

Senate Finance Committee

January 29, 2015

Trust

Alaska Mental Health
Trust Authority

Trustees

- Mike Barton, chair
- Laraine Derr, vice chair
- Paula Easley, secretary
- Mary Jane Michael
- John McClellan, P.E.
- Larry Norene
- Russ Webb

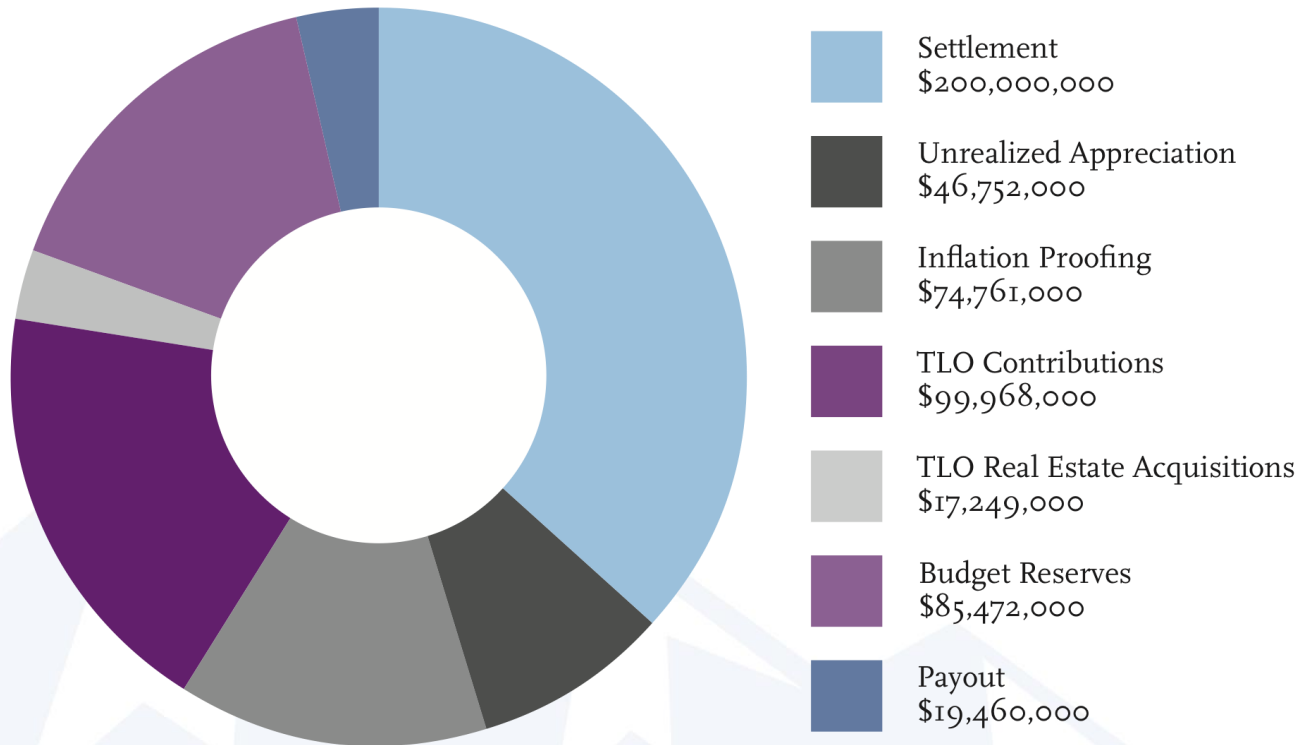


Trust Beneficiaries

Approximate number of Trust beneficiaries

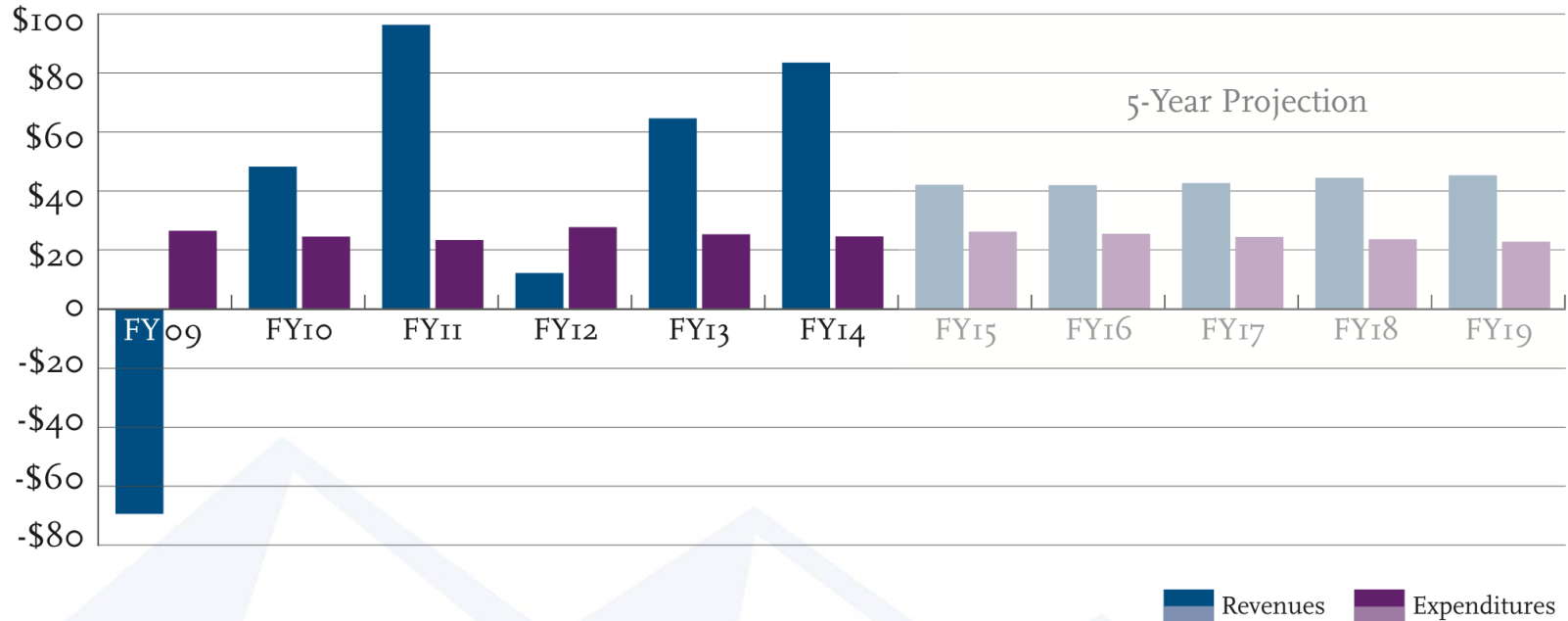
Mental Illness	22,000
Developmental disabilities	13,000
Chronic alcoholism and other substance-related disorders	20,000
Alzheimer's disease and related dementia	5,000
Traumatic brain injury	12,000

Trust Cash Assets at End of FY14



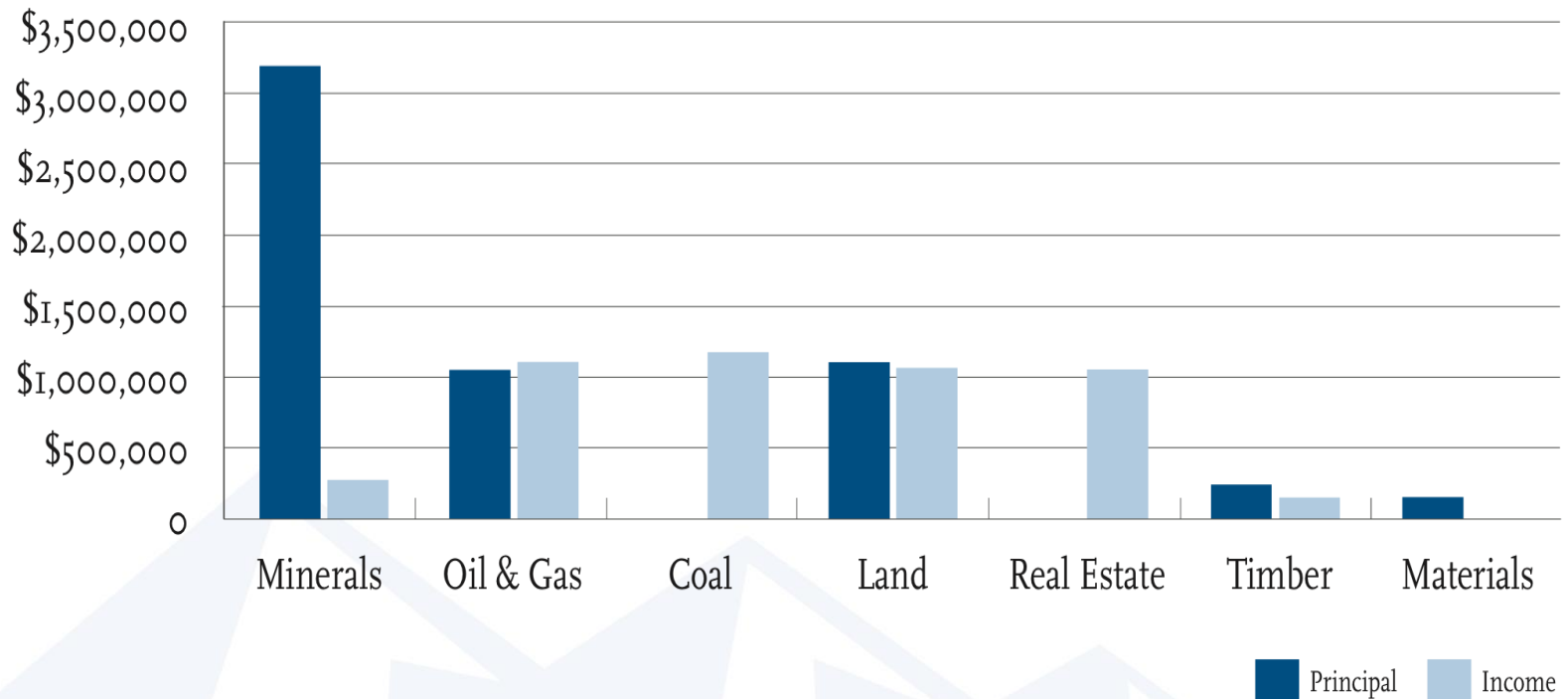
Revenues and Expenditures

(in millions)



Trust Land Office

Revenue Generated in FY14



Impact at a Glance

Grants awarded in FY14

	AMOUNT	NUMBER
Mental Health Trust Authority Authorized Receipts (MHTAAR)	\$13,105,500	48
Nonprofits/Tribal Organizations/Agencies	\$7,823,365	175
Total	\$20,928,865	223

FY16 Anticipated Income

Distributable Income	
Payout	\$20,127,800
Prior Years Average Lapse	\$3,416,000
Land Office Average Spendable Income	\$4,305,200
Interest Average	\$275,800
Total	\$28,124,800

Utilize POMV strategy

- The Trust's base payout is 4.25% of the average value of the fund's cash assets



Funding approach ensures relatively stable cash flow from year to year

FY16 GF/MH Recommendations

	MHTAAR	GF/MH
<i>IT Application/Telehealth Service System Improvements</i>	\$100.0	\$100.0
<i>National Family Caregiver Grant Program</i>		\$325.0
<i>Senior In-Home Services</i>		\$350.0
<i>Long-Term Care Ombudsman Office – Increment</i>		\$35.0
<i>Area Health Education Centers</i>		\$330.0
<i>Licensed Marriage & Family Therapist</i>		\$25.0
TOTAL	\$100.0	\$1,165.0

FY16 Capital Recommendations

	MHTAAR	GF/MH	AHFC
<i>Deferred Maintenance</i>		\$1,000.0	
<i>Home Modifications and Upgrades to Retain Housing</i>	\$300.0	\$500.0	\$250.0
<i>Homeless Assistance Project</i>	\$850.0	\$850.0	\$6,350.0
<i>Special Needs Housing Grant</i>		\$1,750.0	\$1,750.0
<i>Coordinated Transportation</i>	\$300.0	\$1,000.0	
TOTAL	\$1,450.0	\$5,100	\$8,350.0

Established Focus Areas

- Disability justice
- Substance abuse prevention and treatment
- Beneficiary employment and engagement
- Workforce development
- Housing and long-term services & supports

Current Priorities

- Medicaid Expansion and Reform
- Recidivism
- Substance Abuse Prevention & Treatment

Medicaid Expansion

Expansion will impact many Trust beneficiaries.

Medicaid Expansion

- Projections estimate 42,000 Alaskans will be eligible under expansion of the Medicaid program
- Alaskans between the ages of 19-64
 - with income under 138% of the Federal Poverty Level who are not already eligible for Medicare or Medicaid (Currently at \$20,120 annual income for a single person; \$27,130 for a couple)

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Medicaid Expansion

- The new population eligible for coverage will include Trust beneficiaries with **chronic substance abuse and mental health issues**. As well as **homeless adults and incarcerated persons**.
- Medicaid expansion will result in offsets and savings of general funds.

Medicaid Expansion: Impact on DOC

- In FY14, Alaska Department of Corrections processed approximately \$8.5 million in billings for inmate in-patient stays that lasted more than 24 hours.
- Under Medicaid expansion, it is estimated that **\$6.8-\$7.65 million** could be paid for by federal Medicaid rather than State funds based on 80%-90% of the population being eligible.

This is an estimate based on what we know now and our interpretation of the expansion rules so the numbers may change.

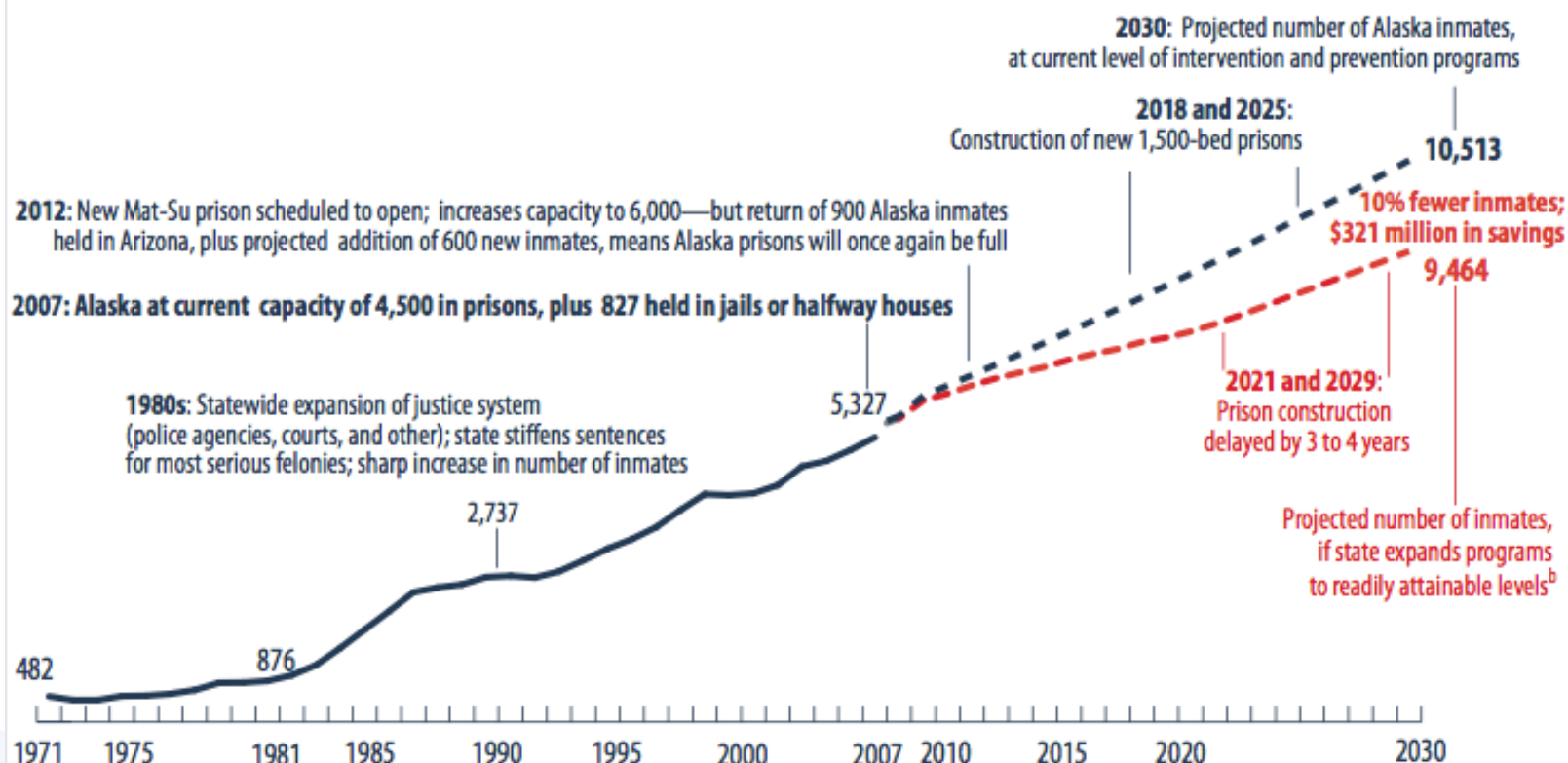
Medicaid expansion is a
catalyst for reform.

Recidivism

Reduce long-term budget demands by investing in proven strategies that reduce criminal recidivism.

Disability Justice ... Investing Wisely?

Figure 8. Average Number of Alaska Inmates,^a 1971-2007, and Projected Number, 2008-2030

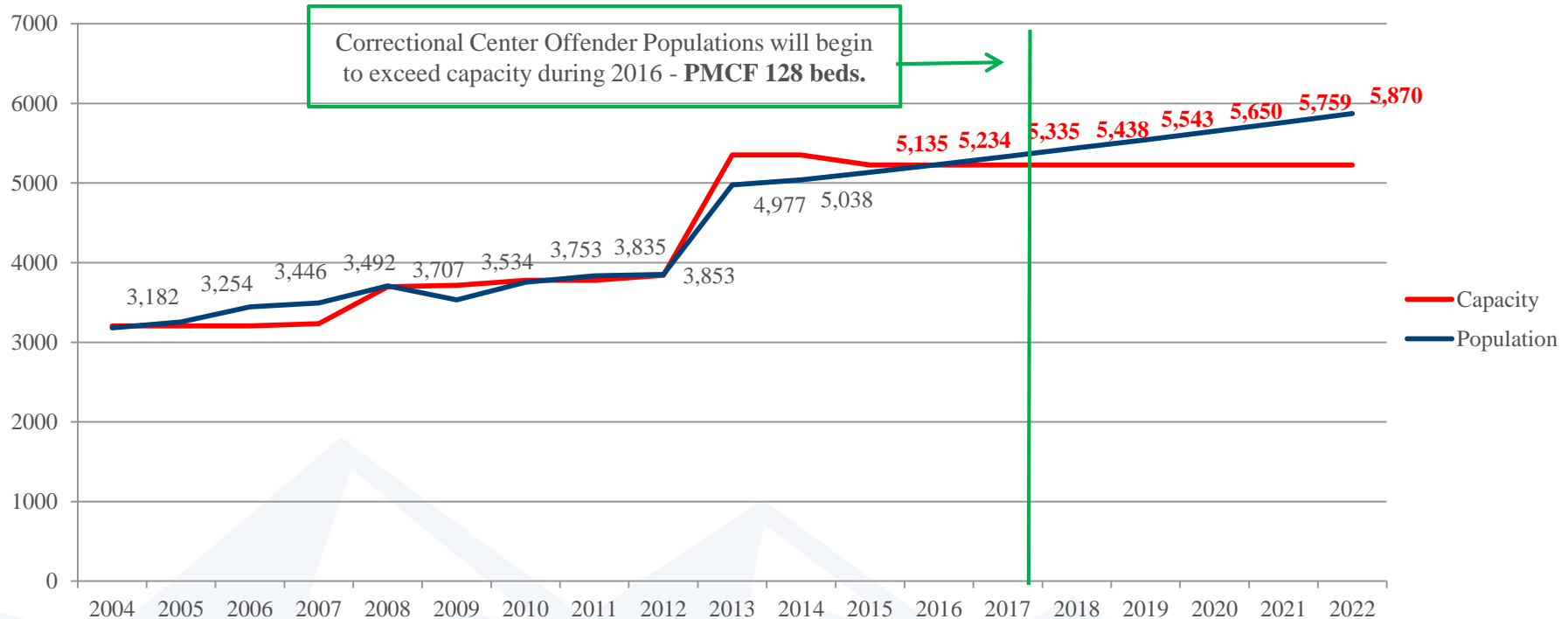


^aAverage daily number of people in prisons, jails, and halfway houses. ^bThe number of people who could be readily added to program rolls varies considerably by program; see Table 1.

Sources: Alaska Department of Corrections; ISER projections of number of prisoners, based on Alaska Department of Labor projections of Alaska population 18-64 and assuming no change in current use of rehabilitation programs as well as expanded use; Washington State Institute of Public Policy

UAA Institute for Social and Economic Research – January 2009 **The Cost of Crime: Could the State Reduce Future Crime and Save Money By Expanding Education and Treatment Programs?**



Institutional Inmate Population 2004 - 2022



Total offender population is projected to grow at an average of 1.93% annually for the next 8 years. Historical numbers are the actual institutional daily average population excluding electronic monitoring and community residential center population information.

**Figures based on the average annual population*
Alaska Department of Corrections

Proven results ... Texas

- Funding for probation officers to use for outpatient substance abuse treatment for offenders
 - Funding for a mental health pre-trial diversion program
 - Expansion of in-custody substance abuse therapeutic communities
 - A prison dedicated to providing DWI offenders with intensive substance abuse treatment
 - Use of intermediate sanction facilities for probationers who violate probation conditions
 - Early school intervention programs
 - Nurse family partnership program
-  With these and other measures, Texas successfully averted construction of previously planned prison beds through 2012
-  And Texas prison population completely leveled off as a result



Recommendations

- Maintain efforts of current policy and program efforts
 - 2014 SB64 passed and created Alaska Criminal Justice Commission
 - 2014 HB266 Legislative intent: workgroup formed to develop Recidivism Reduction Plan (to be delivered Feb. 2, 2015)
 - 2007 Criminal Justice Working Group
 - 2005 Trust disability justice focus area



Recommendations

1. Maintain current community behavioral health system capacity
2. Establish an office focused on re-entry within Department of Corrections
3. Attain technical assistance through Pew Charitable Trust for Results First Initiative

Substance Abuse Prevention & Treatment

The prevalence rates and negative consequences of alcohol and drug abuse upon Alaskans are substantial.

In 2010, Alaska's costs associated with individuals dependent on or abusing alcohol/drugs was \$1.2 billion.

Substance Abuse Prevention & Treatment

- Collaboration on joint strategies
 - Recover Alaska
 - Alaska Wellness Coalition (Positive Social Norms Campaign)
 - ABC board (Title 4 statute rewrite)
 - Implementation of Proposition 2 (Marijuana)
- Partnership with Department of Corrections on the recidivism reduction planning with opportunities for Trust investment in:
 - Prisoner re-entry coalitions
 - Access to effective treatment
 - Prevention strategies focused on incarcerated parents and their children

Recover Alaska

Mission: Reduce harms associated with excessive alcohol consumption in Alaska

Formed by Funding Partners

- Rasmuson Foundation
- Alaska Mental Health Trust Authority
- Mat-Su Health Foundation
- Department of Health and Social Services
- Southcentral Foundation
- Other stakeholders

Guided by a multi-sector action group

- Judges
- Foundations
- Health professionals
- Elected officials including Senator Ellis, Representative Hughes and Representative Herron

Recover Alaska

Active collaborations:

- Connecting Alaskans to help
- Funding media partnerships to increase general public's understanding of alcohol's broad impacts across Alaska
- Title 4 statute review
- Alaska Wellness Coalition: positive social norms campaign on underage drinking
- Efforts to increase awareness of the Adverse Childhood Experiences Study

Title 4

- Most of Title 4 has not been updated since 1980. The laws are outdated and confusing.
- A systematic review of Title 4 helps the board carry out its mission and will benefit communities and businesses.

Licensing Revisions

- Decrease the number of license types and simplifies the licensing system to achieve more consistent enforcement and adherence to state alcohol regulation.
- Update license fees to support the ABC budget; adjusts wholesale license fees and simplifies supplier reporting.
- Realign the system to better enforce population limits.
- Bring all licenses, endorsements and permits into one place in statute, removes redundant or unused types.

Role of the ABC Board Revisions

- Ensure the ABC board fairly represents the interests of all Alaskans and can lead in alcohol education, policy and control.
- Implement uniform police department reporting requirements; develop enforcement, education, and prevention plans directly connected to the matching funds.
- Allow data about alcohol purchases to be released (aggregated at the region or community level) for analysis and community self-assessment.
- Base the ABC budget on the activities and staffing needed to achieve the ABC's mission.
- Designate ABC board seats to ensure representation by: 1 public health, 1 public safety, 2 industry and 1 rural public member; include Director's background in filling the designations.

Underage Drinking Revisions

- Reform underage drinking sanctions so that **adults who supply minors with alcohol are held to greater accountability.**
- Reduce the penalty for a licensee, agent or employee selling alcohol to a minor (Sec. 04.16.052) from a class A misdemeanor to a minor offense violation.
- Require statewide keg registration.

Underage Drinking Revisions

- Reform underage drinking sanctions so that **minors do not become criminals for making one poor decision.**
- Clarify required sign language warning minors of the legal consequences of their entering licensed premises.
- Restore the minor consuming alcohol offense to a true violation.

Local Option Revisions

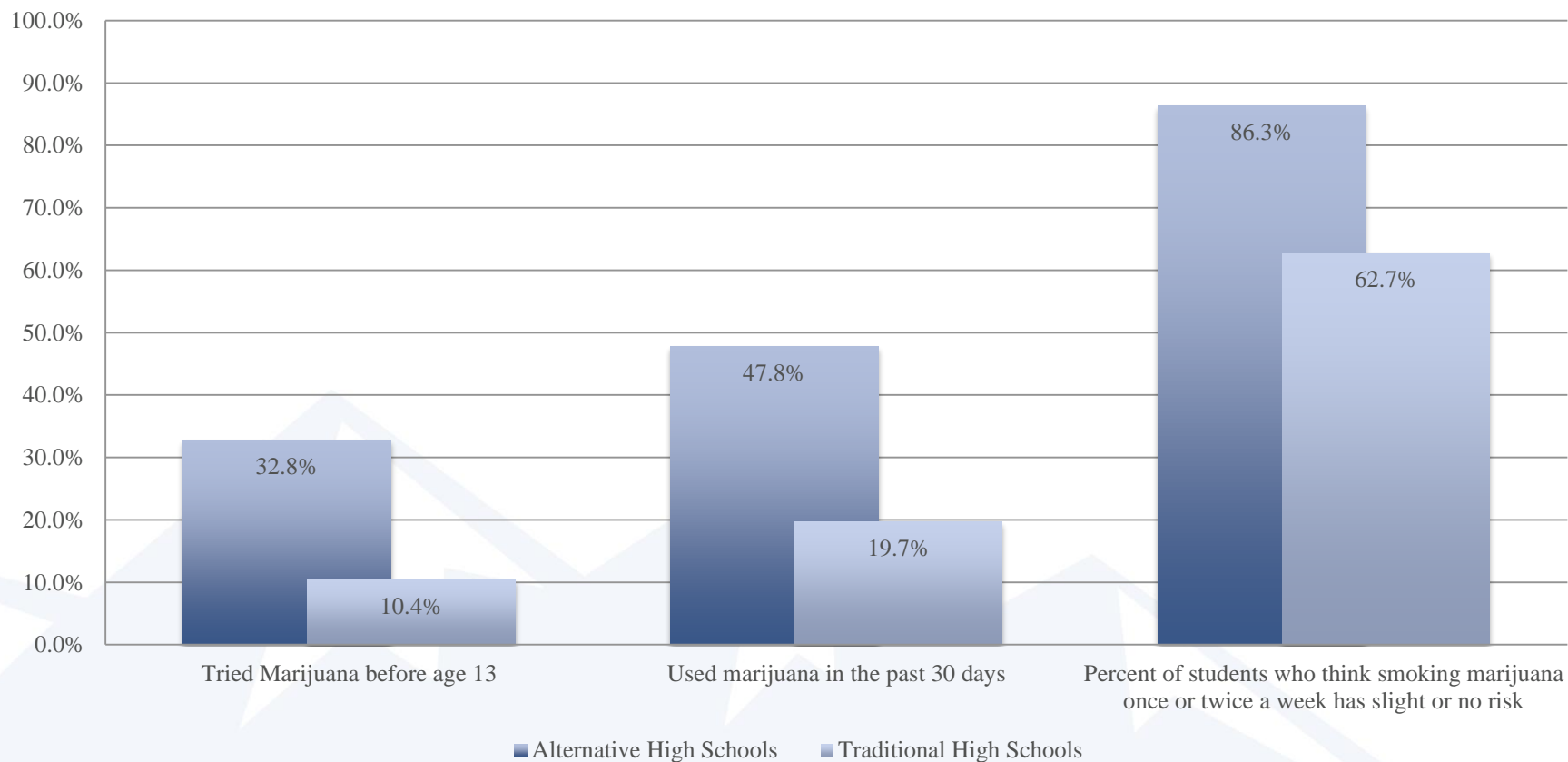
- Strengthen local option laws and the ability to enforce them.
- Repeal local option 4, which bans sale and importation of alcohol, but not possession.
- Increase ABC budget for dedicated Title 4 enforcement staff.
- Increase the local option boundary from a 5-mile radius to a 10-mile radius from the village center.
- Increase the misdemeanor-level fines for bootlegging and imposes additional unit fines per container of alcohol.
- Make possession of homebrew ingredients and/or equipment with intent to produce alcohol illegal in **all** local option communities.

Marijuana

- Addiction rate
 - 2012, 17% of individuals admitted to treatment reported marijuana as their primary substance of abuse (U.S.)
 - 2012, an estimated 2.7 million people 12 years of age and older met the DSM-IV criteria for dependence on marijuana
- Increased marijuana use during pregnancy
 - 6.1% of mothers in 2006
 - 7.8% of mothers in 2011
- Psychotic symptoms can occur at 3 to 7 times the rate among marijuana users versus those who do not use.

Impact on Beneficiaries

2013 Alaska YRBS Results snap shot



Lessons Learned in Colorado

■ **Data**

- Colorado wasn't measuring marijuana related data, this lack of baseline has led to an inability to understand the impacts of increased commercial marijuana

■ **Home grows are out of control**

- Non taxable, difficult to enforce, non regulated and hard to manage

■ **Edibles and concentrates**

- Dosage, THC content, portion control and packaging still continue to be difficult to manage
- Butane hash oil explosions and impacts to residential areas

■ **Advertising**

- State is being sued by local newspapers as they believe they have the right to advertise without government restrictions on their commercial free speech

■ **Local control**

- Majority of communities opted out of commercial sales (approx 212)
- Communities have opted out of grow operations and put more restrictions on businesses (locations, quantity)
- Local law enforcement needing training and funding

■ **Black market**

- Legalized commercial marijuana has not decreased the black market

Lessons Learned from Alcohol and Tobacco

- **Avoiding harms to others**
 - Indoor air
 - Driving and injury restrictions
- **Sales and marketing restrictions**
 - Time, place, manner
- **Price**
- **Use of tax revenue**
 - For prevention in youth and young adults
 - Harm reduction and cessation in adult users
- **Strong public health infrastructure**
 - State and local
 - Collaboration with NGO's
- **Strong public health messaging from trusted source**
- **Attention to vulnerable populations**

Recommendations

- **Inter-disciplinary task force**
 - Ensure the regulations are informed by a *comprehensive field of experts* with various backgrounds (public health, regulatory groups, industry, law enforcement, etc).
- **Data**
 - Make certain that the right data and metrics are being collected and funded
- **Regulations**
 - Start with strict regulations and then with time and data have the ability to adapt
- **Local option**
 - Ensure that communities understand their rights and abilities to exercise local controls
- **Licensing**
 - Staging of licenses
 - Potency limits
- **Edibles and concentrates**
 - Only consider through a preapproval process
- **Advertising**
 - Enforce strict advertising; unlimited and unregulated advertisement has a direct impact on youth use
- **Law enforcement**
 - Need training *now* on how to enforce new regulations
 - Effectiveness of enforcement happens at the local level
 - Regulations needed on levels while driving; using while driving

Fetal Alcohol Spectrum Disorders

- Alaska has the highest documented rate of FASD in the nation
- More than 129 children are born with FASD every year in Alaska
- Each child born with FASD costs the State between \$860,000 - \$4.2 million (birth to age 18)
 - 129 kids x \$4.2 million = \$541.8 million
- FASD is 100% preventable

FASD

-
- \$500.0 appropriation for media campaign to educate Alaskans
 - Prevention message vs intervention (not targeting women who battle addiction)

FASD

- There is a high level of knowledge that alcohol use during pregnancy is harmful to an unborn baby.
- But, many women receive **misinformation** about alcohol and pregnancy, including the consequences of alcohol use, **safe times to drink** during pregnancy and **safe amounts** or types of alcohol.

FASD Media Campaign

- *Increase understanding among Alaska women that:*
 - It is best to stop drinking before conception
 - It is safest not to drink any alcohol during pregnancy
 - There is no known safe time or amount to drink during pregnancy
 - Alcohol use during pregnancy can cause birth defects and brain damage

FASD Campaign Messaging

- *Campaign will encourage Alaska women aged 20 to 35 to ensure they are not pregnant before they drink alcohol or to abstain from alcohol if they are not sure of their pregnancy status in order to prevent occurrences of FASD.*

FASD Media Campaign

- Tactics to include:
 - Video
 - TV
 - Radio
 - Online
 - Social media
 - Out-of-home
- Campaign will launch in March

FASD Prevention

Investing in FASD prevention now will save the state money and most importantly reduce the number of families dealing with the heartbreaking effects of FASD.

Thank you for your support in eradicating FASD in Alaska.

Thank You

Trust

Alaska Mental Health
Trust Authority

