trust/Trust Land Office	<b>85</b>	<p><b>Proposed Motion One:</b> The Trust Authority board of trustees authorize the use of Fund 3322 to create a central facility fund, beginning immediately in FY2018, to meet property expenses that exceed the amount of funds held at the property level. The CFO is directed to consult with the Executive Director of the Trust Land Office each quarter and transfer money from real estate rental income into the central facility fund, in an amount mutually agreed upon, until the fund reaches and is maintained at a total balance of \$2.0 million. Expenditures from this fund require approval of the CEO, RMC, or board of trustees within limitation expressed in the governance charters.</p> <p><b>Proposed Motion Two:</b> The Trust Authority board of trustees approve the incremental building expenditures, totaling \$11,603,832 for the fiscal year 2019, to be paid by the property manager in the case of expenditures, primarily from rents and other income collected from the properties or from the central facility fund for capital expenditures that cannot be covered by rents and other income from the properties. The cash flow for REMP and Non-Investment/Program Related Real Estate portfolios are to be managed respectively on a portfolio basis while maintaining appropriate building specific accounting.</p>
<b>3</b>	FY19 Budget Ratification		The Trust	<b>90</b>	The trustees ratify the Legislature's FY19 MHTAAR and MHT Admin budget amounts as appropriated during the legislative session and therefore increases the previous FY19 Trustee authorizations by \$23,600.

**To:** Mary Jane Michael, Chair  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** May 15, 2018  
**Re:** Proposed Method for Addressing Partnership Needs

---

## REQUESTED MOTION:

*The trustees authorize the transfer of \$2.0 million in unallocated FY16 Authority Grant funds into the FY19 Partnership grants category.*

### **STAFF ANALYSIS:**

The Trust has a total of \$2,037 million in FY16 unallocated Authority Grant funds waiting to be lapsed back into the budget calculation. Typically, these funds would be lapsed back into the budget using a four-year averaging process and these funds would not be fully available until FY20. As part of identifying these funds for consideration, the program officers were consulted to make sure that there would be no adverse impact on existing projects if this money was released and redirected for FY19 projects.

For the upcoming fiscal year starting on July 1, 2018, the partnership allocation for the upcoming year is \$1.6 million. Transferring \$2.0 million of the FY16 unallocated money into the upcoming partnership allocation would allow the Trust to meet needs without drawing from reserves.

Transferring \$2.0 million into the upcoming partnership allocation will reduce the money available for use in future budgets by approximately \$500,000 (\$2.0 million that would have been lapsed, averaged over four years). This decline in one budget line item is expected to be offset by increased funding available from the growth in the Permanent Fund assets (currently expected to be \$1.1 million higher than the previous year). The impact of the proposed transfer on future budget availability should be neutral.

### **BACKGROUND:**

Annually, the trustees approve a budget that includes Mental Health Trust Authority Authorized Receipt (MHTAAR) and Authority Grant funds. The Authority Grant funds are generally granted to non-state government entities to either forward Trust focus area efforts or enhance the community-based system of care supporting Trust beneficiaries (non-focus area allocations).

Authority Grant funds have a four-year appropriation term. From time to time, Authority Grant funds are not awarded to grantees during their appropriation term (this is referred to as unallocated money), or grant recipients may complete their projects without expending their full grant award (unexpended grant award). Together these two amounts comprise the unallocated balance. At the end of each fiscal year the unallocated funds and unexpended grant awards that have reached the end of their four-year term lapse and become part of the Trust's four-year averaging payout calculation for a future budget year. This four-year averaging allows the funds to be brought back into service with a "smoothing"

effect on the overall budget, effectively mitigating a “balloon effect” resulting from one year’s lapsed amount.

Based on increased needs from the Trust partners, there is a substantial demand for the FY19 Partnership and focus area funding. Currently, 70% of the partnership line item has been forward committed for the upcoming fiscal year and additional requests are anticipated. This level of forward commitment is consistent with past experience; what is unusual is the volume of requests is higher than normal and amount requested is larger than normal. Trust staff anticipate additional Partnership funds may be required to address the fiscal challenges facing community organizations as a result of, reduced grant funding from the State of Alaska, changes in the Medicaid program, and the overall State fiscal decline.

**OPTIONS FOR MEETING NEED:**

Staff examined four options as possible solutions:

- (1) Consolidate unallocated Authority Grant funding across different focus areas and strategies and then redeploying these resources to fund upcoming Partnership grant needs.
- (2) Draw funding from current Trust unobligated funds.
- (3) Draw funding from Trust reserve accounts.
- (4) Wait to see what other resources become available and what new information becomes available.

There are advantages and disadvantages for each approach. These are summarized in the following table:

<b><u>Approach</u></b>	<b><u>Advantage</u></b>	<b><u>Disadvantage</u></b>
Release FY16 unallocated Authority Grant funds	Brings existing resources into service faster than using the regular lapsing cycle	May create artificially high budget using non-recurring resources. This will also reduce the future payout amount by pulling resources into the current period.
Deploy current year unobligated funds	Brings existing resources into service faster than using the regular lapsing cycle	Unobligated would be reduced without a plan to replenish the account. This could reduce the Trust’s ability to respond to unforeseen needs in the upcoming year.
Draw from reserves	No impact on existing programs and commitments	Reserves would be reduced without a plan to replenish them.
Defer a response	No short term financial impact on the Trust	May have negative impact on beneficiaries and problem may grow with passage of time.

**RECOMMENDATION:**

Staff recommends adopting the motion to meet FY19 Partnership grant needs. Taking this action allows the Trust to bring lapsed money into service faster for the benefit of Trust beneficiaries and still protect Trust reserves; with limited impact on the amount of resources available for future budgets. There will be no adverse impact on existing Trust projects or ongoing grant activities.



2600 Cordova Street  
Anchorage, Alaska 99503  
Phone: 907-269-8658  
Fax: 907-269-8605

**To:** Mary Jane Michaels, Chair  
**Through:** Mike Abbott  
**From:** Wyn Menefee and Andy Stemp  
**Date:** 5/24/2018  
**Re:** FY19 Real Estate Management Plan and Non-Investment/Program-Related Real Estate Facility Budgets  
**Fiscal Year:** 2019  
**Amount:** \$11,603,832

Approval

#### Requested Motions:

**Proposed Motion One:** “The Trust Authority board of trustees authorize the use of Fund 3322 to create a central facility fund, beginning immediately in FY2018, to meet property expenses that exceed the amount of funds held at the property level. The CFO is directed to consult with the Executive Director of the Trust Land Office each quarter and transfer money from real estate rental income into the central facility fund, in an amount mutually agreed upon, until the fund reaches and is maintained at a total balance of \$2.0 million. Expenditures from this fund require approval of the CEO, RMC, or board of trustees within limitation expressed in the governance charters.”

**Proposed Motion Two:** “The Trust Authority board of trustees approve the incremental building expenditures, totaling \$11,603,832 for the fiscal year 2019, to be paid by the property manager in the case of expenditures, primarily from rents and other income collected from the properties or from the central facility fund for capital expenditures that cannot be covered by rents and other income from the properties. The cash flow for REMP and Non-Investment/Program Related Real Estate portfolios are to be managed respectively on a portfolio basis while maintaining appropriate building specific accounting.”

#### Background:

##### Creation of Central Facility Fund (Proposed Motion 1)

**General Background:** The Trust has two distinct property portfolios: the program related real estate and the commercial real estate. Both portfolios generate income and have corresponding expenses, including the need for periodic upgrades and major maintenance. The Trust has been able to address these needs on an ad hoc basis using a combination of income from the properties, some savings/reserves that are held for certain properties, and by accessing other Trust funds. This

approach has worked for small to moderate sized needs, but paying for large needs (i.e. tenant improvements) has the potential to create an uncomfortable level of cash flow compression.

To help mitigate the risk of cash flow compression, a central facility fund can be used to accumulate cash over time and stabilize any need for resources. The Trust historically used fund 3322 (Deferred Maintenance) as a tool to address these types of needs. The account could be reactivated and a schedule of regular deposits into the account could be established to build up the fund.

**Trust Land Office and CFO Recommendation:** Based on research into industry practices, the staff have started developing a schedule of large projects that will need funding over the next three years. These projects range from major tenant improvements such as with the IRS facility (~\$2 million) to potentially replacing some HVAC systems (~\$100,00). Using this schedule as a roadmap, the Trust would set aside a portion of rental income to build up the central facility fund. When needed the Trust Land office would request authorization to use the fund to complete projects following approval guidelines listed in the governance charters.

Staff recommend starting the fund with an initial contribution of \$105,000 (the current balance of the old account) and then contributing a portion of the FY18 rents that might have otherwise still have been available for distributions, and continuing in FY 19 between \$50,000 and \$150,000 per quarter into the account. Contributions would continue until the account reaches a \$2.0 million balance. At that point, the contributions would be suspended until money is drawn down from the account; at that point contributions would resume until the account is replenished.

A key consideration of this approach is that the contribution to the central facility fund would take place prior to distributing income for use by Trust programs, so there is a short-term reduction in available net distributions. This is mitigated by the benefit of having a stable and predictable source of funding for facility needs and avoids any out of budget cycle surprises that might negatively impact programs.

A central facility fund would be used to fund property expenses such as:

- Property costs that exceed PPRE and REMP portfolio cash flows
- Repair
- Replacement of larger building components based upon a replacement schedule when these replacement needs arise sooner than expected
- Leasing obligations
- Expansion or retrofit

#### **FY19 Rent Funded Real Estate Facility Budget (Proposed Motion Two)**

**Transaction/Resource:** Facility budgets are presented to seek approval from the board of trustees for the expenditures necessary to service the properties. The proposed property expenditures including contingency reserves are funded by tenant rents and other income collected from the properties or by using the central facility fund when cash flow management cannot cover the capital expense.

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

**General Background:**

There is an obligation to maintain all facilities, whether REMP properties or the Non-Investment/Program Related Real Estate properties. Failing to maintain the facilities would diminish the value of the Trust corpus, would make the facilities less attractive to new tenants, and would impair the Trust's ability to sell the facilities in the future. Well-maintained and fully-rented properties provides the best income, preserves the value of the corpus, and fulfills the obligation of managing the properties with accountability to the Trust.

The TLO has established a system to adequately plan, manage, audit and report activity in the real estate portfolio. Using 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.

Even with appropriate planning, occasional building management costs occur that cannot be covered by the normal cash flow in the property specific building accounts. These property expenses can often be covered by managing cash flows at the property manager level on a portfolio basis.

Management of the cash flows for REMP properties and the Non-Investment/Program Related Real Estate properties should be managed separately as two distinct portfolios. The portfolio management structure allows the TLO managers to manage the property management accounts with some amount of contingency reserve for each property. This is prudent property management and in line with industry standards, such as what banks and other lending institutions require. Comparable industry standards show reserves equating to approximately \$.15/sq.ft. added each year, but with flexibility to retain more or less, as reserves, as conditions dictate. Similarly, for this budget, a contingency reserve of 1% of expenditures will be maintained. The combined building accounts provide an appropriate cushioning that one building income can cover the extraordinary expense of another temporarily, to be rebalanced throughout the following year from rental income. This preferred methodology for most building maintenance expenditures and would limit the need to ask

for approvals from the board to only what could not be covered by appropriate property level portfolio cash management.

If some expense, such as with a major tenant improvement at the IRS building, cannot be fully covered by property level portfolio cash management, the central facility fund would be used. The subsequent use of the central facility fund in FY19 within the limitations of facility expenditures shown in this approval will not require additional approval from the board.

**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 FY19 to be funded by tenant rents and other income collected from the properties or the central facility fund.

**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:**

Exhibit 1 - Property Budget Summary



**FY19 Real Estate Facility Budget Summary (Exhibit 1)**

**Real Estate Management Plan - Funded by Rent and Income or Central Facility Fund**

Name	City, State	Operating	Capital Improvements	Debt Service	Total
Parks	Tumwater, WA	541,000	26,000	909,000	1,476,000
IRS	Ogden, UT	843,000	2,000,000	620,000	3,463,000
Commercial	Anchorage, AK	14,000	-	100,000	114,000
Cordova	Anchorage, AK	259,000	250,000	-	509,000
Promontory Point	Austin, TX	592,000	80,000	645,000	1,317,000
North Park	San Antonio, TX	640,000	112,000	602,000	1,354,000
Amber Oaks	Austin, TX	1,438,000	550,000	942,000	2,930,000
<b>Totals</b>		<b>4,327,000</b>	<b>3,018,000</b>	<b>3,818,000</b>	<b>11,163,000</b>

**Non-Investment/Program Related Real Estate - Funded by Rent and Income or Central Facility Fund**

Name	City, State	Operating	Capital Improvements	Debt Service	Total
TAB	Anchorage, AK	284,308	-	-	284,308
Detox	Fairbanks, AK	13,412	-	-	13,412
Assets	Anchorage, AK	9,000	-	-	9,000
Fahrenkamp Center	Fairbanks, AK	7,000	-	-	7,000
Denardo	Fairbanks, AK	12,223	-	-	12,223
<b>Totals</b>		<b>325,943</b>	<b>-</b>	<b>-</b>	<b>325,943</b>

Motion 2 Expense Subtotal	11,488,943
1% Contingency Reserve	114,889
<b>Motion 1 Subtotal</b>	<b>11,603,832</b>

**To:** Mary Jane Michael, Chair  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** May 16, 2018  
**Re:** Trustee Ratification request

## **REQUESTED MOTION:**

*The trustees ratify the Legislature's FY19 MHTAAR and MHT Admin budget amounts as appropriated during the legislative session and therefore increases the previous FY19 Trustee authorizations by \$23,600.*

## **BACKGROUND:**

The Trust makes recommendations to the Governor for the FY19 Mental Health Budget, which is subsequently presented to the Legislature for consideration. Where there are changes between the trustee approved MHTAAR and MHT Admin budget amounts and the final amounts approved by the Legislature, those amounts are presented as a proposed adjustment to the previously approved FY19 budget.

The changes are summarized by agency:

Health & Social Services	\$19,600	Negotiated Adjustment for increased work week (SU Agreement)
Labor	\$4,000	Negotiated Adjustment for increased work week (SU Agreement)
<b>Total</b>	<b>\$23,600</b>	

## **RECOMMENDATION:**

Staff recommend approving the proposed adjustment. This will align the trustee approved expenditures with the legislatively authorized amounts.

# **Audit & Risk Committee Report**

**To:** Mary Jane Michael, Chair  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Andrew Stemp, Chief Financial Officer  
**Date:** May 8, 2018  
**Re:** Audit & Risk Committee Report

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**Meeting Summary:**

There has been one meeting of the Audit & Risk Committee since the last board report. The meeting occurred on April 19, 2018 and was attended by trustees Christopher Cooke, Laraine Derr (Chair), Paula Easley, Vernè Boerner, Mary Jane Michael, Jerome Selby, and Carlton Smith.

The April 19, 2018 Audit & Risk Committee addressed one item:

**Risk Management Training:** Guest speakers from Marsh & McLennan provided an overview of risk management and emerging trends in the non-profit sector followed by a question and answer session. A suggestion was made to include a review of risk management gaps. This suggestion will be followed up on by the staff and presented at a future training.

No committee motions were made during this meeting.

The Audit & Risk Committee concluded at approximately 1:55 pm. The next scheduled meeting of the Finance Committee is **August 2, 2018**.

# **Resource Management Committee Report**

# Memorandum



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

**Date:** April 19, 2018

**From:** Becky Chandler, Executive Assistant

**Subject:** April 19th, 2018 – Resource Management Committee Meeting Summary

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The Resource Management Committee met on April 19<sup>th</sup>, 2018, and reviewed one consultation presented by TLO staff. The one consultation requires the full board review. After consultation, the Resource Management Committee concurred with the proposal:

***The RMC concurred with the following consultation:***

**Item A – 2600 Cordova Street Lease Negotiations**

**Proposed Motion:** *“The Alaska Mental Health Trust Authority board of trustees concurs with the Trust Land Office recommendation for the Executive Director to negotiate fair market leases for all or part of the 2600 Cordova Street building (including commercially reasonable terms, conditions and inducements for similar space in the Midtown Anchorage office market).”*

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director would have discretion to configure fair market leases of the Building on commercially reasonable terms, conditions and inducements consistent with similar office space located within the Midtown Anchorage submarket. Total revenue is dependent on the term and size of any lease, including any tenant improvement allowances, enhancements, or other inducements 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 vacancies in the Building. Lease income will contribute to Trust income revenue as it is distributed to the Trust on a periodic basis.

cc: Board of Trustees  
Mike Abbott, CEO Alaska Mental Health Trust Authority  
Wyn Menefee, Executive Director, Trust Land Office

Trust Resource Management Committee Spreadsheet  
May 24, 2018

	Item Type	Proposal	Organization	Page #	Proposed Motion
Item recommended for full board of Trustee approval by the Resource Management Committee on April 19, 2018. BOARD ACTION REQUIRED					
1	Consultation	2600 Cordova Street Lease Negotiations	Trust Land Office	96	The Alaska Mental Health Trust Authority board of trustees concurs with the Trust Land Office recommendation for the Executive Director to negotiate fair market leases for all or part of the 2600 Cordova Street building (including commercially reasonable terms, conditions and inducements for similar space in the Midtown Anchorage office market).
NEW ITEM. BOARD ACTION REQUIRED					
2	Consultation	Disposal of (FM-0962 and FM-0995)	Trust Land Office	99	The Mental Health Trust Authority board of trustees concurs with the Trust Land Office disposing of two Trust parcels FM-0962 and FM-0995 through a negotiated sale or subsequent disposal.



**To:** Carlton Smith, Chair  
Resource Management Committee  
**From:** Craig Driver, Asset Manager  
**Date:** 4/19/2018  
**Re:** ITEM A – 2600 Cordova Street Lease Negotiations  
**Fiscal Year:** 2019

## Consultation

### Proposed RMC Motion:

*“The Resource Management Committee recommends that the Alaska Mental Health Trust Authority board of trustees concurs with the Trust Land Office recommendation for the Executive Director to negotiate fair market leases for all or part of the 2600 Cordova Street building (including commercially reasonable terms, conditions and inducements for similar space in the Midtown Anchorage office market).”*

### Background:

**Revenue Projections:**                      **Income - Fair Market Rent, if leased.**

**Transaction/Resource:** This proposal is for the Executive Director of the TLO (the “Executive Director”) to negotiate commercial fair market leases for space within the building, by negotiated process, located at 2600 Cordova Street (the “Building”), to tenants on terms acceptable to the Executive Director, consistent with the TLO’s Resource Management Strategy (“RMS”) and all applicable regulations and laws.

**Property Description/Acreage/MH Parcel(s):** Smith #1 subdivision, Block 6, Lot 1A, in the Municipality of Anchorage, State of Alaska.

The approximately 29,546 square foot building sits on the above parcel at the southeast corner of Cordova and 26<sup>th</sup> Streets. The building was acquired by the Trust in approximately July 2011. The building is a multi-tenant office building housing the Trust Land Office along with other office tenants including dental, real estate, CPA, and trade organization offices. Its highest and best use is continued use as an office building leased to multiple tenants.

**General Background:** The Building has been occupied for many years by the Trust Land Office and various other tenants as described above. The location works well for the Trust Land Office and it provides a cost effective location for the TLO to do its work with close proximity to the Alaska Mental Health Trust Authority office as well as the DNR offices downtown. Leases have been entered into on a negotiated basis similar to what is requested within this consultation, but prior leases have been presented to the board though a lease specific acknowledgement by the chairman of the board. Due to



the identification of a clearer method of consultation for leasing space within market rent parameters (including commercially reasonable terms, conditions and inducements), this consultation seeks to gain concurrence from the Board of Trustees to acknowledge those prior leases and allow for continued leasing activities in a timely manner to meet the needs of the office rental market.

**Leasing Considerations:**

The Building is functional for general offices and consistent with similar type buildings within the Midtown Anchorage office market. Tenant improvements, general remodel of the building common areas, and ongoing maintenance/repair replacement expenses are required on an as-needed basis to maintain the asset and make it an attractive rental property. It has been well maintained during the Trust's ownership and generally is funded through rents collected through existing leases with rent paying tenants of the Building.

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director would have discretion to configure fair market leases of the Building on commercially reasonable terms, conditions and inducements consistent with similar office space located within the Midtown Anchorage submarket. Total revenue is dependent on the term and size of any lease, including any tenant improvement allowances, enhancements, or other inducements 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 vacancies in the Building. Lease income will contribute to Trust income revenue as it is distributed to the Trust on a periodic basis.

**Anticipated Risks/Concerns:** There are few concerns associated with this proposal as it is necessary to lease vacant space within the Building. High risk is associated with a do-nothing scenario as the Building will perform poorly if vacant space is not re-leased, resulting in deterioration over time if it is not properly leased, maintained and/or upgraded as needed. The Property must be managed with a goal toward maintaining a viable revenue producing asset. This consultation gives the Executive Director the ability to move forward with proposed fair market transactions, subject to a subsequent best interest decision process specific to this consultation, providing notice to stake holders and an opportunity for any of said stakeholders to be heard.

**Project Costs:** There are costs associated with ownership and maintenance of the Building that the Trust is unable to avoid. Without a minimum level of maintenance and operational oversight the asset's value will decrease and the TLO's ability to increase income revenue will be lost. Costs include operating costs, maintenance, repair/replacement, management costs, and security, tenant improvements, and other inducements, which are generally funded through rents received under the building's rent paying tenant leases. Estimates have been presented within the FY19 real estate budget approval heard separately from this consultation.

**Alternatives:** Alternatives to this proposal have not been identified as the Building must be managed to maintain and maximize its long-term value. Alternatives with different methodology are problematic as the quarterly nature of RMC and board meetings prevent the Executive Director from moving forward with proposals in a commercially reasonable manner, as expected by prospective tenants.

**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 negotiated land sales, land leases and the general application of the real estate resource management strategy on land which is not currently being used for Trust programmatic purposes.

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

**Applicable Authority:** 11 AAC 99; Resource Management Strategy; AS 37.14.009, AS 38.05.801; 20 AAC 40.720.

**Trust Authority Consultation:** This briefing document fulfills the consultation requirements that are applicable to the transaction proposed by the motion contained herein. 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.



**To:** Mary Jane Michael, Chair  
Board of Trustees  
**From:** Jeff Green, Southcentral Lands Manager  
**Date:** 5/24/2018  
**Re:** MHT 9400589  
Disposal of (FM-0962 and FM-0995)  
**Fiscal Year:** 2019

## Consultation

### Proposed Motion:

*"The Mental Health Trust Authority board of trustees concurs with the Trust Land Office disposing of two Trust parcels FM-0962 and FM-0995 through a negotiated sale or subsequent disposal."*

### Background:

**Revenue Projections:** The projected principal revenue will be based on fair market value, and is estimated to be approximately \$396,110 cumulatively for both parcels.

**Transaction/Resource:** The proposed action is to dispose of two large parcels (+/- 234.49 acres) through a negotiated sale to the Department of Transportation and Public Facilities (DOT&PF) whereby they will be using funds allocated by the Legislature to specifically acquire land to construct a Veterans Cemetery on behalf of the Department of Military and Veterans Affairs (DMVA). In the event the parcels are not sold to the applicant, the parcels may be reoffered in the future.

### Property Description/Acreage/MH Parcel(s):

The parcels (FM-0962 and FM-0995) are located west of Ester, Alaska near mile post 364 of the Parks Highway.

**General Background:** In late August 2015, TLO was contacted by DOT&PF to evaluate Trust land for purchase on behalf of DMVA to construct a Veterans Cemetery. The cemetery will include 500 pre-placed crypts, 500 columbarium niches, administrative quarters, maintenance facility, committal shelter, and utilities. The Property will be subject to a 60-foot wide easement to provide access to MH Parcel FM-0920, which is located to the north of the subject properties. This easement will be granted to the Trust Authority and TLO. The location of the easement will be mutually agreed to pending the final engineering drawings of the cemetery layout and will be located so as not to interfere with DMVA use of the property. The sale would generate revenue for the Trust on land that would otherwise not be developed, and will exceed the fair market value.

**Anticipated Revenues/Benefits:** Under this proposal, the Executive Director will be able to negotiate and execute a sale of all portions of the two parcels for \$396,110 which is 130% of appraised fair market value. This would generate revenue from parcels that otherwise are not producing revenue and require additional active management because of unauthorized uses.

**Anticipated Risks/Concerns:** There are few concerns associated with this transaction. Approval of this motion would give the Executive Director the ability to move forward with a sale or subsequent disposal, subject to a best interest decision process, providing notice to stake holders and an opportunity for any of said stakeholders to be heard.

**Project Costs:** The TLO is not requesting an appropriation for this transaction.

**Other Considerations:** N/A.

**Due Diligence:** TLO Staff last inspected the parcels on April 6, 2017. The Purchase Price was determined by an appraisal (ASP 10-16-922) completed by Hans Axelsson, Axelsson & Associates, Inc., on June 26, 2016. The appraisal determined the estimated fair market value of the property to be \$304,700. The Property will be sold at a premium of 30% above the appraised value to compensate for not selling the land through a competitive process. The existing road from the Parks Highway will be used for the primary access. Contract documents were reviewed by the Department of Law, and no separate independent review was required.

**Alternatives:** The alternative is to hold the parcels for sale competitively sometime in the future. This alternative would delay receipt of revenues from sale of the parcels and could result in additional costs and risks to the Trust without significant increases in value, additionally it is not expected that other individuals would be interested in purchasing the parcels.

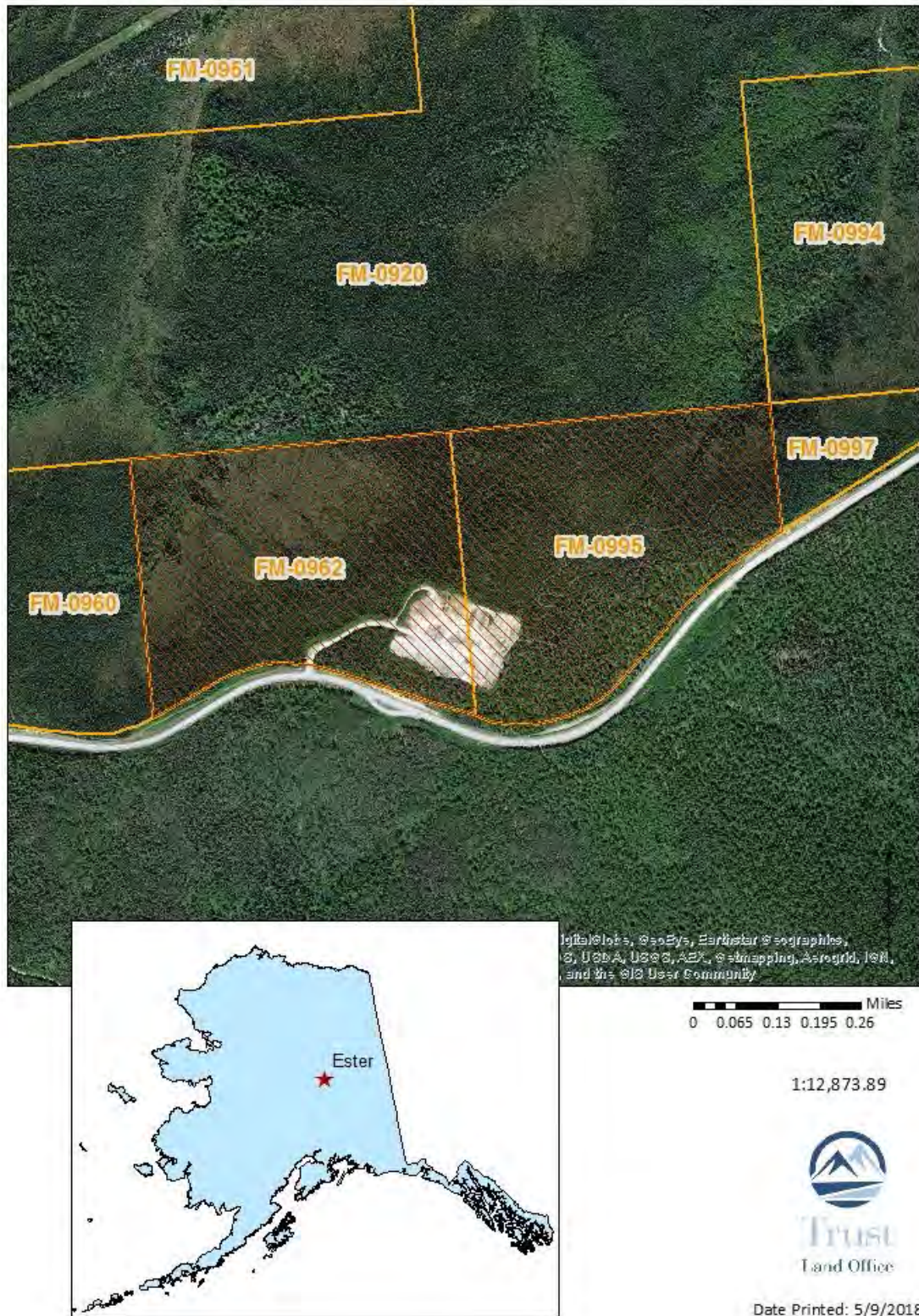
**Consistency with the Resource Management Strategy:** The proposal is consistent with the “Resource Management Strategy for Trust Land” (RMS), which was adopted in March 2016 in consultation with the Trust and provides for the TLO to identify and enhance lands for economic development and mitigate risk liabilities of the land estate held by the Trust.

**Trust Land Office Recommendation:** The TLO recommends that it is in the Trust’s best interest to offer these two parcels by negotiated sale. If not sold, the parcels may be disposed of in the future.

**Applicable Authority:** Alaska Statutes 37.14.009(a), and 38.05.801, and 11 AAC 99 (key statutes and regulations applicable to Trust land management and disposal).

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

# Exhibit 1 – Location Map



# **Program & Planning Committee Report**



## MEMO

**To:** Mary Jane Michael, Chair  
**Through:** Mike Abbott, Chief Executive Officer  
**From:** Steve Williams, Chief Operating Officer  
**Date:** May 9, 2018  
**Re:** Program & Planning Committee Report

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There has been one meeting of the Program and Planning Committee since the last board report. The meeting occurred on April 20, 2018, and was attended by trustees Christopher Cooke (Chair), Verné Boerner, Laraine Derr, Paula Easley, Mary Jane Michael, Jerome Selby, and Carlton Smith.

The meeting covered the following topic areas:

- 1) *Housing and Homelessness*
  - a) Presentations focused on statewide as well as local programs, services, and challenges to address this complex issue. The committee heard from:
    - Brian Wilson (Alaska Coalition on Housing and Homelessness)
    - Cathy Stone and Daniel Delfino (Alaska Housing Finance Corporation)
    - Colleen Dushkin (Alaska Association of Housing Authorities)
    - Susan Musante (Dept. of Health and Social Services – Div. of Behavioral Health)
    - Mike Sanders (City of Fairbanks)
    - Scott Ciambor and Irene Gallion (City and Borough of Juneau)
    - Nancy Burke (Municipality of Anchorage)
    - Kelda Barstad (Trust Program Officer)
  - b) No action was taken by the committee
- 2) *FY20/FY21 Budget Planning Update:*
  - a) Steve Williams outlined the Trust's upcoming FY20/FY21 budget development process. The process described included:
    - focused work by Trust staff, advisory boards and stakeholders during the months of May thru August
    - two-day stakeholder meeting on June 20 and 21
    - budget presentation to the Program and Planning committee on July 31 and August 1
    - budget presentation to the board of trustees for approval on September 5 and 6
  - b) No action was taken by the committee
- 3) *API Strategy / Plan:*
  - a) Randall Burns (Div. of Behavioral Health - Director) provided an overview and status update on API; specifically,
    - bed capacity challenges and actions being taken to address those issues

- assessing the current capacity of the emergency psychiatric system and recommendations for improvement (e.g., addressing API's workforce issues, researching the possible expansion of API's current bed capacity, assessing the feasibility for establishing a forensic hospital)
  - b) No action was taken by the committee
- 4) *Workforce Initiatives:*
- a) Kathy Craft (University of Alaska – Anchorage), Katie Baldwin-Johnson (Senior Program Officer) and Mike Baldwin (Senior Evaluation and Planning Officer) made a presentation to the committee covering the following topics:
    - overview of the Trust, Dept. of Health and Social Services, and the University of Alaska health care workforce initiative
    - review of the various FY18/FY19 initiative strategies and focus
    - implications of the Medicaid reform efforts on Alaska's health care workforce
    - path forward of sustained effort to build a stable, capable, and culturally competent health care workforce to support beneficiaries
  - b) No action was taken by the committee
- 5) *Approvals*
- a) The committee considered and approved five requests for funding, attached is a summary of the actions taken by the committee.

*Next Scheduled Program and Planning Committee meeting: July 31 - August 1, 2018.*



Trust Program and Planning Committee Spreadsheet  
May 24, 2018

	Item Type	Proposal	Organization	Page #	Proposed Motion
<b>Items approved by the Program &amp; Planning Committee, April 20, 2018. NO FURTHER ACTION REQUIRED</b>					
1	Focus Area Allocation - Beneficiary Employment & Engagement	CHOICES Community Options Program	CHOICES, Inc.		Approved a \$440,170 FY19 Beneficiary Employment and Engagement focus area allocation to CHOICES Inc. for the FY19 CHOICES Community Options Program grant.
2	Focus Area Allocation - Beneficiary Employment & Engagement	Alaska Mental Health Consumer Web BPI Grant	Alaska Mental Health Consumer Web		Approved a \$333,600 FY19 Beneficiary Employment and Engagement focus area allocation to the Alaska Mental Health Consumer Web for the FY19 Alaska Mental Health Consumer Web BPI grant.
3	Focus Area Allocation - Beneficiary Employment & Engagement	Community-Based Peer Navigation	Alaska Youth and Family Network		Approved a \$208,650 FY19 Beneficiary Employment and Engagement focus area allocation to the Alaska Youth and Family Network for the Community-Based Peer Navigation project.
4	Focus Area Allocation - Beneficiary Employment & Engagement	Polaris House Clubhouse BPI Grant	Polaris House		Approved a \$182,959 FY19 Beneficiary Employment and Engagement focus area allocation to Polaris House for the FY19 Polaris House Clubhouse BPI grant.
5	Focus Area Allocation - Beneficiary Employment & Engagement	NAMI Anchorage Capacity Building Grant	NAMI Anchorage		Approved a \$154,071 FY19 Beneficiary Employment and Engagement focus area allocation to NAMI Anchorage for the FY19 NAMI Anchorage Capacity Building Grant.
6	Focus Area Allocation - Beneficiary Employment & Engagement	NAMI Beneficiary Project Initiative Grant	NAMI Juneau		Approved a \$100,550 FY19 Beneficiary Employment and Engagement focus area Allocation to NAMI Juneau for the NAMI Beneficiary Project Initiative grant.
7	Partnership	Fairbanks Rapid Re-Housing	Fairbanks Rescue Mission, Inc.		Approved a \$305,000 FY19 partnership grant to the Fairbanks Rescue Mission, Inc. for the Fairbanks Rapid Re-Housing project.
8	Partnership	Pioneer Home Staffing Analysis to Maximize Facility Utilization	The Trust		Approved using up to \$175,000 in FY19 partnership grant funds for contractual services to assist the Alaska Pioneer Home with Staffing Analysis to Maximize Facility Utilization.
9	Partnership	Alaska Coalition on Housing and Homelessness Rural Capacity Expansion	Alaska Housing Finance Corporation		Approved a \$135,000 FY19 partnership grant to the Alaska Housing Finance Corporation for the Alaska Coalition on Housing and Homelessness Rural Capacity Expansion.
<b>Items recommended for full board of Trustee approval by the Program &amp; Planning Committee on April 20, 2018. BOARD ACTION REQUIRED</b>					
10	FY19 Department of Health & Social Services MHTAAR Change of Intent	Reallocate FY19 Medicaid Reform Administrative Service Organization MHTAAR Funds	Division of Behavioral Health	107	Approve the Program & Planning Committee's recommendation of a \$525,000 FY19 MHTAAR re-allocation to the Division of Behavioral Health for contractual support.
11	FY19 Department of Health & Social Services MHTAAR Change of Intent	Reallocate FY19 Medicaid Reform Administrative Service Organization MHTAAR Funds	Division of Senior and Disabilities Services		Approve the Program & Planning Committee's recommendation of a \$262,000 FY19 MHTAAR re-allocation to the Division of Senior and Disabilities Services for contractual support.
12	FY19 Department of Health & Social Services MHTAAR Change of Intent	Reallocate FY19 Medicaid Reform Administrative Service Organization MHTAAR Funds	Division of Health Care Services		Approve the Program & Planning Committee's recommendation of a \$200,000 FY19 MHTAAR re-allocation to the Division of Health Care Services for continued support for the implementation of the Coordinated Care Demonstration Project.
13	FY19 Department of Health & Social Services MHTAAR Change of Intent	Reallocate FY19 Medicaid Reform Administrative Service Organization MHTAAR Funds	Office of Rate Review		Approve the Program & Planning Committee's recommendation of an \$85,000 FY19 MHTAAR re-allocation to the Office of Rate Review for the SB74 workgroup and stakeholder activities.

Trust Program and Planning Committee Spreadsheet  
May 24, 2018

	Item Type	Proposal	Organization	Page #	Proposed Motion
<b>NEW ITEMS. BOARD ACTION REQUIRED</b>					
<b>14</b>	FY19 Department of Health & Social Services MHTAAR Change of Intent	Reallocate FY19 Medicaid Reform Administrative Service Organization MHTAAR Funds	Division of Behavioral Health	<b>115</b>	Approve the re-allocation of \$159,000 FY19 MHTAAR funds from the Department of Health and Social Services/Medicaid Services/Behavioral Health Medicaid Services to the Department of Health and Social Services/Division of Behavioral Health/Behavioral Health Administration for contractual support to perform a feasibility study of establishing a forensic hospital in the Anchorage area.
<b>15</b>	Partnership	Mental Health Content Initiative	Alaska Public Media	<b>118</b>	Approve a \$125,000 FY19 partnership grant to Alaska Public Media for the Mental Health Content Initiative.
<b>16</b>	Partnership	FY19 GCDSE Supplemental Budget	Governor's Council on Disabilities and Special Education	<b>123</b>	Approve a \$125,000 FY19 partnership grant to Governor's Council on Disabilities and Special Education for the FY19 GCDSE Supplemental Budget project.
<b>18</b>	Partnership	ACE Data Research Analyst	Alaska Mental Health Board/Advisory Board on Alcoholism & Drug Abuse	<b>127</b>	Approve a \$100,000 FY19 partnership grant to the Alaska Mental Health Board/Advisory Board on Alcoholism & Drug Abuse for the ACE Data Research Analyst.
<b>17</b>	Partnership	Advisory Board Capacity Enhancements	Alaska Commission on Aging	<b>131</b>	Approve a \$89,960 partnership grant to the Alaska Commission on Aging for Advisory Board Capacity Enhancements.
<b>19</b>	SAPT Focus Area	Site Acquisition and Facility Remodel 2.0	Set Free Alaska	<b>135</b>	Approve a \$75,000 FY18 Substance Abuse Prevention & Treatment Focus Area Allocation to Set Free Alaska for Site Acquisition and Facility Remodel 2.0.

## MEMO

**To:** Chris Cooke, Program and Planning Committee Chair  
**Date:** April 20, 2018  
**Re:** FY19 MHTAAR Medicaid Administrative Services Order Change of Intent  
**Amount:** \$1,072,000  
**Grantee:** Department of Health and Social Services  
**Project Title:** Change of Intent of FY19 MHTAAR Medicaid Funding

### REQUESTED MOTION 1:

*Recommend approval to the full board of trustees of a \$525,000 FY19 MHTAAR re-allocation to the Division of Behavioral Health for contractual support.*

### REQUESTED MOTION 2:

*Recommend approval to the full board of trustees of a \$262,000 FY19 MHTAAR re-allocation to the Division of Senior and Disabilities Services for contractual support.*

### REQUESTED MOTION 3:

*Recommend approval to the full board of trustees of a \$200,000 FY19 MHTAAR re-allocation to the Division of Health Care Services for continued support for the implementation of the Coordinated Care Demonstration Project.*

### REQUESTED MOTION 4:

*Recommend approval to the full board of trustees of an \$85,000 FY19 MHTAAR re-allocation to the Office of Rate Review for the SB74 workgroup and stakeholder activities.*

**Assigned Program Officer:** Katie Baldwin-Johnson

### STAFF ANALYSIS

The Trust partnered with DHSS, the legislature and others in support of both Medicaid expansion and reform due to the direct benefit to Trust beneficiaries. Similar to the Trust's commitment to criminal justice reform, Medicaid expansion and reform is a system-level transformation that the Trust has pursued vigorously to support the overall vision for the Alaska Medicaid program: to improve health, contain costs; optimize access; and increase value. The positive impact on Trust beneficiaries cannot be understated.

Given the adjusted timelines related to submission of the 1115 behavioral health demonstration waiver proposal and additional time necessary to release the RFP for the Administrative Service Organization contract, DHSS is requesting a change of intent of FY19 MHTAAR funding previously authorized by Trustees

to support the ASO contract toward critical contractual capacity to continue moving reform implementation forward. We anticipate the Department successfully contracting with an ASO toward the second half of FY19 with full implementation in FY20. The Trust's ability to re-designate prior approved FY19 MHTAAR toward these identified contracts will enable DHSS to act timely to complete the procurement process to have contracts in place beginning July 1, 2018.

#### PROJECT DESCRIPTION

Trustees approved a total of \$2,650,000 in FY19 MHTAAR funding to contract with an Administrative Service Organization (ASO). Due to delays impacting the timing of the submission of Alaska's 1115 behavioral health waiver demonstration proposal, and a concomitant delay in the release of an RFP for an ASO contract, DHSS anticipates not spending \$1,250,000 of the FY19 MHTAAR funding committed by SB74 (2016) to support for the cost of an ASO contract in FY19 (see [Fiscal Note 55](#) attached to SB74).

At this point in time, DHSS anticipates an ASO coming on line in January of 2019 (half-way through FY19), and that the estimated cost of the first six months of the contract would be \$2,800,000, with the Trust covering half of that amount (\$1,400,000) with its existing FY19 MHTAAR funding.

The Department requests trustee authorization to re-allocate a portion of the anticipated unexpended MHTAAR (1,250,000) toward necessary contractual supports to continue moving forward in coordination with the Trust Authority on a number of SB74 and related State Medicaid Reform efforts [see AS 47.04.270(b)].

The majority of the re-allocated MHTAAR funding would be directed towards a number of critical contracts focused on continuing vital support for the State's efforts to get both the 1115 waiver approved by CMS and a contract in place for ASO services, as well continuing support for a number of SB74-related reform projects, and, finally, additional support for the DSDS InterI project.

The following is a description of the proposed changes of intent and re-allocation of the \$1,072,000 in FY19 ASO MHTAAR which will be matched by a similar amount of federal Medicaid:

#### **Total amount proposed by DHSS to be re-allocated: \$1,072,000**

##### **A. Division of Behavioral Health Contractual Support - \$525,000 in Re-Allocated MHTAAR Funding to the Division of Behavioral Health**

The Department of Health and Social Services seeks funding for continued contractual support for the State's 1115 behavioral health waiver demonstration application process, particularly for the variety of differing types of expertise needed by DHSS as the Department's staff engages in weekly negotiations over the waiver application Alaska submitted, and seeks all necessary, ongoing actuarial analysis to be able to answer whether any CMS-proposed/imposed waiver changes will impact the required budget neutrality of the application.

The Department of Health and Social Services also seeks funding for continued contractual support for the State's completion of the ASO RFP, as well as Trust support for two new, important DHSS contracts: 1) for the retention of very specific expertise to assist DHSS in managing the complex ASO selection process and subsequent ASO contract negotiations phase; and 2) funding for an analysis of both the existing and any new provider/system infrastructure development needs in the 1115 waiver's 9 regions / 14 regional hubs, as the new 1115 proposed services come on line within the regions/hubs.

Finally, in addition, DHSS seeks support for three (3) minor projects related to the continuing requirements of SB74 and, finally, further support for the Division of Senior and Disability Services' implementation of the InterI.

The major contractual funding would be allocated as follows (and matched by Medicaid):

**1. 1115 Waiver Application and CMS Consulting Expertise – \$37,500 MHTAAR**

DHSS needs continued assistance from consultants familiar with the development, drafting, publication, and ongoing discussions with CMS around the sufficiency of the Section 1115 application for an behavioral health waiver demonstration that the State submitted to CMS in late January of this year, as well as the development and drafting of a Request for Proposals (RPF) in order to contract for the services of an ASO. This request, teamed with request #2 below, will continue the very important consultation services with firms that have experience and expertise working in the worlds of CMS 1115 waivers and non-risk-based third party Medicaid services administrators, and with Department and Trust staff.

This \$75,000 consulting contract will focus more on the Department's continuing work with CMS and its application for a demonstration project and its need for the support of consultants with recent experience working at CMS and even more recent experience assisting other states in drafting and negotiating numerous 1115 waiver applications. This contract provides DHSS and Trust staff with quick, expert advice on responses and approaches to CMS, the public, the Legislature, and other entities potentially impacted by the evolution of the 1115 application over the next year, as well as the interface between the ASO and the 1115, two of the most complex and important Medicaid Reform projects called for in SB74.

The cost of the contract is based on what the Department has paid for these services over the past year (\$200 per hour), and an estimate of the need for these services during FY19, understanding that the majority of the CMS negotiations and the ASO RFP development and writing work should be completed by the end of CY2018 (half-way through FY2019), but may well extend into the second of the fiscal year.

**2. 1115 Application and ASO Consulting Expertise – \$75,000 MHTAAR**

As stated in #1 above, DHSS needs continued assistance from consultants familiar with the development, drafting, publication, and ongoing discussions with CMS around the sufficiency of the Section 1115 application for an behavioral health waiver demonstration, as well as the development and drafting of a Request for Proposals (RPF) in order to contract for the services of an ASO. This request, teamed with request #1 above, will continue the very important consultation services with firms that have experience and expertise working in the worlds of CMS 1115 waivers and non-risk-based third party Medicaid services administrators, and with Department and Trust staff.

This proposed \$150,000 contract has a somewhat broader scope as it focuses both on the Department's continuing work to refine the very specific content of the Alaska's 1115 application (the waiver's target populations, its array of services, proposed costs, the implementation plan, etc.), and the drafting of an RFP for ASO services, as well contributing to the RFP evaluation criteria. This consultant must also work very closely with the actuarial contractor, to ensure that CMS-driven changes to the State's 1115 application are directed appropriately and understood by the contractor. As above the experience and expertise on this consultant makes it possible for the consultant to provide DHSS and Trust staff with quick, expert advice on responses and



approaches to the public, the Legislature, and other entities potentially impacted by both the evolution of the waiver content and the final ASO solicitation, both complex and important Medicaid Reform projects called for in SB74.

The cost of the contract is based on what the Department has paid for these services over the past two years (\$250.00 per hour), and an estimate of the need for these services during FY19, understanding that the majority of the CMS negotiations and the ASO RFP development and scoring criteria work should be completed by the end of CY2018 (half-way through FY2019), but may be necessary well into the second half of the fiscal year.

### **3. ASO Respondent Evaluation & Contract Negotiation Services - \$87,500 MHTAAR**

This proposed contract is to retain consultants to work with DHSS during the evaluation of the ASO RFP responses received, as well as to advise DHSS during the contract negotiations with the winning respondent for ASO services. We believe we need to employ separate expertise for these two aspects of the ASO process, especially with respect to advice as to the criteria for evaluation of the ASO responses and the evaluation of the responses themselves. DHSS believes the State will be better served if the consultants who have directly advised the State in the drafting of the RFP are not as directly involved in the crafting of the evaluation process, in order to remove any suggestion that the draft RFP was intended to limit the number of the respondents in any way, or to bias the process in favor of one or more of the possible companies that provide ASO or Medicaid Administration services. There are firms that specialize in these complex processes and DHSS seeks Trust support for this expertise.

The cost of this contract is based on information the Department has gathered from other firms with which it has worked. For example, similar evaluation services were provided to DHSS and its Coordinated Care Demonstration Project (CCDP) effort through a grant from the Robert Wood Johnson Foundation to support Alaska's entry into alternative Medicaid Reform approaches.

### **4. Infrastructure Analysis of providers & services for regions for 1115 implementation – \$200,000 MHTAAR**

As the Trust is no doubt aware, the 1115 waiver intends to provide a range of new services across the state through nine (9) identified waiver regions and a total of 14 regional hubs within those regions. For example, the 1115 designates its Western Region as containing three (3) regional hubs: Kotzebue, Nome, and Bethel).

DHSS is concerned that the regional hubs may not have the infrastructure available within their communities to support the services envisioned by the waiver. For example, each of the regional hubs is to have the ability to provide suitable facilities/space for a mental health day treatment programs (up to six hours); an Assertive Community Treatment (ACT) Team with home and mobile offices; local residential substance abuse and local children's residential treatment facilities; a center for a mobile response crisis team to work out of and space for 23 observation and 72 hour crisis stabilization facilities.

DHSS seeks support to hire a contractor to provide the Trust and the Department with an assessment of the whether each of the 14 communities / regional hubs has access to sufficient local infrastructure to implement these various new services / programs locally and whether the existing behavioral health providers within those regions have the space necessary to begin to

provide the services envisioned within, for example, the home-based family treatment service list.

DHSS has estimated the cost of such a robust analysis across those 14 communities, including the cost of travel, discussions with local provider agencies, and a preliminary review of existing buildings and facilities that might be available to house such services to average \$25,000 per community, understanding that the range of travel expenses will greatly differ between road system and non-road system hubs, and the availability of resources to vary greatly between more urban sites and rural hubs. It is not the intent that these reviews be an exhaustive accounting, only a fair evaluation of an admittedly “point-in-time” assessment of the local capacity of existing (empty) buildings to be renovated to meet these needs.

#### **5. Actuarial Consulting – \$125,000 MHTAAR**

DHSS needs on-going consultation related to the work done to compute the budget neutrality of the federal Medicaid portion of the State’s 1115 waiver application. Not only do we need the consulting firm to assist State personnel in responding to questions about the initial neutrality projections contained in the application itself, but as we move through the negotiations process and changes or refinements to the waiver’s target populations, service descriptions, service rates, or the phasing of the implementation plan are proposed, then such proposed changes will need to be provided to the actuarial firm to again run the projections to see if any of the changes impact the waiver’s original budget neutrality calculations.

The estimated need is based on the cost of such services, which are high: \$500.00 per hour. This amount purchases 500 hours, which spread over the entire fiscal year. We were conservative and are getting much better at asking focused questions that take less time to accomplish.

#### **B. Division of Senior and Disabilities Services Contractual Support for the InterI- \$262,000 in Re-Allocated MHTAAR Funding to the Division of Senior and Disabilities Services**

Senior and Disabilities Services (SDS) is actively involved in the Medicaid Reform initiative and the implementation of a new assessment tool for the SDS managed waivers is one project within this category. The new assessment tool will allow for a common minimum data set across populations, a well-established training program, inter-rater reliability, and includes resource allocation functionality. SDS has simultaneously been implementing the Individualized Supports Waiver, Community First Choice Program and a new database system. Delays experienced with the Harmony database system have delayed implementation of the assessment tool until FY19 until full implementation can be accomplished. Improved efficiencies and reporting applications through automation of the assessment are expected. All categories of Trust beneficiaries who apply for services through Senior and Disabilities Services that require an assessment will benefit from a more person-centered process using an assessment with a holistic approach that looks at the needs of the individual.

Over the last several years, there has been consistent feedback about the existing Medicaid Waiver and Personal Care Assistance program assessment tools and the need to look at changing the tools. With the implementation of the 1915k, as well as reforms related to the existing HCBS services, it is an opportunity to implement a new tool that has a common minimum data set across populations, a well-established training program, inter-rater

reliability, looks at the individual's needs and functions holistically, and includes resource allocation functionality. This funding will allow for the final year of implementation of the new assessment tool, including the cost of a contractor to assist with incorporation into the database, training, and other costs associated with implementing the new tool.

### **C. Division of Health Care Services SB74-Related Request - \$200,000 MHTAAR**

The following three programs C1, D1 & D2 are requests for funding to continue existing, successful programs initiated by SB74 references or direct requests of the Department. These would also be matched by federal Medicaid.

#### **1. Continued Support for Implementation of the Coordinated Care Demonstration Project – \$200,000 MHTAAR**

The Coordinated Care Demonstration Project (CCDP) is in final negotiations with three entities representing managed care, provider-based reform, and a bundled payment program, all aimed at demonstrating savings and improving quality of care for our beneficiaries. The DHSS Division of Health Care Services is seeking additional funding to have an actuarial firm develop and certify capitation rates for the managed care project, which was not taken into consideration in the initial funding request. In order to move forward with submission of a model contract to CMS under a 1915(a) authority, the department must have the certification of actuarial soundness for the per-member per-month rates. The Department hopes to announce the contract awards within the coming weeks, and implement at least one project within 30 days of award notice.

### **D. Office of Rate Review SB74-Related Requests - \$85,000 MHTAAR**

#### **1. Additional Funding for the Quality & Cost Effectiveness Workgroup – \$35,000 MHTAAR**

In alignment with SB74 and building on work achieved in 2017 and 2018 to identify Medicaid quality and cost effectiveness measures, additional contractor support is desired to validate the reliability of the algorithms necessary to calculate measure results and report program performance.

#### **2. Innovative Provider Payment External Stakeholder Workgroup – \$50,000 MHTAAR**

As first suggested through SB74, the Innovative Provider Payment Stakeholder Workgroup will gather suggestions and feedback from providers on Medicaid payment options to streamline provider billing, reduce overall Medicaid expenditures, and improve beneficiary health outcomes. Contractor support is desired to assess feasibility and actuarial soundness of ideas brought forward by the work group.

## **EVALUATION CRITERIA**

### **Project A1 (1115 Waiver and CMS Consultation):**

PM#1: Monthly reports from the contractor to DHSS and the Trust on negotiations progress through the Alaska waiver application, highlighting areas of particular agreement or dispute with CMS, and –



with respect to areas of dispute, the resolution of those disputes and its impact (positive, negative or neutral) on those specific areas of the application.

PM#2: A final report from the contractor summarizing the significant changes to the waiver resulting from the negotiations with CMS.

**Project A2 (1115 Waiver and ASO Consultation):**

PM#1: A completed draft of the ASO RFP.

PM#2: Monthly reports from the contractor to DHSS and the Trust that highlights where the negotiations with CMS have required very specific changes to waiver target populations, proposed services, rates, etc., and the consultant's assessment of the impact of those changes on the viability of the waiver.

**Project A3 (ASO Evaluation and Negotiation Services):**

PM#1: A completed review of the ASO RFP's evaluation criteria, with recommendations for changes (or a full redraft of the scoring criteria).

PM#2: Successful Proposal Evaluation Committee Result: a selected ASO respondent.

PM#3: A weekly summary of the ASO contract negotiations process and the identification of items changed in the contract from the original intent in the RFP or added to the contract but not present in the RFP.

**Project A4 (Infrastructure Analysis by 14 Regional Hubs):**

PM#1: A preliminary report of the contractor's identified potential infrastructure needs at the completion of each review / visit to a regional hub.

PM#2: The final, summary report of the findings from the contractor as to potential infrastructure needs in each of the 14 regional hubs contemplated by the 1115 waiver.

**Project A5 (Actuarial Consulting):**

PM#1: The ongoing delivery to DHSS of requested actuarial data and analysis for release to CMS to demonstrate the financial impact of changes to any of the factors that contributed to the original waiver application's cost neutrality calculations.

PM#2: Preparation of responses to CMS on the behalf of DHSS related to the impact of potential changes to the service array envisioned by the 1115 waiver application filed by Alaska.

**Project B1 (Assessment Tool Implementation):**

PM#1: Full implementation and roll-out of a new assessment tool for use with Trust beneficiaries requiring services through the Division of Senior & Disability Services.

PM#2: Quarterly updates from DSDS on its progress in implementing the use of the new assessment tool during this third and final year of implementation.

**Project C1 (Continued Support for the CCDP):**

PM#1: The number of emergency department visits per 1,000 Medicaid enrollees.

PM#2: Medicaid spending per enrollee: per member and aggregate costs for non-waiver services by service category.

**Project D1 (Q&E Workgroup):**

PM#1: Through contractor double check and verification process, each measure algorithm is deemed reliable and supports public reporting of measure results.

**Project D2 (IPP Workgroup):**

PM#1: Contractor successfully models and determines actuarial soundness of payment strategies identified by workgroup.

BUDGET	
Contractual Services Amount:	\$1,072,000 (MHTAAR)
Contractual Services Narrative:	<p><b>Part A: Contractual Services: \$525,000</b></p> <ol style="list-style-type: none"> <li>1. CMS Consultant: \$37,500</li> <li>2. 1115/ASO Consultant: \$75,000</li> <li>3. Actuarial Analysis: \$125,000</li> <li>4. ASO RFP Consulting: \$87,500</li> <li>5. Regional Infrastructure Analysis: \$200,000</li> </ol> <p><b>Part B: Contractual Services: \$262,000</b></p> <ol style="list-style-type: none"> <li>1. InterI Implementation: \$262,000</li> </ol> <p><b>Part C: Contractual Services: \$200,000</b></p> <ol style="list-style-type: none"> <li>1. CCDP Actuarial Services: \$200,000</li> </ol> <p><b>Part D: Contractual Services: \$85,000</b></p> <ol style="list-style-type: none"> <li>1. Q&amp;E Workgroup: \$35,000</li> <li>2. IPP Workgroup: \$50,000</li> </ol>
<b>Total Amount to be Funded by the Trust</b>	\$1,072,000 (Re-Allocated MHTAAR)
<b>Total Amount Funded by Other Sources</b>	\$1,072,000 (Federal Medicaid Match)

## MEMO

**To:** Mary Jane Michael, Chair  
**Date:** May 24, 2018  
**Re:** FY19 MHTAAR Medicaid Administrative Services Order Change of Intent  
**Fund Source:** FY19 MHTAAR – Administrative Services Organization  
**Amount:** \$159,000  
**Grantee:** Department of Health and Social Services  
**Project Title:** Change of Intent of FY19 MHTAAR Medicaid Funding

### REQUESTED MOTION:

*Approve the re-allocation of \$159,000 FY19 MHTAAR funds from the Department of Health and Social Services/Medicaid Services/Behavioral Health Medicaid Services to the Department of Health and Social Services/Division of Behavioral Health/Behavioral Health Administration for contractual support to perform a feasibility study of establishing a forensic hospital in the Anchorage area.*

**Assigned Trust Staff:** Steve Williams

### STAFF ANALYSIS

The Alaska Psychiatric Institute (API) provides civil acute (child and adult) and forensic in-patient psychiatric services to Trust beneficiaries statewide. The total capacity of API is 80 beds, including the 10-bed medium security (correctional level) forensic unit (Taku). API receives regular orders from the court to conduct forensic legal competency evaluations on beneficiaries charged with a crime and orders for competency restoration when appropriate. The volume of court orders for competency restoration greatly exceeds the Taku unit's current capacity. This causes delays in transferring beneficiaries from correctional facilities to API for those beneficiaries in need of treatment for possible legal competency restoration.

The result of these delays in admission to API is beneficiaries are held in correctional facilities for unnecessarily long periods of time awaiting transfer to API and significant delays in the actual processing and resolution of their pending criminal case. In fact, some beneficiaries spend more time in jail than they would have received if convicted of their open criminal case.

Staff recommends approval of this request. The Trust's funding support for this project would come from the reallocation DHSS' projected expended FY19 MHTAAR funding (\$2,650.0) previously authorized by trustees to support the Administrative Services Organization (ASO) contract. DHSS has stated these funds will not be fully expended in FY19, due to delays in the timing of the submission of Alaska's 1115 behavioral health waiver demonstration proposal. The reallocated Trust funds will match the FY19 state general funds appropriated by the Legislature to the Department of Health and Social Services/Division of Behavioral Health/Behavioral Health Administration for this project.

## PROJECT DESCRIPTION

The Department of Health and Social Services intends to procure a contract to explore the feasibility and potential cost of relocating the state's forensic beds to another available facility. If determined feasible, this could increase capacity and psychiatric care services for the state's growing forensic population, decrease beneficiary lengths of stay in correctional facilities and accommodate the demands of the Alaska Court System for these specialized services. Furthermore, it would allow those beds to be re-purposed for API's court-ordered adult acute civil, involuntary admissions, beds that are desperately needed to assist API in reducing or community and hospital waitlists for API services. Due to the constrained capacity, almost all patients are briefly held in emergency departments around the state awaiting transfer to API or other designated treatment facilities.

This multifaceted study of API's forensic services that will include, but is not limited to the following:

- an estimate of the potential number of additional forensic beds needed to adequately address the following populations: competency and restoration individuals; persons found non-restorable who committed serious crimes; specific sub-populations within the Department of Correction's mental health inmate population, including the Guilty but Mentally Ill (GBMI), the seriously mentally ill, and the dually-diagnosed individuals;
- options of a forensic hospital within the Municipality of Anchorage;
- accreditation concerns arising from the relocation;
- staffing and operational issues;
- transportation needs;
- condition assessments and cost estimates of any identified potentially available facility, including purchase/lease costs, renovation costs associated with the facilities, etc.; and
- retrofitting and operating cost comparisons between identified potential locations.

## EVALUATION CRITERIA

**Performance Measure #1:** Provide an analysis of current data to include, but not limited to: defendants that need competency evaluations; defendants found incompetent to stand trial and need treatment to determine if they can be restored to competency; defendants found non-restorable and consequently civilly committed to API; defendants found Guilty but Mentally Ill and held in prisons; defendants found guilty and sentenced to jail, who are experiencing a serious mental illness, and are in need of mental health treatment.

**Performance Measure #2:** Provide recommendations for types of defendants that could be evaluated and treated in a forensic hospital.

**Performance Measure #3:** Provide information on and analysis of recommendations from a survey of other models that include development of a specialized workforce to meet the needs of a forensic hospital and of models that use a braided funding strategy.

**Performance Measure #4:** Provide monthly written reports from the contractor to DHSS and the Trust, to include stakeholders contacted and any barriers identified impacting the ability of the contractor to achieve the objectives of the feasibility study.

**Performance Measure #5:** Provide a final report from the contractor, to include an executive summary with clear findings and recommendations by March 2019.

BUDGET	
<b>Contractual Services Amount:</b>	\$300,000
<b>Administration</b>	\$18,000
<b>Total Amount to be Funded by the Trust</b>	\$159,000 (Re-Allocated FY19 MHTAAR)
<b>Total Amount Funded by DHSS</b>	\$159,000 GF/MH (UGF)
<b>Total Project Amount</b>	\$318,000

## MEMO

**To:** Mary Jane Michael, Chair  
**Date:** May 24, 2018  
**Re:** FY19 Partnership Grant Request  
**Fund Source:** FY19 Partnerships/Designated Grants  
**Amount:** \$125,000.00  
**Grantee:** Alaska Public Media  
**Project Title:** Mental Health Content Initiative

### REQUESTED MOTION:

*Approve a \$125,000 FY19 partnership grant to Alaska Public Media for the Mental Health Content Initiative.*

**Assigned Program Officer:** Carley Lawrence

### STAFF ANALYSIS

This grant will guarantee increase media coverage of topics associated with Trust beneficiaries on public radio stations across Alaska. This will help generate better understanding of issues impacting beneficiaries and help to decrease stigma. Additionally, this partnership will increase brand awareness of the Trust through on-air and website recognition. Alaska Public Media partners with 23 local radio and 3 television stations and uses digital platforms to reach audiences across the state. In Anchorage, KSKA, reaches, on average, 45,600 listeners a week. The audience tends to be highly educated and engaged in their community.

Staff recommends approval of this grant.

### PROJECT DESCRIPTION

Alaska Public Media (AKPM) requests funding for a media partnership to help inform and educate the public about mental illness, developmental disabilities, chronic alcoholism, substance related disorders, Alzheimer's disease and related dementia, and traumatic brain injuries.

The reporter's work will cover various types of stories, including:

- Drugs and alcohol: What are the trends in the Anchorage community? What can be done to alleviate the impacts of alcoholism?
- Affordable Housing: What is Anchorage's situation? Do we need more housing? If so, why is it unavailable?
- Employment lines: Who gets good jobs and why?



- Elderly: What are the challenges for the elderly? What sources of support do elderly individuals receive?
- Children: What are the health, safety, education, and living conditions of kids?

Here's what we propose:

- AKPM maintains complete editorial control over all content produced in the spirit of this proposal.
- Take Line One: Your Health Connection Statewide (Promote and secure statewide coverage by incentivizing the 24 independent public radio stations that currently carry AKPM Statewide News, the Economic Report, Talk of Alaska, and Alaska News Nightly).
- Hire a full-time producer for Line One, Alaska Insight, Talk of Alaska, and the Solutions Desk.
- Create a monthly video health minute package for on-air and online.
- Develop two ENG packages for Alaska Insight coverage each year.
- Generate multimedia stories for TV, Radio, News, and [alaskapublic.org](http://alaskapublic.org). These stories will also be promoted via a weekly AKPM newsletter and AKPM social media outlets.
- Interact with the community, for example, by meeting with and reporting on rural communities, reporting on or/featuring community groups, and working with other organizations in its research.
- Host a minimum of two forums through Alaska Insight per year, to be televised for broadcast.
- Maintain a single Mental Health webpage that aggregates Line One, Alaska Insight, and Solutions Desk content on Alaska Public Media to feature stories, discussions and community input concerning these issues in one place.

Stations pay an annual fee to carry the following news and public affairs statewide programs that AKPM produces: Talk of Alaska, Alaska News Nightly, Morning News and the Economic Report. Each station pays a fee to support the production of these services. The fee charged for each station is based on the population size they reach. Over the years, largely due to state budget cuts and flat federal funding, AKPM has found ways to lower the fee structure to ensure statewide distribution of this content. It cost time and money to make these programs available and for small local radio stations to capture them and program. While adding Line One Your Health Connection to this menu of programs would create additional work for each station, AKPM would plan to lower their fee to offset any ensuing costs. Aligns with public media's interest to educate and engage in civil discussions. The partnership and funding support from the Alaska Mental Health Trust.

The producer strategy goes beyond improving Line One Your Health Connection. This producer position would ensure editorial continuity across all AKPM content streams. What we have proposed is a three year, multi-media educational campaign that could improve the lives of

Alaska Mental Health Trust beneficiaries by developing greater awareness of the issues, challenges, support, and solutions. To wit, a dedicated producer would ensure that all AKPM content featuring stories and interviews about mental health topics would:

1. Strengthen Alaska's communities by listening to trusted agencies and community based service staff who support pathways to resources that provide beneficiaries access to resources that address mental illness, developmental disabilities, chronic alcoholism, substance related disorders, Alzheimer's disease and related dementia, and traumatic brain injuries.
2. Foster awareness of the challenges, stigma, stereo-types beneficiaries and the families face while educating the greater public about the medical and science based facts and data supporting current best practices in the Mental Health field.
3. Connect beneficiaries, their family, friends, and neighbors to the trusted and proven statewide resources designed to improve the lives of citizens who struggle with the challenges and misinformed perceptions of illness diagnosed as related to mental health.
4. Increase AKPM's capacity to provide resources, expand research, and provide mental health focused professional development for video/audio content creators, reporters, show hosts, and producers so that AKPM can grow capacity to sustain this meaningful work.

Line-One: Your Health Connection will produce 10 mental health episodes a year featuring call-in discussions guided by listeners questions and moderated by respected hosts who interview subject matter expert guests.

AKPM will also produce two Alaska Insight public affairs programs taking a deeper dive timely into mental health topics each year. These programs run 26:46 and also require the preparation of Electronic News Gathering (ENG) video package of 2-3 minutes that bring context to the discussion moderated by the host.

The AKPM video creative services team will produce one mental health education/awareness spot a month and will complete a total of 12 spots per year. These segments will be 1-2 minutes in length. Each spot will focus on building awareness and educating viewers about specific mental healthcare issues. These spots will also be used to drive traffic to the AKPM Mental Health Awareness web page where all multimedia content created by AKPM will be aggregated.

The Solutions Desk will go out into the community and travel around the state to capture and deliver "solutions based" enterprise journalism coverage of mental health issues at the local level. Videographers will follow with their cameras to capture community based work featured in Alaska Insight ENG packages and as video for the mental health education/awareness spots. 1-2 community forums will be conducted and capture via audio for airing on KSKA.



Travel will involve 2-3 AKPM staffers. These teams will include some combination of producer, videographer/sound, and reporter. We anticipate 4-5 rural trips with an estimated cost of \$10,000.

A specific site that aggregates all multi-media content supported by this funding initiative will be built and maintained by the producer assigned to coordinate and oversee all of the content creation detailed in this proposal.

AKPM will provide a mid-year and year-end content creation and activity narrative in addition to providing a mid-year and year-end budget report demonstrating how funds are spent.

All content created in support of this funding initiative would remain the editorial property of AKPM. AKPM exerts its rights to oversee all editorial direction free of undue influence by a funder.

The funding needed to support this comprehensive public affairs and community engagement plan would be \$175,000 per year over the course of three fiscal years. AKPM could begin this project starting July 1, 2018, with the goal of extending it through June 30, 2021. AKPM will endeavor to seek additional funders to sustain and/or expand this work.

<b>BUDGET</b>	
Personnel Services Costs	\$50,000.00
Personnel Services Narrative:	Dedicated Mental Health Producer 50% of annual duties provided to AKPM \$36,000.00 Dedicated Mental Health Producer 50% of Fringe (FICA, Medicare, Insurance, 401K.) \$14,000.00
Travel Costs	\$10,000.00
Travel Narrative:	Statewide Travel for 2-3 staffers 4-5 times per year Alaska Air (10 x \$500); Hotel (30 nights x \$100); Ground Transportation, Meals, & Misc. (\$2,000) \$10,000.00
Supplies Costs	\$25,000.00
Supplies Narrative:	Carriage Fees for Statewide LINE ONE Programming \$25,000.00
Other Costs	\$90,000.00

Other Costs Narrative:	<p>Line One, AI, TOA, Solutions Desk, Web Page \$50,000.00</p> <p>Annual Television Impressions \$50,000.00</p> <p>Annual Radio Impressions \$15,000.00</p> <p>Annual Web/Social Media Impressions \$10,000.00</p>
Total Amount to be Funded by others	\$50,000.00
Total Amount to be Funded by the Trust	\$125,000.00

## MEMO

**To:** Mary Jane Michael, Chair  
**Date:** May 24, 2018  
**Re:** FY19 Partnership Grant Request  
**Fund Source:** FY19 Partnerships/Designated Grants  
**Amount:** \$125,000  
**Grantee:** Governor's Council on Disabilities and Special Education  
**Project Title:** FY19 GCDSE Supplemental Budget

### REQUESTED MOTION:

*Approve a \$125,000 FY19 partnership grant to Governor's Council on Disabilities and Special Education for the FY19 GCDSE Supplemental Budget project.*

**Assigned Program** Jimael Johnson

### STAFF ANALYSIS

This \$125,000 funding request supplements \$100,000 of approved funding for the Governor's Council on Disabilities and Special Education (the Council) to support Beneficiary Employment and Engagement (BEE) strategies formerly covered by federal funds. This supplemental request supports staffing and related costs to ensure continuity of BEE related Council efforts through FY19, including Supported Decision Making and advocacy outreach and training.

Staff recommends approval of this grant.

### PROJECT DESCRIPTION

The Council is requesting supplemental FY19 funds to ensure continuity of systems efforts and strategy development for beneficiaries related to the Trust Beneficiary Employment and Engagement (BEE) focus area. Loss of a five year federal funding stream as of September 2018 necessitate this request. Prior to federal funding, the Trust had provided the Council with total BEE related funding roughly equivalent to the total level of support requested between the FY19 base funds previously budgeted (\$100,000) and the supplemental funds outlined in this proposal (\$125,000).

Supplemental funds will support staff time, travel and related expenses to provide technical assistance and outreach around key strategies which both enhance and complement efforts

currently funded through the base allocation. Primary activities that will be supported by the proposed supplemental funds include Supported Decision Making and Project SEARCH.

- **Supported Decision Making** activities will include creation of a demonstration project and create tools that will help implement Supported Decision Making in practice and across disciplines. Funds will support development of a module-based training program in partnership with a local provider agency to enable the service provider community and team to understand and support beneficiaries seeking a less restrictive alternative to guardianship. The training will be widely available and organized in a way that will be both accessible and easy to review/edit as needed. In addition to direct support professionals working with beneficiaries, target training audiences for FY19 include attorneys and other legal professionals, special education team members, and Adult Protective Services staff.
- **Project SEARCH** is a business led school-to-work transition program that takes place at the workplace. The program provides real-life work experience combined with training in employability and independent living skills to help youths with significant disabilities make successful transitions from school to productive adult life. Activities include technical assistance such as school district compliance issues for special education (i.e. FERPA) and will ensure braided funding and overlapping responsibility is sustainable to support smooth employment transitions for young beneficiaries.

## EVALUATION CRITERIA

Evaluation and reporting will align with established FY19 BEE related Mental Health Trust Authority Authorized Receipts (MHTAAR) reporting to include but not limited to:

- Number of primary and secondary beneficiaries engaged in training and self-advocacy activities
- Meeting minutes and quarterly surveys related to Supported Decision Making (consistent with reporting required by American Bar Association)
- Fidelity review for Project SEARCH sites

## SUSTAINABILITY

The Council had the privilege to receive a five year federal grant of \$1.8 million over 5 years, which we managed to extend into a total of six years. This grant ends September 30, 2018. The Council also applied for one large federal grant and one foundation grant but these were not successful. While the annual income from the federal grant was \$360K annually, the Council only requests a \$125K supplemental from the Trust as we have been able to significantly reduce the 2019 budget. For instance, one non-perm Health Program Manager I position was allowed to

lapse, and the employee in that position successfully applied for our Research Analyst III. In addition, we reduced our admin staff from two positions to one. Recently, the Council learned that we can move office space to the Atwood Center downtown for approximately half the cost of what we pay in the Frontier building, so we are planning on making that move in the summer of 2018. In the meantime, the Council will continue to look for other national grant programs and funding supports, and if successful we will be happy to allow Trust funds to shrink and be used for other worthwhile beneficiary projects.

## BUDGET

### ***FY19 Supplemental Funds Requested***

<b>71000 PERSONAL SERVICES</b>	56,625
<b>72000 TRAVEL</b>	18,000
<b>73000 SERVICES</b>	45,375
<b>74000 COMMODITIES</b>	5,000
<b>75000 CAPITAL OUTLAY</b>	0
<b>77000 GRANTS</b>	0
<b>TOTAL</b>	<b>\$125,000</b>

**Personnel:** The Council will employ a .5 FTE Program Coordinator II (Anne Applegate) to work on the Council's efforts toward training and outreach on Supported Decision Making to providers and Trust beneficiaries, and to provide technical assistance to Project SEARCH sites around the state.

**Travel:** Funds will be used for GCDSE staff and/or stakeholders to travel to Project SEARCH and Supported Decision Making conferences, meet with policy makers and facilitate stakeholder input.

**Services:** Funds to be used for interpreter and reporting services for a Supported Decision Making Summit (working title), SDMA outreach projects, Project Search Technical Assistance (\$15.0), office space, telephone and videoconference fees.

**Commodities:** Funds for meeting supplies and refreshments, Project SEARCH promotional materials and site specific work clothes for Project SEARCH students statewide.

### ***FY19 Budgeted Trust Funds (Approved)***

- \$100,000 - Beneficiary Employment and Engagement (BEE) FY19 Base Budget**

Funds will support continued efforts to assist the Trust with planning, coordination, expansion and implementation of the Trust Beneficiary Employment & Engagement focus area. Focus of activities in FY'19 will be to provide continued assistance with sustaining and building on activities that will result in more beneficiaries seeking, securing and maintaining competitive, integrated employment. In addition, emphasis in FY 19 will be placed on self-advocacy and supported decision making outreach and training related to the Council's beneficiary employment and engagement related activities.

The Council will employ a 0.5 FTE Program Coordinator I (Ric Nelson) to work on Employment and self-advocacy initiative, including job fairs, training and self-advocacy summit. In addition, it will support 0.1 FTE of the Planner to coordinate Employment First reporting on behalf of the Council and the Trust. Funds will also support employment or self-advocacy related travel for staff and stakeholders, association membership and conference fees, website maintenance, interpreter and reporting services, office space, meeting supplies, and promotional and printing costs for employment and self-advocacy materials.

**2. \$127,400 – Research Analyst III**

The Council will employ a Research Analyst III (RA3), Lanny Mommsen, to coordinate research and analysis activities related to beneficiaries of The Trust who have developmental disabilities. The RA position enables the Council to provide up-to-date, valid information to the Trust on consumer issues, identify trends, participate in Trust activities, enhance public awareness, and engage in ongoing collaboration with The Trust and partner boards. The Council's RA3 is also the lead staff person for the FASD workgroup, Emergency Preparedness, Aging and Disabilities, and Inclusive Play initiatives. Travel funds will be used for staff, council members and stakeholders to participate in at least one face to face FASD meeting, and for staff to attend a relevant national conference. Funds will be used to partially offset the costs of office space for the research analyst, telephone, reporting and interpreter services for meetings, meeting materials, refreshments, promotional materials and SKIP Kits (emergency prep kits) for beneficiaries.

**3. \$150,000 – Microenterprise Program**

Funds will be used to 1) help beneficiaries of the Trust to start their own businesses; and 2) provide business coaching services to help Trust beneficiaries successfully maintain and expand their small businesses. Note - the Trust may recommend these funds be awarded directly to the University of Alaska in future years as the Microenterprise Program is fully coordinated through the Center for Human Development.



## MEMO

**To:** Mary Jane Michael, Chair  
**Date:** May 16, 2018  
**Re:** FY19 Partnership Grant Request  
**Fund Source:** FY19 Partnerships/Designated Grants  
**Amount:** \$100,000.00  
**Grantee:** Alaska Mental Health Board/Advisory Board on Alcoholism & Drug Abuse  
**Project Title:** ACE Data Research Analyst

### REQUESTED MOTION:

*Approve a \$100,000 FY19 partnership grant to the Alaska Mental Health Board/Advisory Board on Alcoholism & Drug Abuse for the ACE Data Research Analyst.*

**Assigned Program Officer:** Jimael Johnson

### STAFF ANALYSIS

Prevention and early intervention is a key commitment of the Trust and a coordinated, data-driven response to this commitment is currently in a formative stage of program development. Increased data analysis capacity is needed to determine the most appropriate framework for Trust programmatic investment in this area. This proposal expands state capacity to evaluate risk factors and track beneficiaries impacted by childhood trauma; a known causal agent of chronic disease and disability. The outcome of enhanced data analysis will assist the Trust and partners to develop data informed policies and strategies more efficiently targeted to at-risk individuals with the ultimate goal of preventing future manifestation of behavioral health issues, addiction, developmental delays, dementia, suicide and many other negative outcomes.

AMHB/ABADA and others engaged in early childhood initiatives have been gaining traction with successful dissemination of adverse childhood experience research, data about associated economic costs and expanded awareness about negative individual and societal impacts related to childhood adversity.

Staff recommend funding for this project to help guide development of data-driven strategies and policy related to beneficiary early intervention and prevention and to enhance the capacity of AMHB/ABADA and public health to comprehensively evaluate childhood trauma related data.

### PROJECT DESCRIPTION

The Alaska Mental Health Board and the Advisory Board on Alcoholism and Drug Abuse are requesting funding for a long-term, non-permanent position to be based in Anchorage. This

position will be a Research Analyst II/III to support the work of the Boards on expanding data analysis capacity of the Adverse Childhood Experiences (ACEs) links to health outcomes and trends. The position will be housed in partnership with the Division of Public Health to create additional analysis linking data to systems and eventually lead to strategy development and planning of potential policy changes.

It is safe to say that thousands of Trust beneficiaries have their very status as a beneficiary related to early life events which are only partially understood:

- Alzheimer's disease and related disorder, for example, in an Alaskan study have been linked with child trauma with the suggestion that up to 60% of the issues around memory loss later in life are tied back to early life events.
- Various substance abuse conditions and their links to early life events range from a low of 28% for heavy drinking to 67% for intravenous drug use.
- Developmental delays which are tied back to potentially preventable early events range from 22% for speech and language delays to 39% for having a diagnosed developmental delay.
- Mental illness also has a range depending on the diagnostic category. Up to 80% of youth suicide attempts are tied back to early life factors and even ADHD may be as much as 40% linked to preventable exposure to stressors.
- For TBI the link may be as high as 20% of exposure is tied back to early life trauma.

#### EVALUATION CRITERIA

It is anticipated that the position will be needed for 12-18 months in order to fully focus on data linkages between childhood trauma and preventable life events. Evaluation for the overall project will lead to increased access to data and reports presented to partner agencies, providers, schools, the legislature and policy makers. This project will create new linkages so we can better track the number of beneficiaries impacted by childhood trauma and understand what additional data sources exist or need to be developed. Creating a fuller picture of how we develop and how we as a society can better support a healthy environment and increased quality of life for all Alaskans.

Work created by this position will be presented in report format, power point presentations, with the potential to publish peer reviewed articles contributing to the overall increase in knowledge in Alaska and across the globe. The number of presentations will be tracked and shared with the Trust at the completion of the project.

#### SUSTAINABILITY

The need for a permanent position is undecided at this point. We are requesting a non-permanent staff to boost the effort that has been ongoing but not someone's full focus. If a permanent position is decided to be a need we will determine a funding source at that point.

#### WHO WE SERVE

This project will potentially impact members of all the beneficiary groups as it is a longitudinal data project beginning with prenatal development and moving through the lifespan. Since at



least a portion of all of the beneficiaries groups are beneficiaries as a result of preventable life events, this project could impact each groups' outcomes and even the number of Alaskans counted as beneficiaries. Specifically, the project looks to follow and link administrative data for a sample of children (approximately 3,500), now age eight, and follow their life course identifying risk and protective factors as well as effective interventions. Additionally, the project will allow for foundational or systemic work to be done to expand the cohort followed when needed for more reliably results or trending analyses.

Ideally the linkage of data will identify at each stage of early development those areas of concern for such risk factors as trauma or deprivation of some kind which may eventually manifest themselves as developmental delays, behavioral health issues, risks for traumatic brain injury and ultimately even Alzheimer's and related dementia. By making these links it is hoped that Alaskan programs can be more efficiently targeted to individuals at risk and with the inclusion of programmatic data also look at outcomes from interventions.

It is expected that the project will become more dynamic and productive as more data sets are linked together so that current expectations about benefits may be exceeded by subsequent analysis opportunities.

BUDGET	
Personnel Services Costs	\$100,000.00
Personnel Services Costs (Other Sources)	\$0.00
Personnel Services Narrative:	We will recruit for a Long-Term, Non-Permanent Research Analyst II/III to be placed in Anchorage. They will have the ability to gather, compile, and analyze research data and present reports and summaries in written, tabular and graphic form; maintain statewide statistical information in a particular field and develop appropriate reporting procedures; analyze situations accurately and adopt an effective course of action. Benefits are provided for a LTNP.
Travel Costs	\$0.00
Travel Costs (Other Sources)	TBD
Travel Narrative:	Any travel that may arise can be funded with existing AMHB/ABADA budgets.
Space or Facilities Costs	\$0.00
Space or Facilities Costs (Other Sources)	\$12,000.00
Space or Facilities Narrative:	The Division of Public Health has agreed to physically

	house the position and workspace needs (estimate \$1000/month) will be offered in-kind.
Supplies Costs	\$0.00
Supplies Costs (Other Sources)	TBD
Supplies Narrative:	All supplies will be covered by other funding, including the Division of Public Health and/or AMHB/ABADA.
Equipment Costs	\$0.00
Equipment Costs (Other Sources)	\$2,000.00
Equipment Costs Narrative:	All equipment (computer, phone, etc.) and database software will be provided in-kind by the Division of Public Health.
Total Amount to be Funded by the Trust	\$100,000.00
Total Amount Funded by Other Sources	\$14,000.00
Other Funding Sources	
<b>Total Leveraged Funds</b>	<b>\$14,000.00</b>

## MEMO

**To:** Mary Jane Michael, Chair  
**Date:** May 24, 2018  
**Re:** FY19 Partnership Grant  
**Fund Source:** FY19 Partnerships/Designated Grants  
**Amount:** \$89,960  
**Grantee:** Alaska Commission on Aging (ACOA)  
**Project Title:** Advisory Board Capacity Enhancements

### REQUESTED MOTION:

*Approve a \$89,960 partnership grant to the Alaska Commission on Aging for Advisory Board Capacity Enhancements.*

**Assigned Program Officer:** Kelda Barstad

### STAFF ANALYSIS

The Alaska Commission on Aging (ACOA) is a statutory advisory board to the Trust on matters that involve senior beneficiaries and informs the Trust of trends and needs of the senior population of Alaska. The Trust supports ACOA in its work to advocate for senior beneficiary populations and its overall mission to assist older Alaskans to maintain good health, independence and dignity through planning outreach and advocacy by interagency collaboration. Funding was cut two years ago along with two positions. The capacity enhancements outlined will allow ACOA to further its work through educational opportunities, stakeholder engagement, equipment replacement and technical assistance. This work will benefit senior beneficiaries of all categories.

Staff recommends approval of this grant.

### PROJECT DESCRIPTION

The Alaska Commission on Aging Advisory Board Capacity Enhancements include:

#### Planner I position- \$6,953 addition

Increase the FY19 funding for the Planner I position (PCN 06-1513) by \$6,953. This position is an advisory board position that the Trust has consistently supported.

- Salary increase of \$1,953 to accommodate an expected merit increase.
- Travel/services allowance of \$5,000.
- The funding level currently identified for FY19 is \$119,100.
- After the increase, the total funding for the position would be \$126,053.

#### Conference Attendance - \$7,300

The ACOA Executive Director and one Commissioner attend the Home and Community Based Services (HCBS) conference in August 2018. The HCBS Conference will include federal, state, and local policymakers and those who administer, manage, and deliver waiver and other HCBS programs. The conference always sees a strong presence from U.S. Department of Health and Human Services, including the Administration for Community Living, the Centers for Medicare & Medicaid Services, the Health Resources and Services Administration, Substance Abuse and Mental Health Services Administration, as well as other federal agencies.

- Conference Fees for two people, \$1,190.
- Travel to Baltimore for two people (one state employee, one non-state employee) is estimated at: \$6,110. Flights are quite high at present, \$1500, and may drop this summer.

#### Formulation of the Alaska State Plan for Senior Services - \$34,500

The ACOA is authorized to develop the Alaska State Plan for Senior Services every four years. The current plan is active through FY19, so the next plan will be written over the course of FY19. This plan is anticipated to identify the need for ADRD and caregiver services and supports that will benefit Trust beneficiaries greatly.

- Technical Assistance to write and design the plan is \$25,000, based on previous plans.
- Printing, \$2,000
- ACOA staff member travel estimate to complete 5 listening sessions, \$7,500.

#### Equipment Replacement - \$16,552

The copy machine for ACOA has reached the end of its lifespan and needs replacing. It is no longer within a maintenance plan and may no longer have parts available for repair due to age. The recommended Xerox high volume printer, XC70, prints both black and white and color and includes a maintenance and repair plan. This quote was obtained from Xerox and is based on the ACOA's copy volume.

#### ACOA Rural Outreach - \$24,655

ACOA has not been able to coordinate a rural outreach trip outside of Southeast Alaska for the past few years due to budget cuts. The ACOA has not visited Northwest Alaska for 10 years. It is extremely valuable for the Commission to visit different parts of Alaska to better understand and advocate for the needs of seniors across the state. This is especially critical as the Commission develops the upcoming senior plan. Kotzebue is used as an example for budgeting purposes, but may not be the selected location. Kotzebue, Nome or Bethel are the options the Commission is considering.

- Travel for Commissioners and two staff to travel from home location to Kotzebue, \$21,325.
- Travel from Kotzebue to surrounding villages, \$3,330. The Commission will split up and groups of 3-4 people will visit nearby villages/small towns for local talking sessions, tour of services and discussion of senior needs with local service providers. 3-4 people will remain in Kotzebue for the same purpose.
-

## EVALUATION CRITERIA

Project success will be based on the completion of the above items.

- The Planner position increase will be processed for FY19, beginning 7/1/18.
- The HCBS Conference occurs in August of 2018.
- The Alaska State Plan for Senior Services has a completion date of May 2019.
- The rural outreach trip will occur in September 2018.

## SUSTAINABILITY

The Alaska Commission on Aging meets the requirements of the Older Americans Act that each state establish an advisory council for aging matters. ACOA falls under the administration of DHSS, SDS but is authorized to make recommendations directly to the governor, legislature and other executive branches on policy and budgetary matters. The Trust funds one position ongoing, the Planner I listed above, to facilitate ACOA's role as a statutory advisory board to the Trust. Future merit increases will be incorporated into the 20-21 planning. The Alaska State Plan for Senior Services is drawn up every four years. The conference and rural outreach trips are one-time events. It is unknown if they are to occur in the future.

## WHO WE SERVE

The project is directly related to the Trust beneficiaries with Alzheimer's Disease or Related Dementia and all beneficiaries who are 60 and older. The Alaska Commission on Aging represents seniors across Alaska.

## ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	24,090 (4,938 SMI)
Developmental Disabilities:	2,168
Alzheimer's Disease & Related Dementias:	10,840
Substance Abuse	8,792 alcohol; 4,576 drugs
Traumatic Brain Injuries:	1,918
Secondary Beneficiaries(family members or caregivers providing support to primary beneficiaries):	12,000
Non-Beneficiaries:	68,060
Number of people to be trained	11 staff
**Numbers listed above are draft population prevalence estimates for people 60 and older** Numbers have not been adjusted for co-occurring disorders.	

## BUDGET

Personnel Services Costs	\$6,953.00
Personnel Services Costs (Other Sources)	\$0.00
Personnel Services Narrative:	Salary increase of \$1,953 to accommodate an expected merit increase.

	Travel/services allowance of \$5,000.
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Travel Costs	\$39,455.00
Travel Costs (Other Sources)	\$0.00
Travel Narrative:	Travel costs include airfare, hotel, ground transportation/parking and per diem. - HCBS conference in Baltimore with fees: \$7,300 for 2 people - Listening sessions \$7,500 – five listening sessions - Rural Outreach Trip - \$24,655 for 12 people
Other Costs	\$16,552.00
Other Costs (Other Sources)	\$0.00
Other Costs Narrative:	\$16,552 for a XC70 high volume printer, maintenance and service agreement.
Other Costs	\$27,000.00
Other Costs (Other Sources)	\$0.00
Other Costs Narrative:	\$25,000 contract amount for writing and design of the plan. \$2,000 for printing.

Total Amount to be Funded by the Trust	\$89,960.00
Total Amount Funded by Other Sources	\$0.00



## MEMO

**To:** Mary Jane Michael, Chair  
**Date:** May 24, 2018  
**Re:** FY18 Substance Abuse Prevention & Treatment Focus Area Allocation  
**Fund Source:** FY18 Substance Abuse Prevention & Treatment – Treatment Access  
**Amount:** \$75,000.00  
**Grantee:** Set Free Alaska  
**Project Title:** Site Acquisition and Facility Remodel 2.0

### REQUESTED MOTION:

*Approve a \$75,000 FY18 Substance Abuse Prevention & Treatment Focus Area Allocation to Set Free Alaska for Site Acquisition and Facility Remodel 2.0.*

**Assigned Program Officer:** Katie Baldwin-Johnson

#### STAFF ANALYSIS

Trustees approved a \$140,000 grant to Set Free Alaska during the October 26, 2017 Finance Committee meeting for the site development, remodel and relocation of their outpatient program to a facility located on the Set Free Alaska treatment campus. This remodel will enable Set Free to re-locate their administration and outpatient program to a larger space which will allow them to double the capacity of their outpatient program. Set Free estimates they will increase outpatient client capacity by approximately 140 clients annually if they are able to complete the facility modifications.

The funding plan for this project was based on an estimated cost of \$1,210,000 remaining to complete the project, of which Set Free successfully raised \$990,000. A couple of the awards were less than the amount requested by Set Free Alaska, resulting in the project having a \$220,000 short fall. Staff recommends approval of this additional \$75,000 request to Set Free Alaska anticipating they will successfully secure an additional \$150,000 from two of the existing contributing funding partners to enable successful completion of this project.

Set Free provides critical and needed treatment services to beneficiaries with alcohol and drug addiction. While located in the Matsu-valley, Set Free provides treatment to Alaskans statewide. Set Free continues to work hard to meet the growing needs of beneficiaries with addictions. They most recently opened a 16 bed residential program for pregnant and parenting women and have added additional child/adolescent behavioral health capacity.

Staff recommends approval of this request. Once capacity is increased Set Free Alaska will expand their capacity to serve more beneficiaries. Once enrolled in the program, Trust beneficiaries will

experience decreased substance use, improved quality of life, decreased mental health problems and greater stability in the community.

The following is an excerpt from the application submitted by Set Free Alaska.

#### PROJECT DESCRIPTION

Addiction has grown to epidemic proportions across our state and nation. Through God's love, innovative programming, and strong partnerships we are fighting the bondage of addiction in our state. This proposal is requesting an additional \$75,000 of the Alaska Mental Health Trust Authority to increase our Trust award to Set Free Alaska to help the program raise additional funding to close the shortfall in the amount of \$220,000. This funding will still support the original project presented to Trustees back in October of 2017, which includes remodeling a two-story building which will enable Set Free to increase service agency capacity and improve sustainability. Once the project is completed, the agency will nearly double its current capacity and improve services for years to come.

Phase One of this project is complete, which included the acquisition of a site, remodel of one facility, and launching of a residential women's program. Phase One was funded with partnership grants from the Mat-Su Health Foundation, State of Alaska, and others. This current project, which is Phase Two, includes the remodel of a second building, parking lot and site development, procurement, and move of outpatient and administrative functions.

Phase Two began by pursuing funding partners. The M.J. Murdock Charitable Trust and the Rasmuson Foundation have invited Set Free Alaska (SFA) into full grant proposals which have been awarded. Rasmuson and Murdock along with the first award from the AMHT have funded 81% of the revised project cost. The Mat-Su Health Foundation has invited us into a full grant proposal for review in September 2018 for an additional \$75,000 and the Rasmuson Foundation is considering an additional contribution in the amount of \$75,000.

**Project status:** Architectural drawings have been completed to 100% and stamped (attached), a contractor has been secured with a revised project cost (attached). The cost of the revised design in conjunction with reduced award funding has created a deficit in the full project funding. The remodel project has advanced with demolition being completed May of 2018. Phase Two funding includes the remodel of the two-story building (and associated costs), furnishings for the new building, and some site development including parking lot paving, light poles, and landscaping.

There are several benefits of this project including sustainability, and increased agency capacity to serve individuals with substance abuse and mental health problems. SFA currently has capacity for 150 clients in the outpatient programs. We have experienced 50% growth over the last year alone! Current facilities are maxed out yet we have a growing wait list. Once remodeled the new facility will provide over 2500 additional square feet of space. The new facility will also be handicapped accessible which is a challenge in our existing facility.

Once completed, SFA will have the capacity to serve up to 140 additional clients nearly doubling current capacity. This project will create an opportunity to improve and increase our new



children's behavioral health program by providing a large play therapy area and additional space for more staff.

**Anticipated timeline for Phase Two:**

- Complete Pre-D, initial architectural drawings, and obtain construction bid- **Completed June 2017.**
- Secure funding for Phase Two of project – **February 2018 (secured 81% of funding)**
- Complete architectural construction drawings and begin construction (**completed May 2018**)
- Secure remaining funding for Phase Two – May/Sept 2018
- Complete building remodel and move into new Facility – October 2018

This project is being overseen by Joy Stein. Joy is the Finance and Operations Director and Interim Executive Director of Set Free Alaska. A primary job responsibility for her position is to oversee building and facilities. She has proven her skill and abilities by overseeing the completion of Phase One. Tom Stein will continue to provide board oversight as the Building Committee Chair. He has extensive construction experience. Talon Construction and Wolf Architecture will continue to work on the project from Phase One into completion of Phase Two.

#### EVALUATION CRITERIA

**Project Outcomes:**

- 1) Fully remodeled handicap accessible facility for outpatient and administrative functions
  - a. Target completion October 2018
  - b. Suitable space for both work and client services
  - c. Warm and friendly atmosphere that is conducive to healing
- 2) Increase agency sustainability
  - a. Decrease rent payment by \$7,000 per month
  - b. Improved staff and team cohesion
  - c. Improved work flow for administrative functions
  - d. Improved workforce development and staff coverage for services
  - e. Increase agency revenue through increased clients billed services
  - f. Increased program expansion possibilities (future site development)
- 3) Increase agency and community capacity
  - a. Increase potential client by 140 (nearly double current)
  - b. Decrease wait list to zero (currently 64)
  - c. Facilitate additional opportunities for community partnerships

**Measure:** Progress will be measured by building project completion reports and tracking through spreadsheets created and monitored by Finance and Operations Director. Data is tracked in state's AK AIM System. The agency using the CSR, AST, and the BECK Youth Inventory Scale to track client outcomes.

**Evaluation/Reporting:** Reports will be made promptly as required by the grant. The Quality Assurance Committee and the Executive Leadership Team will be responsible for evaluating and reviewing the successful completion of these outcomes. The Executive Leadership Team meets weekly and the Finance and Operations Director is a key member of this team. The Quality Assurance Committee meets semi-annually and is tasked with the oversight of all agency performance measures.

**Specific program participant outcomes:**

1. Decreased substance abuse- over 80% reported in FY17
2. Client report of improved overall quality of life - over 90% reported in FY17
3. Client report of being treated with respect - 100% in FY17

#### **SUSTAINABILITY**

The sustainability benefit of having residential and outpatient programs on one site is huge. Clients can participate in various groups offered without having to duplicate efforts, staff can cover for one another more readily, and there is a significant financial savings. SFA currently pays \$7,000 per month in rent for its existing outpatient and administrative buildings. By moving these programs into a new debt free facility there will be an initial savings of \$84,000 per year. This savings will be used to offset facility maintenance/repair and utilities resulting in a more sustainable future for ongoing programs SFA provides.

The new facility plan includes 7 new offices for staff to allow program expansion. Currently SFA has a client capacity of 150 clients. In the new facility we can reduce wait listed clients and serve an additional 140 clients, nearly doubling our current capacity. The revenue created by the 7 new counselors with 20 clients each average \$9200 per month. This revenue figure exceeds the direct cost of the counselor wages plus burden by over \$21,000 per month. Each new counselor position is anticipated to be self-funded within six months of hire date. We anticipate with the client growth an additional billing person will also be required. The surplus from the conservative revenue projections covers the added billing salary with burden and administrative cost. The additional administrative staff will provide greater internal controls by segregating duties in a manner conducive to favorable audit outcomes.

#### **WHO WE SERVE**

The project primarily serves adults, teens, and children with substance abuse and mental health problems. Set Free Alaska has adult and teen outpatient and intensive outpatient programs. We also have a behavioral health program for children ages 5-17 staffed with trauma informed counselors.

Although this is a capital building project the focus is on increasing capacity for clients. The new facility will allow us to increase services for adults, teens, and children. Increasing access to care and decreasing wait lists are crucial for our continuum of care in Alaska.

Once capacity is increased we will have the ability to meet the current and growing need for services. Once enrolled in the program, Trust beneficiaries will experience decreased substance use, improved overall quality of life, decreased mental health problems, increased time spent in positive activities, and more.

#### ESTIMATED NUMBER OF BENEFICIARIES SERVED EXPERIENCING

Mental Illness:	460
Substance Abuse	500
Traumatic Brain Injuries:	280
Secondary Beneficiaries(family members or caregivers providing support to primary beneficiaries):	1,500

#### BUDGET

Personnel Services Costs	\$0.00
Personnel Services Costs (Other Sources)	\$712,290.00
Personnel Services Narrative:	Administrative personnel to run Phase One of the capital project as well as clinical personnel to create, write, and launch the program was funded in full by the State of Alaska in the amount of \$119,485. Phase Two includes administrative wages of \$286,778 and staff wages and \$306,027 to complete the launch and open the program with 24/7 coverage at the new residential facility.

Travel Costs	\$0.00
Travel Costs (Other Sources)	\$1,672.00
Travel Narrative:	Residential staff member training for EMDR.

Space or Facilities Costs	\$215,000.00
Space or Facilities Costs (Other Sources)	\$3,174,659.00
Space or Facilities Narrative:	<p>Phase One of the project included the site acquisition of \$1,500,000 which was provided by the Mat-Su Health Foundation. Remodeling the single story building on the property cost \$550,000 of which \$150,000 was funded by the State of Alaska and \$400,000 was funded by the Mat-Su Health Foundation. Phase One facilities and maintenance expenses include utilities, telephone, contracted services for network, security, and technology were \$64,659.</p> <p>Phase Two of the project include remodeling the two story building. The original anticipated cost of the project was \$1,050,000. Once drawings were completed and contractor began demolition the costs were revised to \$1,275,000 which includes a 5% contingency. We are asking the AMHT to contribute an additional \$75,000 towards the remodel of the Admin/Outpatient facility</p>

	remodel for a total project contribution of \$215,000.
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Supplies Costs	\$0.00
Supplies Costs (Other Sources)	\$74,998.00
Supplies Narrative:	Phase One supplies total \$74,998 and consisted of the initial purchase of program supplies, curriculum, and office and kitchen supplies.

Equipment Costs	\$0.00
Equipment Costs (Other Sources)	\$111,559.00
Equipment Costs Narrative:	Phase One equipment included furniture, fixtures, and equipment including those items with cost greater than \$500 and a life greater than one year. The beds and furniture for the sixteen bed residential center along with appliances, computers, and two 70 inch televisions with ROKU technology were purchased for the center. Two seven passenger Toyota Sienna mini vans were purchased for the transportation of the clients to and from appointments.

Other Costs	\$0.00
Other Costs (Other Sources)	\$25,422.00
Other Costs Narrative:	Phase One includes cost of General Liability insurance, Professional Liability and Auto insurance for the residential facility for the first year of operation.

Total Amount to be Funded by the Trust	\$75,000.00 (plus the \$140,000 approved in October 2017 for a total of \$215,000)
Total Amount Funded by Other Sources	\$4,100,600

Other Funding Sources	
Mat-Su Health Foundation - Secured	\$1,900,000.00
State of Alaska- Secured	\$1,140,600.00
Rasmuson Foundation - Secured	\$500,000.00
MJ Murdock Charitable Trust - Secured	\$350,000.00
Mat-Su Health Foundation - Pending	\$215,000.00
Set Free Alaska - Committed	\$60,000.00

Contingency 5%	
<b>Total Leveraged Funds</b>	<b>\$4,165,600.00</b>

<b>Set Free Alaska, Inc.</b>	
<b>Phase 2 Remodel of 7010 E. Bogard Road</b>	
<b>Cost Analysis</b>	
Talon Construction - Written Estimate with Schedule of Values	\$ 950,000.00
Project Architectural Fees	\$ 50,142.00
Office Furniture for 22 offices, Group room chairs, conference furn	\$ 85,000.00
Mechanical Air Transfers & Duct size modification	\$ 36,110.00
Network, Security Camera System, Phone and Communications, Alarm	\$ 29,000.00
Breakroom, Built-in Casework, Reception casework, well certification	\$ 28,248.00
Parking lot light poles, Landscaping, and fencing	\$ 21,500.00
Exterior Sign on Bogard Road (using existing frame & lighting) and building signage	\$ 15,000.00
Project Contingency @ 5%	\$ 60,000.00
Sub Total	\$ 1,275,000.00
<u>Funders</u>	
Secured Funding Rasmuson	\$ (500,000.00)
Secured Funding AK Mental Health Trust	\$ (140,000.00)
Secured Funding Murdock Charitable Trust	\$ (350,000.00)
Pending AMTH - Requested	\$ (75,000.00)
Pending Mat-Su Health Foundation - Requested	\$ (150,000.00)
Set Free Alaska to cover contingency	\$ (60,000.00)
	\$ -

# **CEO Job Description and Proposed Motion**

Full Board of Trustee Meeting  
May 24, 2018

**Motion:**

**Move that the Board approve the CEO job description dated August 2, 2017.**



**Chief Executive Officer**  
**DRAFT 8/2/17**

**Category:** Professional  
**Class Title:** Chief Executive Officer  
**Reports to:** Board of Trustees  
**Class Range:** 28

**Position Description:**

Under general direction of the board of trustees and in partnership with the board, the Chief Executive Officer (CEO) is responsible for the oversight of the Alaska Mental Health Trust Authority (the Trust). The board and the CEO work together to accomplish the Trust's mission and vision and assure that the Trust is accountable to its beneficiaries.

The CEO of the Trust is a transformational leader with accountability for strategic planning, systems building, and change management. The CEO is a systemic thinker who is beneficiary focused and results driven.

The board delegates responsibility for management of operations to the CEO who has the authority to carry out these responsibilities in accordance with the Mental Health Trust Settlement, Alaska Statutes and Regulations, the Trust's bylaws, and direction and policies established by the board. The CEO is responsible for management of relationships with key department partners including the Departments of Natural Resources (DNR) DNR, Revenue (DOR), Health and Social Services (DHSS), Corrections (DOC) and statutory advisory boards. The CEO is responsible for oversight of the Trust Land Office (TLO), a unit within the Department of Natural Resources, pursuant to the Trust's bylaws and the current agreement between the Trust and DNR.

The CEO is responsible to the Board to The CEO provides advice and counsel to the board as it carries out its statutory governance functions authorized under AS 47.30.026.

**Key accountabilities**

1. Mission, policy and planning
  - a) Works with the board and staff to implement the Trust's mission, communicate it effectively to staff, state agencies, and statutory advisory boards, and ensure the mission serves continuously as an inspiration and guide.
  - b) Works with staff to develop and implement systems required to execute the mission effectively.
  - c) Keeps informed of factors and trends impacting the ability of the Trust to implement the Trust's mission and management of Trust assets.
  - d) Keeps the board and public informed regarding the State of Alaska's Comprehensive Integrated Mental Health Program, monitoring and evaluating effectiveness on an ongoing basis.
  - e) Assists the board to monitor and evaluate the performance, effectiveness, and results of the Trust Authority, the Trust Land Office, and investments managed by Alaska Permanent Fund Corporation (APFC) and DOR.

- f) Responsible to the Board of Trustees to prepare and implement the Trust strategic plan and update on an annual basis.
2. Management and administration
- a) Develops programming, grant making and grant management strategies and systems that are effective and aligned with the Trust's vision/mission and ensures that such strategies and systems are implemented and evaluated.
  - b) Develops accountability standards and systems that track and report on the financial and administrative performance of the Trust Authority Office (TAO), the TLO and the assets managed by the Alaska Permanent Fund Corporation.
  - c) Provides oversight to the TLO, related to real estate investment and land asset management strategies and systems that are effective and aligned with the Trust's vision/mission driven needs, and ensures that such strategies and systems are implemented.
  - d) Assures a work environment that recruits, retains and supports a high performing team.
3. Financial management
- a. Working with the Chief Financial Officer (CFO), oversees the financial management of the Trust including budgeting, reporting, auditing and maintaining effective internal controls for the protection of the Trust's asset.
  - b. Provides recommendations to the board based on periodic review of Trust initiatives, financial reporting and asset management operations for conformance to board policies.
  - c. Works with the board to ensure financial support of all Trust activities.
4. Governance
- a. Works with the board to continually evaluate its governance functions and documentation to effectively demonstrate proper implementation of board authority to accomplish the mission of the Trust.
  - b. Facilitates board action on long-range strategic issues relative to the comprehensive integrated mental health program plan.
  - c. Provides recommendations to the board with respect to public policy issues affecting the Trust and its beneficiaries.
5. Public Relations and Brand Management
- a. Defines and implements a public relations plan for the organization that clearly identifies public relations and brand priorities and strategies. Monitors performance against the plan, reports to the board, and ensures that the plan is updated annually.
  - b. Defines and implements a public education plan to advocate for beneficiaries and their place in society. Monitors performance against the plan, reports to the board, and ensures that the plan is updated annually.
  - c. Interacts with Alaskans who experience a mental health disorder, addiction, developmental disability, dementia, Alzheimer's disease, traumatic brain injury or other cognitive impairment as well their family, friends, others acting on their behalf, and those providing services to them.
  - d. Works with legislators, advisory boards, key state agencies, Alaska Native organizations, service providers, and beneficiaries to promote legislative and regulatory policies that ensure

the State's comprehensive integrated mental health program is in place to provide services and supports to Trust beneficiaries.

- e. Serves as chief spokesperson of the Trust and assures proper representation of the Trust to relevant forums, stakeholder groups and the public.
- f. Initiates, develops and maintains cooperative relationships with key stakeholders.
- g. Actively seeks opportunities to gain funding for beneficiary services from state and federal agencies, corporations, and other philanthropic organizations and coordinates with outside organizations to advance the interests of beneficiaries.

### ***Desired Characteristics of the CEO:***

Demonstrated experience with the Alaska or other state legislative process and intricate knowledge of state government organization and budgeting.

Knowledge of principles and procedures of management, supervision, business administration and budgeting.

Experience as a transformational leader. Proven success in strategic planning, change management, and systems building.

Proven success in leading, managing and retaining a high performing team.

Experience in successful negotiation, mediation, and advocacy to address and constructively resolve complex problems and conflicts, handle unusual circumstances, and make proactive and sound decisions in the best interest of the Trust and its beneficiaries.

Experience in the field of philanthropy, non-profit management and/or governance, as well as community and public relations.

Proven skill in the development and maintenance of constructive working relationships with consumers, providers, family members, and agencies while advocating for Trust beneficiaries and seeking to resolve complex and potentially controversial issues.

Ability to communicate effectively with others, both verbally and in writing. Substantive experience in making formal and informal presentations to groups of various sizes.

Ability to interact effectively with diversity and be respectful of a wide range of cultures, beliefs and experiences.

Ability to interact effectively with Alaskans who experience a mental health disorder, addiction, developmental disability, dementia, Alzheimer's disease, traumatic brain injury or other cognitive impairment as well as ability to interact effectively with their family, friends, others acting on their behalf, and those providing services to them.

Understanding of public health principles, population planning and metrics, and knowledge or skill in dealing with programs serving beneficiary population.

Understanding of and ability to manage business and financial concepts necessary to oversee the management of the Trust's cash and land based assets. This includes investment analysis skills, awareness of the natural resource development process, an understanding equities, real estate investment and development and, generally, best business practices associated with financial and real estate investments.

Understanding and experience in effectively working with a Board a Board Directors.

Understanding of state and federal laws, regulations, policies and programs relating to mental health and social services. This includes Alaska's statutes and regulations on the provision of mental health care, senior citizen abuse and neglect, assisted living, certification and licensing of long-term care personnel, advance directives, guardianship, and federal statutes and regulations on the Older Americans Act, Medicare, Medicaid, and Social Security.

### **Minimum qualifications**

Bachelor's degree in business, management, finance, public administration, public health or related fields is required. Graduate degree in business, public administration or health related field is preferred.

Minimum of 10 years in a senior management role of an organization such as a foundation, trust, private company or other autonomous or semi-autonomous organization or local, state, tribal or federal government.