



**VISION**

ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

**MISSION**

TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS

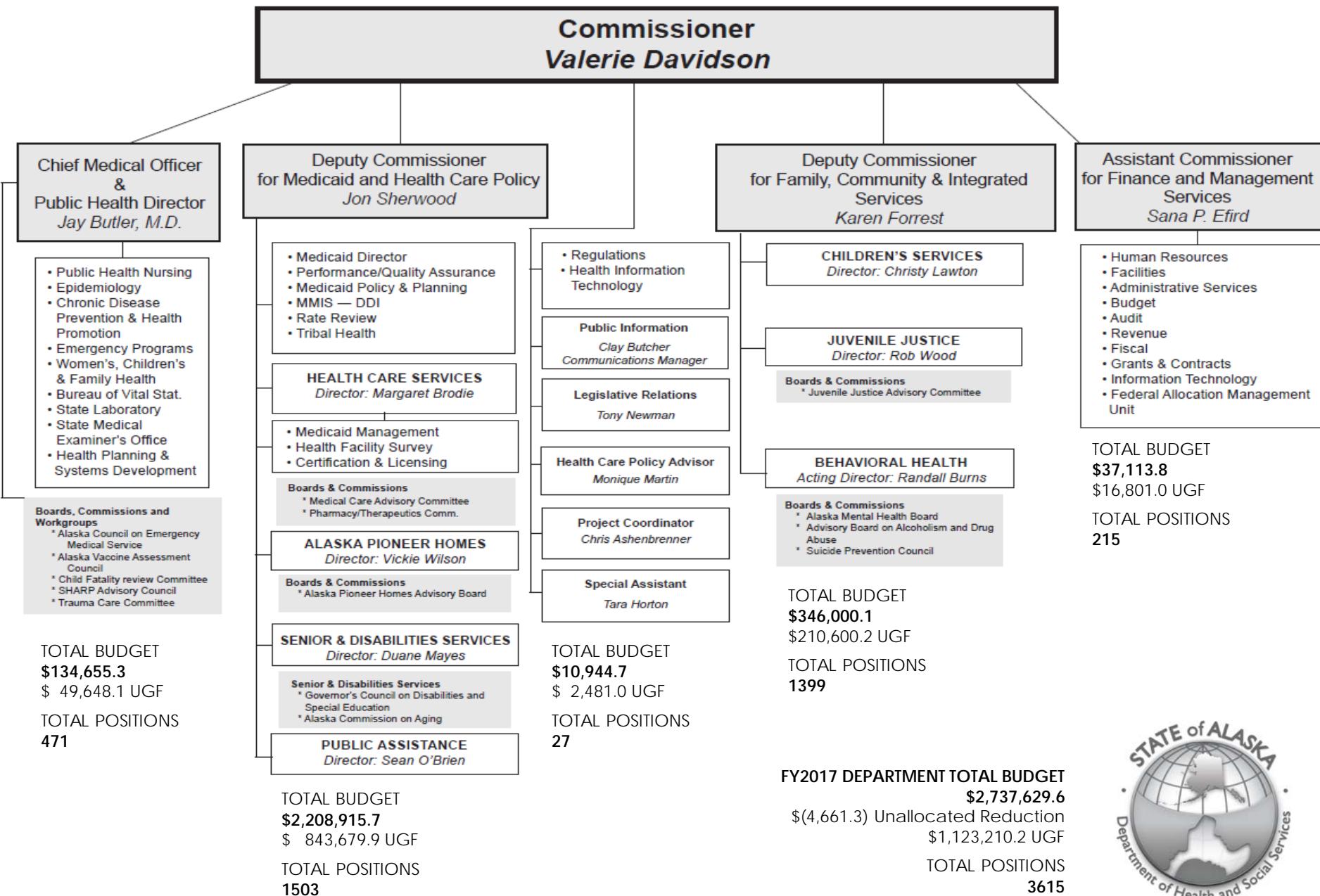
# Department of Health & Social Services House Finance | FY2017 Department Overview

**Valerie Davidson**, Commissioner  
**Sana Efird**, Assistant Commissioner

**JANUARY 27, 2016**

# Alaska Department of Health and Social Services

## Organization Chart



# Health & Social Services

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## Alaska Pioneer Homes | **Vickie Wilson** (Director)

- **619** Positions
- **\$62,228.1** (\$35,263.8 UGF) - DHSS FY2016 Operating Budget
- **2.3%** of DHSS FY2016 Operating Budget
- Provide the highest quality of life in a safe home environment for older Alaskans and Veterans.

## Behavioral Health | **Randall Burns** (Acting Director)

- **373** Positions
- **\$134,340.8** (\$67,000.8 UGF) - DHSS FY2016 Operating Budget
- **4.9%** of DHSS FY2016 Operating Budget
- Manage an integrated and comprehensive behavioral health system based on sound policy, effective practices and partnerships.



# Health & Social Services

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Office of Children's Services | **Christy Lawton** (Director)

- **532** Positions
- **\$151,383.9** (\$87,368.9 UGF) - DHSS FY2016 Operating Budget
- **5.5%** of DHSS FY2016 Operating Budget
- Prevent and respond to child maltreatment in order to ensure safe children and strong families.

Health Care Services | **Margaret Brodie** (Director)

- **127** Positions
- **\$22,367.0** (\$8,630.0 UGF) - DHSS FY2016 Operating Budget
- **0.8%** of DHSS FY2016 Operating Budget
- Manage health care coverage for Alaskans in need.



# Health & Social Services

## Division of Juvenile Justice | **Rob Wood** (Director)

- **494** Positions
- **\$60,275.4** (\$56,230.5 UGF) - DHSS FY2016 Operating Budget
- **2.2%** of DHSS FY2016 Operating Budget
- Hold juvenile offenders accountable for their behavior, promote the safety and restoration of victims and communities, and assist offenders and their families in developing skills to prevent crime.

## Division of Public Assistance | **Sean O'Brien** (Director)

- **566** Positions
- **\$313,770.6** (\$147,052.5 UGF)- DHSS FY2016 Operating Budget
- **11.4%** of DHSS FY2016 Operating Budget
- Provide self-sufficiency and provide for basic living expenses to Alaskans in need.



# Health & Social Services

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## Division of Public Health | Dr. Jay Butler (CMO/Director)

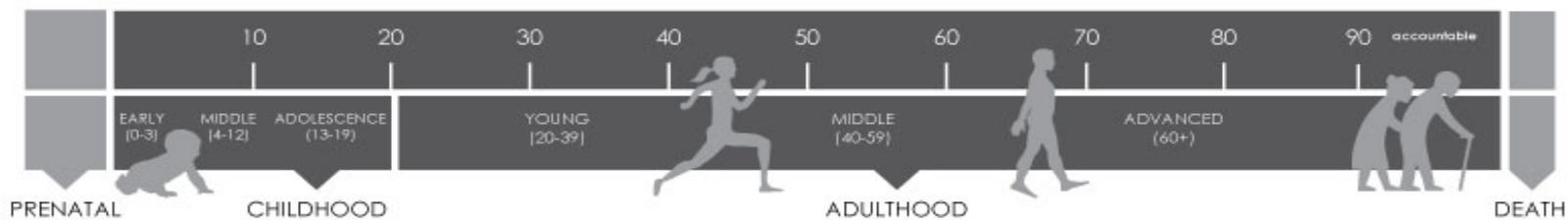
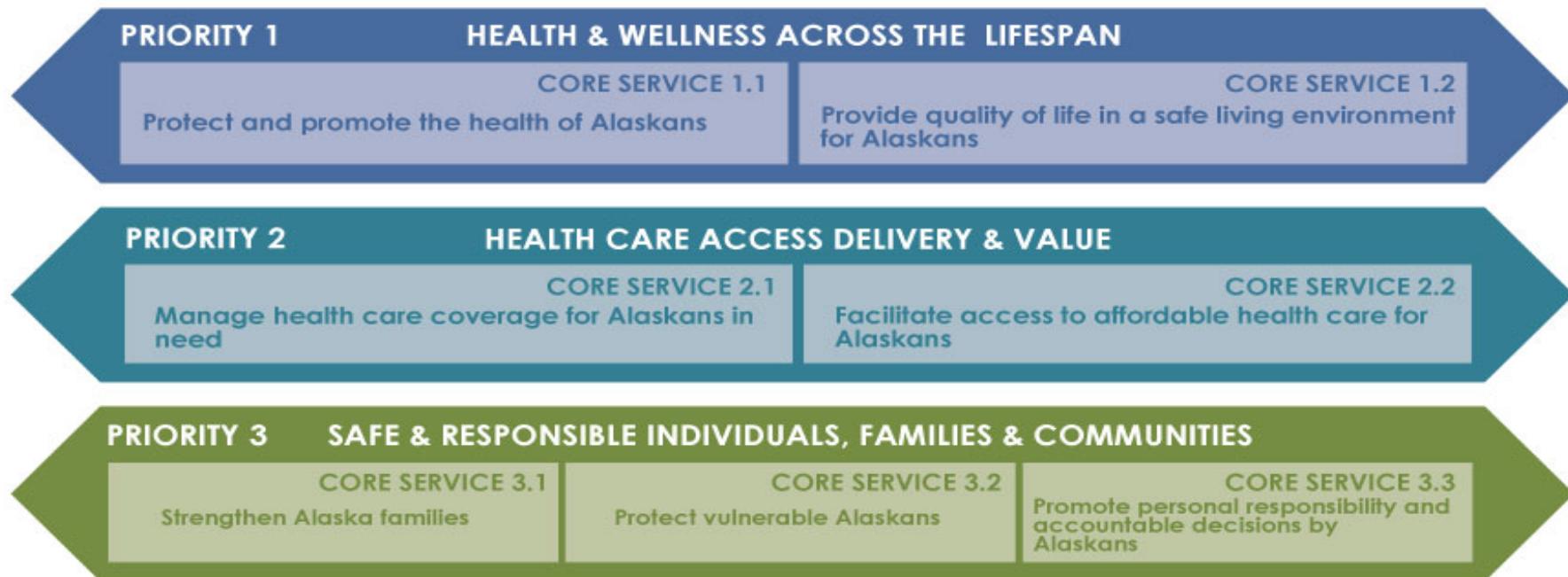
- **471** Positions
- **\$134,655.4** (\$49,648.1 UGF) - DHSS FY2016 Operating Budget
- **4.9%** of DHSS FY2016 Operating Budget
- Protect and promote the health of Alaskans.

## Senior and Disabilities Services | Duane Mayes (Director)

- **184** Positions
- **\$73,510.9** (\$48,635.9 UGF) - DHSS FY2016 Operating Budget
- **2.7%** of DHSS FY2016 Operating Budget
- Promote the independence of Alaskan seniors and persons with physical and developmental disabilities.



# Service Population



**\$2,617,007.5**  
(\$1,611,213.5 Medicaid)

PRIORITY 1 HEALTH & WELLNESS ACROSS THE LIFESPAN

**\$1,909,365.0**  
(\$1,454,046.0 Medicaid)

UGF \$850,164.5  
DGF \$75,677.1  
Other \$68,840.7  
Federal \$914,682.6

PRIORITY 2 HEALTH CARE ACCESS DELIVERY & VALUE

**\$223,194.6**  
(\$157,167.5 Medicaid)

UGF \$99,379.7  
DGF \$8,846.3  
Other \$8,047.1  
Federal \$106,921.5

PRIORITY 3 SAFE & RESPONSIBLE INDIVIDUALS, FAMILIES & COMMUNITIES

**\$484,447.9**

UGF \$215,705.5  
DGF \$19,200.9  
Other \$17,466.4  
Federal \$232,075.2

CORE SERVICE 1.1

Protect and promote the health of Alaskans

UGF \$485,166.3  
DGF \$43,186.9  
Other \$39,285.6  
Federal \$521,985.1

**\$1,089,623.8**  
(\$839,868.2 Medicaid)

CORE SERVICE 1.2

Provide quality of life in a safe living environment for Alaskans

UGF \$364,998.2  
DGF \$32,490.2  
Other \$29,555.1  
Federal \$392,697.6

**\$819,741.1**  
(\$614,177.8 Medicaid)

CORE SERVICE 2.1

Manage health care coverage for Alaskans in need

UGF \$50,779.7  
DGF \$4,520.1  
Other \$4,111.8  
Federal \$54,633.3

**\$114,045.0**  
(\$80,860.5 Medicaid)

CORE SERVICE 2.2

Facilitate access to affordable health care for Alaskans

UGF \$48,600.0  
DGF \$4,326.1  
Other \$3,935.3  
Federal \$52,288.2

**\$109,149.6**  
(\$76,307.0 Medicaid)

CORE SERVICE 3.1

Strengthen Alaska families

UGF \$69,954.7  
DGF \$6,227.0  
Other \$5,664.5  
Federal \$75,263.5

**\$157,109.6**

CORE SERVICE 3.2

Protect vulnerable Alaskans

UGF \$123,795.2  
DGF \$11,019.6  
Other \$10,024.1  
Federal \$133,189.9

**\$278,028.9**

CORE SERVICE 3.3

Promote personal responsibility & accountable decisions by Alaskans

UGF \$21,955.6  
DGF \$1,954.4  
Other \$1,777.8  
Federal \$23,621.8

**\$49,309.5**



ALASKA PIONEER HOMES



DIVISION OF BEHAVIORAL HEALTH



OFFICE OF CHILDREN'S SERVICES



DIVISION OF HEALTH CARE SERVICES



DIVISION OF JUVENILE JUSTICE



DIVISION OF PUBLIC ASSISTANCE



DIVISION OF PUBLIC HEALTH



SENIOR & DISABILITIES SERVICES



FINANCE & MANAGEMENT SERVICES

①.2 **\$22,487.0**  
to provide quality of life in a safe living environment for Alaskans

①.1 **\$292,798.4**  
to protect and promote the health of Alaskans  
(\$199,152.3 Medicaid)

①.2 **\$40,718.6**  
to provide quality of life in a safe living environment for Alaskans

①.1 **\$643,015.4**  
to protect and promote the health of Alaskans  
(\$640,715.9 Medicaid)

①.1 **\$10,597.1**  
to protect and promote the health of Alaskans

①.1 **\$25,585.5**  
to protect and promote the health of Alaskans

①.1 **\$94,602.5**  
to protect and promote the health of Alaskans

①.1 **\$143.7**  
to protect and promote the health of Alaskans

①.1 **\$22,257.7**  
to protect and promote the health of Alaskans

②.1 **\$14,974**  
to manage health care coverage for Alaskans in need

②.2 **\$24,378.0**  
to provide quality of life in a safe living environment for Alaskans

③.1 **\$21,624.1**  
to strengthen Alaska families

②.2 **\$62,174.7**  
to provide quality of life in a safe living environment for Alaskans  
(\$62,065.0 Medicaid)

③.1 **\$8,496.5**  
to strengthen Alaska families

②.2 **\$52,029.7**  
to provide quality of life in a safe living environment for Alaskans

②.2 **\$549.7**  
to provide quality of life in a safe living environment for Alaskans

②.2 **\$600,658.1**  
to provide quality of life in a safe living environment for Alaskans  
(\$552,112.8 Medicaid)

②.2 **\$16,745.4**  
to provide quality of life in a safe living environment for Alaskans

③.1 **\$10,385.7**  
to strengthen Alaska families

②.1 **\$4,568.6**  
to manage health care coverage for Alaskans in need

③.2 **\$73,478.7**  
to protect vulnerable Alaskans

②.1 **\$91,664.5**  
to manage health care coverage for Alaskans in need  
(\$80,860.5 Medicaid)

③.2 **\$21,571.7**  
to protect vulnerable Alaskans

②.1 **\$290.4**  
to manage health care coverage for Alaskans in need

②.1 **\$218.5**  
to manage health care coverage for Alaskans in need

③.1 **\$1,602.2**  
to strengthen Alaska families

②.1 **\$2,328.9**  
to manage health care coverage for Alaskans in need

③.2 **\$15,116.9**  
to protect vulnerable Alaskans

②.2 **\$4,274.4**  
to facilitate access to affordable health care for Alaskans

③.3 **\$13,992.5**  
to promote personal responsibility and accountable decisions by Alaskans

②.2 **\$79,656.6**  
to facilitate access to affordable health care for Alaskans  
(\$76,307.0 Medicaid)

③.1 **\$18,338.3**  
to promote personal responsibility and accountable decisions by Alaskans

②.2 **\$9,238.6**  
to facilitate access to affordable health care for Alaskans

②.2 **\$13,752.7**  
to facilitate access to affordable health care for Alaskans

③.2 **\$10,574.3**  
to protect vulnerable Alaskans

②.2 **\$2,227.4**  
to facilitate access to affordable health care for Alaskans

TOTAL BUDGET  
\$62,963.7

③.1 **\$1,403.4**  
to strengthen Alaska families

③.2 **\$10,904.2**  
to protect vulnerable Alaskans

③.3 **\$458.4**  
to promote personal responsibility and accountable decisions by Alaskans

TOTAL BUDGET  
\$149,813.9

③.1 **\$106,777.6**  
to strengthen Alaska families

③.2 **\$111,768.0**  
to protect vulnerable Alaskans

③.3 **\$640.9**  
to promote personal responsibility and accountable decisions by Alaskans

TOTAL BUDGET  
\$613,619.2

TOTAL BUDGET  
\$59,003.6

③.1 **\$2,432.3**  
to strengthen Alaska families

③.2 **\$22,516.4**  
to protect vulnerable Alaskans

③.3 **\$384.3**  
to promote personal responsibility and accountable decisions by Alaskans

TOTAL BUDGET  
\$134,456.4

TOTAL BUDGET  
\$882,604.1

TOTAL BUDGET  
\$320,052.4

TOTAL BUDGET  
\$55,708.8

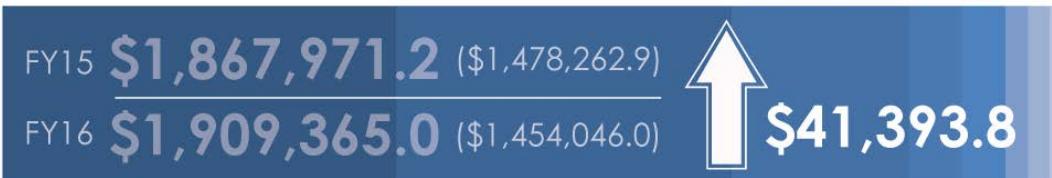


# STATE OF ALASKA DEPARTMENT OF HEALTH & SOCIAL SERVICES BUDGET COMPARISON (FY2015 & FY2016)

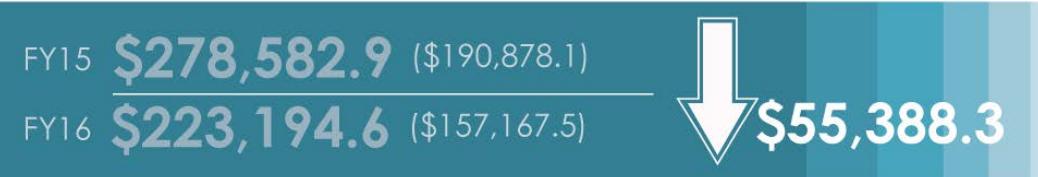
**FY2015 BUDGET** **\$2,692,324.5** (\$1,669,141.0 Medicaid)  
**FY2016 BUDGET** **\$2,617,007.5** (\$1,611,213.5 Medicaid)

**\$75,317.0**  
(\$57,927.5 Medicaid)

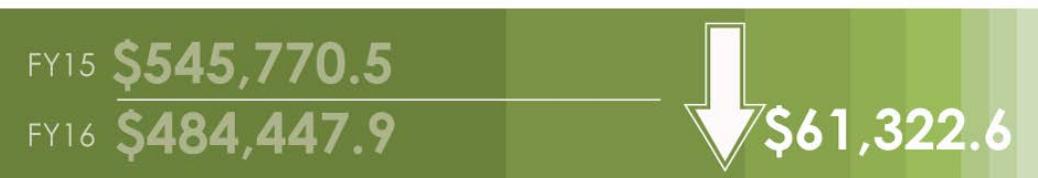
## PRIORITY 1 HEALTH & WELLNESS ACROSS THE LIFESPAN



## PRIORITY 2 HEALTH CARE ACCESS DELIVERY & VALUE



## PRIORITY 3 SAFE & RESPONSIBLE INDIVIDUALS, FAMILIES & COMMUNITIES





## VISION

ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

## MISSION

TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS

## PRIORITIES



Health & Wellness Across the Lifespan



Health Care Access Delivery & Value

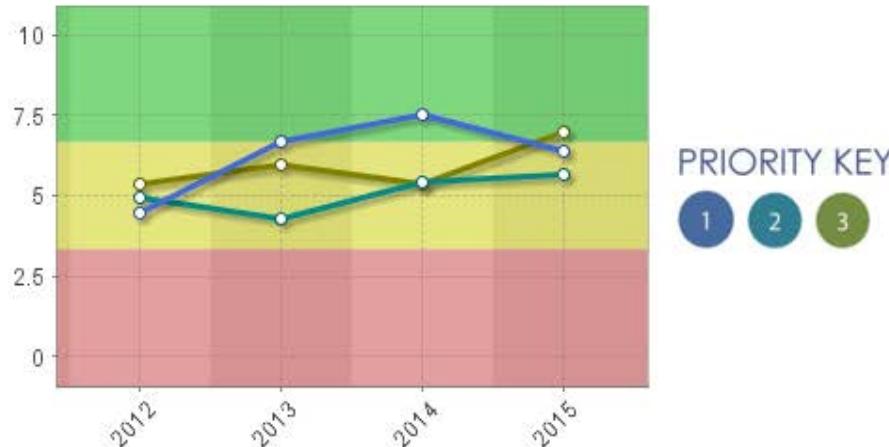


Safe and Responsible Individuals,  
Families & Communities

## CORE SERVICES



## ANNUAL PRIORITY SCORE



## FY2016 OPERATING SPEND





### CORE SERVICES



Score: 9.26



Score: 5.3

### OBJECTIVES



Improve the health status of Alaskans (Objective 1.1.1)  
Score: 9.26



Decrease unintentional injuries (Objective 1.1.2)  
Score: 7.57



Improve the safety of children receiving department services (Objective 1.2.1)  
Score: 5.3



Increase the number of older Alaskans who live safely in their communities (Objective 1.2.2)  
Score: 1.72

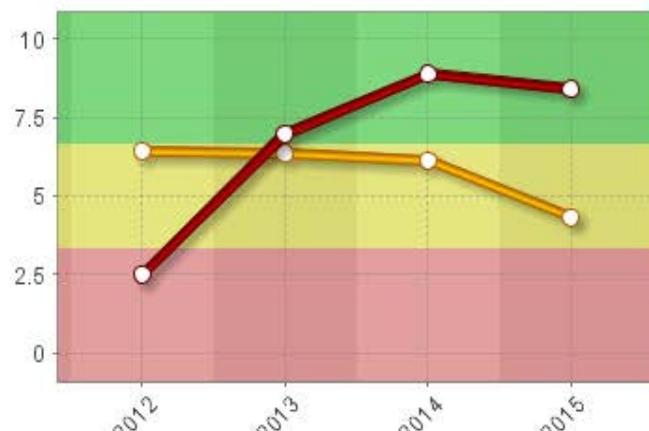


Decrease substance abuse and dependency (Objective 1.2.3)  
Score: 8.03



Increase the number of Alaskans with behavioral health issues who report improvement in key life domains (Objective 1.2.4)  
Score: 2.26

### ANNUAL CORE SERVICE SCORE



CORE SERVICE KEY

1.1 1.2

### FY2016 PRIORITY 1 SPEND

\$1,909,365.0

1.1 \$1,089,623.8

1.2 \$819,741.1

# Improve the health status of Alaskans

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## Effectiveness Measure:

Percent of children 19 - 35 months of age who are fully immunized.

**(2015) 60.4%**

Red Flag 40.5%/Goal 51.3%

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## Efficiency Measure:

Cost to fully immunize a child 19 - 35 months of age.

**(2015) \$1084.00**



# FY2016 Highlights of Budget Changes

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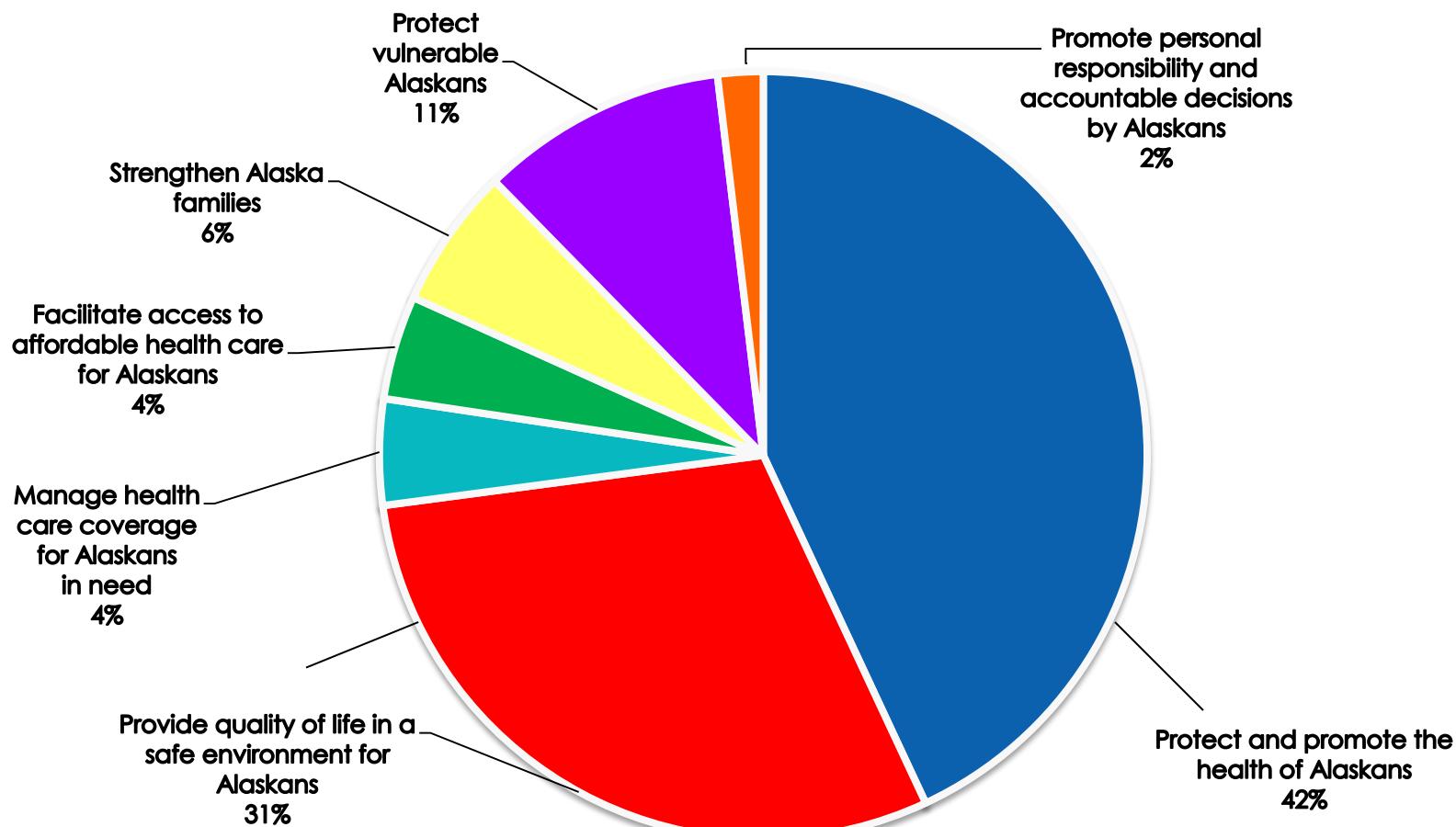
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- Medicaid Expansion
- Alaska Pioneer Homes rate increase 8.5% to take effect February 1, 2016
- Reprogramming Ketchikan Youth Facility
- Reduction to Senior Benefits Program
- Add 26 PFTs for OCS



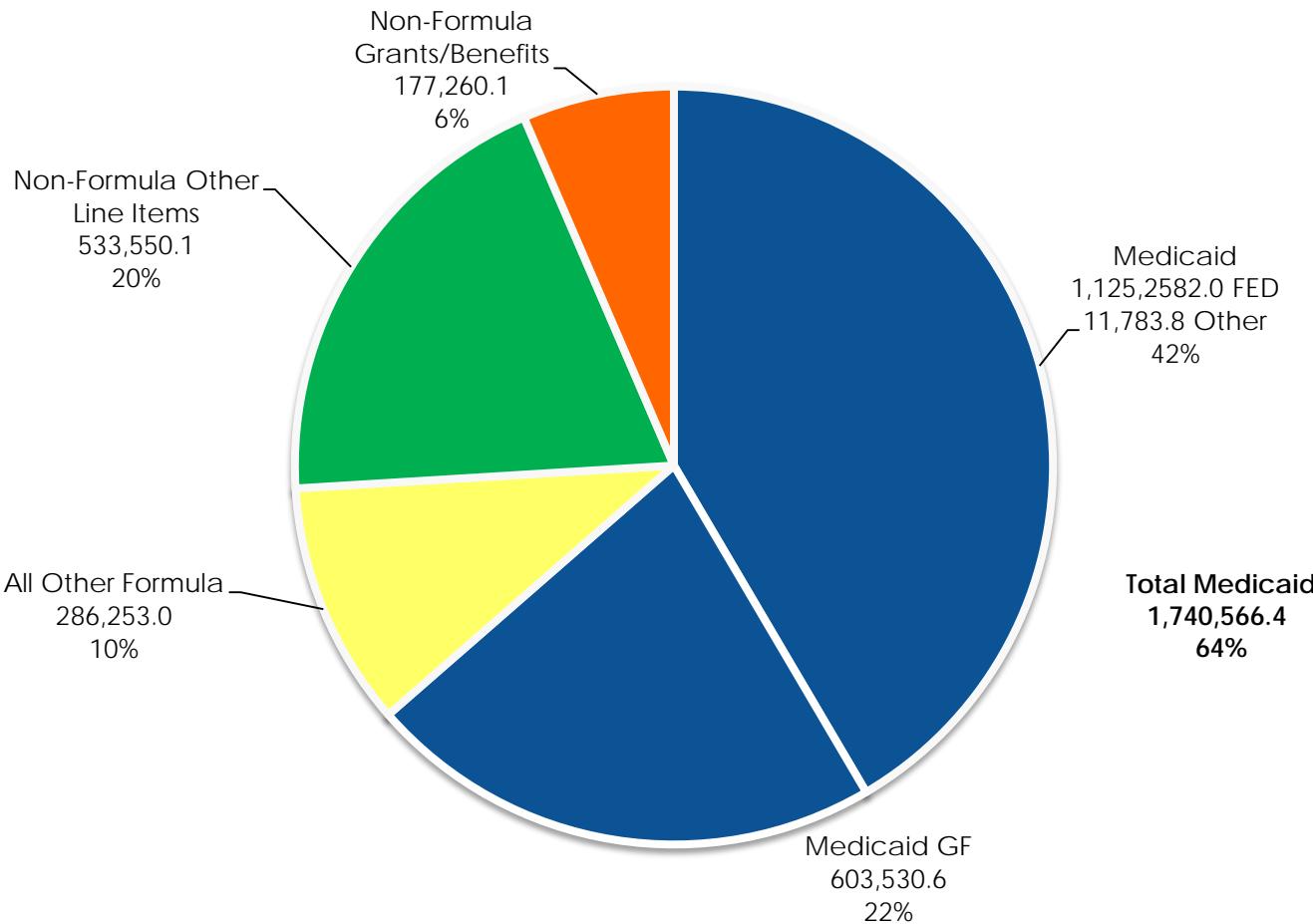
# DHSS FY2017 Governor's Budget Request

## Operating Budget by Core Services – All Funds



# DHSS FY2017 Governor's Budget Request

(All Funds – \$2,737,629.6)



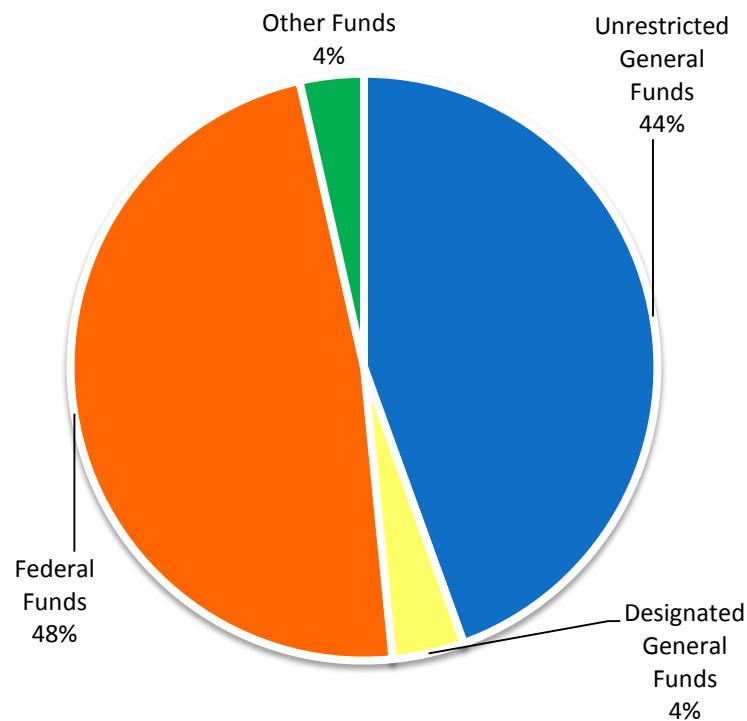
# DHSS FY2017 Governor's Budget Request

## FY2017 Adjusted Base to FY2017 Governor's Budget - All Funds

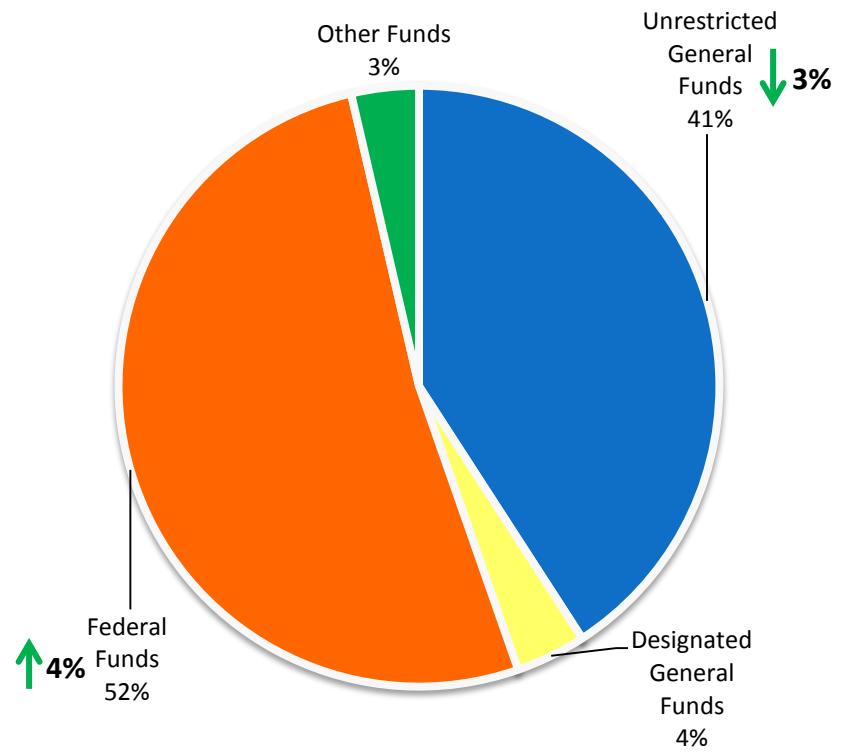
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**2017 Adjusted Base**



**2017 Governor's Budget**



# DHSS FY2017 Governor's Budget Request

## -FY2017 Adjusted Base to FY2017 Governor's Budget-

	2017 Adjusted Base	2017 Governor's Budget	Change
Unrestricted General Funds	1,161,471.1	1,118,548.9	(42,922.2)
Designated General Funds	103,724.3	103,699.3	(25.0)
Federal Funds	1,254,027.8	1,415,904.0	161,876.2
Other Funds	92,271.2	99,477.4	7,206.2
<b>Total</b>	<b>2,611,494.4</b>	<b>2,737,629.6</b>	<b>126,135.2</b>



# Key Budget Reductions FY2017

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## Reductions

- Alaska Pioneer Homes – (720.0)
- Alaska Heating Assistance Program – (9,174.3)
- Behavioral Health Grants – (5,779.3)
- Chronic and Acute Medical Assistance – (329.0)
- Medicaid Services – (31,616.6)

## Increases

- Subsidized Adoption and Guardianship \$4,825.0
- Juvenile Justice- \$1,000.0



# Key Budget Increments FY2017

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- **Children's Services- \$4,825.0**  
The subsidized adoption and guardianship program facilitates permanent placements in adoptive and guardianship homes for an increasing number of children in custody whose special needs make them hard to place. Adoption and guardianship is considered for children who cannot return to their parents
- **Juvenile Justice- \$1,000.0**  
Due to the Division of Juvenile Justice's minimal staffing requirement to ensure the safety and security of youth in custody and the low rate of staff turnover, the division is in need of additional authority to cover the costs of personal services. \$890.0 UGF.  
Medical costs for youth supervised by the Division of Juvenile Justice continue to rise. The division is required by statute to provide for the medical, dental, and psychiatric needs of youth in our facilities. However, federal Medicaid laws do not allow youth that are incarcerated to be covered by Medicaid, so the division is required to pay these costs. \$110.0 UGF



# Formula Programs

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**Formula Program** - a program with specific eligibility standards tied to benefit levels for any recipient who qualifies. The eligibility standards and benefits must be based in statute and/or regulations.



# Formula Programs

## Public Assistance

Adult Temporary Assistance Program (42 USC 602-608, 45 CFR 200-499, AS 47.27.005-990, 7AAC 45.150-990)

Adult Public Assistance (AS 47.25.430-615, 7AAC 40.020-900)

Child Care Benefits (42 USC 9858, 45 CFR 98-99, AS 47.05.300-390, AS 47.25.001-098, AS 47.27.005, AS 47.27.035, 7AAC 41.010-990, 7AAC 45)

General Relief Assistance (AS 47.25.0120-300, 7AAC 47.020-290)

Tribal Assistance Programs (42 USC 612, 45 CFR 286, AS 47.27.050, AS 47.27.070, AS 47.27.200, AS 47.27.300)

Senior Benefits Payment Program (AS 47.45.301-309, 7AAC 47.545-599)

PFD Hold Harmless (AS 43.23.075, 7AAC 45.276, AS 43.23.085, 7AAC 38)

Energy Assistance Program (AS 47.05.010, AS 47.25.621-262, 7AAC 44.200-900)

## Medicaid Services

Behavioral Health Medicaid Services (AS 47.07, AS 47.25)

Children's Medicaid Services (AS 47.07, AS 47.25)

Adult Preventive Dental Medicaid Services (AS 47.07, AS 47.25)

Health Care Medicaid Services (AS 47.07, AS 47.25)

Senior/Disabilities Medicaid Services (AS 47.07, AS 47.25)

## Children's Services

Subsidized Adoptions/Guardianship (AS 25.23.190 - 240, AS 47.14.100(d)(3))

Foster Care Special Need (AS 47.05.065(3), AS 47.14.100(B))

Foster Care Augmented Rate (AS 47.14.100(D))

Foster Care Base Rate (AS 47.05.065(3), AS 47.14.020(1), AS 47.14.100)



## Department of Health & Social Services Share of Total Agency Operations

Non-Formula and Formula  
(GF Only)  
(\$ Thousands)

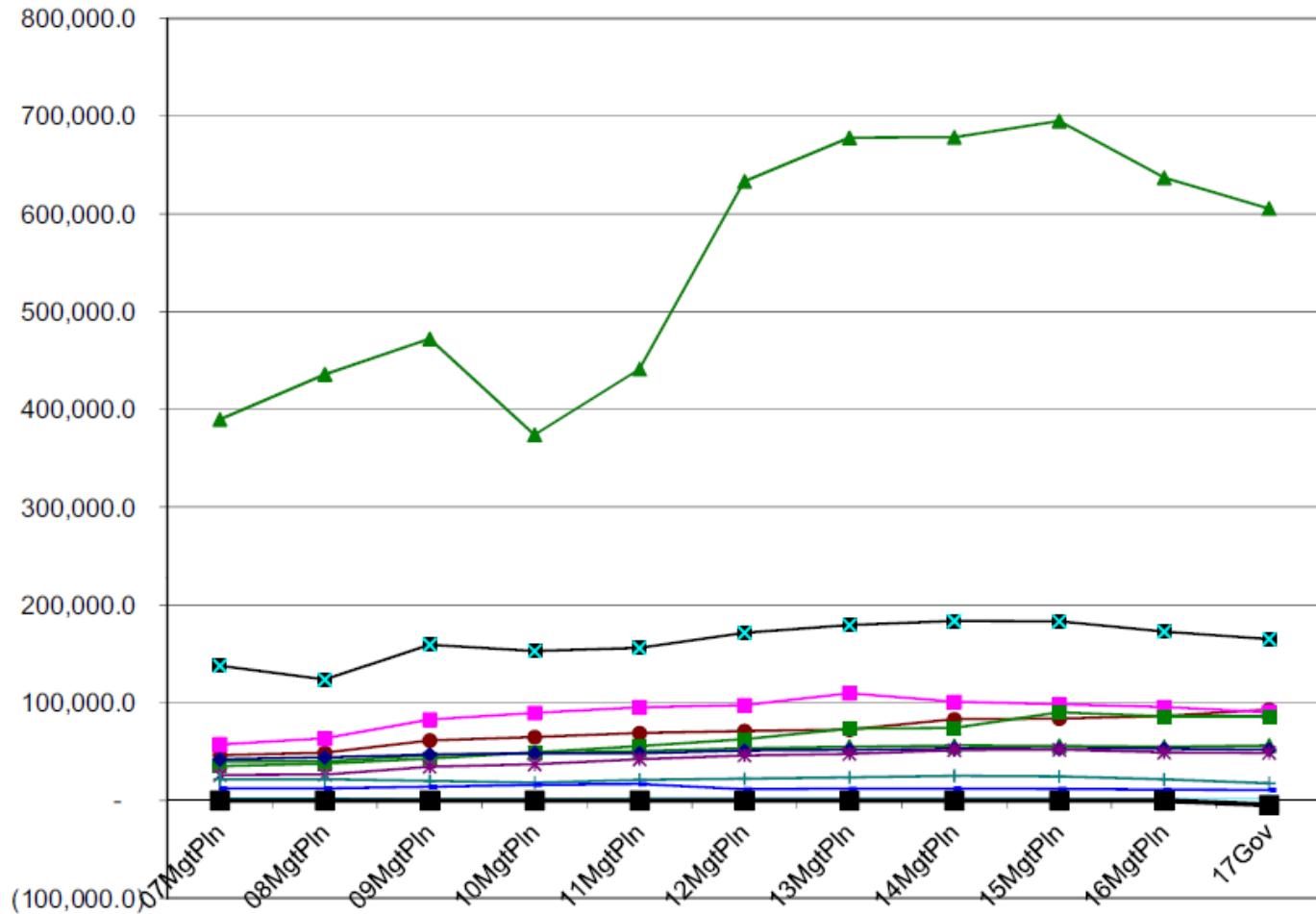
The Department's GF budget grew by \$412.5 million between FY07 & the FY17 Governor's Request -- an average annual growth rate of 4.2%.

The Department's total FY17 GF budget equals \$3,668 per resident worker.\*



\* According to the Department of Labor, there were 333,174 resident workers in Alaska in 2013.

**Appropriations within the Department of Health & Social Services**  
**Formula and Non-Formula**  
**(GF Only)**  
**(\$ Thousands)**



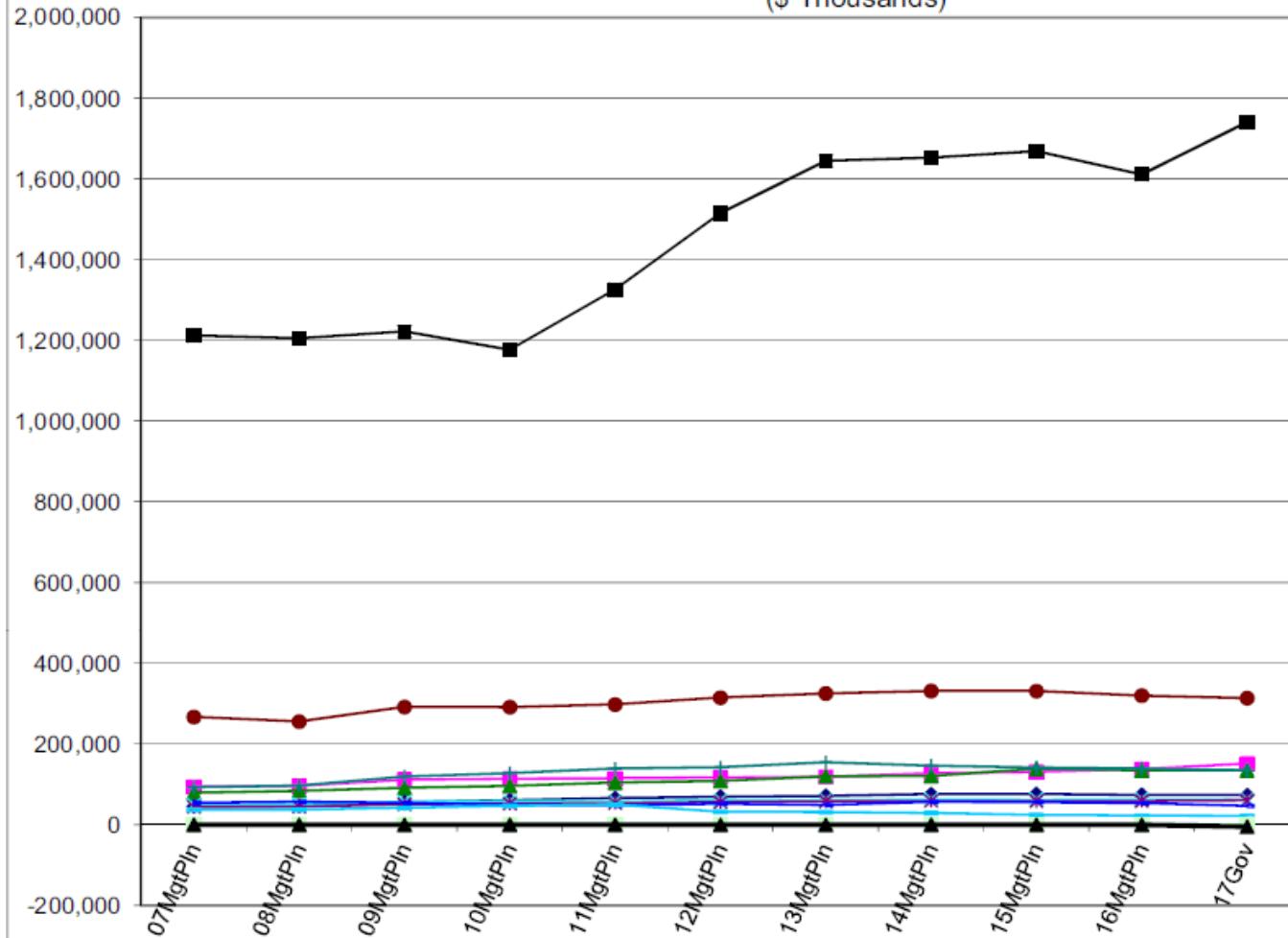
Overall, the Department's GF budget increased by \$412.5 million (51%)

Increases in Medicaid (\$215.5 million--or 55.3%) mask significant increases in other divisions. For example:

- Children's Services is up \$47 million (100%)
- Behavioral Health is up \$33 million (57%)
- Public Health is up \$51 million (144%)
- Senior & Disabilities Svcs is up \$23 million (87%)

- Medicaid Services
- Public Assistance
- Children's Services
- Behavioral Health
- Public Health
- Juvenile Justice
- Alaska Pioneer Homes
- Senior and Disabilities Services
- Departmental Support Services
- Health Care Services
- Human Services Community Matching Grant
- Community Initiative Matching Grants
- Agency Unallocated Appropriation

Appropriations within the Department of Health & Social Services  
 Formula and Non-Formula  
 (All Funds)  
 (\$ Thousands)



The department's total funds budget increased by \$761 million (38%).

Medicaid changes:

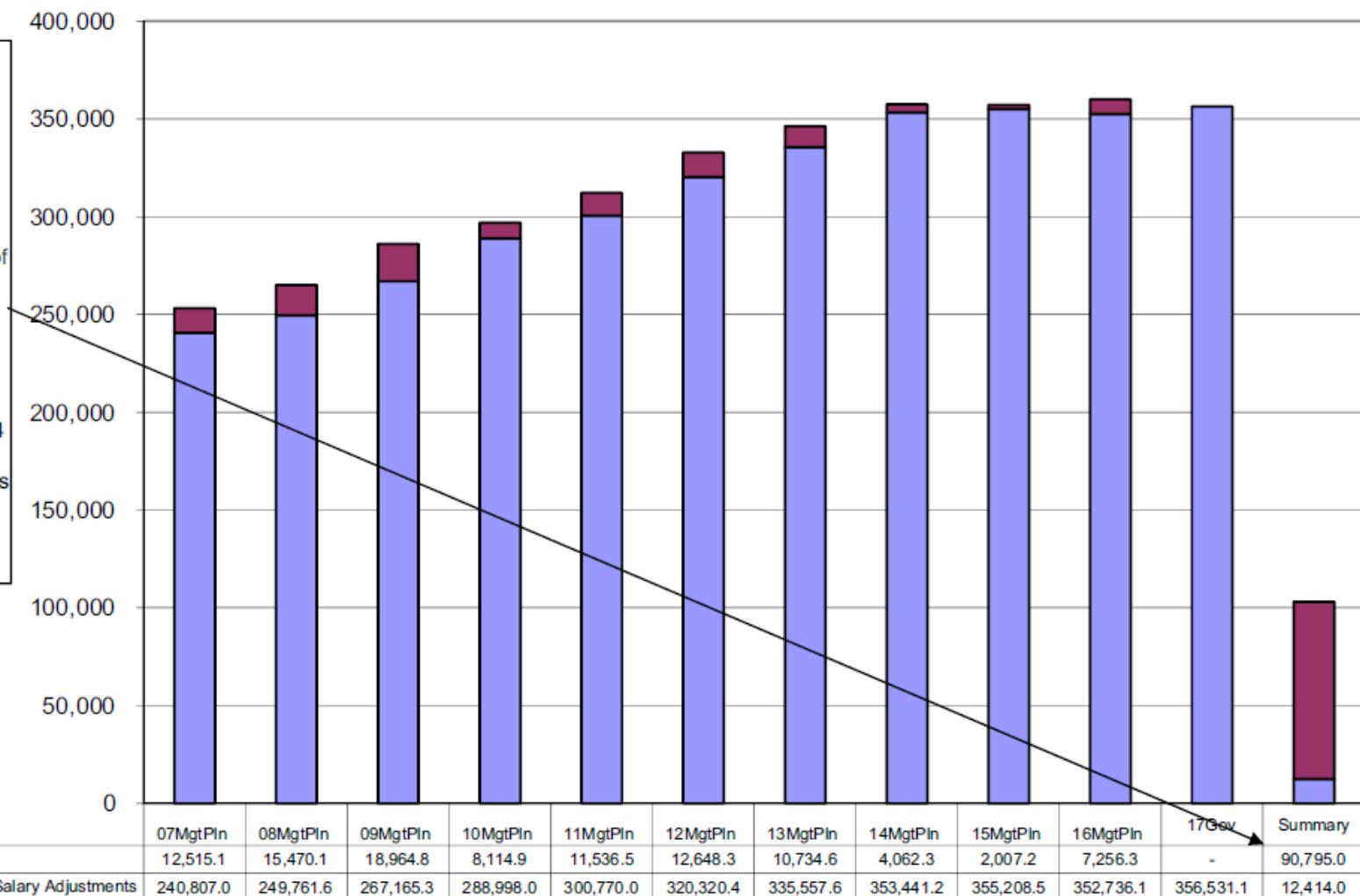
- Total funding increased by \$528.7 million (44%)
- GF increased by \$215 million (55%)



**Department of Health & Social Services**  
**Salary Adjustment Increases and Personal Services Costs**  
**(All Funds)**  
**(\$ Thousands)**

Personal Services increased by \$107 million between FY07 and the FY17 Governor's Request—an increase of 41%.

**Summary\***  
The change consists of a \$90.8 million increase for salary adjustments (i.e., health insurance, retirement and contractual salary increases) and a \$12.4 million increase in other personal services costs.



\* Changes in the personal services line from FY07 to the FY17 Governor's Request are segregated into two parts: (1) base increases (primarily due to contractual negotiations, retirement increases, and health insurance increases), and (2) other personal services increases such as transfers between line items or increases from new positions. The final column sums the two types of changes during the period.

# Department Updates

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- Medicaid Reform Efforts
- Systems Improvements
- Fraud, Waste, and Abuse
- Tribal & Federal Partnerships
- Child Welfare
- Opioid Abuse



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# QUESTIONS?

## Quyana (thank you)



**MISSION** TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS