

# 2011 Legislative Orientation



Alaska Mental Health Trust Authority

January 31, 2011

**The TRUST**  
The Alaska Mental Health  
Trust Authority

# Territorial Days

- All mental disabilities lumped together
- “Insane Person At Large” - a territorial crime
- Federal marshals transported to Morningside Hospital in Oregon
- Many never returned to Alaska
  - Trust history project calls them “The Lost Alaskans”

# Enabling Act of 1956

- Phased out operational support to wean Alaska off federal dole
- Cash payment for construction of API and purchase of Harborview
- 1 million acres of land in trust to generate money to pay for ongoing expenses
- State legislature appointed as trustee

# Litigation

- Weiss v. State filed as class action in 1982
  - alleges breach of trust
  - class broadly defined
- Alaska Supreme Court rules in 1985 that trust must be reconstituted, but only about 50% of original land remains in State ownership
- Court injunction freezes all activity on all trust land

# Beneficiaries Defined

- People with mental illness
- People with chronic alcoholism
- People with developmental disabilities
- People with Alzheimer's disease and related dementia

## Settlement Attempts

- Specially appointed commission values trust land at \$2.2 billion
- 1987, 1990, 1991 - major failed settlement attempts based on percentage of general fund revenues or land swaps
- After 1991 settlement attempt is rejected by Judge Green, “unholy alliance” of stakeholders gathers to craft final settlement package

## 1994 - Settlement at Last!

- Designation of 995,502 acres to be managed by a special unit within DNR
  - 341,421 acres subsurface estate
  - 104,286 acres hydrocarbon interest
  - 549,795 acres fee simple
- Appropriation of \$200 million to a trust fund to be managed by the Alaska Permanent Fund Corporation

## 1994 - Settlement at Last!

- Creation of the Alaska Mental Health Trust Authority to act as trustee
- Separate appropriations bill required for mental health program
- Comprehensive Integrated Mental Health Program Plan required
- Four advisory boards make budget recommendations to Trust trustees
- DNR, DOR, DHSS Commissioners designated as advisors to The Trust



# Trust Mission Statement

The Alaska Mental Health Trust Authority (The Trust) administers the Mental Health Trust to improve the lives of beneficiaries. Trustees have a fiduciary responsibility to protect and enhance trust assets in perpetuity for the beneficiaries. The Trust provides leadership in advocacy, planning, implementing and funding of the Comprehensive Integrated Mental Health Program; and acts as a catalyst for change.

# The Trust Authority Roles

- **Oversee management of Trust assets**
- **Safeguard annual payout from principal**
  - currently 4.25%
- **Maintain budget reserve account**
- **Inflation proof principal to preserve Trust for future generations**
- **Develop Comprehensive Integrated Mental Health Plan with DHSS and advisory boards**
- **Spend trust income**
- **Separate Mental Health Budget Bill**
  - recommend to Governor and Legislature how the State should spend general fund resources

# Beneficiaries by the Numbers\*

- 21,754 Alaskans age 18 and over have a serious mental illness
- 12,725 Alaskan children have a serious emotional disturbance
- 7,581 Alaskans have Alzheimer's disease or related disorders
- 11,900 Alaskans have a traumatic brain injury
- 12,461 Alaskans have developmental disabilities
- 20,000 Alaskan adults are dependent on alcohol

\* Prevalence Estimates from Alaska Scorecard – Key Issues Impacting Alaska Mental Health Trust Beneficiaries – December 2010

# The Budget Process – a Separate Appropriation Bill

- As required by statute The Trust forwards proposed annual operating and capital budgets by September 15<sup>th</sup>
- Types of funds in the Mental Health Budget:
  - GF/MH – general fund/mental health
  - MHTAAR – mental health trust authority authorized receipts
  - MH Admin – funds to run The Trust
  - Alaska Housing Finance Corporation dividends
  - Alcohol tax receipts

# FY2012 Mental Health Budget

<b>GF/MH</b>	<b>\$187,270.5</b>
<b>MHTAAR</b>	<b>\$ 13,251.5</b>
<b>Alcohol tax receipts</b>	<b>\$ 20,136.4</b>
<b>AHFC</b>	<b>\$ 10,050.0</b>
<b>MH Admin</b>	<b>\$ 3,065.0</b>
<b>TOTAL</b>	<b>\$233,773.4</b>

Funds in millions of dollars

# Bring the Kids Home

- **Problem:**
  - FY04 over 700 Alaskan youth treated at residential psychiatric treatment centers (RPTC) outside Alaska
  - Cost = \$40 million in Medicaid *leaving* Alaska
- **Progress:**
  - Expanding in-state care - added about 300 new beds
  - Increasing early detection and intervention, and expanding community-based services so youth are diagnosed earlier and treated closer to home
  - Reversed the trend - new admissions dropped 88% from 752 to 90 (FY04-FY10)

# Disability Justice Focus Area

- **Problem:**
  - 46% of youth involved with the juvenile justice system are Trust beneficiaries
  - 42% of adults incarcerated are Trust beneficiaries
- **Progress:**
  - 13 therapeutic courts for adults and juveniles
  - Increased clinicians in adult corrections and juvenile facilities
  - Built Fairbanks Detox and Bethel Sobering Center
  - Re-entry planning starts when person is booked into jail

# Affordable Appropriate Housing

- **Problem:**
  - 4,982 Alaskans homeless in HUD point-in-time survey January 2010
    - Families w/children and households nearly doubled in one year
      - 2,836 people in families w/children – 822 households in 2010
      - 1,507 people in families w/children – 494 households in 2009
- **Progress:**
  - \$10 million in Governor's capital budget
  - Increased requests for Special Needs Housing grants
  - Replicating *Housing First* model to serve beneficiaries with alcohol addiction who are homeless
  - Dept. of Corrections discharge incentive programs – reducing homelessness at discharge from jail



# Workforce Development

- **Problem:**
  - Shortage of health care workers near crisis level
  - Nearly 12% of state's workforce
  - #1 growth area for last 10 years, projected to remain #1 for next 10 years
- **Progress:**
  - Partnership: Trust, University of Alaska, DHSS, DOL, Alaska Native Tribal Health Consortium, service providers, professional organizations
  - Key strategies: recruitment and retention, wages and benefits, training and education
  - FY12 funding for Psychiatric Residency

# Beneficiary Projects Initiative

- Empowers beneficiaries to develop grass-roots peer-run projects that emphasize
  - prevention
  - education
  - early intervention
- Offers financial support with technical assistance
- Progress:
  - 27 beneficiary-run programs have received grants
  - Alaska Peer Support Consortium formed
  - participants finding their own path to recovery and wellness
  - may prevent need for more intensive levels of care

## New Efforts

- **Governor's Domestic Violence and Sexual Assault Task Force**
- **Alcohol and Substance Abuse Initiative**
  - Partnership between Rasmuson Foundation, Mat-Su Health Foundation and The Trust
  - Mission: transform state's system of care and reduce the negative impacts of alcohol and other substance abuse in Alaska

# Thank You

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