

1 ALASKA MENTAL HEALTH TRUST AUTHORITY

2 EXECUTIVE COMMITTEE MEETING

3 Teleconference

4 July 7, 2010

5 11:30 a.m.

6 Alaska Mental Health Trust Authority
7 3745 Community Park Loop, Suite 200
8 Anchorage, Alaska

8

9 Trustees present:

10 William Doolittle, Chair
11 Laraine Derr
12 Paula Easley
13 Larry Norene
14 Tim Schuerch

15 Staff present:
16 Jeff Jessee
17 Delisa Culpepper
18 Marie Trueblood

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1 PROCEEDINGS

2 DR. DOOLITTLE: We're going to
3 convene the Executive Committee meeting. The
4 meeting of the Executive Committee is convened,
5 and we have two issues. At a minimum, probably
6 three issues.

7 The first is the change of
8 intent.

9 Do you want to deal with that?

10 MS. CULPEPPER: I will take this
11 one. We have a change of intent before you for
12 loan repayment funds for the workforce. These
13 are all previously budgeted in FY10. Some of
14 them were in MHTAAR already, and have not been
15 able to be obligated in time to meet the June
16 30th deadline. And the rest of it is money
17 that we want to move from Authority grant into
18 MHTAAR to be allowed to be a match for the rest
19 of the federal money that they lost a match for
20 that some people who committed in partnership
21 with all of us in this grant have not come
22 through, and there's \$165,000 left of funds
23 from the feds that we could use, needs to be
24 obligated by the end of August, and we don't
25 have any other way. So we had some money we're

1 going to use as a match for a future federal
2 grant, which right now is not going to happen
3 for another year because of technical
4 difficulties. And so we want to be able to
5 make use of the federal funds, and we're
6 proposing to take that money from Authority
7 grant funds to MHTAAR and use it as the match
8 for the federal funds so that we can obligate
9 it by the end of August.

10 To do that, we needed to do both
11 of these now. These both have to go out to
12 LB&A. They need to sign new -- they won't be
13 able to sign contracts by the end of August if
14 we don't do this.

15 I asked to have this in this
16 meeting. Attached you'll find the memos from
17 the DHSS program that went to the Commissioners
18 and others explaining both the carryover of the
19 \$45,000 in additional funds for FY10 funds to
20 '11, and then the -- asking for the additional
21 165,000.

22 MS. DERR: Who didn't come
23 through?

24 MS. CULPEPPER: Two community
25 health centers that committed to matching funds

1 and they --

2 MS. DERR: Who is it?

3 MS. CULPEPPER: Fairbanks and --
4 I can't remember who the other one was. And
5 what happened with both of them was that there
6 were new federal funds that came out directly
7 in the federal loan repayment, and their people
8 all got those loans, and in some cases got more
9 than we were offering. And so they took those,
10 and because of that, they didn't see their
11 staff really needed or would be eligible to
12 apply for anymore. And so then they backed out
13 of providing the additional match to the State
14 funds.

15 MS. DERR: I guess my problem is
16 why should we -- I mean, if they've got the
17 funds, why do we have to step up --

18 MS. CULPEPPER: We can give the
19 money back to the feds, but to tell you the
20 truth, looking at all the applications that
21 came in in the first round -- there was a very
22 short first round because of the way everything
23 went, it was only open for, like, three weeks,
24 there wasn't enough time for people to get
25 their applications in and finalize things.

1 There were a whole list of people
2 that were behavioral health. We got quite a
3 few, a psychiatrist, a lot of master's-level
4 counselors that got state loans. There are
5 more out there that could use it. We've let
6 them know, as always, that our funds need to go
7 predominantly to behavioral health. While
8 still there, I still prefer for us to match the
9 federal funds, since ours are there and have
10 there been there for two years waiting. I
11 prefer we do it so we can open another -- right
12 now -- round of loans that would be available
13 to be signed by the 1st of September.

14 DR. DOOLITTLE: Normally, when we
15 have an MHTAAR funding, it is in our budget and
16 approved by the Legislature.

17 MS. CULPEPPER: Yes.

18 DR. DOOLITTLE: What variance are
19 we facing here in this to go from Authority to
20 MHTAAR, and what other steps must we take?

21 MS. CULPEPPER: They will have to
22 take the -- the 45,000 was already there in
23 MHTAAR. They will have to get permission to
24 carry it from one year to another. The
25 165,000 --

1 DR. DOOLITTLE: They being who?

2 MS. CULPEPPER: DHSS.

3 They will have to take a revised
4 program, an RPL, to LB&A to ask permission for
5 the Authority to receive the money.

6 But for the 165, they will have
7 to get new authority from LB&A to receive and
8 spend the MHTAAR in FY11.

9 DR. DOOLITTLE: So it may come to
10 pass that the \$165,000 will become moot?

11 MS. CULPEPPER: Yes.

12 DR. DOOLITTLE: That they won't
13 get approved.

14 MS. CULPEPPER: If LB&A fails to
15 approve it -- and I can't see that they will.
16 It's our funding. It's going to match the same
17 amount of federal funding that we have. We'll
18 lose it if we don't take advantage of that, I
19 don't see that they'll say "no" to that. If we
20 don't do it in the time period by the middle of
21 August, we will lose the ability to use the
22 federal funds. Then I don't think it's
23 worthwhile for us to stick our money in if it's
24 not matched.

25 MS. DERR: Why would you say

1 that?

2 MS. CULPEPPER: I think that, you
3 know, we could possibly start -- do some things
4 on our own or hold it for another year to see
5 whether we either get another federal grant
6 eventually, or there's been some talk of our
7 going ahead and moving away from the federal
8 program because the feds have more restrictions
9 on them than we would like, and that ties to
10 our money, and just start our own state program
11 which we had the bill in the Legislature to do
12 this year and we didn't do.

13 It's a decision for the future
14 that we still have to make about whether or not
15 we want to -- and Commissioner Hogan and I
16 talked about this -- you know, hitch ourselves
17 to a wagon of doing our own state programs and
18 our funds matching other general fund money,
19 and I want to -- I want us to match something,
20 whether it's federal money or state money.
21 There's no chance of getting state money right
22 now because the budget's already set for '11.
23 We can get the federal money right now, so I'm
24 willing to do that. But if we didn't get
25 federal money, I would hold it until we can see

1 if we could leverage some state money to match
2 our funds. But the issue is we already have
3 money in FY12 in the budget for this. So this
4 is kind of like a bubble of money that's been
5 sitting there. We fully funded it in FY10, but
6 the FY9 money sat there because of our problem
7 with ACPE when they stopped wanting to
8 administrate our money. We ended up with a
9 bubble of \$200,000. We only need 165 of that
10 because that's all the federal money that's
11 left.

12 At this point, it's, you know, do
13 some right now and knowing that we already have
14 money in the '12 and '13 budget we'll continue
15 to either match state funds and we have put --
16 you'll see when we go forward with the money --
17 requests for '12 and '13 that we put in for
18 requests for matching funds and general funds.

19 MS. DERR: My concern more is the
20 people backing out on their commitments. I
21 mean, we've had this problem with the
22 University, and so we keep stepping in and
23 saying, okay, we know you said that you were
24 going to put money in, and now you're not going
25 to put money in, so we step up and we do it.

1 When do we trust people -- when do we make
2 people follow through on their commitments?

3 MS. CULPEPPER: That's a hard
4 question. Normally when we had problems with
5 the University it's been because of the
6 Legislature not funding something. And that's
7 hard for us to direct the Legislature. It's
8 also, I think, even more difficult for us to
9 force a private nonprofit to go forward.

10 Now, do I think -- being on their
11 advisory council now, I wouldn't recommend that
12 we count on nonprofit matches in the future.
13 Because it's obvious that, you know, we don't
14 have leverage in order to force them to do it.

15 MS. DERR: Do we have a
16 commitment from them?

17 MS. CULPEPPER: We do.

18 MS. DERR: Isn't that a contract?

19 MS. CULPEPPER: I don't know.

20 MS. DERR: If you have a
21 commitment from somebody that they're going to
22 do that?

23 MR. JESSEE: Well, I don't know.
24 I'd have to look at it to see how legally
25 binding it is. They're probably at the

1 point --

2 MS. CULPEPPER: By the time we do
3 that, it will be too late to use the federal
4 funds.

5 MR. JESSEE: We'll run out of
6 resources to get a judgment and outweighed --

7 MS. CULPEPPER: It's a matter of
8 timing right now, because the federal funds
9 have to be --

10 MR. JESSEE: These nonprofits
11 were offering to supply the match because they
12 were going to use the employee for their
13 employees. They weren't kicking in the big
14 pot. They were kicking in their share of what
15 they were going to get. When it turned out
16 they didn't need anything.

17 MS. DERR: It's just kind of
18 people thumb their noses at us, "Okay, we got a
19 little more this other way. Sorry for you
20 guys." And I don't know at what point in time
21 the Mental Health Trust says, "We've got this
22 letter of commitment, are you going to stand
23 behind us?"

24 MS. CULPEPPER: It's actually not
25 us, it's the State DHSS that has the letter of

1 commitment. We were just another partner with
2 them. We've been meeting our commitments and
3 it's just been a matter of, you know, they
4 weren't forcing us to do this. We had a
5 discussion, and I had to decide whether or not
6 I thought our Beneficiaries or our
7 professionals would benefit if we went out to
8 another round, and -- or let the money go.

9 MR. JESSEE: I think your point's
10 well taken. I think going forward as we get
11 into these partnerships, we maybe need to be a
12 little clearer to people, that, look, if you're
13 a partner, then we're putting this out there on
14 the assumption that you're going to deliver.
15 If you don't deliver, then you should have no
16 expectation that we're going to come in and
17 save the day.

18 MS. DERR: With that, I would
19 move that we -- the request to carry forward
20 fiscal year '11 funds of \$45,853 for the loan
21 repayment program.

22 MS. EASLEY: I will second that.

23 MS. CULPEPPER: Could you amend
24 that to FY10 funds to FY11?

25 MS. DERR: That's okay.

1 DR. DOOLITTLE: Does the seconder
2 accept that amendment?

3 MS. EASLEY: Yes.

4 DR. DOOLITTLE: Without
5 objection, that motion passes.

6 MS. DERR: Secondly, I would move
7 that we put \$165,000 of workforce development
8 funds from Authority grant to MHTAAR for the
9 loan repayment funds.

10 MS. EASLEY: Second.

11 DR. DOOLITTLE: Question. This
12 is dependent on the LB&A making that happen?

13 MS. CULPEPPER: Yes, yes.

14 DR. DOOLITTLE: With that
15 discussion, without objection, the motion
16 passes.

17 MS. EASLEY: Will all the 24
18 positions -- will there be 24 practitioners all
19 together?

20 MS. CULPEPPER: We're thinking,
21 there are 14 that were funded in the first
22 round. Of those, more than half of those were
23 directly our positions.

24 We're thinking that this might
25 fund up to another seven to nine, depending on