



VISION

ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

MISSION

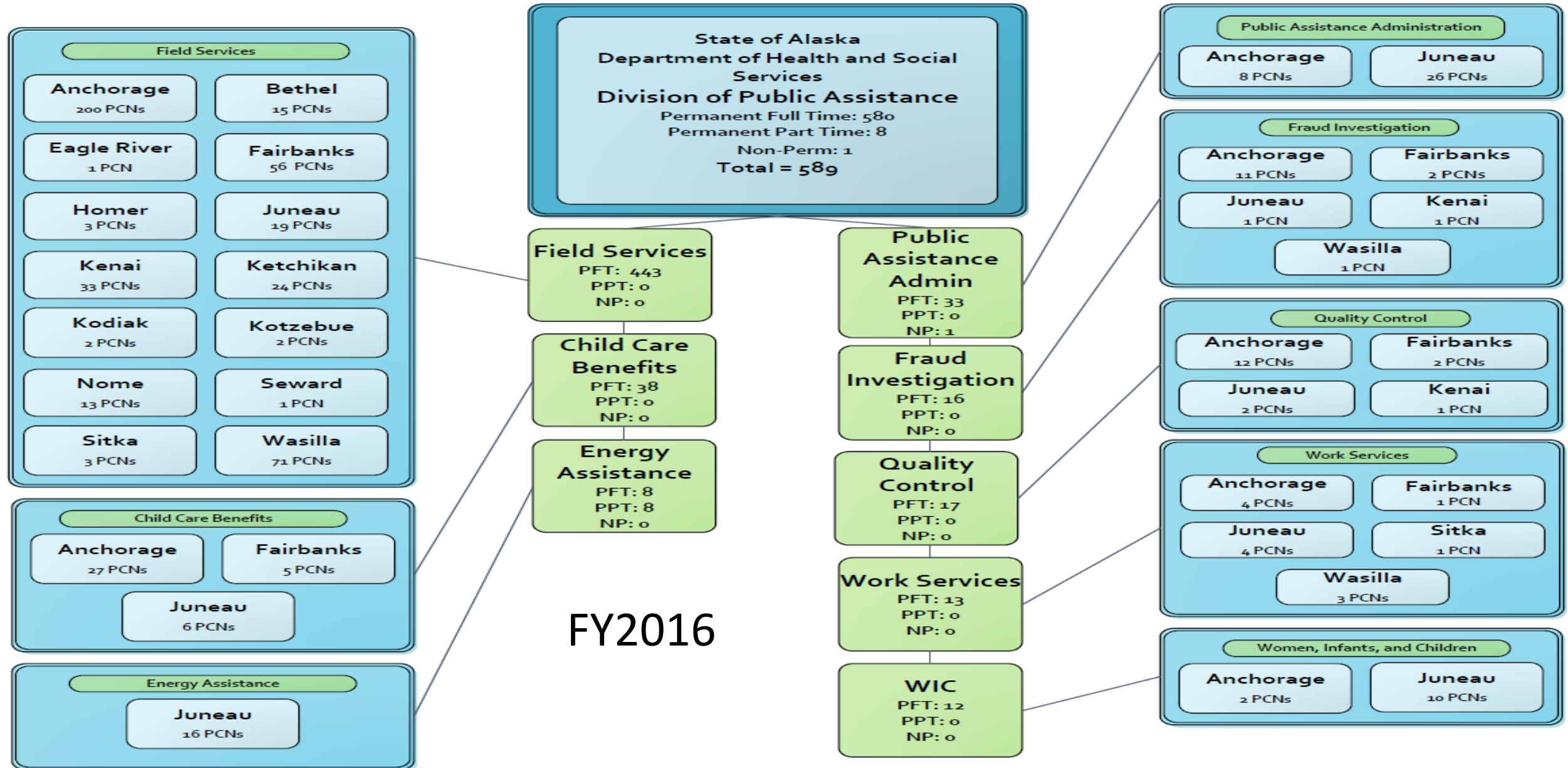
TO PROMOTE AND PROTECT THE HEALTH AND WELL-BEING OF ALASKANS

House Finance Budget Subcommittee FY2016 Division Overview

Ron Kreher | Interim Director
Division of Public Assistance

February 18, 2015

Division Organization Chart

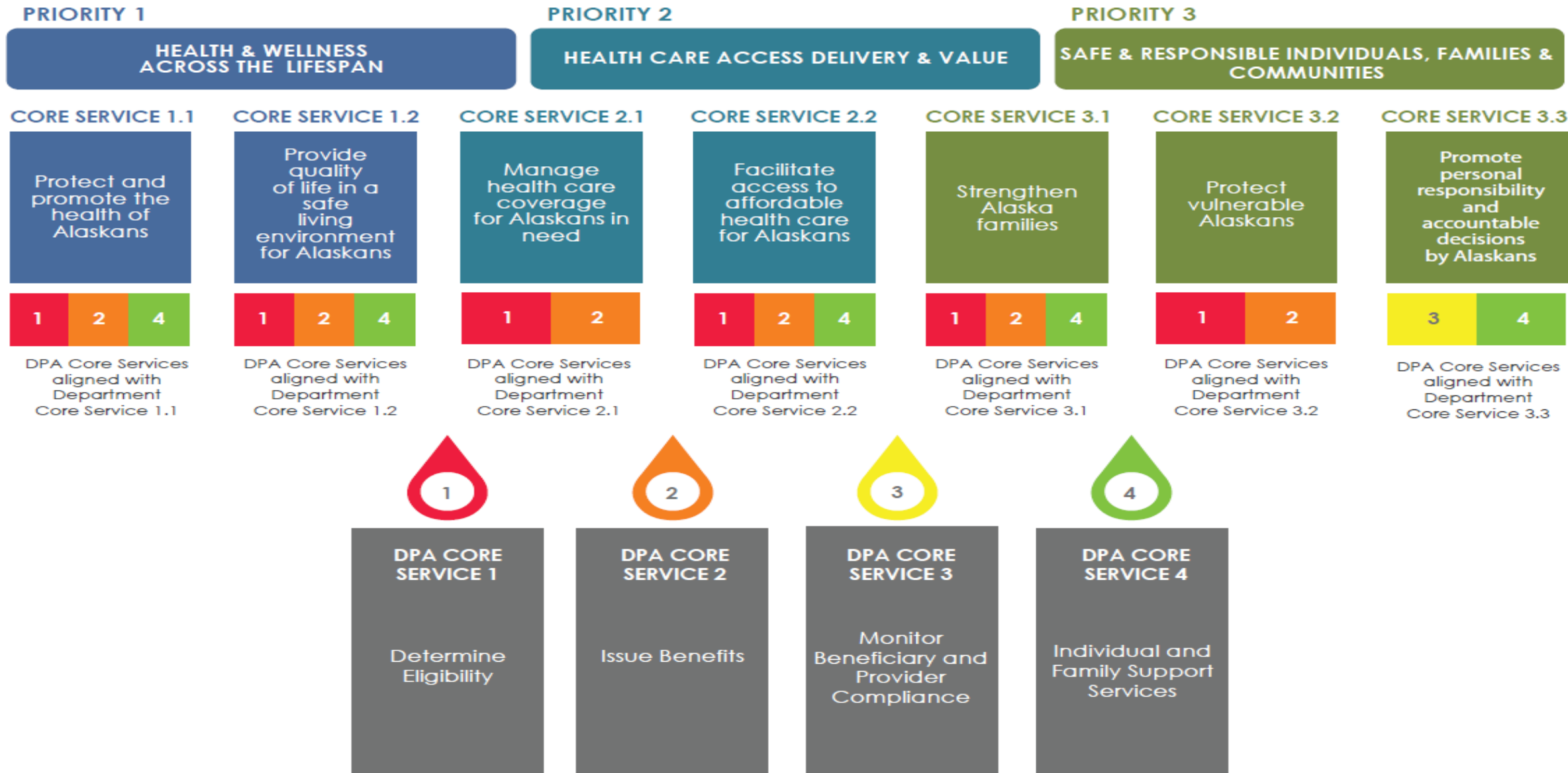


Division Overview

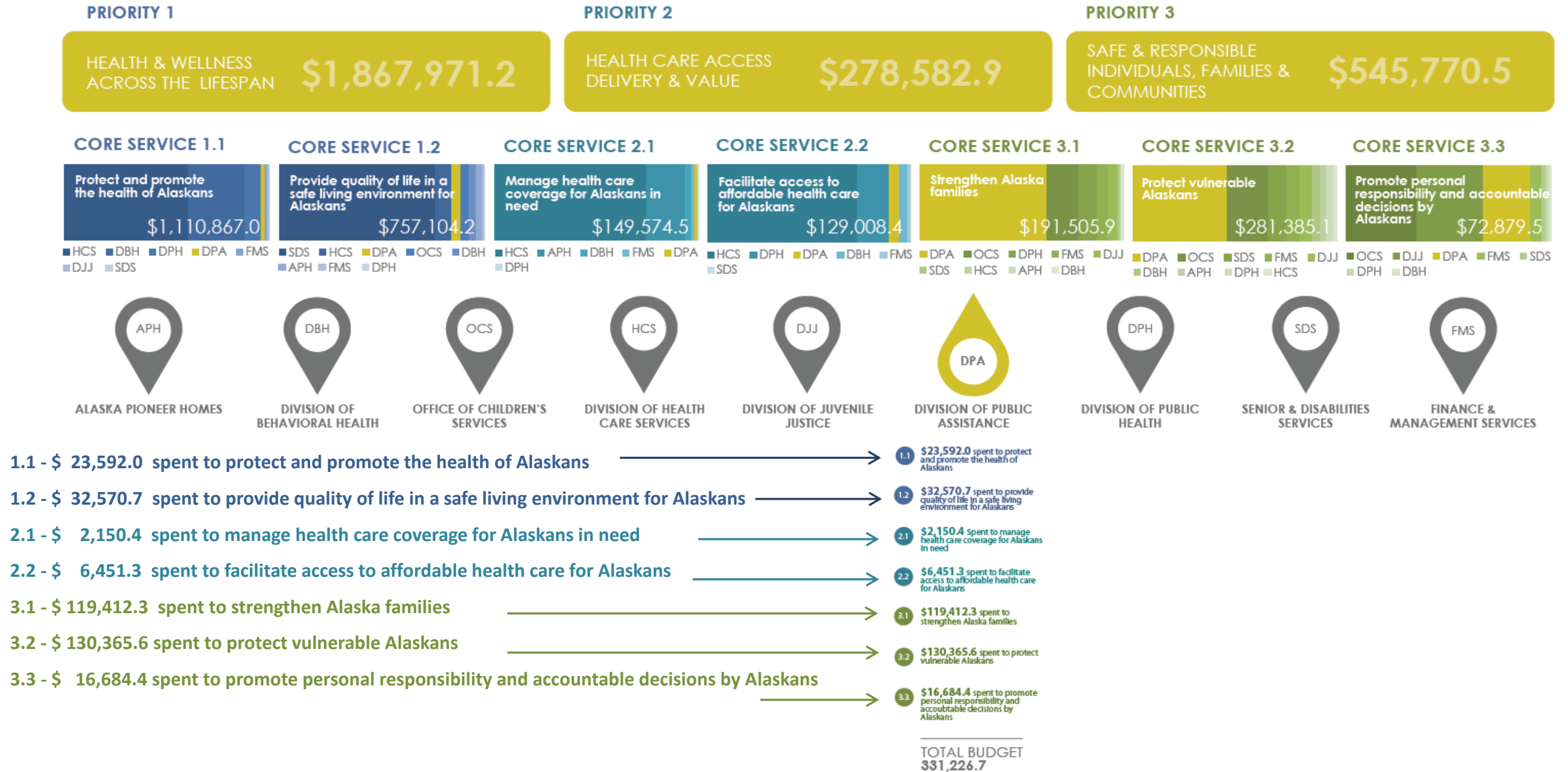
- Mission: To Promote self-sufficiency and provide for basic living expenses to Alaskans in need
- **589** FT/PT Positions
- **\$322,337.3** - FY2016 Operating Budget Request
- **11.9%** of DHSS FY2016 Operating Budget Request
- Total service population **200,000**



Division Core Service Alignment



Division Budget Alignment



FY2016 Governor's Endorsed Operating Request

<u>Division of Public Assistance</u>	FY2015 Mgmt Plan	Adjusted Base	FY2016 Governor Endorsed	15 Mgmt Plan to Governor Endorsed	Adjusted Base to Governor Endorsed
Unrestricted General Funds	\$165,290.6	\$165,724.1	\$153,005.7	\$-12,284.9	\$-12,718.4
Designated General Funds	17,892.7	17,892.7	17,892.7	0	0
Federal Funds	134,046.0	134,648.0	136,033.6	1,987.6	1,385.6
Other Funds	13,997.4	14,019.6	15,405.3	1,407.9	1,385.7
Total	\$331,226.7	\$332,284.4	\$322,337.3	\$-8,889.4	\$-9,947.1
Position Total (PFT)	566	566	589	23	23



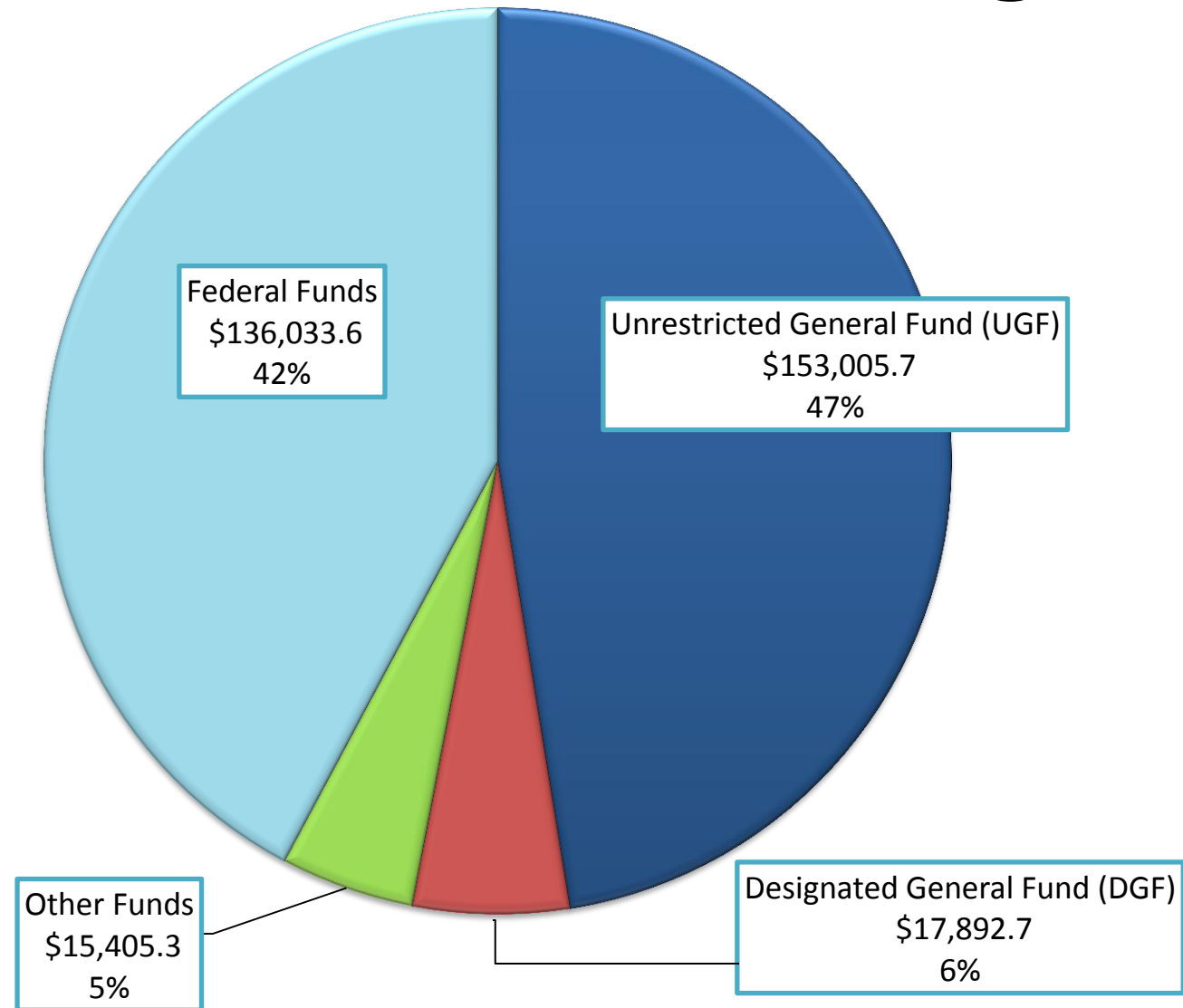
Public Assistance

FY2016 Governor's Operating Budget Transactions

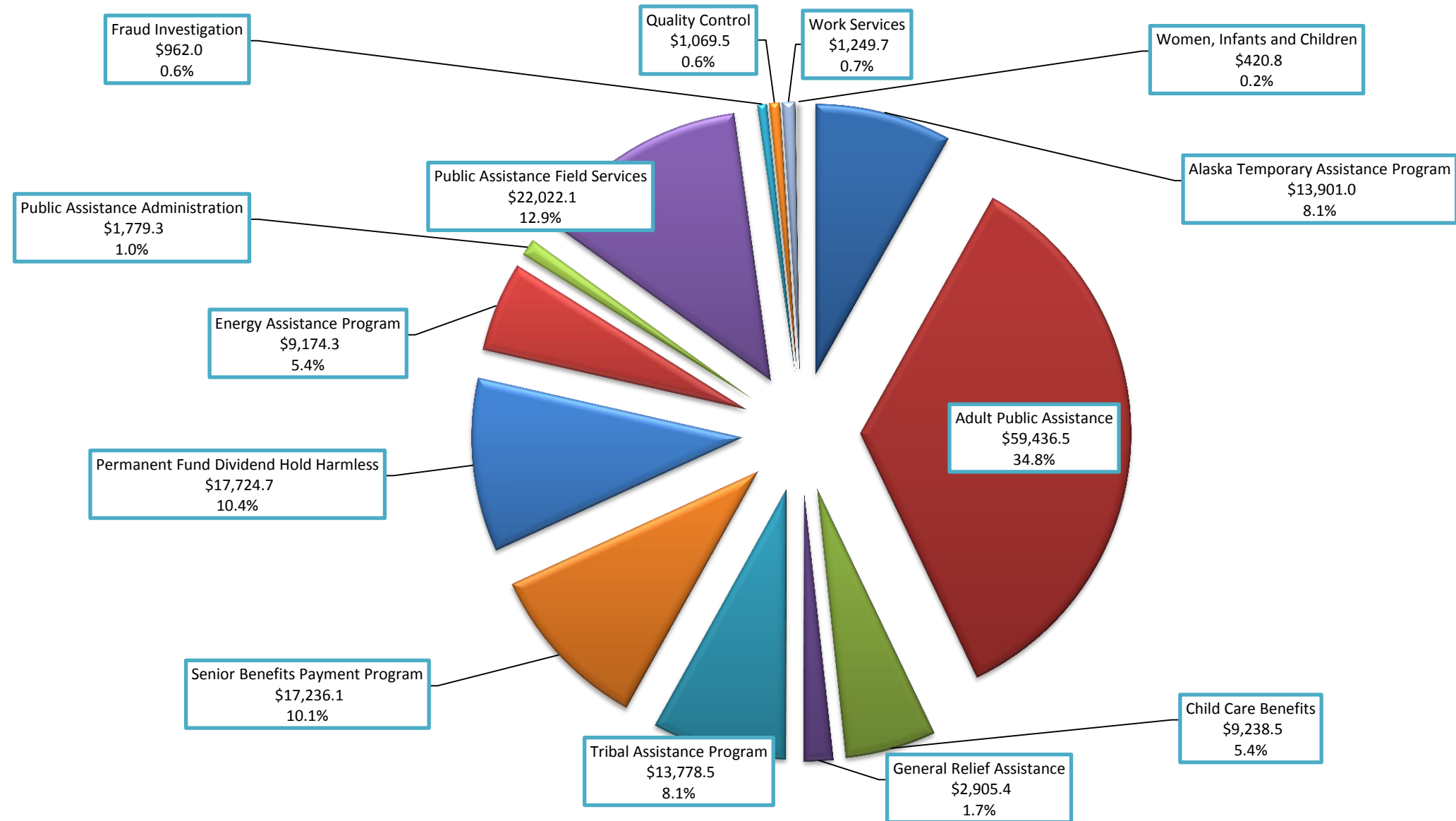
Alaska Temporary Assistance Program	(1,072.6) UGF	Reduce projected lapse balance.
Adult Public Assistance	(2,372.4) UGF	Reduce projected lapse balance.
Tribal Assistance Program	(681.8) UGF	Reduce projected lapse balance.
Senior Benefits Program	(5,091.6) UGF	20% reduction to the two lower payment levels of the program.
Energy Assistance Program	(3,500.0) UGF	Reduce projected lapse balance.
Field Services	1,385.6 (Fed) 1,385.7 (MHTAAR)	Increment for Medicaid expansion.



Division Overall Funding Detail



Breakdown of General Funds



Individual Recipients by Census Area – November 2014

Census Area	Population ¹	Unemployment Rate ²	Number of DPA Recipients ³	DPA Recipients as % of Population
Aleutians East Borough	3,070	10.1%	254	8.3%
Aleutians West Census Area	5,727	7.6%	356	6.2%
Municipality of Anchorage	300,549	4.8%	54,190	18.0%
Bethel Census Area	17,991	13.3%	10,183	56.6%
Bristol Bay Borough	942	6.6%	145	15.4%
Denali Borough	1,785	15.6%	157	8.8%
Dillingham Census Area	5,044	10.0%	2,001	39.7%
Fairbanks North Star Borough	97,972	5.5%	12,733	13.0%
Haines Borough	2,537	9.7%	445	17.5%
Hoonah-Angoon Census Area	2,128	17.7%	713	33.5%
City and Borough of Juneau	33,026	4.7%	5,350	16.2%
Kenai Peninsula Borough	57,212	7.1%	11,652	20.4%
Ketchikan Gateway Borough	13,825	6.5%	3,533	25.6%
Kodiak Island Borough	13,797	5.2%	2,364	17.1%
Lake and Peninsula Borough	1,672	7.4%	544	32.5%
Matanuska-Susitna Borough	98,063	6.7%	20,769	21.2%
Nome Census Area	9,952	10.1%	4,370	43.9%
North Slope Borough	9,711	4.1%	1,568	16.1%
Northwest Arctic Borough	7,774	13.0%	3,685	47.4%
Petersburg Census Area	3,209	9.4%	841	26.2%
Prince of Wales-Hyder Census Area	6,426	13.5%	1,921	29.9%
City and Borough of Sitka	9,061	5.1%	1,536	17.0%
Municipality of Skagway	1,031	19.2%	69	6.7%
Southeast Fairbanks Census Area	6,963	10.4%	1,744	25.0%
Valdez-Cordova Census Area	9,567	9.2%	1,596	16.7%
Wade Hampton Census Area	8,053	18.9%	6,138	76.2%
City and Borough of Wrangell	2,406	10.3%	559	23.2%
City and Borough of Yakutat	631	8.5%	155	24.6%
Yukon-Koyukuk Census Area	5,477	14.0%	2,512	45.9%

¹ Population is the July 2014 estimate from the Alaska Department of Labor and Workforce Development, Research and Analysis Section.

² Unemployment rate is the November 2014 rate from the Alaska Department of Labor and Workforce Development, Research and Analysis Section. It is not seasonally adjusted.

³ Geographic data is not available for recipients of only General Relief Assistance.

Prepared by: Alaska Department of Health and Social Services,
Division of Public Assistance, Research and Analysis Unit
Date prepared: 17 February 2015
Data source: EIS

Public Assistance Core Services

Determine Eligibility		
		SFY2014 Average Monthly Recipients
	Medicaid	115,591
	Supplemental Nutrition Assistance Program (SNAP)	90,833
	Adult Public Assistance	18,853
	Woman, Infant and Children	20,735
	Alaska Temporary Assistance	9,523
	Heating Assistance	12,323 (Annual)
	Senior Benefits	11,086
	Farmers Market Nutrition Program	5,965 (Annual)
	Child Care Assistance	4,706
	Senior Farmers Market Nutrition Program	2,350 (Annual)
	Commodity Supplemental Food Program	2,100 (Annual)
	General Relief	172
	Chronic and Acute Medical Assistance	492



Public Assistance Core Services

Issue Benefits		
		SFY2014 Annual Expenditures
	Supplemental Nutrition Assistance Program (SNAP)	\$181,551,444
	Adult Public Assistance	\$59,493,505
	Woman, Infant and Children	\$16,842,502
	Alaska Temporary Assistance	\$28,179,521
	Heating Assistance	
	• Alaska Heating Assistance Program	\$4,109,516
	• Low Income Heating Assistance Program	\$9,254,202
	Senior Benefits	\$21,656,528
	Farmers Market Nutrition Program	\$179,000
	Child Care Assistance	\$1,739,326 (Monthly)
	Senior Farmers Market Nutrition Program	\$877,700
	Commodity Supplemental Food	\$153,000
	General Relief	\$2,835,437



Public Assistance Core Services

Monitor Beneficiary and Provider Compliance

Child Care Community Outreach Efforts

Child Care Licensing

Benefit Recovery

Quality Assurance

Vendor Compliance Review and Monitoring

Fraud Investigation

- Referral and Investigate
- Data Mining
- Fraud Detection

Home and Site Visits

Research and Analysis



Public Assistance Core Services

Individual and Family Support Services

Work Services

- Job Training
- Supportive Services
- Skills Development
- Job Search
- Employment and Self Sufficiency Planning

Policy and Program Review and Development

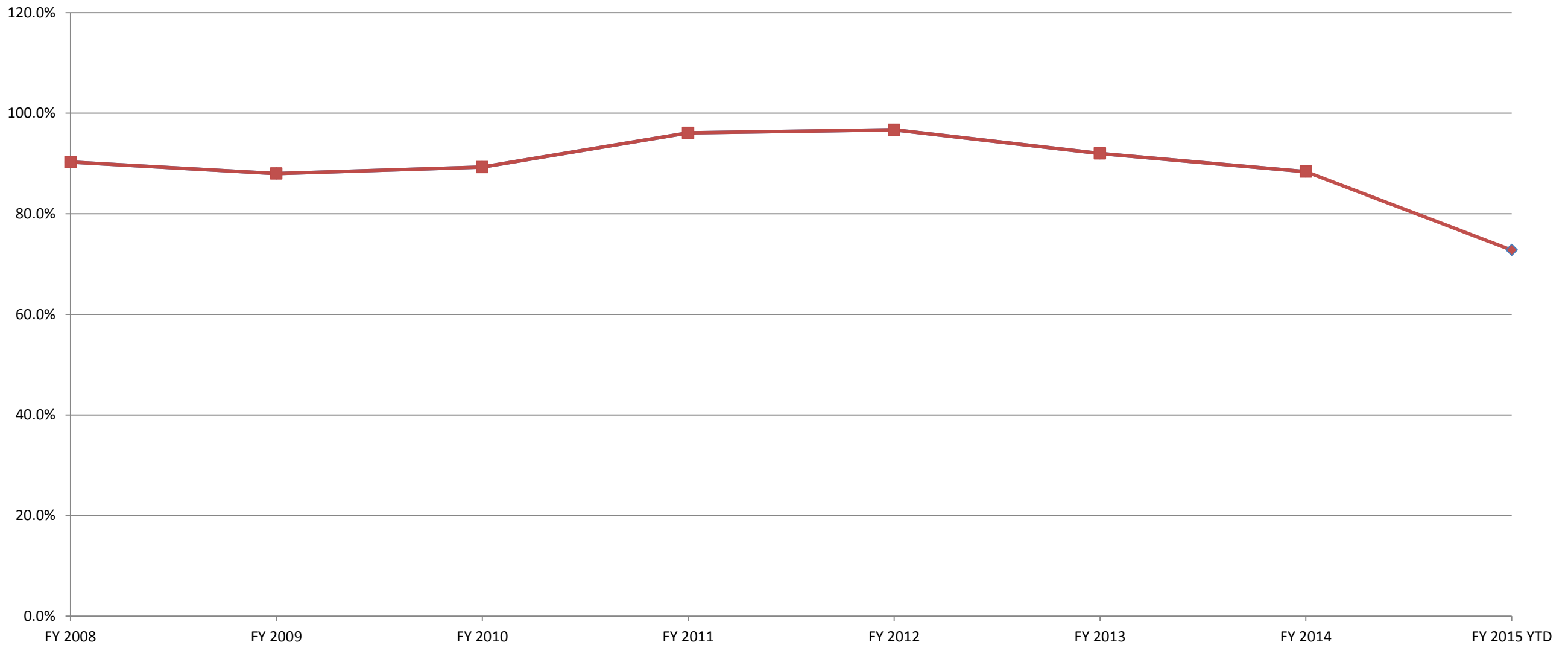
Women, Infant and Children

- Breast Feeding Peer Counseling
- Health and Nutrition Education



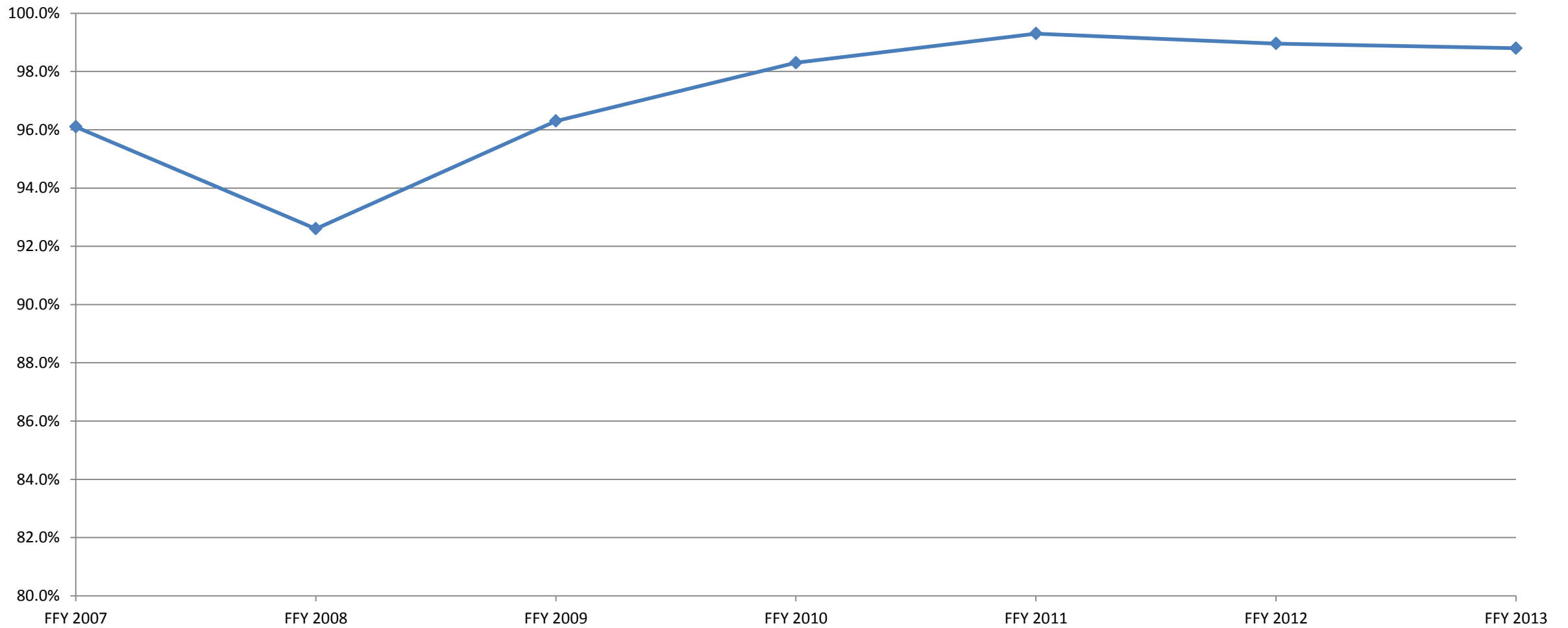
Efficiency Measures

Percent of SNAP Applications that are Processed within 30 days

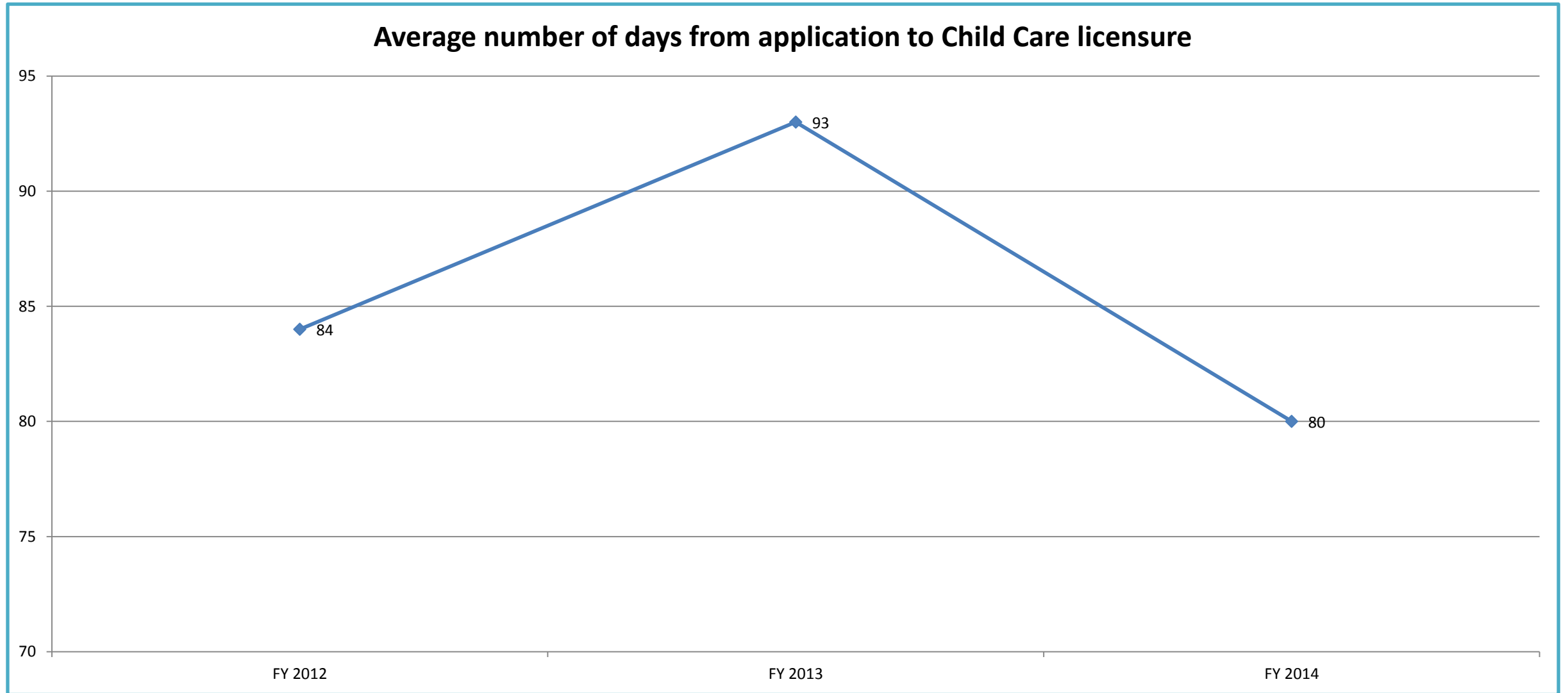


Effectiveness Measures

Accuracy Rate for Open SNAP Cases

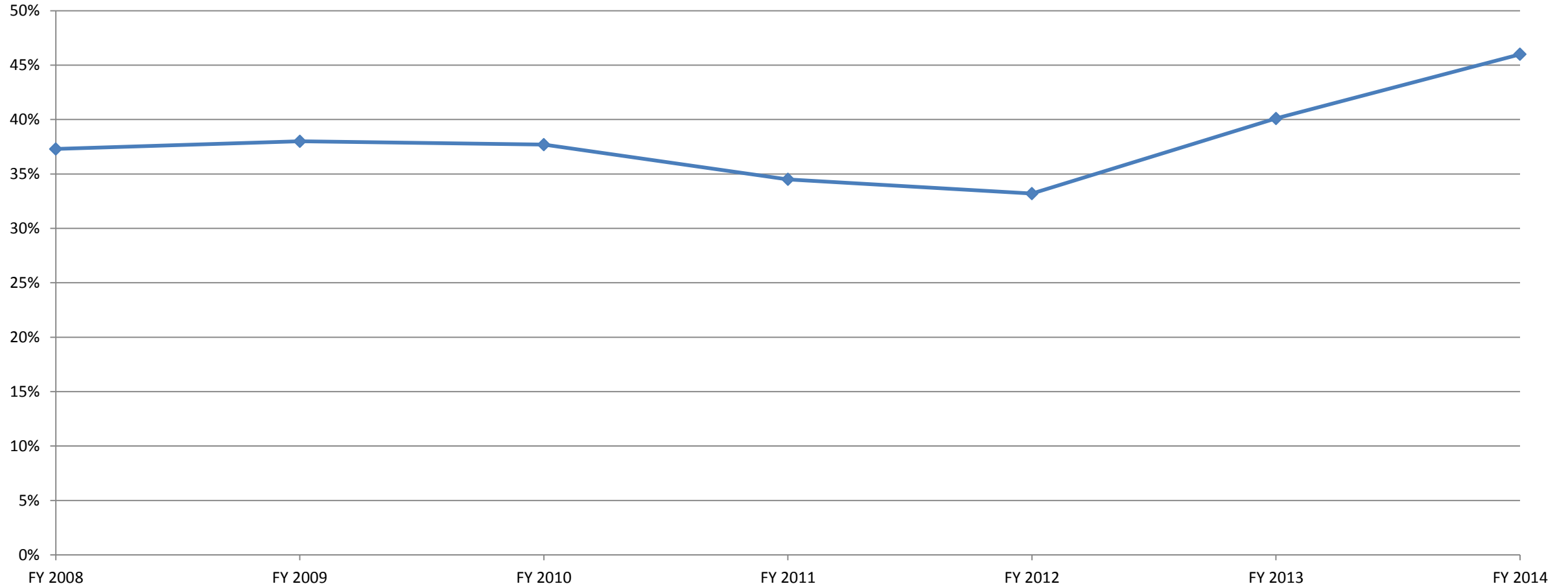


Efficiency Measures



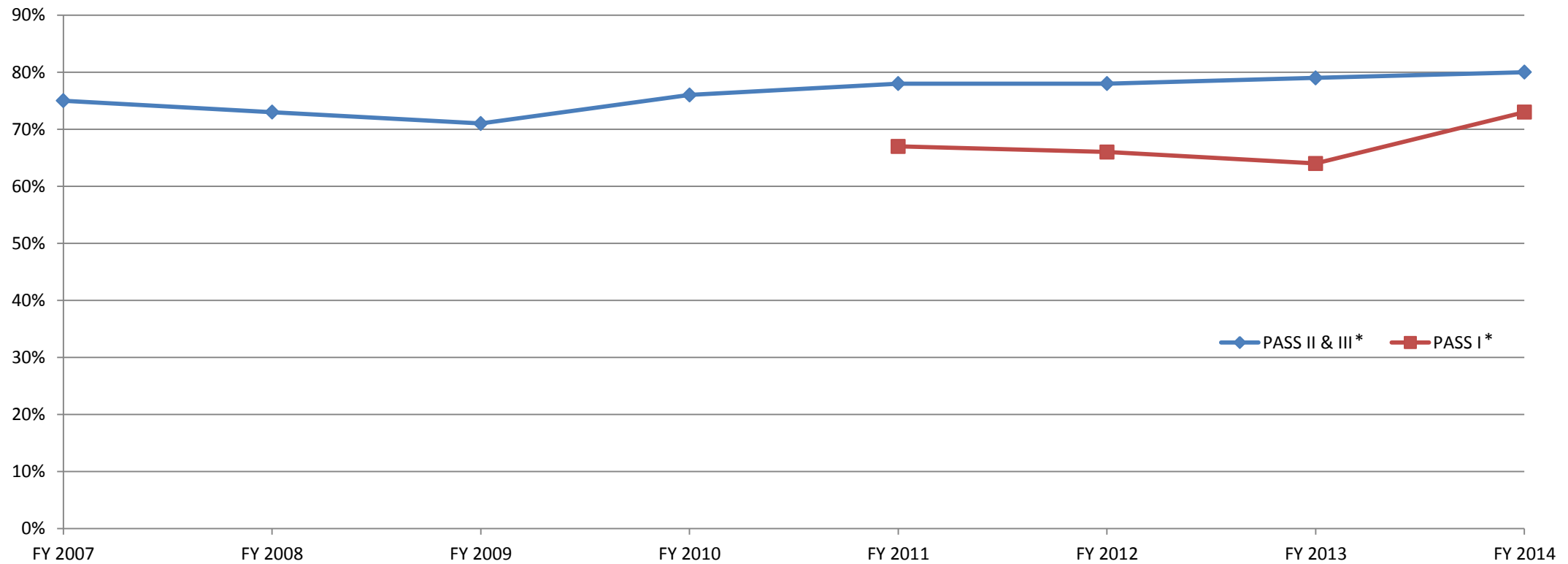
Effectiveness Measures

**Percent of Child Care Facilities Participating in the
Child Care Assistance Program (CCAP) which are Licensed**



Effectiveness Measures

Percent of Children Participating CCAP that are Cared for in Licensed Child Care



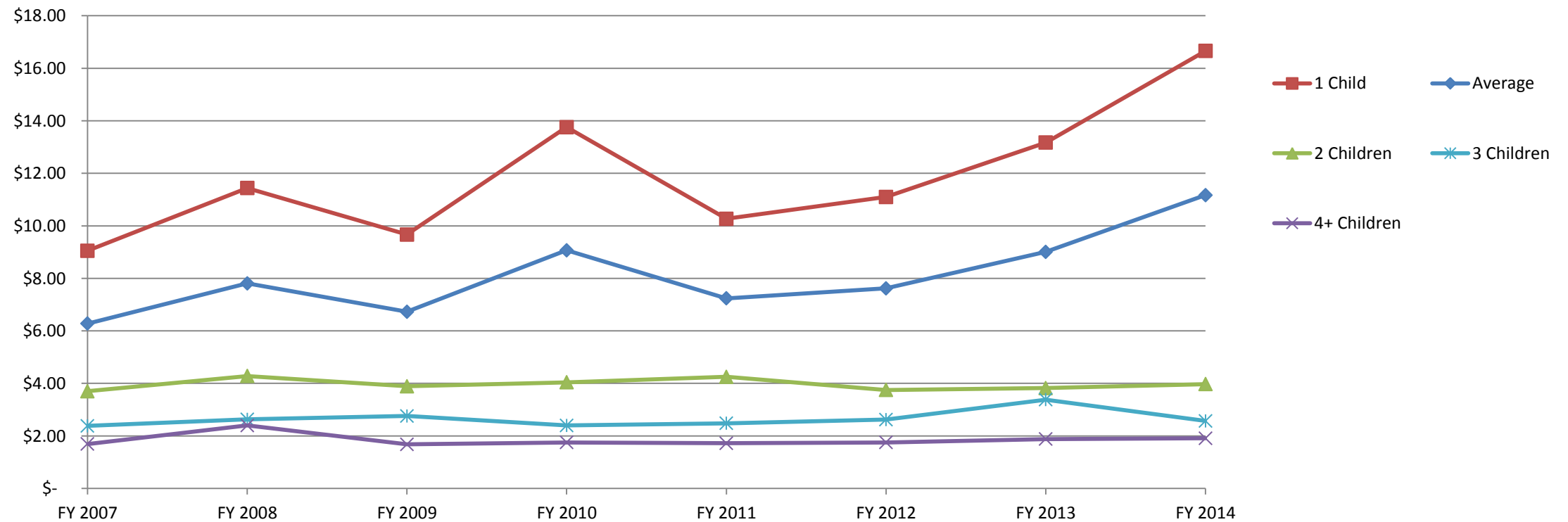
* Parents Achieving Self Sufficiency



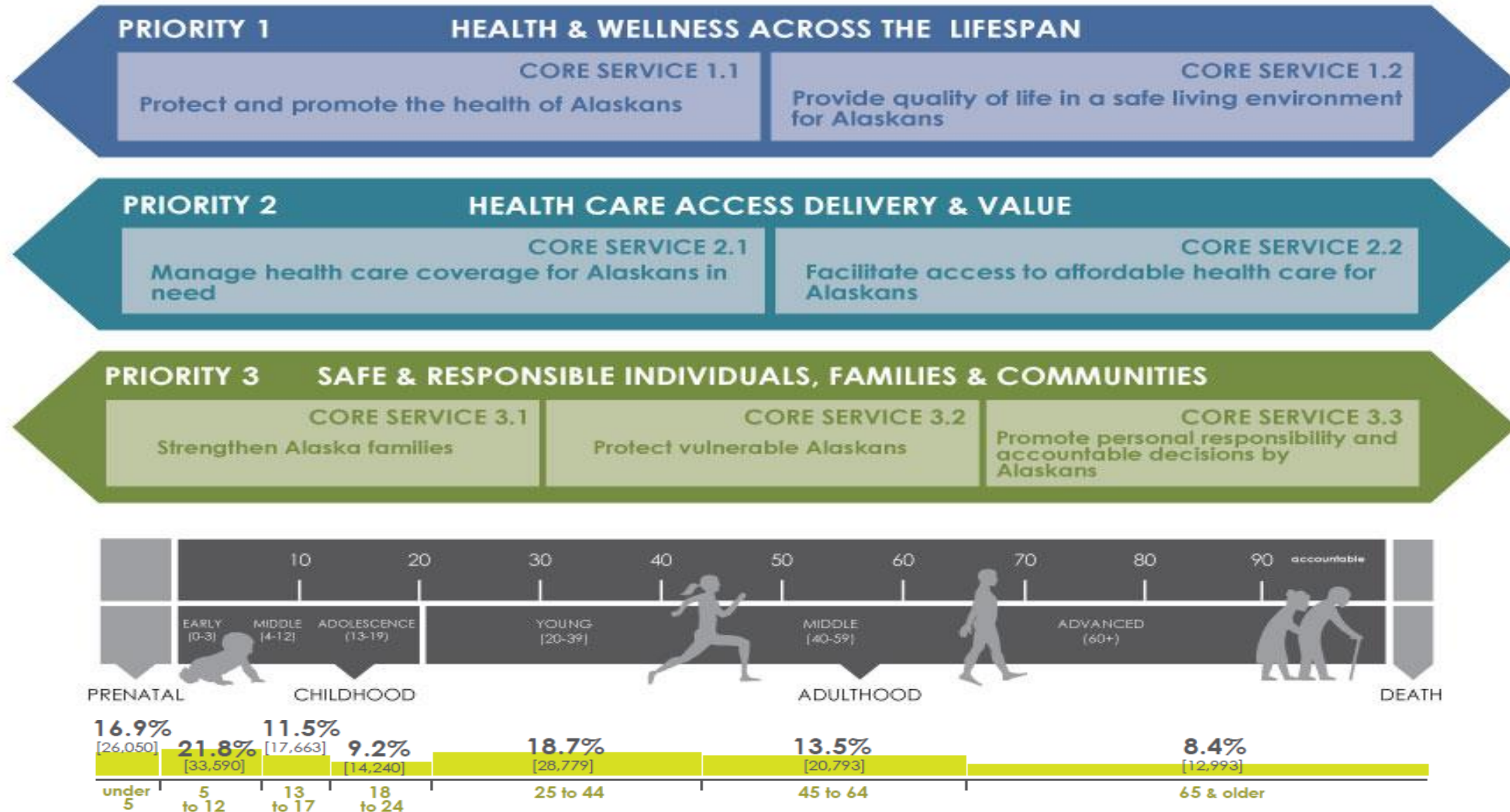
Effectiveness Measures

Alaskans are better off!

Family Work Dollars Earned per State Dollar Amount Spent on Child Care Assistance



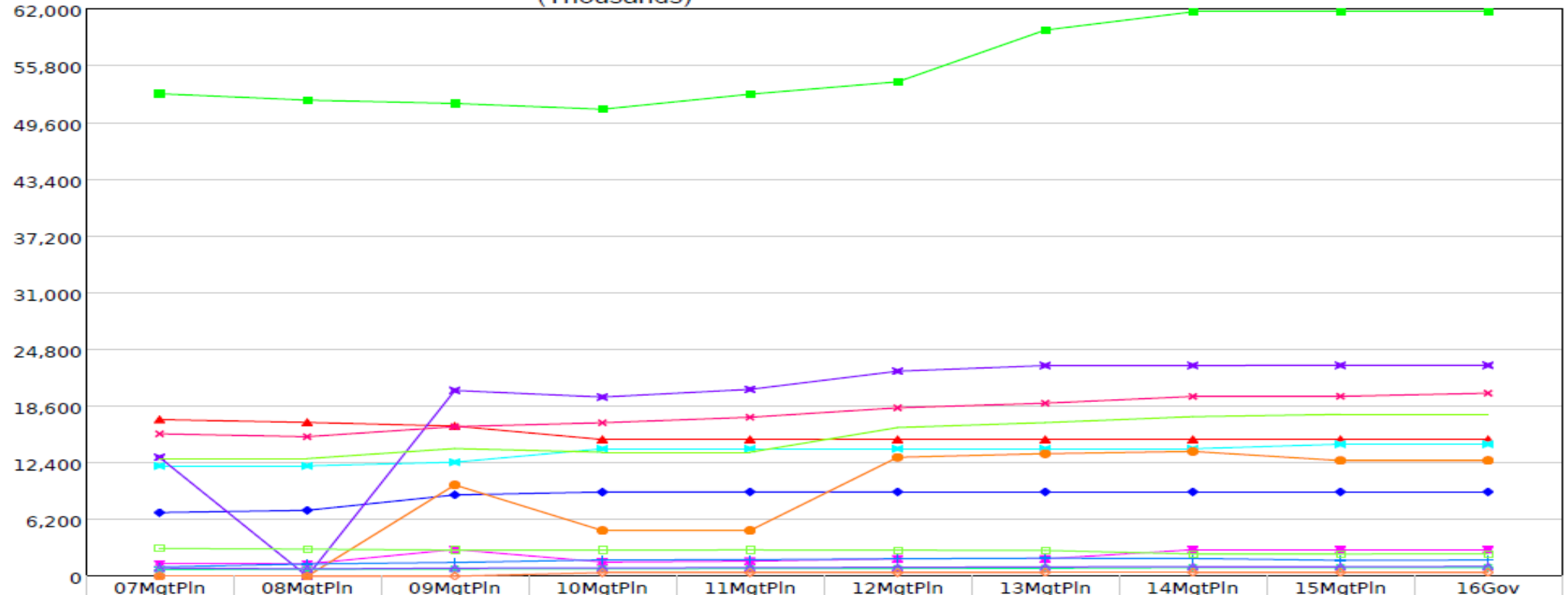
DPA Service Population



Allocation Summary Provided by Legislative Finance

Multi-year Allocation Summary - Operating Budget - FY 2016 Governor Structure Department of Health and Social Services Public Assistance Appropriation (Thousands)

Numbers and Language
Fund Groups: General Funds



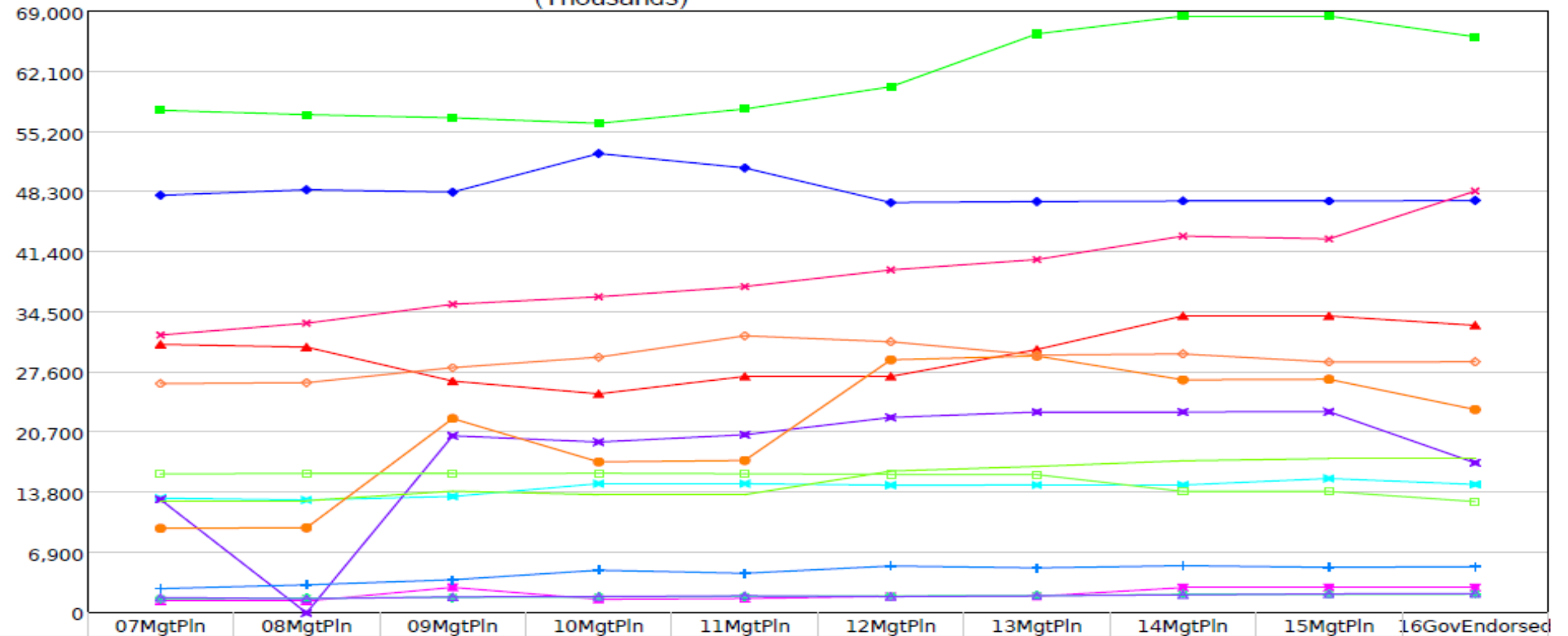
	07MgtPln	08MgtPln	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15MgtPln	16Gov
ATAP	17,157.9	16,845.9	16,445.9	14,973.6	14,973.6	14,973.6	14,973.6	14,973.6	14,973.6	14,973.6
Adult Public Assistance	52,838.4	52,138.4	51,773.0	51,138.4	52,788.4	54,143.4	59,808.9	61,808.9	61,808.9	61,808.9
Child Care Benefits	6,974.4	7,221.6	8,906.5	9,224.3	9,240.1	9,238.5	9,238.5	9,238.5	9,238.5	9,238.5
General Relief Assistance	1,355.4	1,355.4	2,932.4	1,555.4	1,655.4	1,905.4	1,905.4	2,905.4	2,905.4	2,905.4
Tribal Assistance Programs	12,088.0	12,088.0	12,488.0	13,960.3	13,960.3	13,960.3	13,960.3	13,960.3	14,460.3	14,460.3
Senior Benefits Payment Progm	13,019.3	0.0	20,345.4	19,623.5	20,465.3	22,453.4	23,072.2	23,082.6	23,090.5	23,101.8
PFD Hold Harmless	12,884.7	12,884.7	13,984.7	13,584.7	13,584.7	16,284.7	16,824.7	17,474.7	17,724.7	17,724.7
Energy Assistance Program	0.0	0.0	10,000.0	5,003.6	5,010.6	13,026.9	13,422.3	13,669.9	12,669.2	12,674.3
Public Assistance Admin	1,021.2	1,342.4	1,510.2	1,792.2	1,817.9	1,915.1	1,981.6	1,946.7	1,748.7	1,779.3
Public Assistance Field Svcs	15,594.8	15,282.2	16,382.4	16,808.9	17,412.0	18,444.9	18,950.5	19,687.5	19,703.7	20,048.0
Fraud Investigation	748.9	746.3	791.3	812.1	836.7	862.3	883.0	947.7	945.4	962.0
Quality Control	904.0	791.2	890.4	913.7	941.5	975.9	1,021.5	1,052.0	1,050.9	1,069.5
Work Services	3,040.8	2,970.7	2,865.6	2,873.2	2,884.9	2,856.4	2,827.3	2,442.3	2,443.0	2,449.7
Women, Infants and Children	9.0	9.0	9.7	398.9	399.4	399.7	420.3	420.4	420.5	420.8
Total	137,636.8	123,675.8	159,325.5	152,662.8	155,970.8	171,440.5	179,290.1	183,610.5	183,183.3	183,616.8

General Fund 2007-2016

Multi-year Allocation Summary - Operating Budget - FY 2016 Governor Amend Structure
Department of Health and Social Services
Public Assistance Appropriation
(Thousands)

Numbers and Language

Provided by:
Legislative
Finance Division



	07MgtPln	08MgtPln	09MgtPln	10MgtPln	11MgtPln	12MgtPln	13MgtPln	14MgtPln	15MgtPln	16GovEndorsed
ATAP	30,843.8	30,531.8	26,631.8	25,159.5	27,159.5	27,159.5	30,255.4	34,105.4	34,105.4	33,032.8
Adult Public Assistance	57,731.4	57,231.4	56,866.0	56,231.4	57,881.4	60,434.7	66,509.7	68,549.7	68,549.7	66,177.3
Child Care Benefits	47,968.6	48,604.0	48,334.5	52,765.1	51,110.3	47,135.3	47,246.4	47,310.7	47,304.7	47,377.9
General Relief Assistance	1,355.4	1,355.4	2,932.4	1,555.4	1,655.4	1,905.4	1,905.4	2,905.4	2,905.4	2,905.4
Tribal Assistance Programs	13,172.7	12,972.7	13,372.7	14,845.0	14,845.0	14,670.0	14,688.2	14,688.2	15,438.2	14,756.4
Senior Benefits Payment Progm	13,019.3	0.0	20,345.4	19,623.5	20,465.3	22,453.4	23,072.2	23,082.6	23,100.5	17,240.7
PFD Hold Harmless	12,884.7	12,884.7	13,984.7	13,584.7	13,584.7	16,284.7	16,824.7	17,474.7	17,724.7	17,724.7
Energy Assistance Program	9,708.2	9,778.6	22,321.9	17,346.2	17,515.3	29,073.8	29,511.7	26,773.4	26,833.5	23,357.9
Public Assistance Admin	2,787.5	3,220.0	3,804.6	4,905.4	4,547.6	5,389.8	5,170.4	5,420.7	5,238.8	5,314.7
Public Assistance Field Svcs	31,913.2	33,275.4	35,448.6	36,309.4	37,484.1	39,392.5	40,588.8	43,281.8	42,960.6	48,450.4
Fraud Investigation	1,608.7	1,698.7	1,794.6	1,838.9	1,891.6	1,945.7	1,989.8	2,121.5	2,116.6	2,152.1
Quality Control	1,769.0	1,632.6	1,831.4	1,878.1	1,965.1	1,871.5	1,962.7	2,068.2	2,184.1	2,223.6
Work Services	15,964.0	16,020.0	15,998.1	16,040.8	15,980.0	15,915.2	15,879.5	13,951.8	13,952.8	12,783.7
Women, Infants and Children	26,331.2	26,445.7	28,173.1	29,376.2	31,829.3	31,141.8	29,615.8	29,745.3	28,811.7	28,839.7
Total	267,057.7	255,651.0	291,839.8	291,459.6	297,914.6	314,773.3	325,220.7	331,479.4	331,226.7	322,337.3

Recent Successes

- The Division received SNAP bonus awards totaling \$907,161 for outstanding performance in administering the Supplemental Nutrition Assistance Program during federal fiscal year 2013
- In collaboration with Alaska's statewide Child Care Resource and Referral Network and other early childhood partners, made several significant steps forward in the development of a Quality Rating and Improvement System (QRIS)



Recent Successes

- In SFY2014, the combined amount of cost avoidance, fraud claims established and direct savings from imposed disqualification periods totaled \$7.78 million
- Successful implementation of the Successful Partners in Reaching Innovative Technology (SPIRIT) system for the Women, Infants and Children's program



Current Challenges

Program	12/1/2014	2/2/2015	2/9/2015
Medicaid	6,325	7,278	7,269
All Other Programs	3,662	3,364	3,300
Total	9,987	10,642	10,569

NOTE: EIS applications or cases in "Received" status; ARIES applications in "Complete" or "Received" status.

- Most urgent challenge the division faces is addressing serious workload issues in advance of Medicaid Expansion
- Effectively leveraging technology to reduce operational costs (e.g. electronic document imaging)
- Business Process Improvement



Looking Forward

- A potential increase to caseloads due to economic changes associated with the state revenue streams are anticipated.
- The division is looking at long range programmatic impacts of minimum wage increases.
- Pursuing partnerships
 - Office of Children's Services
 - Women Children's Family Health
 - Department of Labor – Workforce Innovation and Opportunity Act
 - Tribal Organizations – Health Care and Tribal TANF



QUESTIONS?

Thank You



Highlights of Significant Budget Changes

DEPARTMENT OF HEALTH AND SOCIAL SERVICES												
	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	UGF	DGF	Other	Fed	Total Funds	Notes
8	FY06	Public Assistance	Senior Benefits Payment Program	F		Fiscal Note for HB 106. Continuation of the Senior Care program.		6,614.4			6,614.4	<p>FY06 Total Funding was \$14.3 million</p> <p>This bill authorized the continuation of the SeniorCare program, which provides a cash or drug benefit to eligible seniors age 65 or older. It also changes the drug benefit to a State Pharmaceutical Assistance Program, to cover the premiums and deductibles of the new Medicare Part D prescription drug coverage that begins January 1, 2006. This bill would allow seniors with incomes below 135% of the federal poverty guideline and countable assets below \$6,000 (\$9,000 for couples) to continue to be eligible for the \$120 monthly cash payment. Seniors with incomes below 175% of the federal poverty guideline and countable assets below \$50,000 (\$100,000 for couples) would be eligible to have their premiums and deductibles for Medicare Part D, or other similar prescription drug coverage, paid for by the new SeniorCare drug benefit.</p> <p>The program sunseted on 6/30/07.</p>
9	FY08 & FY09	Public Assistance	Senior Benefits Payment Program	F		<p>Senior Benefits Program Reauthorization in</p> <p>Added 6 PFT positions in FY09</p>	22,453.4				22,453.4	<p>FY08 Supplemental Funding: \$18.5 million FY09 Total Funding was \$20.3 million FY12 Total Funding: \$22.5 million</p> <p>Ch 1 FSSLA 07 (SB 4): The new Senior Benefits Payment Program that started in August of 2007 was authorized in Ch 1 FSSLA 07 (SB 4). Monthly benefit payments were \$125 to \$250 (as opposed to the previous \$120/month maximum payment). In addition, the maximum qualifying income levels were raised to \$22,347 for individuals and \$29,960 for couples. The program sunseted on 6/30/07.</p> <p>Ch 6, SLA 11 (HB 16): This legislation reauthorized the Senior Benefits Payment Program and allows certain nursing home residents to keep between \$75 and \$200/month for personal needs.</p> <p>This program sunsets on 6/30/15.</p>

Highlights of Significant Budget Changes

DEPARTMENT OF HEALTH AND SOCIAL SERVICES												
	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	UGF	DGF	Other	Fed	Total Funds	Notes
10	FY06	Public Assistance	Permanent Fund Dividend Hold Harmless	F		Reduction due to federal policy change		-3,065.2			-3,065.2	<p>The PFD Hold Harmless program provides replacement funding for the loss of benefits due to client ineligibility or benefit reduction in the Alaska Temporary Assistance Program (ATAP), Food Stamps, SSI, or Medicaid programs due to the receipt of the Alaska Permanent Fund Dividend.</p> <p>The decrease represents the net reduction in public assistance formula caseloads and a policy change in the way the PFD is counted in the federal food stamp program. This change results in fewer households losing eligibility for food stamps.</p>
11	FY12	Public Assistance	Permanent Fund Dividend Hold Harmless	F		Program Funding Increase due to Caseload Growth		2,700.0			2,700.0	As public assistance caseloads increase, more funding is needed to cover the amount of hold harmless payments. The SSI and the Adult Public Assistance (APA) programs grew by more than 3 percent in recent years and the trend was expected to continue. The Food Stamp program grew by more than 20 percent between FY09 and FY10 and the department expected a growth rate of 10 percent in FY11.
101	FY06	Public Assistance	Alaska Temporary Assistance Program	F		Formula Caseload Reduction			-187.9	-2,312.1	-2,500.0	

Highlights of Significant Budget Changes

DEPARTMENT OF HEALTH AND SOCIAL SERVICES												
	FY	Appropriation	Allocation	Formula/ NonForm	Category	Description	UGF	DGF	Other	Fed	Total Funds	Notes
102	FY09	Public Assistance	Energy Assistance Program	F		Heating Assistance for Low Income Households	10,000.0				10,000.0	<p>The legislature established a new state heating assistance program to provide financial assistance for home heating costs of low-income households (SB 221). This program provides expanded eligibility coverage for Alaska residents for home heating costs assistance beyond the current federal Low-Income Home Energy Assistance Program (LIHEAP).</p> <p>The \$10 million GF will be used first to fund the new state program. Any remaining funds will be used to supplement grants to households that qualify under the federally-funded LIHEAP.</p> <p>General Funds for this program are as follows: FY09: \$10 million GF FY10: \$5 million GF FY11: \$5 million GF FY12: \$13 million GF FY13: \$13.4 million GF FY14: \$13.7 million GF FY15: \$13.7 million GF</p>
103	FY06	Public Assistance	Quality Control			Implement New Federal Mandate "Payment Error Rate Measurement" (PERM) Added 7 PFT positions	281.9			281.9	563.8	In October 2005, CMS started requiring that states sample payments on Medicaid claims. To meet the requirements DPA had to increase staff.