



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Health

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March 4, 2025

The Honorable Andy Josephson
House HSS Finance Subcommittee Chair
State Capitol, Room 505
Juneau, AK 99801

Dear Representative Josephson:

The Department of Health received the following questions during the Division of Behavioral Health budget presentation to the House Health and Social Services Finance Subcommittee on February 20, 2025:

Is there a physical space for the 988-call response?

Vibrant, the national administrator for 988, requires that contact center employees have a private, confidential, and secure workspace to handle calls, texts, and chats. Given these requirements, some form of physical space is necessary for 988 call response. The space needed provides for more than one staff person to be able to consult, work other lines, and help connect with or speak with other resources at the same time the caller is online. A physical call center space allows for a team to work together in real time and offers clinical debrief and support for staff after handling difficult calls.

How does the crisis call center interface with 911?

The Crisis Call Center (Careline) interfaces with 911 through a transfer process. When a caller to Careline/988 requires emergency assistance, the crisis counselor remains on the line with the caller while simultaneously contacting 911 dispatch on a separate line. Once connected, the 911 dispatcher determines the appropriate response level, which may include law enforcement, Mobile Crisis Teams (MCTs), or other emergency services. Careline does not dispatch MCTs directly. At this time, all mobile crisis response decisions go through 911 dispatch. When a crisis-related call comes into 911 dispatch, otherwise known as a Public Safety Access Point (PSAP), and does not require an in-person emergency response, dispatchers can transfer the caller to Careline using a private backline that is exclusively designed for PSAPs. This allows the caller to be connected with a trained crisis counselor for further support. Currently, the PSAPs that have implemented this transfer process include Anchorage, Mat-Su, Soldotna, Fairbanks, and Juneau. Ongoing efforts aim to expand the number of PSAPs in Alaska that transfer calls to Careline.

Where have the behavioral health grants changed in funding due to the implementation of the 1115 waiver?

In FY2020, the 1115 Substance Use Disorder (SUD) component of the 1115 demonstration waiver went live on October 1, 2019, followed by the Behavioral Health component on May 21, 2020.

FY2021 was the first full year of 1115 implementation with an expansion of SUD residential programs. From FY2020 to FY2021, grants decreased by 7.3 percent. These reductions were in the Community Behavioral Health Treatment and Recovery (CBHTR) grant program. The CBHTR grant program is comprised of three programs: (1) outpatient, (2) SUD residential and withdrawal managements, and (3) Peer and Consumer Support Services.

FY2022 grants increased by 10.4 percent due to the COVID and American Rescue Plan Act (ARPA) funding received by the division which increased CBHTR grants and provided additional grant program opportunities. COVID funds were allocated to states to ensure continuation of services during the pandemic.

In FY2023 and FY2024, there was a decline in grants of 2.8 percent and 21.8 percent respectively as the COVID and ARPA funds were spent down which were reflected in the CBHTR grants.

The FY2024 grants book provides information about grantees, programs, and amounts of grant awards. <https://health.alaska.gov/fms/grants/Documents/Grant-Book/FY24-Grant-Book.pdf>.

While grant funding has fluctuated, State investment in behavioral health services has grown through increased Medicaid utilization under the 1115 waiver. The waiver has enabled providers to bill Medicaid for services rather than relying solely on grants, increasing long-term sustainability and access to care.

About the \$5 million of increased federal receipt authority, please outline what the grants are for that this additional receipt authority is needed for.

The additional federal receipt authority will allow the division to fully utilize existing federal grants, some of which have increased, and provide the ability to pursue new federally funded opportunities that support the statewide behavioral health system of care. Grants include:

Grant	Grant Information
Substance Abuse Block Grant (SABG)	This is the division's largest federal block grant. It supports the planning, implementation, and evaluation activities to prevent and treat substance abuse and is the largest federal program dedicated to improving publicly-funded substance abuse prevention and treatment systems.
Mental Health Block Grant (MHBG)	This is the smaller of the two block grants received by the division. Its objective is to support carrying out plans for providing comprehensive community mental health services.
State Opioid Response (SOR)	This the largest grant the division receives. Its purpose is to address the overdose crisis, driven primarily by illicitly manufactured fentanyl, by providing resources for increasing access to medications for the treatment of opioid use disorder (MOUD) and for supporting the continuum of prevention, harm reduction, treatment, and recovery support services for opioid use disorder (OUD) along with other concurrent substance use disorders.
Garret Lee Smith (Youth Suicide Prevention) (GLS)	This grant supports the crisis call center and other suicide prevention efforts.
Projects for Assistance in Transition from Homelessness (PATH)	Funding is used as a critical resource for individuals contending with behavioral health issues that have hindered their ability to maintain stable housing and integrate into the community successfully by providing funding for housing with integrated support.
Children's Mental Health Initiative (CMHI)	Provides resources to improve the mental health outcomes for children and youth, birth through age 21, that are at risk for or with serious emotional disturbances and their families. Funding also support the implementation, expansion, and integration of the System of Care approach by creating sustainable infrastructure and services that are required as part of the Comprehensive Community Mental Health Services for Children and their Families Programs.
Substance Abuse C19 Supplemental (SASU)	This is remaining COVID funding related to the Substance Abuse Block Grant (SABG), supporting the planning, implementation, and evaluation activities to prevent and treat substance abuse.
Mental Health C19 Supplemental (MHSU)	This is remaining COVID funding related to the Mental Health Block Grant (MHBG). It supports plans for providing comprehensive community mental health services.
Alaska's 988 Crisis Coordination Project (988)	This grant supports the crisis call center and expansion of its efforts for a place to call when in need.
Mental Health Block Grant Bipartisan Safer Communities Act Grant (MHBSCA)	This grant supports the crisis call center.

On the division's DGF funds, can you tell me a little about each of the four blocks where these funds come from?

The four affected fund sources are marijuana education and treatment funds, recidivism reduction funds, tobacco use education and cessation funds, and alcohol and drug treatment and prevention funds.

Marijuana education and treatment funds and recidivism reduction funds are collected from marijuana taxes. Marijuana education and treatment funds are spent through grant programs with the intent of making after-school programs the first priority when allocating funding. Recidivism reduction funds are spent through grant programs, contracts, and reimbursable service agreements.

Tobacco use education and cessation funds are collected from tobacco tax revenues funds collected from the Master Settlement Agreement. These funds are used to support Synar youth tobacco use prevention activities related to the Substance Use Prevention, Treatment and Recovery Services Block Grant (SUPTRBG).

Alcohol and Drug Treatment and Prevention Funds are collected from alcohol taxes. Alcohol and Drug Treatment and Prevention Funds support grant programs, provider agreements, and contracts.

About the 16 non-permanent positions, are these full-time non-permanent positions or seasonal positions? How many are continuing from previous years and how many are new this year? What's the expectation for the need for these positions going forward?

There are 19 non-permanent positions in Behavioral Health Administration. All these positions are from previous years, and it is expected that all will continue to be needed. Of these positions, 16 are student interns that work when needed for the division's tobacco regulation efforts as part of Synar, which impacts the Substance Use Prevention, Treatment and Recovery Services Block Grant the division receives each year.

The other three positions work full time. One works with the Medicaid Provider Assistance Services Section (MPASS) with the 1115 Waiver and provider enrollment. Another position assists in the management of the largest federal grant the division receives, the State Opioid Response (SOR). The third position works with the Behavioral Health Prevention and Early Intervention section to address the Zero Suicide Initiative. The division expects the need of these positions to grow as the behavioral health continuum of care expands.

What is the timeline on the \$2.5 million grant received for building out the connection between the school services and Medicaid/Snap, etc.? Is the plan to roll out portions of the connection/opportunity first, or do it all at once? Where did this grant come from? Final question on this, will parents/guardians always be required to be involved in the use of these public services/funds?

The Alaska Department of Health was awarded a \$2.5 million, three-year grant from the Centers for Medicare and Medicaid Services (CMS) to support implementation of Medicaid School-Based Services statewide. The grant period is for July 1, 2024 to June 30, 2027. This project aims to improve access to essential health services for students by addressing barriers to Medicaid reimbursement for schools, and building system supports for providing Medicaid-eligible school-based services to students. This grant is focused on Medicaid school-based service delivery in schools and is not related to the Supplemental Nutrition Assistance Program (SNAP).

Currently, Alaska Medicaid can only reimburse for School-Based Services if the student has a disability, and the services are included in an Individualized Education Program (IEP). However, legislation passed in 2024, sponsored by Governor Dunleavy, removes this requirement and allows schools to bill Medicaid for services provided to any Medicaid-enrolled student, regardless of disability or IEP status. This change will take effect on July 1, 2025, expanding access to Medicaid reimbursement for school-based services statewide.

Currently, only six out of 54 school districts seek Medicaid reimbursement. This grant is an opportunity for the State to establish foundations to increase student access to necessary health services by addressing some of the challenges and complexities of schools becoming a Medicaid provider.

The department has engaged ForHealth Consulting, part of UMass Chan Medical School, as a contractor to support the grant work. The department and the contractor are partnering with community stakeholders to identify key barriers, opportunities, and areas for improvement in Medicaid SBS, allowing for more effective service delivery and reimbursement for school districts across Alaska.

Parental consent requirements will not change and must be provided for services to be delivered in a school setting.

What is the cost breakdown for the \$1.5 million increment request?

Personnel	1,063,830.00
988 Project Management	179,906.00
Facilities	232,760.00
Software/Technology	23,504.00
Total	<u>1,500,000.00</u>

What is the current base funding for the crisis call center, including details on locations (if any) with cost breakdowns.

There is no base funding for the crisis call center. Historically, the crisis call center has been supported through state general funds and time-limited funding sources including the American Rescue Plan Act funds and various federal grants.

If you have additional questions, please contact me at (907) 465-1630.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Pam Halloran', with a long horizontal flourish extending to the right.

Pam Halloran
Assistant Commissioner

cc: Valerie Rose, Fiscal Analyst, Legislative Finance
Jordan Shilling, Director, Governor's Legislative Office
Tim Hess, Office of Management and Budget
Heidi Hedberg, Commissioner
Robert Lawrence, Chief Medical Officer
Emily Ricci, Deputy Commissioner
Tracy Dompeling, Director of Division of Behavioral Health
Raquel Solomon-Gross, Deputy Director of Finance and Management Services
Dustin Scown, Budget Manager
Courtney Enright, Legislative Liaison