

# State of Alaska

## Office of Management and Budget

FY2020 Governor's Amended Budget  
Department of Health and Social Services Overview  
Presentation to the House Finance Committee  
March 12, 2019  
Budget Director Lacey Sanders



THE STATE  
of **ALASKA**  
GOVERNOR MICHAEL J. DUNLEAVY

# Department of Health and Social Services

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Sana Efird  
Administrative Services Director

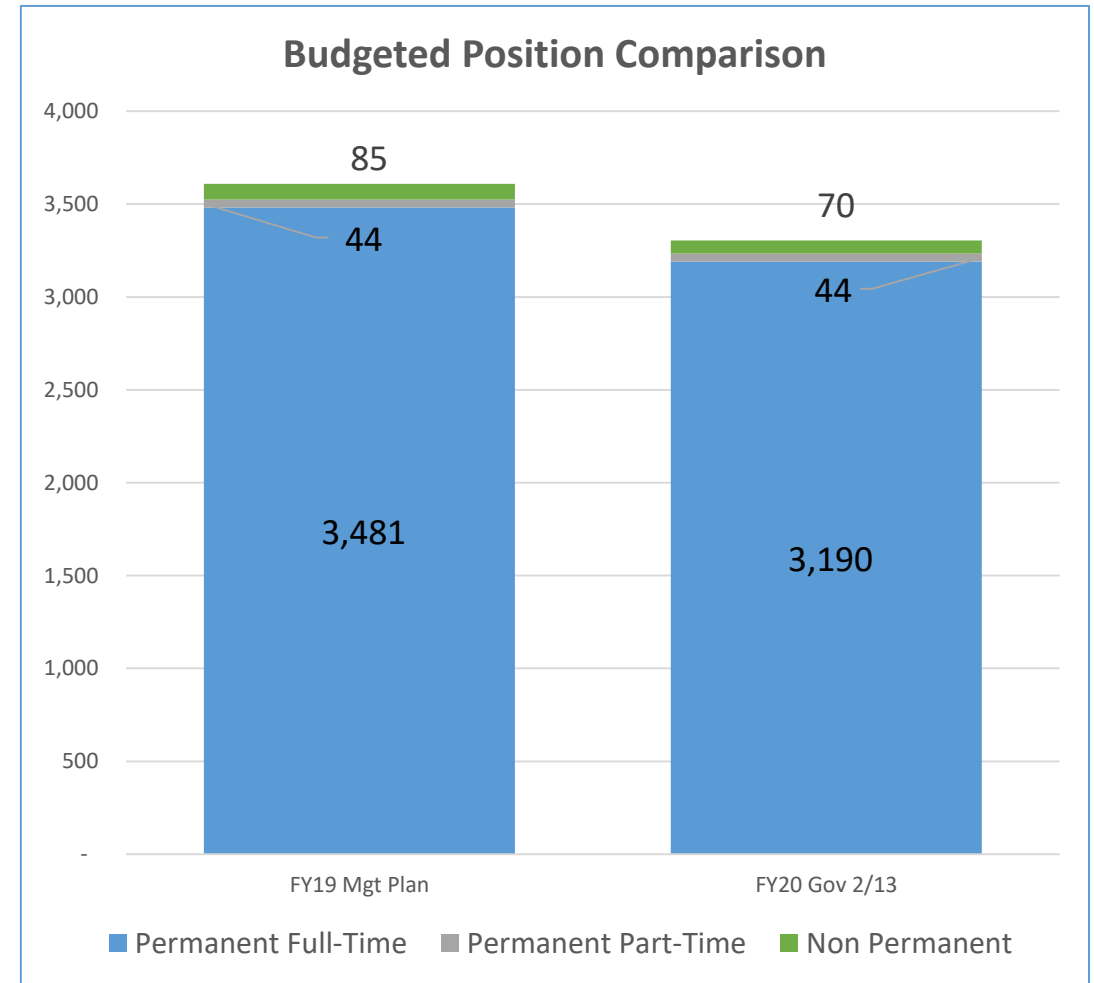
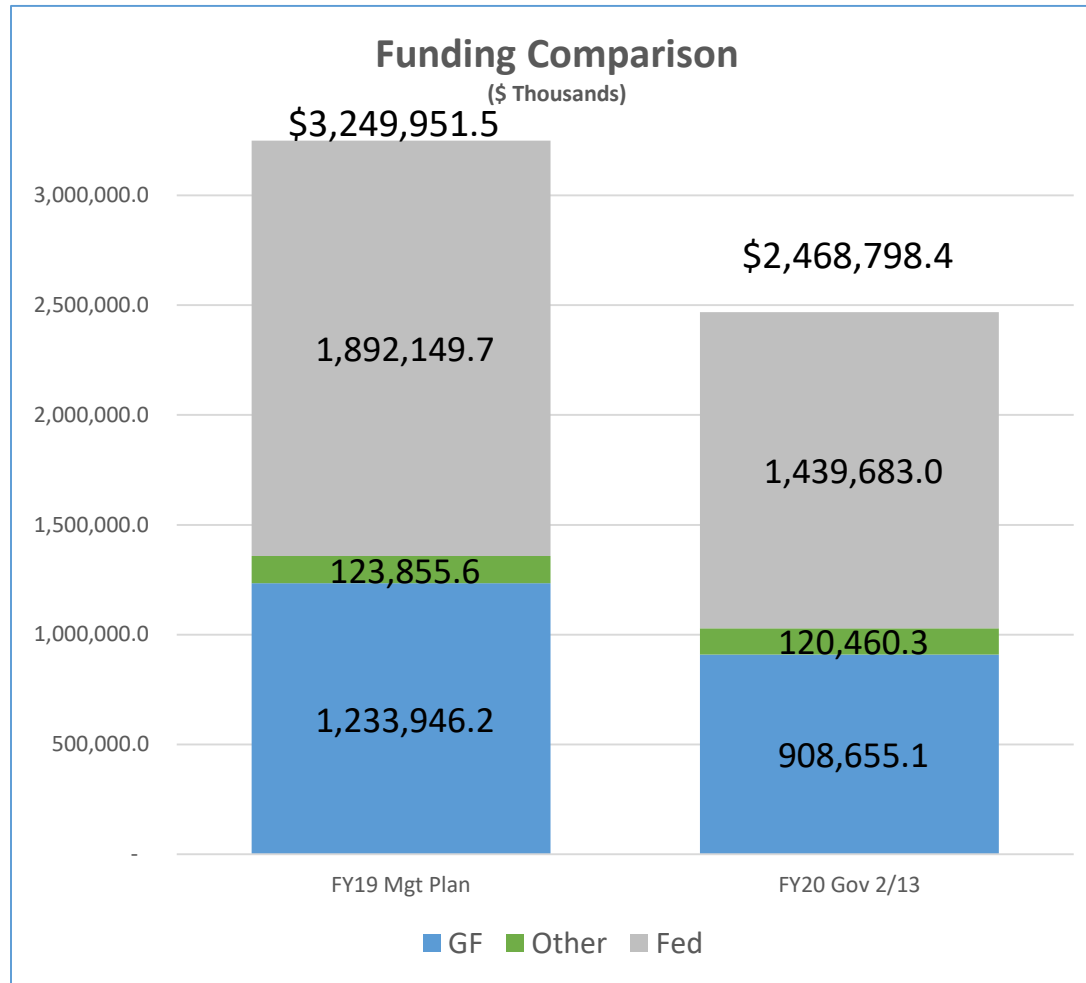


## FY2020 Operating Budget: Core Services Alignment (\$ Thousands)

*Mission: To promote and protect the health and well-being of Alaskans*

Core Services	Combined General Fund	Other	Federal	Total	% GF
Protect and promote the health of Alaskans	288,834.5	47,739.2	675,843.9	1,012,417.6	28.53%
Provide quality of life in a safe living environment for Alaskans	356,326.3	21,939.1	444,922.8	823,188.2	43.29%
Manage health care coverage for Alaskans	19,771.3	8,191.2	67,357.7	95,320.2	20.74%
Facilitate access to affordable health care for Alaskans	20,197.5	20,889.9	68,450.6	109,538.0	18.44%
Strengthen Alaska families	63,508.5	6,218.6	59,538.2	129,265.3	49.13%
Protect vulnerable Alaskans	128,551.6	13,547.7	108,183.7	250,283.0	51.36%
Promote personal responsibility and accountable decisions by Alaskans	31,465.4	1,934.6	15,386.1	48,786.1	64.50%
<b>FY2020 Governor's Amended</b>	<b>908,655.1</b>	<b>120,460.3</b>	<b>1,439,683.0</b>	<b>2,468,798.4</b>	<b>36.81%</b>

# FY2020 Operating Budget: Funding and PCN Comparison



## FY2020 Operating Budget: FY19 Comparison (\$ Thousands)

	FY2019 Mgmt Plan	FY2020 Governor Amended	Difference	% of Change
UGF	\$1,146,733.1	\$810,083.3	(\$336,649.8)	-29%
DGF	\$87,213.1	\$98,571.8	\$11,358.7	13%
Other	\$123,855.6	\$120,460.3	(\$3,395.3)	-3%
Federal	\$1,892,149.7	\$1,439,683.0	(\$452,466.7)	-24%
Total Budget	\$3,249,951.5	\$2,468,798.4	(\$781,153.1)	-24%

### Budget was based on the Governor's core tenets:

- Focus on core services
- Expenditures cannot exceed existing revenue
- Maintain and protect our reserves
- Does not take additional funds from Alaskans through taxes or the PFD
- Must be sustainable, predictable, and affordable



## FY2020 Operating Budget: Department of Health and Social Services Snapshot (\$ Thousands)

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- Alaska Pioneer Homes
  - Alaska Pioneer Homes Payment Assistance \$15,000.0 GF
  - Implement Rates which Cover the Cost of Care while supporting those who cannot pay with financial assistance (\$16,792.4 GF, \$16,386.2 GF/MH)
- Alaska Psychiatric Institute: Organizational Restructuring (\$0.0, PFT -248)
  - To ensure the safety of staff and patients
  - To bring the hospital into rapid compliance with regulatory authorities
  - To prepare the facility to increase its bed capacity to 80 beds by July 1<sup>st</sup>
- Increase Opioid and Epidemiology Grants in Behavioral Health & Public Health \$10,120.0 Fed
- Retain Youth Probation Services in the Nome Facility and Transfer Detention and Treatment Services to Other Facilities (\$2,000.0 GF)



## FY2020 Operating Budget : Department of Health and Social Services Snapshot (\$ Thousands)

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- Reduce Adult Public Assistance (\$14,700.0 GF)
  - Move to 1983 standard for maintenance of effort calculation
- Reduce Temporary Assistance for Needy Families (TANF) Maintenance of Effort (MOE) (\$16,912.0 GF)
  - Work with federal partners to reduce MOE requirements
- Repeal Hold Harmless Program (\$17,724.7 Other)
  - Provide option to receive dividends through monthly payments to minimize disruption to assistance recipients
- Repeal Senior Benefits Payment Program (\$19,986.1 GF)
- Reduce Public Health Nursing (\$2,000.0 GF)
  - Explore Efficiencies by Leveraging Federal Funding and Piloting Innovative Service Delivery Models with Partners



## FY2020 Operating Budget : Department of Health and Social Services Snapshot (\$ Thousands)

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- Medicaid:
  - Implement Medicaid Services Cost Containment Measures and Reforms (\$225,000.0 GF, \$450,000.0 Fed)
  - Eliminate Adult Dental Medicaid Benefit (\$8,273.6 GF, \$18,730.9 Fed)
  - (\$249,200.0 GF) from status quo projections, inclusive of bullets above
- Statewide Support – Executive Branch 50% Travel Reduction (\$353.3 GF)



# Sustainable, Predictable, Affordable

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