

ALASKA MENTAL HEALTH TRUST AUTHORITY

FULL BOARD MEETING

January 30, 2019
11:00 a.m.

Taken at:
320 West Willoughby Avenue
Juneau, Alaska

OFFICIAL MINUTES

Trustees Present:

Mary Jane Michael, Chair
Paula Easley
Carlton Smith
Chris Cooke
Verne' Boerner
Laraine Derr
Jerome Selby (via Speakerphone)

Trust Staff Present:

Mike Abbott
Katie Baldwin-Johnson
Kelda Barstad
Alison Biastock
Eric Boyer
Jimael Johnson
Steve Williams
Miri Smith-Coolidge
Andy Stemp
Travis Welch

Trust Land Office:

Wyn Menefee
Jusdi Doucet

Also participating: Ken McCarty; Joe Riggs; Dave Blanding; Cindee Brown-Mills; Bob Coghill; Commissioner Adam Crum; Deputy Commissioner Al Wall; Denise Daniello; Sharon Fishel; Stuart Goering (via Speakerphone); Lori Grassgreen; Rosemary Hagavig; Brenda Moore; Gennifer Moreau-Johnson; Patrick Reinhart; Bev Schoonover; Pat Sidmore; John Sturgeon; Charlene Tautfest; Teri Tibbett; Al Wall; Bridget Weiss.

PROCEEDINGS

CALL TO ORDER

CHAIR MICHAEL called the meeting to order and began with a roll call. She acknowledged that all the trustees were present and introduced the two new Trust appointees, Joe Riggs and Ken McCarty. She moved to approval of the agenda.

APPROVAL OF AGENDA

MOTION: A motion was made to approve the agenda by TRUSTEE DERR; seconded by TRUSTEE COOKE.

There being no objection, the MOTION WAS APPROVED.

ETHICS DISCLOSURES

CHAIR MICHAEL asked for any ethics disclosures.

There were no ethics disclosures.

APPROVAL OF MINUTES

MOTION: A motion was made to approve the minutes of October 17, 2018, by TRUSTEE DERR; seconded by TRUSTEE COOKE.

There being no objection, the MOTION WAS APPROVED.

MOTION: A motion was made to approve the minutes of November 14, 2018, by TRUSTEE COOKE; seconded by TRUSTEE EASLEY.

There being no objection, the MOTION WAS APPROVED.

CHAIR MICHAEL stated that the current bylaws are in the packet. She recognized and welcomed Commissioner Crum and asked if he would introduce his guest.

STATUTORY ADVISOR UPDATE

COMMISSIONER CRUM introduced his deputy commissioner, Albert Wall. He stated that it has been an eventful eight weeks since he took this position. He continued that behavioral health in Alaska is a very important item and a key component of the Administration. He talked about addressing behavioral health as a whole and walked through some of the progress being made on the comp plan and other items. There was an assessment on how to successfully implement the 1115 waiver, and he thanked all for those fundings. He gave a short synopsis of his background and education in public health. He stated that he had the benefit of putting together a very talented team and asked Albert Wall, deputy commissioner, to introduce himself.

DEPUTY COMMISSIONER WALL stated that he is a native Alaskan, and has been involved in the discussion on behavioral health for many years.

MR. ABBOTT thanked the Commissioner and Deputy Commissioner and stated that the Trust has enjoyed a very rich and robust relationship with the Department, and we are grateful to hear that interest continuing. He asked for any thoughts on the Administration's plans for the Medicaid program. The other question was about API and the plans going forward.

COMMISSIONER CRUM stated appreciation for the partnership. The budget will be fully released on February 13th, and the focus in the Department is to put forth all possible options dealing first with the costs of the programs. The overall communication is going to be that the government will put forth the plan and there will be public input with the Legislature on what services will be provided for Alaskans. The focus right now is working with the partners at the federal level to find a more specific Alaskan focus while the 1115 waiver is set up. He added that Deputy Commissioner Donna Steward is in charge of the Medicaid side, SDS, EPA. There was a proactive discussion with the seniormost partners in how to maximize and update the federal dollars, different programs.

DEPUTY COMMISSIONER WALL stated that the ASO is not a perfunctory decision. Because there are applicants does not mean that it is the best plan for the State. He continued that process will be analyzed in moving forward to make an assessment as to whether or not the services that will be provided will be the absolutely best for Alaskans, and will save money, provide more service on the street and how well that program will be nested with other efforts in the Department, because there are many. He added that the partners will be involved in that process.

MR. ABBOTT asked about API and the need for it.

COMMISSIONER CRUM replied that one of his personal commitments in taking on his role is understanding the importance of API and continuing care in Alaska. He stated that the long-term goal is to stabilize the situation, to make sure it is safe for patients, safe for employees, and then look at what can be done to increase the capacity aspect, both on the forensic side, as well as the long-term care side.

DEPUTY COMMISSIONER WALL talked about his experiences with the inpatient psychiatric issue, having a first-hand look at the backup in lack of care that is currently the norm for inpatient psychiatric needs. It is devastating to communities and to the people. API is a flash point, but it is not the only problem. The inpatient system of care across the state needs help.

TRUSTEE BOERNER asked for any thoughts or design plans that include addressing issues upstream with regards to API.

DEPUTY COMMISSIONER WALL replied that he has been concerned about the actual legal structure regarding the designated evaluation of treatment centers and the innovation commitment clause. He stated that both of those structures are outdated in the statute. Alaska Statutes 47 and 12 were written many years ago and have not been updated or in keeping with the rest of the nation. He is focused on the legal team researching what the laws currently state, what they require, what is being done versus what is required, and updating those laws to match the rest of the American Psychiatric Association laws of what an acceptable practice are for this process. He continued that the second area of focus is the community partnerships. The third area is to help the communities provide services.

TRUSTEE COOKE stated that the Trust has the interest and the ability to participate in reaching a solution with all the other interested parties in the Department and will help in that effort.

MR. McCARTY asked about any immediate things that will be done to prevent that person that is released to come back the following week because they tried to commit suicide again.

DEPUTY COMMISSIONER WALL replied that he will be discussing that at the ASHNA Behavioral Health Committee next week. He stated that he will be discussing how to better serve the hospitals and how to better serve Alaskans through that process.

CHAIR MICHAEL pointed out that people do better in the community. The reason for the size of API was to not have people institutionalized, and that every person deserved a chance to live in the community. Big facilities are not needed if it can be done in the community. She stated the need for strong agencies and coordination. Every person at API has to be looked at individually as to their needs. The community is where people should live, not in institutions. That has to be kept at the forefront of everything.

MR. RIGGS stated that he has had numerous discussions on dealing with mental health budgets, mental health, community-based care, private practice, and addressing some of the inefficiencies in Medicaid and private practitioners and increasing the number of practitioners able to take patients. He stated his willingness to continue to chat about it at a later time.

TRUSTEE SMITH stated that he was working at API in the '70s, and it was a different structure, the old structure. This dialogue is facility-centered, and the priority is the need to move away from a facility-centered discussion. This is a high priority.

COMMISSIONER CRUM stated that API is one piece. There is a need to make sure that this is addressed from a local perspective, a provider perspective. How to encourage people to enter in this field. This is step one.

DEPUTY COMMISSIONER WALL stated that in the short time they have been there he has addressed an absolute focus and emphasis on community partnership and caring for individuals in the community. He continued that the therapeutic environment is a huge issue for treatment, and taking someone from a place they are familiar and comfortable in for treatment for a short time and releasing them is not a therapeutic approach. There is a need for a system of care for people who are being discharged from API, a place where they can go and be stable. He added that there are painful decisions that have to be made to provide services for people, and doing no harm in that process. The information is needed from providers, from the Trust, from the partners so that the right decisions can be made to solve the problems, and not do harm.

TRUSTEE SELBY stated that the comments are encouraging, especially in coming up with a plan of action and doing something. He asked them to remember that part of that picture is the community mental health centers in the state, which have systematically been starved out over the last few budget cuts to where they can only do a portion of what they could be doing in the various communities. He added that these community health centers could do quite a bit more if they were adequately funded and provided the support from the State level to do a better and bigger job helping people closer to home.

MS. BALDWIN-JOHNSON circled back to the 1115 related to the substance use disorder question of that application. She asked if there was anything that could be shared in terms of the intent of that, the timeline, and how that will roll out.

MS. MONREAU-JOHNSON announced that the substance use disorder component of the 1115 was approved. In terms of transitioning to those services, there is an implementation plan that is due for approval for those Medicaid, Medicare services, CMS. That approval is due February 19th. She stated that will have a very aggressive timeline for regulations to support the implementation plan. She added that there is also appropriation from the Legislature for enhanced substance use disorder services.

MS. BALDWIN-JOHNSON asked if the primary intent is to expand access to treatment and communities.

MS. MONREAU-JOHNSON replied that the intent is to expand services across the communities, to increase the levels of care, to improve credentialing and the standards of care, and to create regional-based capacity. Those services will be phased in across the state.

DEPUTY COMMISSIONER WALL added that the 1115 allows a few things in behavioral services which have not been done before: Fund the payment of types of services, maybe using the DRG method that allows pay for sets of diagnoses. The other one is an exemption to the IMD from the Federal Government. Right now, Medicaid will not pay for adult treatment in IMD over 16 beds. This waiver will allow an exemption to that. First, the substance abuse providers will be able to bill Medicaid for a set of services in a facility with more than 16 beds, which is revolutionary to treatment done in the past in Alaska.

MS. DANIELLO stated appreciation for this conversation about behavioral health for all Alaskans. She mentioned that behavioral health services for seniors is a real gap in the continuum of care; geriatric psychiatry. She asked if there has been approval for the 65-plus population, the Medicare population of the 1115 waiver.

MS. MOORE replied that the cap at 65 is removed and reclaims that neutrality by expanding that population.

CHAIR MICHAEL thanks both the Commissioner and Deputy Commission for the great dialogue, which is the start of something that will continue in the future.

COMMISSIONER CRUM thanked the Trust and trustees for their service and initiative on this.

CHAIR MICHAEL stated that John Sturgeon, one of the appointees, has joined the meeting. She asked Ms. Johnson to introduce the Mission Moment.

MISSION MOMENT

MS. JOHNSON announced that Pat Sidmore, the long-time AMHB/ABADA staffperson, received an award from the Alaska Public Health Association. It is the Health Achievement Award for his work around adverse childhood experience data translation into more actionable items. This has helped spread the word about adverse childhood experiences and how early

childhood and health and adverse experiences early in life affect lifelong outcomes, as well as the costs related to that.

(Applause and standing ovation).

CHAIR MICHAEL stated how proud she is of this great accomplishment, and thanked him for his hard work.

MS. JOHNSON introduced Dr. Bridget Weiss with the Juneau School District who will speak about some of the trauma-informed schools' work that has been happening in Juneau. This is the second year of a three-year pilot that the Trust has been part of as a collaborative effort. She added that this is a project that the Trust will continue to be involved in for at least the next year, and has also had some sweeping policy implications to date.

DR. WEISS stated that she is in her third week as the superintendent of Juneau Schools.

(Applause.)

DR. WEISS explained that she is a third-generation Juneauite and spent 26 years after college in the state of Washington before returning to the state of Alaska. She spent four years in Fairbanks and returned to Juneau five years ago. She brings her experience from her upbringing here and having time Outside in education. She also talked about the changes that technology has brought to not only education, but also to the safety of the children. She stated that the CLEAR program has made a drastic difference in Juneau. Three elementary schools, Riverbend Elementary, Glacier Valley Elementary, and Harborview, were chosen. They are all Title I schools and have been wonderful pilot places. She continued that one of the powerful pieces of the CLEAR framework is that staff has to opt in; they have to vote and accept a part in this program. This created a strong ownership in all three of these buildings. The program has created a job-embedded format for training that is highly effective. CLEAR brought that training right to the doorstep. The monthly visits with the CLEAR consultants include all staff; it is not just a teacher program. All staff are welcome and are participating in the trainings; bus drivers are included. There are also parent nights being put on creating a high level of parental engagement. She explained the program and activities in greater detail and the impact it is making. The high levels of collaboration are impacting all across the state and allowing these conversations to be had.

MR. McCARTY asked what has been done to create data collections with baselines to show efficacy of the program, and how long is it expected that an effective review can be done.

MR. SIDMORE replied that CLEAR is a three-year model, and staff is surveyed at the end of the first year. We have those results. Looking at the first year's information there is progress among the staff, and that is the really important thing. It is about changing that behavior in staff so they realize when a child is disregulated. That is called flipping their lid, and is about the child's internal experience. In the data from the first year, about 80 percent of the teachers are taking advantage of the consultants, which is typical. That is part of the professional development and changing the culture of the school. The great thing about the CLEAR model is that the teacher invites the consultant, which invites safety, a safe conversation. He continued that there is data coming in with a little bit of positive in some reading scores, which is too soon to see. The first

full year of reading scores will come after the tests that are beginning in April. He added that the plan is to continue to track that, continue doing staff surveys; looking at absenteeism, expulsions, suspensions, and things like that. The data is building.

TRUSTEE BOERNER stated her excitement about the earlier interventions and this activity.

MR. SIDMORE stated that it is important when looking at the framework to also look at the partnerships: the Child Trauma Center, the Association of Alaska School Boards, the Department of Education, the Alaska Mental Health Board, First Alaskans Institute. The historical trauma in the state also played a key role. He continued that what is exciting in this model that does not exist in the other models looked at is the in-depth look at community engagement and family engagement, especially in Alaska.

CHAIR MICHAEL asked about the expulsion rate for drugs, fighting, or weapons, and what this particular consulting agency recommends in terms of schools and expulsion.

DR. WEISS stated that suspensions are tricky. There are mandated suspensions, as an example, with weapons or a variety of different pieces, drug-related offenses. She works closely with principals on this decision. She continued that sometimes it is appropriate; there is a cause and effect to try to help young people understand this is what life deals us, and it needs to be a safe environment. She added that being trauma-informed does allow for some other strategies. Whereas, before, the children would have been excluded much more quickly and we are much slower in doing that now. She stated that Sharon Fishel has been involved in much of this work through DEED.

MS. FISHEL stated that she is from the Department of Education and has been an education specialist there for about 16 years. Prior to that she was in special ed, and also spent time doing behavioral and mental health related issues. She also sits on the Statewide Suicide Prevention Council and the Alaska Mental Health Board as an ex officio. As far as suspensions or expulsions, there are not a lot of expulsions. In FY17, there were about 23,000 suspensions. Only 13 percent of those were nonnegotiables: The weapons, the drugs, and the assault. The rest of them could have been mediated through a trauma-informed school or restorative practices. She explained that AASP and the Department found that schools are always wanting to do trauma-engaged, recreating the wheel. A lot of money is being thrown at this recreating. The CLEAR model shows that. This document has been worked on for about two-and-a-half years, and is finally in the format to be realized to all the school districts to look at and choose what is needed to start making schools build those relationships. It is all about relationships and having positive relationships with students. If those positive relationships are built, and then giving them the skills needed in elementary, middle and high school before getting out in the workforce, those skills are going to transition. She thanked the trustees for going to Yakoosge. It meant a lot to those students, teachers and the principal because there is a stigma in the state associated with attending alternative high schools. The perception is that is where the kids that are crazy and druggies are. She added that part of her mission is to break that perception because these are truly transformed schools.

MS. BALDWIN-JOHNSON asked if DEED can book the data on the mandatory expulsions as regional or community or school districts; to see if there are hot spots where there would be an opportunity for more targeted mediated interventions.

DR. WEISS replied that it is an annual report that school districts do, and she is the person who does the report. She does tweak the different patterns in Juneau and then shares that with the principals and school board each year. She stated that in the PowerSchool student management system, she worked with the PowerSchool folks and added the tracking. She continued that the data is there by district, and is a mandatory requirement to submit numbers.

MS. FISHEL stated that she was not sure of the number, but Alaska Native students are suspended more frequently than white students in the state.

TRUSTEE COOKE stated, on behalf of the board, appreciation for the opportunity to visit YDHS and especially meeting with the students. It was a very positive experience, and all were impressed by the quality of the students and the involvement on so many levels.

CHAIR MICHAEL stated appreciation for all the hard work and that this was a great presentation, and we really enjoyed the morning class tour. She called a lunch break.

(Lunch break.)

CHAIR MICHAEL stated that next on the agenda is the staff report, and asked Mr. Abbott for the update.

STAFF REPORT

MR. ABBOTT talked about the Legislative presentations. There will be a presentation in front of the Senate Finance Committee. He stated that this year he and Chair Michael will start by doing the typical budget overview at 9:00 a.m. Then Senator Stedman would like to explore the Legislative Audit in the Finance Committee setting. Kris Curtis, the Legislative auditor, will be invited to present the audit to the Finance Committee. He continued that he would be called on to describe the Trust's response and the work that has been done since the audit was released last June. He added that this is very different than what has been done in the past few years. The Senator has allocated a full Committee meeting, up to two hours, for this topic.

TRUSTEE EASLEY stated that has never happened before.

MR. ABBOTT replied that Senator Stedman felt this would be the right way to get the issues from the audit out on the table and to describe them. He continued that a similar presentation would typically be made in terms of the budget overview for the House Finance Committee, but there is no House Finance Committee because there is not yet House leadership. He added that the 40 House members have asked for a budget overview presentation before a group of House members, and that would be in a week in the afternoon. He stated that the budget overview will be a slide presentation, and the presentation on the Legislative Audit will be an oral presentation.

CHAIR MICHAEL moved to the Audit & Risk Committee report, and recognized Laraine Derr.

AUDIT & RISK COMMITTEE REPORT

TRUSTEE DERR asked Mr. Stemp to continue.

MR. STEMPEL stated that there is a report with the requested motion that the Full Board of Trustees accept the Trust audit report as presented by BDO on January 3, 2019. In the packet is a supplemental document called the Audit Wrap-up document that was provided by BDO. It is a formal recap of the presentation and other materials that had been covered in previous meetings. He continued that he reviewed it and it is more for enrichment and documentation and not anything different than what was previously presented. He concluded the report.

MOTION: A motion that the Audit & Risk Committee recommended that the Full Board of Trustees accept the Trust audit report as presented by BDO was made by TRUSTEE DERR; seconded by TRUSTEE SELBY.

There being no objection, the MOTION WAS APPROVED.

TRUSTEE DERR stated that there is nothing else to come before the Trust from the Audit and Risk Committee.

STATUTORY ADVISORY UPDATE
Governor's Council on Disability and Special Education
Alaska Commission on Aging
Alaska Mental Health Board/Advisory Board on Alcoholism and Drug Abuse

CHAIR MICHAEL recognized Patrick Reinhart, the executive director for the Governor's Council on Disability and Special Education.

MR. REINHART stated that the presentation will be done together by the advisory boards. He began that some of what he will talk about is from the Walker budget; Governor Dunleavy's budget related to capital is not yet available. The \$1 million has been there for the last few years for Public and Community Transportation State match. This money is used by the local transportation transit providers who give the beneficiaries rides around in the smaller communities. He added that this money is to help meet the federal match requirements; this is GF money. The other is the \$1.3 million for coordinated transportation funding in the budget; \$1 million of that being the State UGF and \$300,000 MHTAAR. Both of those increases were agreed to in the Mental Health Budget, and it is really appreciated. That gets divided up between many different community service transportation providers, from senior centers to small nonprofits, giving people rides. He continued going through more numbers and stated that those were pointed out because they will be watched when the new budget comes out. He moved to the Governor's Council budget, which is \$1.784 million, down about \$350,000 over the last three years. He gave a short explanation of the Governor's Council, adding that every state has a Developmental Disabilities Council. He added that they are also the State's Special Education Advisory Panel, the Interagency Coordinating Council for Toddlers and Infants with Disabilities, another federally required board under the Individuals with Disabilities Education Act. There are seven positions on the Council, and a new one will be added and paid for by a new federal grant that started in September. The new position is with Senior and Disability Services, and it is going to embed a policy person within to look at all the regulations and paperwork and conditions of participation for providers to see that it is more person-gravitated and person-centered. He then went through the types of services that Senior and Disability Services funds and then more information on the cost of waivers. He moved to the Infant Learning Program and

stated that there is a host of people out there that do not meet any of the requirements of any of the waiver programs or any of the services. He explained that they are people with FASD, traumatic brain injuries, developmental delays and not functioning well in society. This also includes people with Alzheimer's and related dementias. A disservice is being done by not providing some support to the people that get nothing at all. He continued that the waitlist for developmental disabilities has grown significantly in the last few years for a lot of different reasons. The primary one is that developmental disability grants, grant funds, General Fund dollars have gone away. A lot of people have moved on to a Medicaid-funded new waiver, but there are still those who will never be eligible.

CHAIR MICHAEL asked for an update on the waitlist.

MR. REINHART replied that SDS has continued its draw of approximately 50 people per year off the waitlist, and some went off for natural reasons, but the draw does continue.

TRUSTEE EASLEY commended them for the two charts on the costs at the various levels of services. That is the kind of data that the Legislature has wanted for a long time, and that is a good job. She asked if Medicaid has a separate category or pool of money that might be accessed, or should the congressional delegation be asked to go to Medicaid and ask for this to be created.

MR. REINHART explained that SDS created the chart because they have all the data that was requested. He continued that going to Medicaid and getting a special program for a project is not easy. Ten years ago, Medicaid had the Medicaid Infrastructure Grant which is money that had a lot of flexibility to work within the employment area. That no longer exists. It takes a big effort, and the right things need to align for that to happen. He goes through the calendar of different meetings coming up for the Governor's Council.

MS. DANIELLO stated that she is the executive director for the Alaska Commission on Aging and recognized one of the board members, Rosemary Hagavig, and asked that she introduce herself.

MS. HAGAVIG stated that she has lived in Alaska since 1962 and has had the opportunities to be involved all over the state in several organizations, and most recently with the Pioneer Home Advisory Board. She continued that she was elected chair and ended up on the Alaska Commission on Aging.

CHAIR MICHAEL welcomed Ms. Hagavig, and asked about her perception of the Pioneer Home.

MS. HAGAVIG replied that she has been on the board for almost five years, and the last two were particularly productive with the last two division directors. She stated that she was excited to see a lot of activity and a lot of things that needed get done. She continued that the Agnew::Beck study looked at all six Pioneer Homes and their staffing patterns, wage, salary and benefits that are now in implementation mode. There will be some changes. That same level of excellent service must be shown, as well as some increased efficiencies. This is being worked on as a board and the Division. She added that the administrators were met with and expect to be able to meet a goal of 95 percent full, the vacancy effort, by the end of this fiscal. This is a

problem in Sitka and Anchorage. They have struggled with this on and off over the years, and she thinks that those two homes will be really engaged in that. They are also working hard putting together an opportunity to serve a fourth level of service, and that would be behavioral health individuals who are 65-plus with complex behaviors. There is a statewide committee working on that. Another thing was moving towards getting more people qualified under the Medicaid waiver and having less General Fund state assistance money going into the program. Also, in the interest of more efficiency and saving money, the Division is looking at privatizing food service, janitorial and custodial services, using the Juneau model as an example.

CHAIR MICHAEL asked at what age should someone put their name on the waitlist for the Pioneer Home if retiring in Alaska.

MS. HAGAVIG replied on the 65th birthday, and it does make a difference later when the lists are worked on; the people who signed up the earliest are the ones who come to the top of the list. Once on the active list, it becomes a significant factor.

MS. DANIELLO talked about the Alaska Commission on Aging, which is the statewide organization that works to ensure dignity and independence for all older Alaskans. She continued to the rural outreach visit to Nome and Shishmarek and thanked the Trust for those important funds, because this was the first rural outreach trip in a long time. She moved to the board roster and announced there is a full roster. She gave a quick update about the senior population. The new population estimates have been released by the Department of Labor and Workforce Development. She also shared some interesting preliminary data findings. She looked at the enrollment figures for seniors in Medicaid health-care and other services, as well as spending levels. She stated that there were two advocacy priorities going into session: First is to protect the investment in the senior safety net, which is about the Medicaid optional services; second is about addressing senior behavioral health needs. The need has been growing in the communities in the state. She continued that the behavioral health needs for the seniors are not being met, and more is needed to address them. There are four recommendations that are part of the general priority: One is to include adult companion services in a continuum for the Alaskans Living Independently Waiver that would match what was discussed by the House Finance Subcommittee and adding those services for people with developmental disabilities, and to also increase the capacity of Pioneer Home for residents with challenging behaviors. Strengthen the workforce because it is important for providers to be able to recognize more appropriately to seniors with behavioral health needs, and also support the efforts by senior centers and other organizations that are providing activities for both health and wellness. She went through a few of the bills on the watch list, and added that the Senior Legislative Advocacy teleconferences are done every other Thursday. She stated that their meeting will be held in Juneau, February 11-13, and listed their continuing activities.

CHAIR MICHAEL recognized Bev Schoonover.

MS. SCHOONOVER stated that she is the acting executive director of the Alaska Mental Health Board, the Advisory Board on Alcoholism and Drug Abuse, and the Statewide Suicide Prevention Council. She introduced Brenda Moore, chair of the Alaska Mental Health Board.

MS. MOORE talked about the current hiring process. She explained that Alison Kulas was hired as director, served 11 months, had some family issues, and had to move out of state. Ms.

Schoonover has been a planner, and now is planner, director and admin. She stated that the planner has been advertised, we've done some vetting and we hope to have one on board soon. A new administrative assistant started to help relieve some of the pressures. Then, the process of looking for a new executive director will begin.

MS. SCHOONOVER explained that the Advisory Boards are the state agencies charged with planning and coordinating behavioral health services funded by the State of Alaska. The mission is to advocate for programs and services that promote healthy, independent and productive Alaskans. There are two citizen advisory boards which include providers, educators, members of the military, faith-based leaders and business leaders. There are also established seats on the board for folks with little experience with those with mental health and substance abuse issues. She explained that as the State's Behavioral Health Planning Council, they assist in the planning and coordination of prevention, treatment and recovery services in Alaska. They also assist in the evaluation of Alaska's publicly funded behavioral health system and try to educate the public and policymakers about mental health and substance abuse issues. She moved to the three types of legislative advocacy efforts. The first is a joint advocacy effort and work with the Mental Health Trust, the Governor's Council on Disabilities and Special Education, and the Commission on Aging. She continued that they come up with advocacy and legislative priorities for all Trust beneficiaries. The boards also have priorities to bring in front of the Legislature. In statute, they advise and educate the Governor, the Legislature and all Departments on behavioral health matters, and are often called in during the Legislative season to testify in committees on bills and do letters of support. The presentation for fiscal '20 legislative session is much different from past years. There has been no detailed information about proposed bills, and we do not know anything on how the House and Senate will be organized. During the Legislative session, an eye on the 1115 is needed, as well as the criminal justice bills, Medicaid waiver, and anything else that comes up. There is a need for resources and support for behavioral health providers and the behavioral health workforce. One of the priorities is psychiatric care and psychiatric patients' rights. The board's commitments have long been dedicated to early intervention and prevention efforts and have been instrumental in bringing data and information about adverse childhood experiences to the state. One bill that was prefiled was the extension of Statewide Suicide Prevention Council, which is set to sunset on June 30. They would like to keep that going and that bill is proposed to extend the council to 2027. Also anticipated are a lot of changes at the state and systemic changes to the way the State does business. She added that everyone in Alaska is going to become an advocate this Legislative session, and the Trust beneficiaries need a voice in this. It will be important to give a speech of what the Trust does, its role, and the needs of the beneficiaries. It is also important to continue to reach out to the rural and tribal partners and invite them to the table, and make sure they are also represented so that the needs of the beneficiaries in rural and tribal areas are understood. The boards are reminded that their greatest resource is the staff and expertise they bring, and their ability to talk to beneficiaries and get that great all-around information. She introduced Teri Tibbett, the joint advocacy coordinator.

MS. TIBBETT stated that she is the advocacy coordinator for the Alaska Mental Health Board and Advisory Board on Alcoholism and Drug Abuse. Her position is paid for with MHTAAR funds. Most of her job responsibility is to work with the board to do advocacy coordinating and planning. The presentation is on the joint priorities. She explained the methods and approaches used to train people with lived experiences; providers, family members, administrators in health on how to talk and meet with legislators, how to write letters, and how to do advocacy from

home. In the first month of the Legislative session the focus has been on getting people up to the capital and educating legislators about some of the areas of interest that serve Trust beneficiaries. She went through these areas in greater detail, explaining how some of the things that go on in the State government and advocacy tries to give them a basic understanding and basic overview of some of the concerns. She continued that the ask would be to protect Medicaid health insurance of vulnerable and at-risk Alaskans with disabilities, including mental illness, addictions, disorders, the elderly, and people with cognitive impairments.

MR. WILLIAMS added that all the program officers are working in their areas and have been critical in making sure that the information is current, accurate, and conveys the needs of the beneficiaries. It is important that the trustees remember that.

MR. McCARTY asked what is being done to have a standard, reliable assessment for substance assessments and ACM standards.

MS. SCHOONOVER replied that there are two different initiatives that are happening with that now. The first initiative is the 1115 Behavioral Health Waiver. Folks who bill Medicaid will have standardized assessments using the ACM model. The Department of Behavioral Health is working for folks and providers to help develop that and choose the model.

MS. BALDWIN-JOHNSON stated that part of the process is to pull together some of the key stakeholders. The Division and Department have been looking at some of those standard assessments based on evidence and they are valid, reliable and meet those criteria. That is going to be one of the pieces of the Substance Use Disorder portion of 1115.

MR. McCARTY said that raised the question of the data collection listing. There are five different levels of evidence-based, promising practice which is being recognized by having data collection to show that it is a promising practice. He continued with the example of Medicaid-assisted treatment. He added that it has been shown by SAMHSA to be most effective. He asked if there were mechanisms to mitigate this.

MS. BALDWIN-JOHNSON replied that the intent of the Administrative Services Organization is to create efficiencies, control costs, and improve quality. That is moving forward to be as effective as it was in the past.

CHAIR MICHAEL stated that the presentation was helpful and thanked all. She called a ten-minute break.

(Break.)

CHAIR MICHAEL moved to the Finance Committee report.

FINANCE COMMITTEE REPORT

TRUSTEE SELBY stated that he would introduce three items.

MOTION: A motion was made on behalf of the Finance Committee that the Full Board of Trustees approve the FY 2019 payout of \$22,195,000 from Trust Investments by TRUSTEE SELBY; seconded by TRUSTEE DERR.

TRUSTEE SELBY asked Mr. Stemp to provide the report.

MR. STEMP stated that this was the item recommended to the Finance Committee. The Committee met and went through the calculations and moved to recommend approval of the payout at the Full Board meeting.

There being no objection, the MOTION WAS APPROVED.

TRUSTEE DERR stated that there are three new trustee recommendations, and this is the payout from the Permanent Fund. She explained that this is the money that comes out of the Permanent Fund that is recommended every year. Taken out is 4.25 POMV from the Permanent Fund each year.

MR. ABBOTT added that this is the primary revenue stream for the programmatic annual spending. This represents a significant increase over last year, and that is a result of a combination of contributions to the investable resources, as well as strong investment performance.

MR. SELBY stated that the next item is reallocation of focus area grants.

MOTION: A motion was made on behalf of the Committee that the Full Board of Trustees authorize the transfer of \$450,000 in unallocated FY17 and FY19 Authority Grant Funds into the FY19 Focus Area Authority Grants; \$200,000 will be allocated to Substance Abuse Prevention and Treatment; \$150,000 will be allocated to Housing and Long-Term Services and Supports; and \$100,000 will be allocated to Beneficiary Employment and Engagement by TRUSTEE SELBY; seconded by TRUSTEE COOKE.

MR. STEMP stated that discussed during the Finance Committee was to take some action internally to bring some ideas forward to the trustees on how to bring money into service on behalf of the beneficiaries faster and help keep things going in several different areas. He continued that this is an opportunity for the Trust to do more in the current year to meet some significant needs and still have a relatively modest impact on the future. He thanked all from the finance side to all the program team for their efforts in helping complete this process.

MR. ABBOTT stated that this action represented an effort to take unused Authority Grant funds that were not allocated or spent as grants in that year. There are some relatively significant needs that can be addressed in the near term, and the recommendation is to employ those funds immediately in FY19. He continued that one of the more challenging complexities of the Trust's budgeting process is the way lapsed funds are dealt with. He added that he and Mr. Stemp are committed to bringing forth recommendations on how this could be improved.

CHAIR MICHAEL asked for any discussion. There being none, she asked for any objections to the motion.

There being no objection, the MOTION WAS APPROVED.

TRUSTEE SELBY stated that the third and final item is the real estate holdings and the options that staff developed for consideration. He continued that this is more appropriately a Full Board discussion because there are several board policy issues that are involved in the overall discussion that the board needs to ultimately set policy for. He asked Mr. Abbott to present the options.

MR. ABBOTT moved to the “review of real estate options.” This conversation started at the Finance Committee a few weeks ago, and it is sourced with one of the issues that was identified in the Legislative Audit. It has to do with the concern that the Trust was not authorized to use the revenue stream that was used when the commercial real estate investments were acquired between 2010 and 2016. Roughly, \$40 million of principal was used, in addition to some debt, to acquire the seven real estate properties. All seven are still owned, and six of them have debt on them. This is a review of options to address the audit concerns expressed about the ownership of the estate. Their primary compliance-related concern was that the Trust used its investment funds that should have been managed by the Permanent Fund on the Trust’s behalf. He continued that there are eight options described that address the concerns in the audit. He added that in terms of process and time, this not a decision item.

CHAIR MICHAEL asked for any questions from the trustees or any further clarification.

TRUSTEE COOKE stated that the TLO should have the financial analysis of the impact of pursuing various options on the real estate, the costs and benefits with each option.

MR. ABBOTT replied that level of more detailed evaluation will be done with a smaller list of options. He asked Mr. Stemp to go through the options.

MR. STEMPEL stated that there are eight options: The first is to maintain the current course and continue to manage the portfolio and distribute the proceeds back to support the programs. There is a list of benefits and drawbacks for consideration.

MR. ABBOTT stated that the key element is not to change the funding type for these moneys, and continue using the principal that was originally invested. He added that the Department of Law is on-line to respond to inquiries about some of these options.

MR. GOERING stated that this is an area where it is unlikely that anyone is going to be able to give a definitive answer. There are some broad differences of opinion from the people who are motivated, those in the Legislative function and Audit Committee and the auditors. He continued that the board has gone on record of having a different perspective on a lot of these issues and, as a result, are sort of depending upon the Court, which everyone would prefer to avoid. He considered the Board’s concern as expressed in the response to the Legislative Audit, as well as the concerns the auditors had in their report.

CHAIR MICHAEL thanked Mr. Goering, and moved to the second one.

MR. STEMPEL stated that Option 2 is to divest the real estate holdings. This would be a carefully considered series of sales as opportunities present themselves, and would exit over time. Option

3 would be transferring the real estate assets to a separately managed account with the Permanent Fund Corporation. This would be holding the seven properties as real estate investments. The process and costs of hiring a manager were looked at, and the total combined cost estimate to the Trust was approximately \$700,000. He added, that recommendation was that the costs in the budget would not be absorbed without adversely impacting the programs. The advice and recommendation from the previous meeting were to defer action and see if the results of the process would work itself out. The Permanent Fund was helpful and supportive in arranging things.

TRUSTEE SELBY reminded all the analysis on the cash flow netted about \$1.7 million of revenue that went directly to beneficiary programming. The cost of having the Permanent Fund manage it for about \$700,000 would reduce the revenue to about \$1 million of net revenue available for programs. This put into perspective what that option would do in terms of cash flow for beneficiary programming.

MR. STEMPEL stated that Option 5 would be to maintain the real estate holdings and take cash from the Trust reserves equal to the amount of the original principal investment and transfer that to the Permanent Fund for an investment.

TRUSTEE SELBY stated that taking cash reserves and paying this off seems the best option for the board. He explained this in detail, and stated that this would have zero financial impact for the board in that it resolves the audit, which is important.

TRUSTEE COOKE stated that this option seems the best because there is money available in reserve, and this would not have any adverse impact. He continued that clarification would be needed to be sure that this satisfied the legal requirements.

MR. GOERING stated that there are some issues with the audit besides the simple fact of funding. The audit identified some issues with how the properties were being managed. He continued that simply transferring funds to the Trust fund is half of the equation. The other half is whether the properties were being managed consistently with the way that real estate is typically managed.

MR. STEMPEL stated that Option 6 would be maintaining the real estate holdings and then creating a reimbursement schedule; making a series of payments over time. Option 7 is the hybrid strategy; a partial sale with one or more of the more mature properties being sold as a down payment on that reimbursement schedule, and a series of payments until the total amount of the original principal investment was reached. Option 8 would be expansion of the existing real estate portfolio based on selectively acquiring new properties in the future. That will allow spreading some of the expenses of managing the properties over a greater base of the assets. Those are the eight options for consideration currently.

MOTION: A motion to include Option 3, Option 5, and Option 6 for staff to bring back with further information with risks and costs was made by TRUSTEE DERR; seconded by TRUSTEE SELBY.

MR. GOERING suggested a roll call vote.

MR. ABBOTT stated that there is not notice for an action item, and viewed this as direction to the staff. There is no action that will execute any Trust activity. It is simply guidance to the staff for preparation for a Board action at some point in the future.

TRUSTEE EASLEY asked how he would handle being asked about the legal opinion of investing in real estate.

MR. ABBOTT replied that in his review of the Trust's activity from 2008 and beyond, when these commercial real estate investments were contemplated, was that the Trust considered a variety of perspectives, including legal opinions, and that the Trust was confident that it had the authority to take the steps it took.

MOTION: A motion was made to postpone the prior motion by TRUSTEE COOKE; seconded by TRUSTEE SMITH.

CHAIR MICHAEL called the vote:

The MOTION was passed unanimously (EASLEY, BOERNER, COOKE, DERR, SMITH, SELBY, MICHAEL).

CHAIR MICHAEL recessed the meeting until tomorrow.

(Alaska Mental Health Trust Authority Full Board Meeting adjourned at 5:33 p.m.)