



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 Senate Finance | FY2019 Department Overview

Valerie Davidson, Commissioner
Shawnda O'Brien, Assistant Commissioner

JANUARY 30, 2018

Health & Social Services

The Department of Health and Social Services (DHSS) was originally established in 1919 as the Alaska Territorial Health Department. With the formal proclamation of statehood on January 3, 1959, the department's responsibilities were expanded to include the protection and promotion of public health and welfare. These core duties are reflected in the mission of the department – to promote and protect the health and well-being of Alaskans – and are outlined in Article 7, Sections 4 and 5 of the Constitution of the State of Alaska.

Department Home and Resource Links

<http://dhss.alaska.gov>

Constitutional Authority – Article 7, Sections 4 and 5:

<http://ltgov.alaska.gov/services/alaskas-constitution/>

Duties of the Department

<http://www.legis.state.ak.us/basis/statutes.asp#47.05>

FY19 Proposed Department Budget

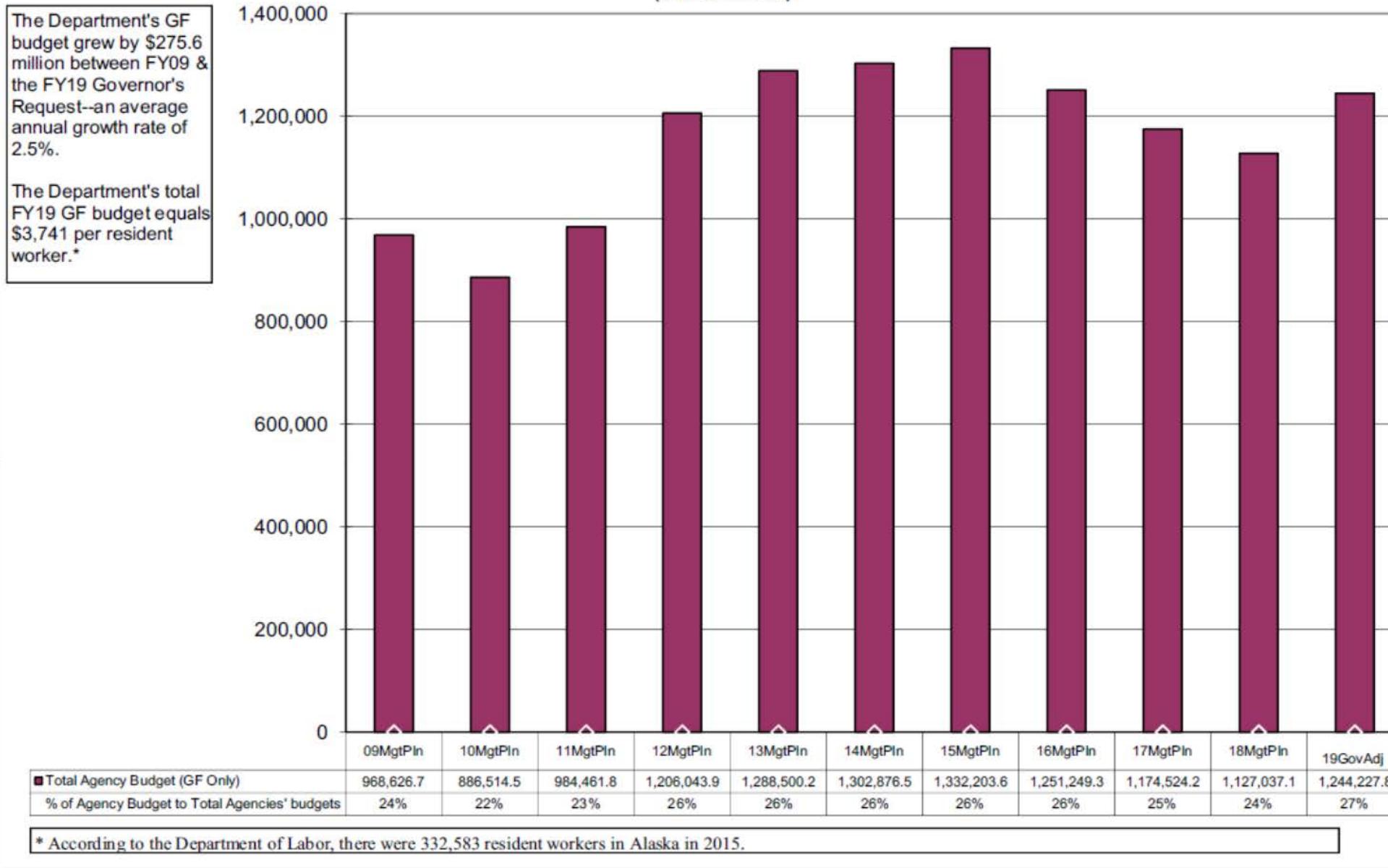
<https://www.omb.alaska.gov/html/budget-report/fy2019-budget/proposed.html>



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Department of Health & Social Services Share of Total Agency Operations

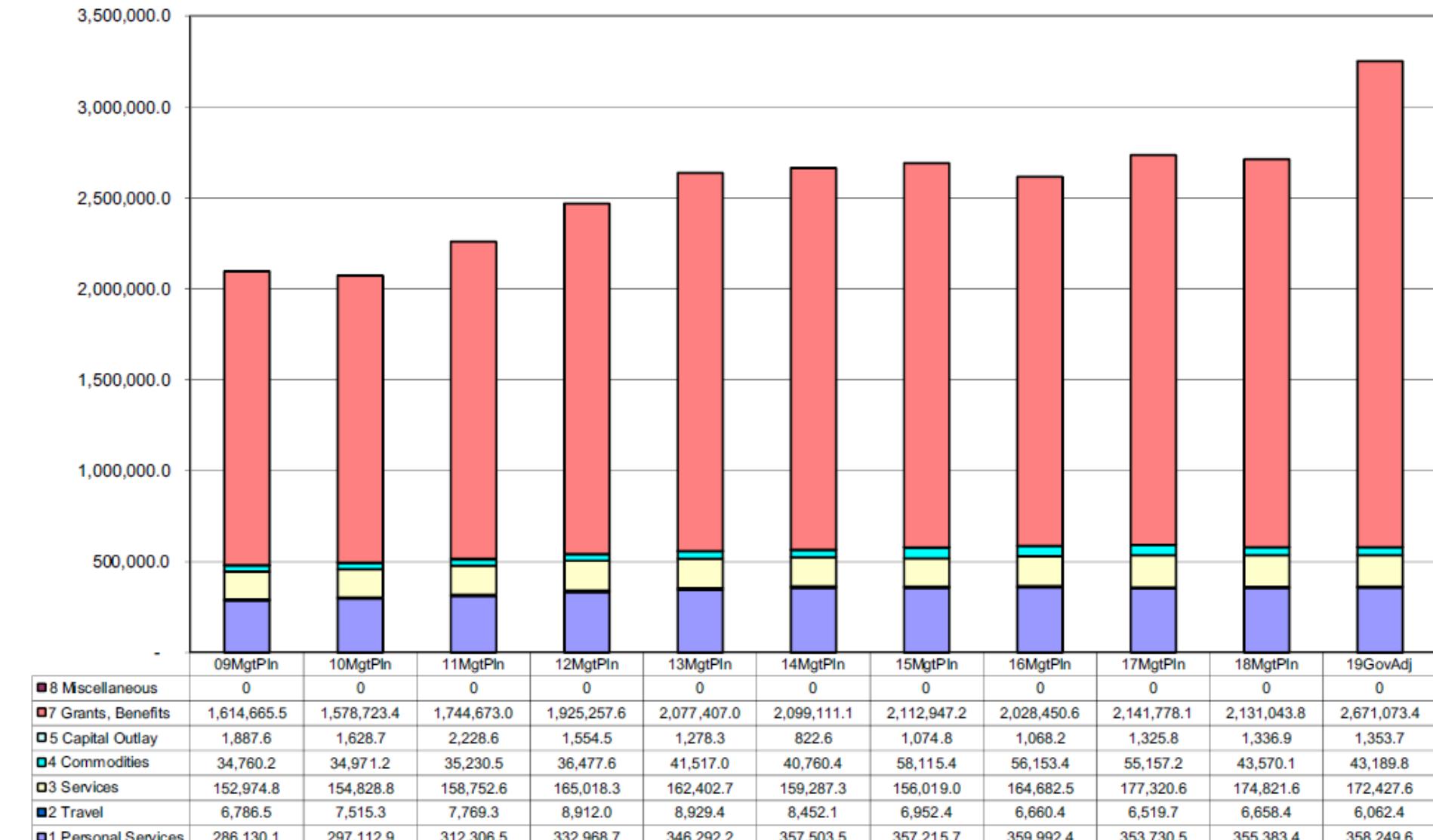
Non-Formula and Formula
(GF Only)
(\$ Thousands)



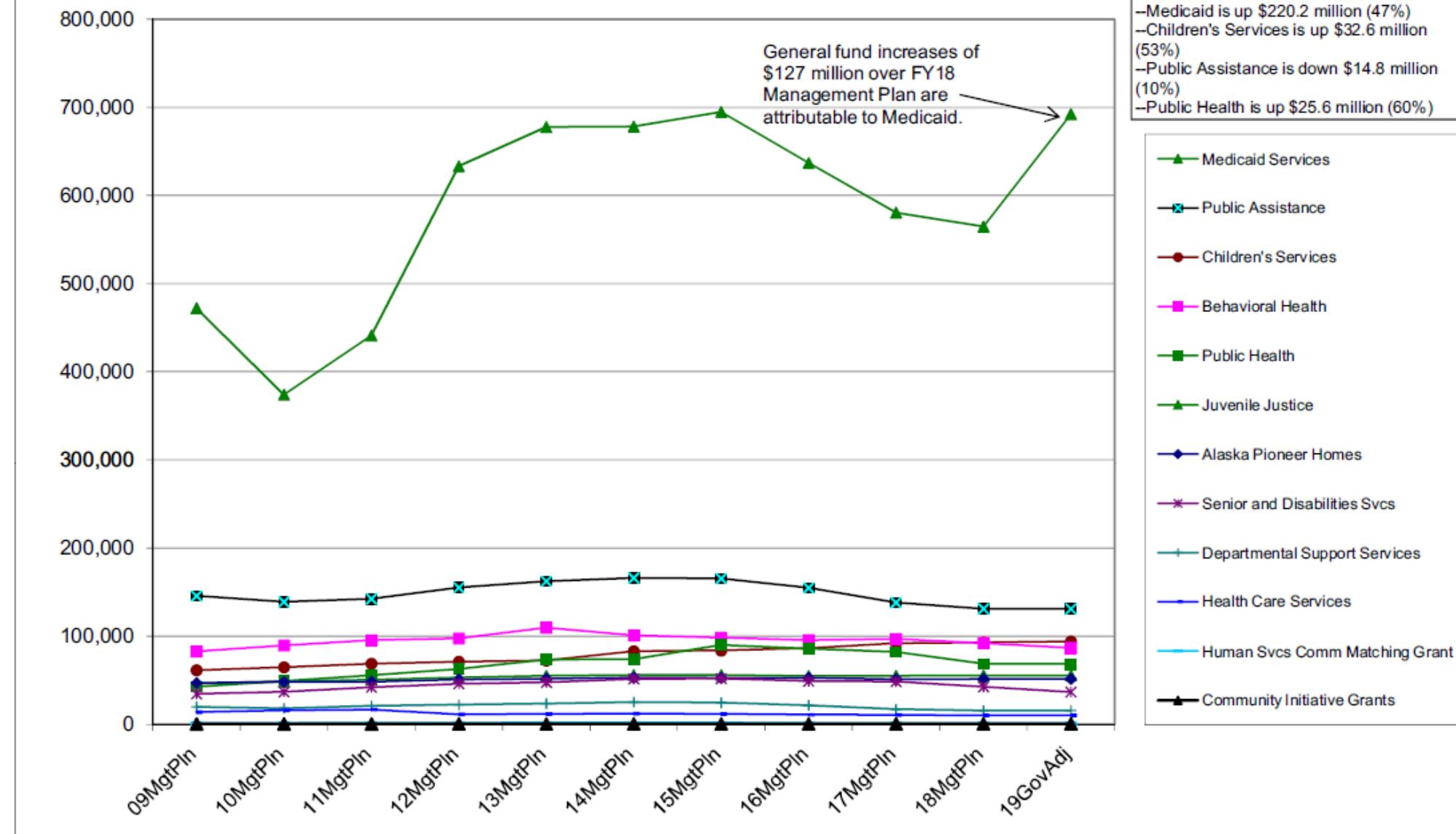
The majority (82%) of the FY19 H&SS budget is appropriated in the Grants/Benefits line.

Department of Health & Social Services Line Items

(All Funds)
(\$ Thousands)



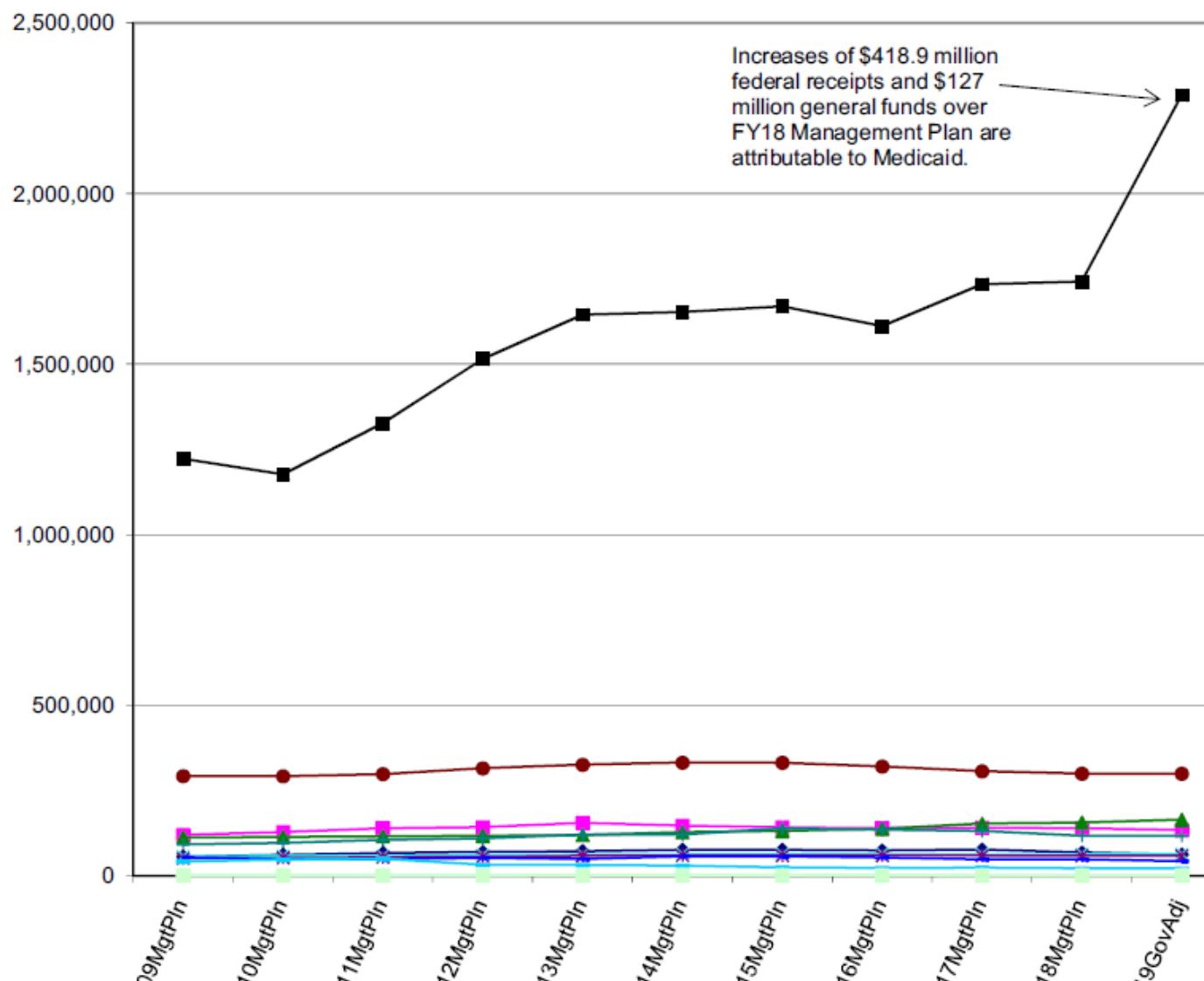
Appropriations within the Department of Health & Social Services
Formula and Non-Formula
(GF Only)
(\$ Thousands)



Between FY09 and FY19:
The Department's GF budget increased by \$275.6 million (28%). Significant changes include:

- Medicaid is up \$220.2 million (47%)
- Children's Services is up \$32.6 million (53%)
- Public Assistance is down \$14.8 million (10%)
- Public Health is up \$25.6 million (60%)

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

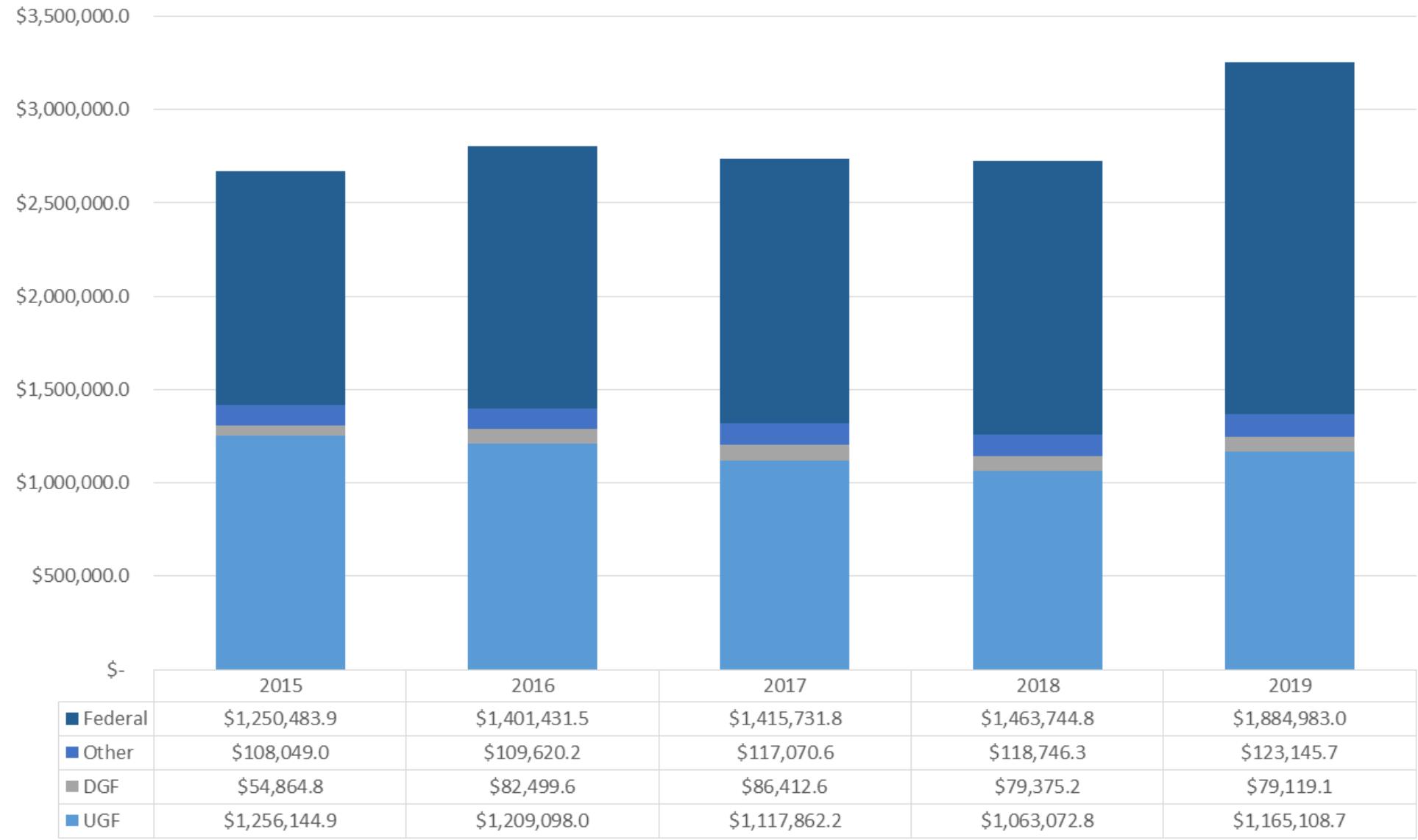


Between FY09 and FY19:
The Department's total funds budget increased by \$1.15 billion (55%).

Medicaid increased by \$1.07 billion (87%).

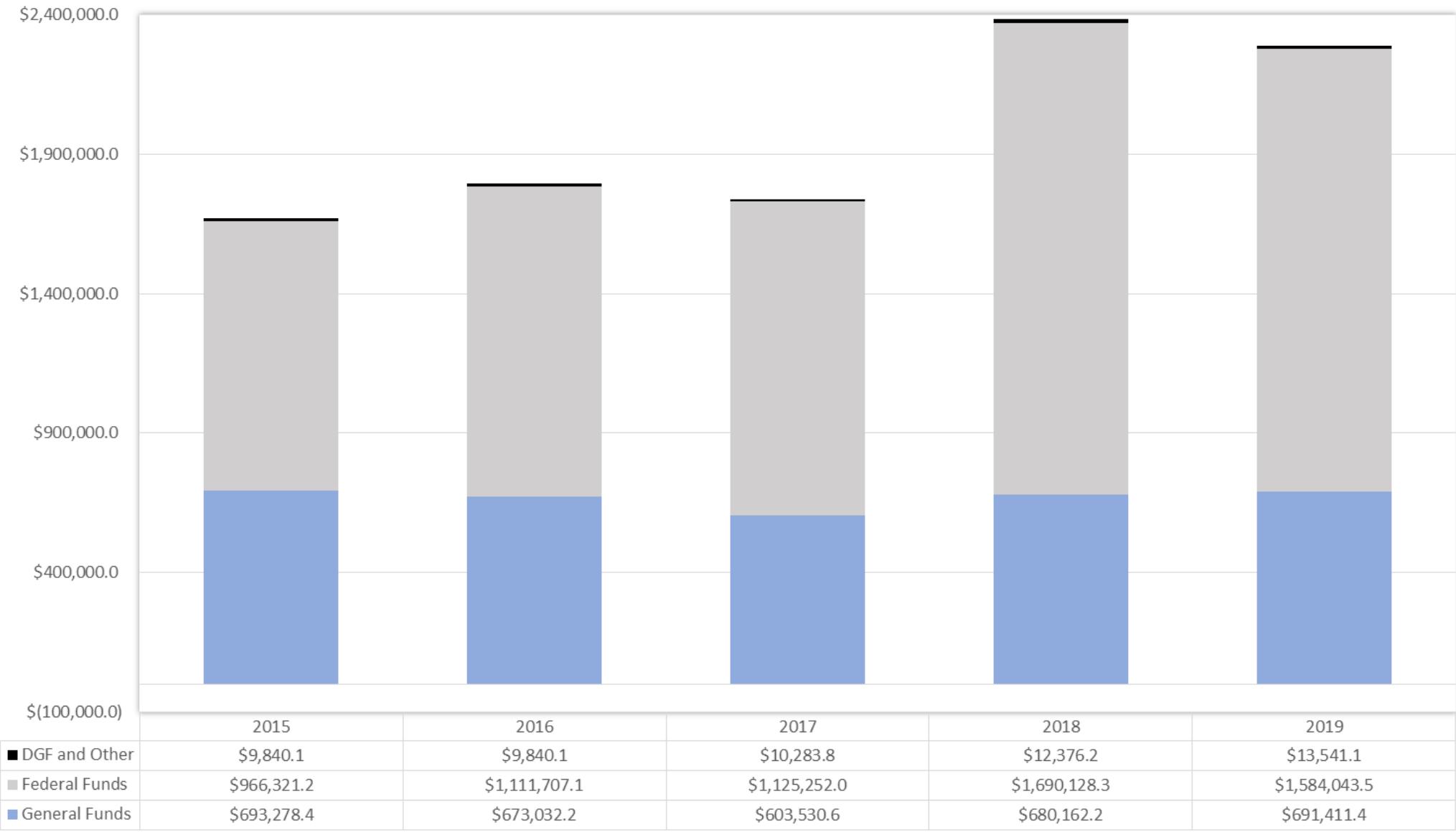
- Medicaid Services
- Public Assistance
- Behavioral Health
- ▲— Children's Services
- Public Health
- Senior and Disabilities Services
- *— Alaska Pioneer Homes
- *— Juvenile Justice
- Departmental Support Services
- Health Care Services
- Human Services Community Matching Grant
- Community Initiative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

Department of Health and Social Services All Funding Sources



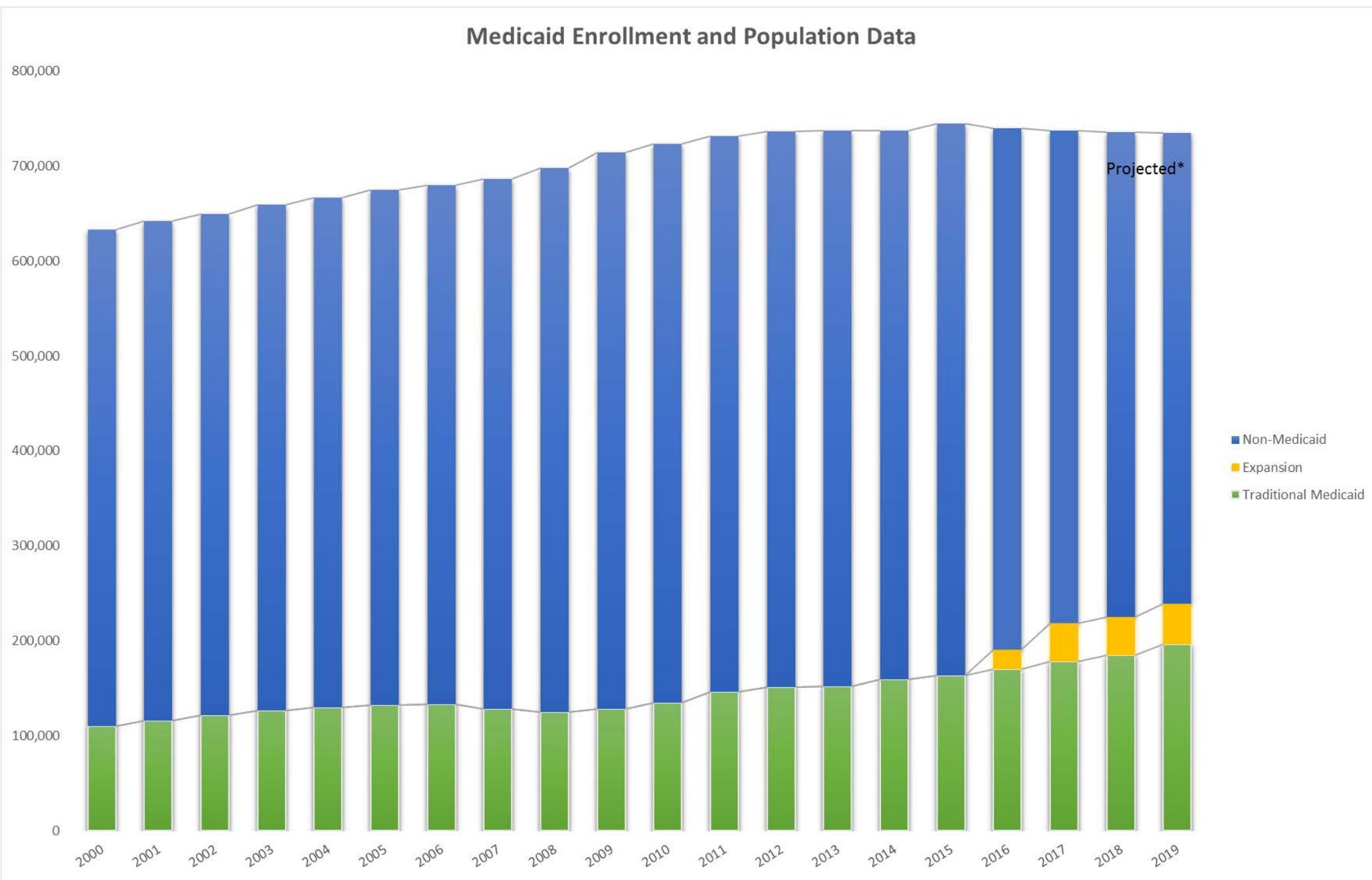
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Medicaid Budget FY2015 to FY2019



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Medicaid Enrollment and Population Data



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Medicaid Projections

The DHSS projection tool relies on multiple resources

- Agency model is based on actuals as reported in IRIS or projected for the current year then adjusted for:
 - monthly enrollment trends as reported to the Centers for Medicare and Medicaid Services;
 - FMAP blends and participation; and
 - Federal and/or State Initiatives



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Medicaid Projections

Development of the agency model relies on the STAMP and the AUTH reports for reasonability:

- Short Term Alaska Medicaid Projection Report (STAMP) by Evergreen Economics, Dr. Ted Helvoigt, Ph.D. Forecast uses a Top-Down Modeling Approach and incorporates
 - IRIS Actual Monthly Expenditures
 - MMIS Monthly Enrollment Data
 - Alaska Dept. of Labor Population data
 - Information on pending agency initiatives or program changes that affect spending
- DHSS AUTH report – straight line averaging of current year direct service expenditures
 - MMIS weekly check runs
 - Reconciled to IRIS

Projection models are then updated to reflect federal and/or state Medicaid Initiatives or program changes. Multiple scenarios are created and evaluated for reasonability testing.



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Department Summary of Budget Changes from FY2015 to FY2019

Total Budget Increased		\$582,521.6
Decrease	UGF	(\$91,036.2)
Increase	DGF	\$24,254.3
Increase	Other	\$15,096.7
Increase	Federal	\$634,206.8

- Department-wide Fund Source Change with a net zero change from General Fund and General Fund Match - \$130,519.4
- FY2018 Supplemental Requests
 - \$18.0 million UGF Substance Use Disorders Grant Funding
 - \$100.0 million UGF Medicaid Services



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Alaska Pioneer Home Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$3,208.1)
Increase	DGF	\$2,047.5
Increase	Other	\$1,646.6
Increase	Federal	\$531.3

- Increment for FY2019 \$525.0 Federal Receipts for Veteran's Administration rate increase effective October 1, 2018



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Division of Behavioral Health Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$16,996.3)
Increase	DGF	\$7,140.2
Decrease	Other	(\$1,118.5)
Increase	Federal	\$3,875.9

- Alaska Psychiatric Institute currently undergoing renovations to meet the Joint Commission safety requirements.



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Office of Children's Services Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$329.0)
Increase	DGF	\$2,600.0
Increase	Other	\$4,338.1
Increase	Federal	\$15,077.7

- Increment to Front Line Social Workers to fully fund 31 positions added to the FY2018 budget - \$1,440.5 Total (\$481.8 Federal and \$958.7 UGF)
- Increment to Front Line Social Workers for increased federal claiming - \$6,500.0 Federal



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Health Care Services Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$1,723.0)
Increase	DGF	\$216.9
Decrease	Other	(\$1,570.4)
Increase	Federal	\$583.3

- Increment in Residential Licensing for increased federal claiming - \$418.5 Federal



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Juvenile Justice Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$455.6)
Increase	Other	\$27.5
Increase	Federal	\$3.8

- Funding for the Nome Youth Facility is in the base budget.
- Work underway to implement recommendations of the privatization feasibility study to transition 4 of the 14 secure beds to long term treatment beds.



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Division of Public Assistance Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$35,700.5)
Increase	DGF	\$650.0
Increase	Other	\$154.7
Increase	Federal	\$3,147.0

- Funding for the Senior Benefits Program was added into the FY2019 budget - \$19,986.1 UGF



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Division of Public Health Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$16,027.9)
Increase	DGF	\$12,495.1
Increase	Other	\$659.2
Increase	Federal	\$646.4

- Decrement to the Tobacco Use Education and Cessation Funding as part of the multi-year plan for sustainability. - \$375.0



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Division of Senior and Disabilities Services Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$5,274.5)
Increase	DGF	\$0
Increase	Other	\$516.8
Increase	Federal	\$3,718.0

- Reorganizational effort to consolidate grant programs into a single component of the budget for administrative efficiencies in managing the grants.



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Department Support Services Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$9,036.1)
Increase	DGF	\$0
Increase	Other	\$5,486.5
Decrease	Federal	(\$10,794.2)

- Decrement federal authority in the Performance Bonus component due to funding no longer available. - \$5,300.0 Federal
- Transfer 16 positions to the Office of Information Technology in the Department of Administration.



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Medicaid Services Budget Changes from FY2015 to FY2019

Decrease	UGF	(\$1,867.0)
Decrease	DGF	(\$895.2)
Increase	Other	\$4,596.2
Increase	Federal	\$617,722.3

- FY2018 Supplemental Request
 - \$100,000.0 UGF for increased non Medicaid Expansion enrollment
 - \$525,000.0 Federal to reflect increases for Indian Health Services and Medicaid Expansion growth



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Department Capital Budget Requests

- Office of Children's Services Safety and Support Enhancements: \$1,239.4 Total (\$350.8 Federal/\$888.6 UGF)
- Mental Health Essential Program Equipment: \$500.0 Total (\$250.0 MHTAAR/\$250.0 AHFC Dividends)
- Mental Health Home Modification and Upgrades to Maintain Housing: \$1,050.0 Total (\$750.0 AHFC Dividends/\$300.0 MHTAAR)

The Governor's "Alaska Economic Recovery Plan"

- Emergency Medical Services Match for Code Blue Project: \$1,000.0 UGF
- Pioneer Home Renovations and Repairs: \$2,000.0 UGF



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Questions for the Department

- Major Cost Drivers
- Cost to Advertise various social programs (State or Federal Funds)
- How does Alaska's social service programs compare to other states?
- Money spent per recipient, per capita on social service programs.
 - Breakout by community
- Number of programs across the department that seem like there is duplication in programs.
- How many programs can one person qualify for at any given time?
- CHIP Program update.
- Update on Efficiency/Cost reduction plans presented to legislators in 2016 session.



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QUESTIONS?

Quyana
(thank you)



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