RESULTS FOR ALASKANS

VISION
ALASKA INDIVIDUALS, FAMILIES AND COMMUNITIES ARE SAFE AND HEALTHY

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

Health & Social Services | Division of Behavioral Health Overview

Randall Burns | Director

Linda Brazak | Administrative Operations Manager

Behavioral Health

January 31, 2017

FY2018 Behavioral Health Overview

- **Mission**: Manage an integrated and comprehensive behavioral health system based on sound policy, effective practices, and partnerships.
- **369 Positions: 343** PFT /**26**Non-Perm
- API's 246 PFT / 5 NP staff account for 68% of the Division's staff positions
- **$134,237.4** - FY2018 Operating Total Budget Request, including $60,186.4 in UGF
- Total FY2016 Treatment service population: **28,652**
- Total FY2016 Prevention service population: **18,775**

	Allocation and/or Program	Funding (in thousands)	# of Employees	# of Alaskans Served	% Cost through Fees	Rating of Importance to Mission	Rating of Effectiveness	Constitution Requirement	Federally Required	Required by Statute
5	**Behavioral Health (483)**	**$134,237.4:** **$60,186.4 UGF** **$27,120.3 DGF** **$15,803.0 Fed** **$31,127.7 Other**	**369**							
6	Behavioral Health Treatment and Recovery Grants (3099)	$63,787.4: $33,836.9 UGF $20,937.7 DGF $ 7,020.5 Fed $ 1,992.3 Other	-	21,852	0.00%	Critical	1	No	Federal Block Grant Management and Maintenance of Efforts (MOE)	47.30.011 - 061, Alaska Mental Health Trust Authority 47.30.470 - 500, Alcoholism and Drug Abuse 47.30.520 - 620, Community Mental Health Services Act 47.30.655 - 915, State Mental Health Policy 47.37, Uniform Alcoholism and Intoxication Treatment Act
7	Alcohol Safety Action Program (ASAP) (305)	$5,185.1: $1,859.7 UGF $1,010.8 DGF $ 597.1 Fed $1,717.5 Other	**28**	5,335	9.85%	Critical	1	No	Federal Block Grant Management and MOE (Tobacco Enforcement)	28.35.030, Operating a vehicle, aircraft, or watercraft while under the influence of an alcoholic beverage, inhalant, or controlled substance 47.30.011 - 061, Alaska Mental Health Trust Authority 47.30.470 - 500, Alcoholism and Drug Abuse 47.37, Uniform Alcoholism and Intoxication Treatment Act
8	Behavioral Health Administration (2665)	$10,795.7 $6,834.2 UGF $ 985.0 DGF $2,348.9 Fed $ 627.6 Other	**81**	44,036	1.72%	Critical	2	No	Federal Block Grant Management and MOE Oversight	44.29.020, Duties of department 44.29.210 - 230, Alcoholism and Drug Abuse Revolving Loan Fund 47.30.011 - 061, Alaska Mental Health Trust Authority 47.30.470 - 500, Alcoholism and Drug Abuse 47.30.520 - 620, Community Mental Health Services Act 47.30.655 - 915, State Mental Health Policy 47.37, Uniform Alcoholism and Intoxication Treatment Act
9	Behavioral Health Prevention and Early Intervention Grants (3098)	$11,936.1: $2,105.3 UGF $4,186.8 DGF $5,469.0 Fed $ 175.0 Other	-	13,440	0.00%	Critical	1	No	Federal Block Grant Management and MOE Oversight	28.35.030, Operating a vehicle, aircraft or watercraft while under the influence of an alcoholic beverage, inhalant, or controlled substance 47.30.011 - 061, Alaska Mental Health Trust Authority 47.30.470 - 500, Alcoholism and Drug Abuse 47.37, Uniform Alcoholism and Intoxication Treatment Act
10	Designated Evaluation and Treatment (1014)	$3,794.8: $3,794.8 UGF	-	1,423	0.00%	Critical	1	Yes	Yes	18.65.400 - 490, Security Guards 47.07.030, Medical services to be offered 47.07.040, State plan for provision of medical assistance 47.07.073, Uniform accounting, budgeting and reporting 47.30.011 - 061, Alaska Mental Health Trust Authority 47.30.520 - 620, Community Mental Health Services Act 47.30.655 - 915, State Mental Health Policy
11	Alaska Psychiatric Institute (311)	$33,250.2: $ 7,147.3 UGF $26,102.9 Other	**251**	1,493	22.22%	Critical	2	Yes	Yes	08.64, Medicine 08.68, Nursing 08.84, Physical Therapists and Occupational Therapists 08.86, Psychologists and Psychological Associates 08.95, Clinical Social Workers 12.47, Insanity and Competency to Stand Trial 18.20, Hospitals and Nursing Facilities 18.70, Fire Protection 47.30.655 - 915, State Mental Health Policy
12	Alaska Mental Health Board and Advisory Board on Alcohol and Drug Abuse (2801)	$1,050.7: $438.0 UGF $100.3 Fed $512.4 Other	**6**	All Alaskans	0.00%	Critical	1	No	Federal Block Grant	44.29.100 - 140, Advisory Board on Alcoholism and Drug Abuse 47.30.470(8), Powers and duties of the department 47.30.530(a)(9), Duties of department 47.30.661 - 669, Alaska Mental Health Board 47.37, Uniform Alcoholism and Intoxication Treatment Act
13	Suicide Prevention Council (2651)	$654.5: $654.5 UGF	**1**	All Alaskans	0.00%	Critical	1	No	No	44.29.300 - 390, Statewide Suicide Prevention Council
14	Residential Child Care (253)	$3,782.9: $3,515.7 UGF $ 267.2 Fed	**2**	493	0.00%	Critical	2	Yes	Yes	47.05.010, Duties of department 47.10, Children in Need of Aid 47.17, Child Protection 47.30, Mental Health 47.40, Purchase of Services

FY2018 Governor's Operating Budget Decrements ($4,499.1)UGF

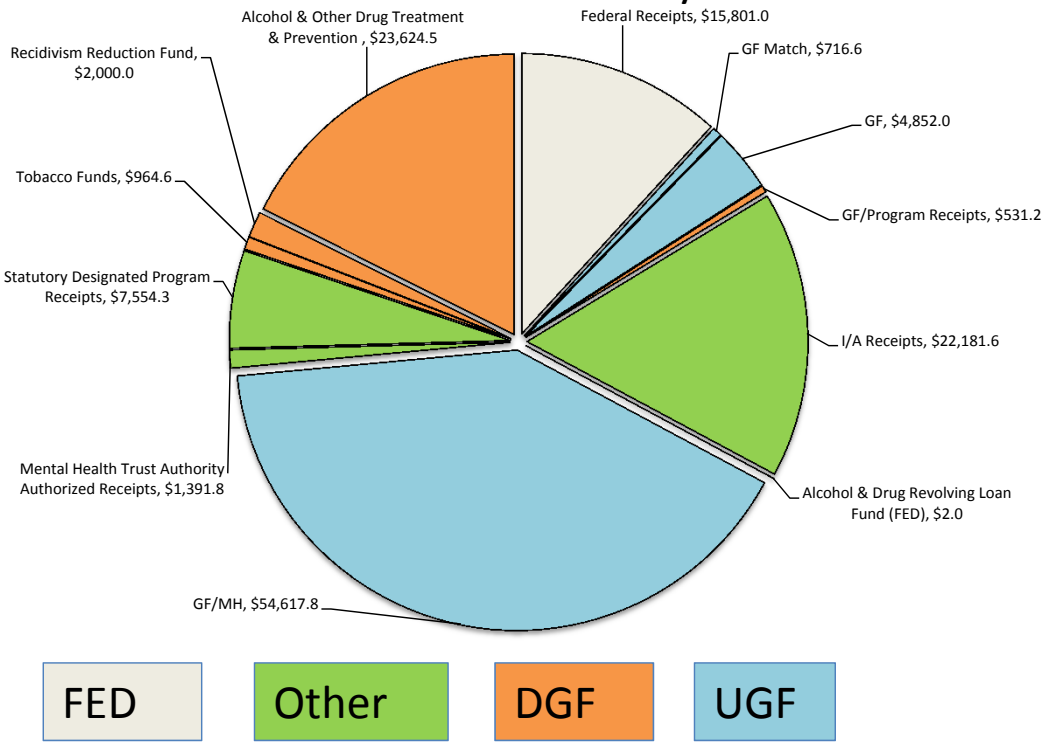
Behavioral Health Treatment and Recovery Grants	($3,000.0)	UGF	Due to Medicaid Expansion
Behavioral Health Prevention & Early Intervention Grants	($306.3)	UGF	Reduce Unexpended Grant Authority
Alaska Mental Health Board and Advisory Board on Alcohol and Drug Abuse	($48.7)	UGF	Personal Services & Travel Authority
Designated Evaluation & Treatment	($862.9)	UGF	Due to Medicaid Expansion
Residential Child Care	($281.2)	UGF	Due to Declining Provider Participation

FY2018 Governor's Operating Budget Increments $4,000.0

Behavioral Health Treatment and Recovery Grants	$2,185.0	DGF/FED	**$1,000.0** in FED Authority for new SAMHSA Grant Award **$185.0** due to Increased Substance Abuse Prevention & Treatment, and Community Mental Health Services, Block Grant Funds **$1,000.0** in DGF for Second Year Omnibus Crime Bill (SB 91)
Alcohol Safety Action Program	$280.0	FED	**$280.0** in FED Authority due to Increase in Federal funds in the Substance Abuse Prevention & Treatment Block Grant
Behavioral Health Prevention & Early Intervention Grants	$1,405.0	FED	**$1,000.0** in FED Authority for new SAMHSA Grant Award **$405.0** in FED Authority due to Increased Substance Abuse Prevention & Treatment, and Community Mental Health Services, Block Grant Funds
Behavioral Health Administration	$130.0	FED	**$130.0** in FED Authority in Personnel Services

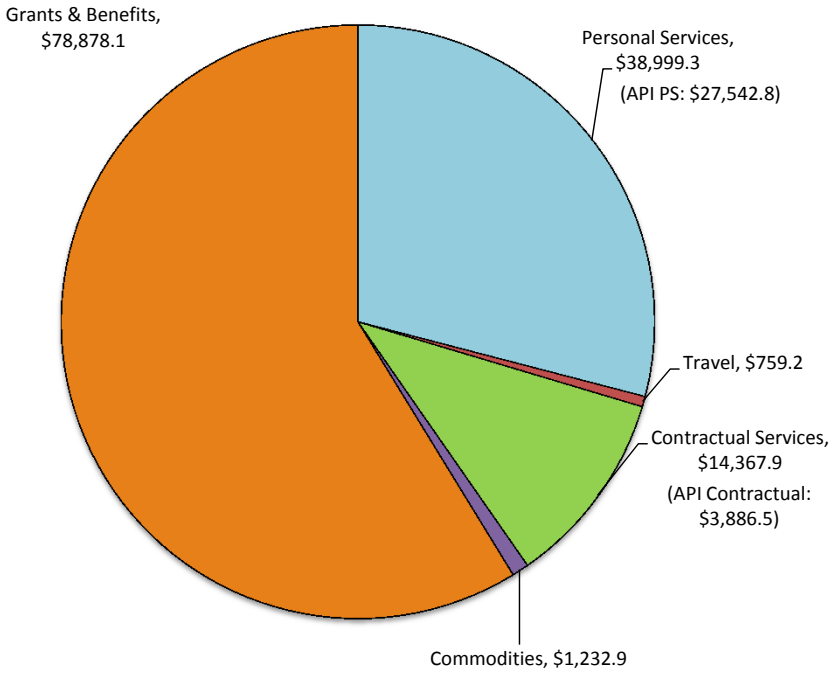
FY2018 Governor's Budget

Revenue Authority



FED | Other | DGF | UGF

Expenditure Authority

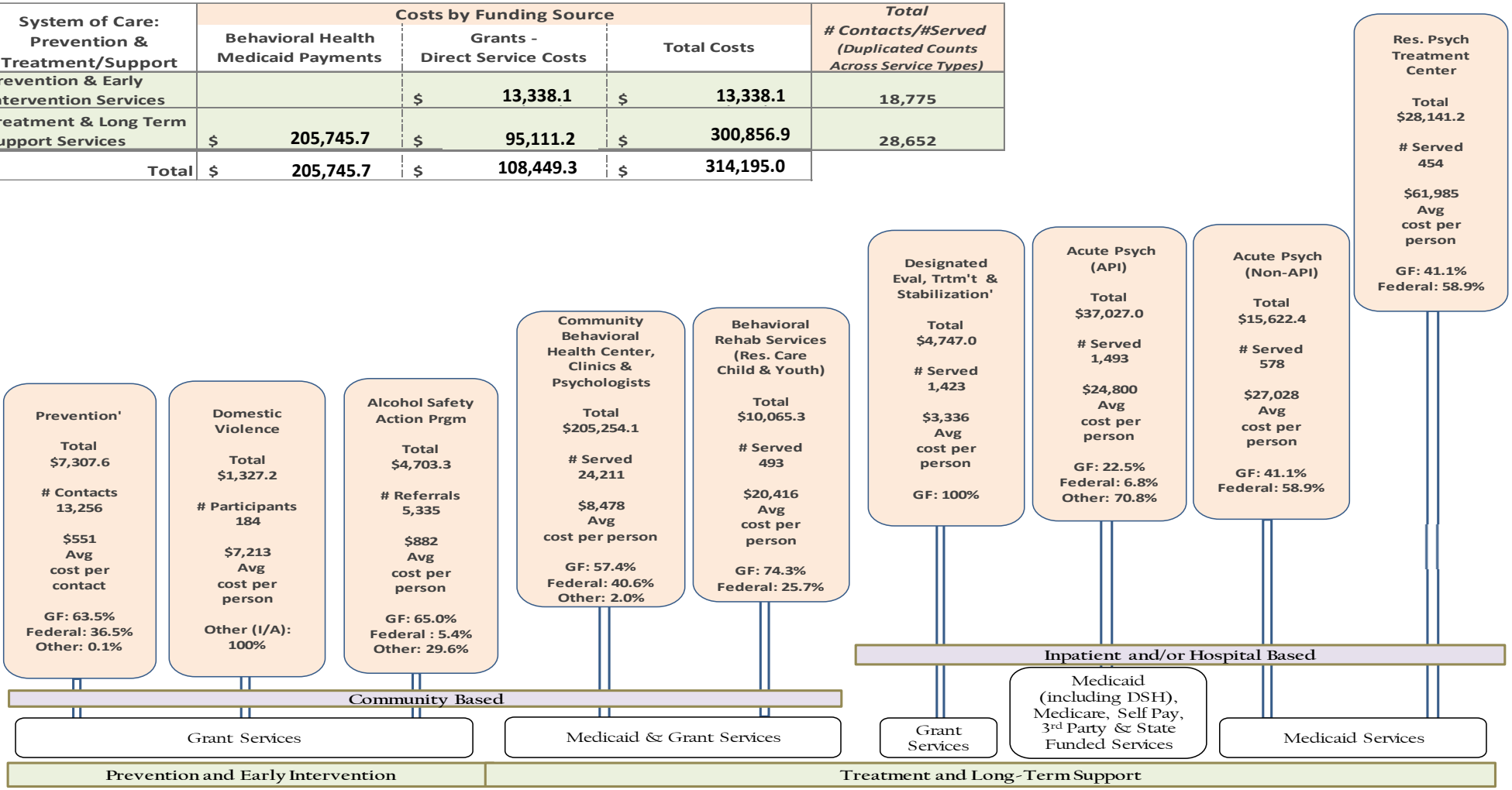


Continuum of Care FY2016 Actuals

Behavioral Health System of Care

SFY 2016 Costs by Funding Source and Average Cost per Person by Service Type

System of Care: Prevention & Treatment/Support	Costs by Funding Source: Behavioral Health Medicaid Payments	Grants - Direct Service Costs	Total Costs	*Total # Contacts/#Served (Duplicated Counts Across Service Types)*
Prevention & Early Intervention Services		$ 13,338.1	$ 13,338.1	18,775
Treatment & Long Term Support Services	$ 205,745.7	$ 95,111.2	$ 300,856.9	28,652
Total	$ 205,745.7	$ 108,449.3	$ 314,195.0	



FFY 2017 Federal Behavioral Health Grant Awards

- **Substance Abuse and Mental Health Services Administration (SAMHSA) Block Grants**
  - **Mental Health** — **$1,071.2**
  - **Substance Abuse Prevention and Treatment** — **$5,889.1**
    ($1,120.7 to Methadone Programs)

- **Strategic Prevention Framework – Partnerships for Success (SAMHSA)**
  - **Opioid Prevention (5 years)** — **$1,648.2**

- **Alaska Partnership to Improve Outcomes for Adolescents and Families (SAMHSA)** — **$949.9**

- **Projects for Assistance in Transition from Homelessness (SAMHSA)** — **$300.0**
- **Alaska's Project Hope - Naloxone Distribution (SAMHSA - 5 years)** *NEW* — **$1,000.0**

- **Expanding Medication Assisted Treatment (MAT) Alternatives to Address Prescription And Opioid Addiction** *NEW*
  - **MAT Grant (SAMHSA - 3 years)** — **$1,000.0**

NEW SAMHSA Grants for DHSS

Medication-Assisted Treatment Prescription Drug and Opioid Addiction (MAT-PDOA) Grant Program

MAT-PDOA is a three-year grant program to address the opioid misuse and addiction problem in this country.

MAT-PDOA provides funding to states to:

- Enhance or expand their treatment service systems to increase access to MAT by building capacity
- Provide MAT and recovery services that are accessible, effective, comprehensive, coordinated, and evidence-based
- Target populations include people with opioid use disorders who are seeking or receiving MAT, with a particular focus on racial, ethnic, sexual, and gender-identity minority groups. Examples of some of these populations include pregnant and parenting women, people in the criminal justice system, veterans, and rural communities.

As a result of the program, SAMHSA expects to:

- Increase the number of admissions for MAT
- Increase the number of clients receiving integrated care and treatment
- Decrease illicit opioid drug use at six-month follow-up
- Decrease the use of prescription opioids in a non-prescribed manner at six-month follow-up

Grants to Prevent Prescription Drug/Opioid Overdose-Related Deaths

The purpose of this program is to reduce the number of prescription drug/opioid overdose-related deaths and adverse events among individuals 18 years of age and older by training first responders and other key community sectors on the prevention of prescription drug/opioid overdose-related deaths and implementing secondary prevention strategies, including the purchase and distribution of naloxone to first responders.

FY2017 State Substance Use Disorder Grants $6,000.0 in New Funds

- The Department received a total of $6,000.0 in Legislative funding to support new substance use disorder treatment programs in Alaska. The $6,000.0 can be spread over a three year period, beginning in FY2017 and ending in FY2019.
- The grants awarded to **the Tanana Chiefs Conference and Central Peninsula General Hospital** provide $500.0 for the remainder of FY2017, to be used in accordance with agency proposals to pay for start-up and initial operational costs, with the intent to continue the award at $1,000.0 each in FY2018 and FY2019 to support continued operations of the programs.
- The third grant, awarded to **Set Free Alaska, Inc.** will provide $250.0 for the remainder of FY2017, to be used in accordance with their proposal to pay for start-up and initial operational costs, and then $375.0 in FY2018 and FY2019 to support continued operations of the program.

Recidivism Reduction Services Funded with SB91 Dollars

The Division of Behavioral Health received **$1.0 million in SB 91 funding, to support, enhance and expand the states community reentry center and community reentry coalitions**.

Currently Alaska has one full-service Reentry Center located in Anchorage and four (4) funded community reentry coalitions.

New funding was allocated in the following way:

- **$250.0 added to a current Division of Behavioral Health contract with Partners Reentry Center in Anchorage;**
- **$750.0 being awarded through a competitive Request for Proposal (RFP) for community reentry coalitions**. The RFP was divided into 3-tiers: current coalitions, developing coalitions and emerging coalitions:
  - Enhancement and case management expansion for current reentry coalitions awarded to Fairbanks [Interior Alaska Center for Non-Violent Living], Juneau [National Council on Alcoholism & Drug Abuse], Mat-Su [Valley Charities, Inc.] and Anchorage [Neighborhood Housing Services];
  - Development grant for one community reentry coalition in Kenai/Soldotna [Bridges Community Resource Network]; and
  - Emerging grant for the community of Nome [Norton Sound Health Corporation], just beginning the development of a community reentry coalition.

Assessing the Current State of the Behavioral Health System of Care

1. **The Psychiatric Emergency Response System Issues:**
   - Alaska Psychiatric Institute (API)
   - Designated Evaluation & Treatment (DET)
   - Transportation
   - Forensic Evaluations
   - API Feasibility Study
2. **Grant Reformation:**
   - Responding to Grant Reductions through Medicaid Expansion
3. **Working to Cure the Gaps in Service:**
   - The 1115 Demonstration Waiver Application to Centers for Medicare & Medicaid Services (CMS)
   - Teams
   - Concept Paper
   - Administrative Services Organizations (ASO) and Readiness Assessments

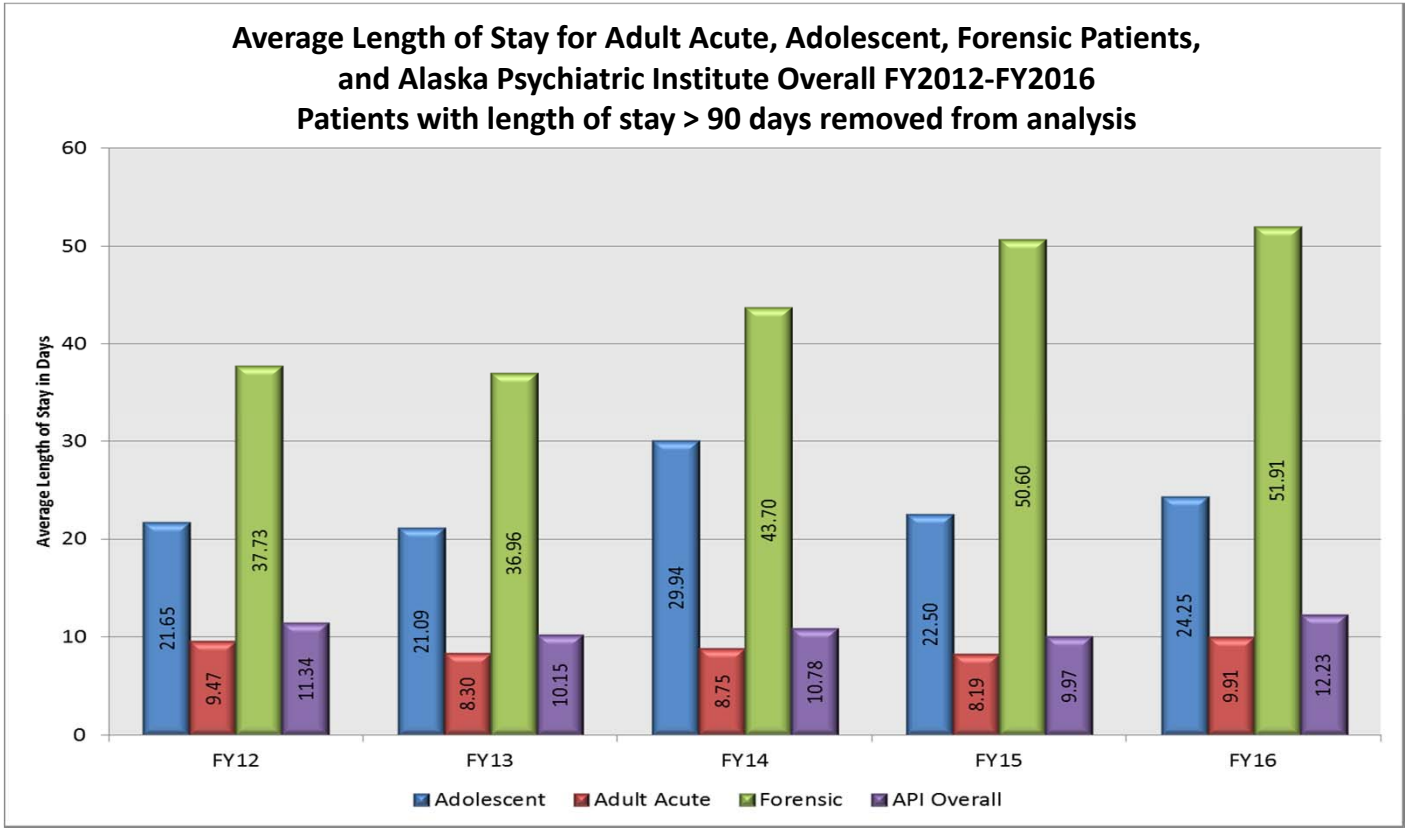
1. The Current Vulnerable State of Psychiatric Emergency Response and Care in Alaska

Here are the current stakeholders in the "system":

- Local community emergency response staff (Emergency Medical Technician, Police, Village Public Safety Officers)
- Community BH centers and larger Community Health Centers (primary care)
- Psychiatric Emergency Services (PES) Grants from the Division
- Local detention centers (including jails)
- Local Community Hospitals
- Local Courts (probate masters/magistrates and superior court judges)
- Designated Evaluation & Treatment hospitals
  - Bartlett Regional Hospital (12 bed Mental Health unit)
  - Fairbanks Memorial Hospital (20 bed Mental Health unit)
- Alaska Psychiatric Institute (API)

This fragile response system stumbles when Alaska Psychiatric Institute – the treatment facility of last resort – is at capacity.

Alaska Psychiatric Institute Census Pressure Impacts: Short Average Lengths of Stay

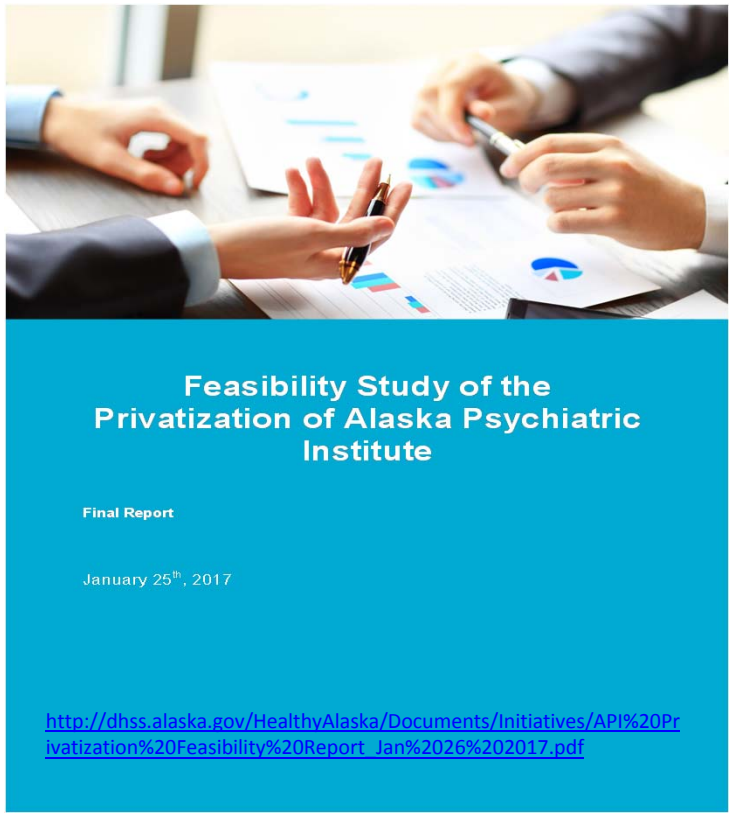


Alaska Psychiatric Institute Census Pressure Impacts:

- Secure Transport of Court-Ordered Psychiatric Emergency Patients

- Forensic Evaluation Issues Facing Alaska

The Alaska Psychiatric Institute Feasibility Study



Privatization Option	Feasibility	Findings and Recommendations
1: Full Privatization	👎	Cost-benefit analysis revealed that, even after significant staff reduction, when all transition costs, contract monitoring costs, and provider margins are considered, this option proves to be more expensive to the state over a likely 5-year contract period. The additional staff reductions needed for budget neutrality would likely diminish the quality of service delivery.
2: Joint Operating Agreement	👎	As a variation of full privatization, this option failed to generate cost savings for the same reasons.
3: State Management	👍	Cost-benefit analysis showed that implementing greater efficiencies in administrative functions and nursing staffing patterns could deliver the greatest amount of cost savings of all the options.
4a: Communication Center	👍	While this option involves relatively few hospital personnel, expected changes to compensation and the need for fewer staff under a private contractor would yield the highest percentage of savings for any of the options. These services could also be supplied by a viable marketplace of competing vendors.
4b: Facility and Material Management	👍	This option involves roughly a tenth of hospital personnel and appears to deliver only modest cost savings. However, like security services, these maintenance and environmental services can be readily procured from a viable marketplace of vendors.
4c: Psychiatric and Medical Services	👎	Unlike many categories of hospital staff, levels for psychiatric and medical staff are not typically reduced under privatization, nor is their compensation significantly decreased. In many cases, private entities will increase compensation to better support recruitment and retention of these scarce personnel. While these changes may improve service delivery, they do not yield cost savings. Aside from the potential for increased cost, PCG also cautions against privatizing these services due to concerns over a lack of clear providers, aside from locum tenens agencies.
4d: Nursing Services	✋	From a fiscal perspective, nursing services are a potentially fruitful area for privatization, due to the fact that nursing staff make up 58% of all API personnel, with the greatest potential for savings through staff reductions and changes to benefits and compensation levels. While cost-benefit analysis showed that modest staff reductions—and associated cost savings—could be achieved without diminishing service delivery, it is not clear that a private provider could significantly lower overall compensation levels for nursing personnel without affecting recruitment and retention. Nor is it clear that a robust marketplace for these services exists in Alaska. Many of the identified improvements in nursing services could also be implemented under current state management.
4e: Comprehensive Outsourcing	👎	Cost-benefit analysis revealed that this option failed to produce cost savings, making it infeasible on fiscal grounds. The higher cost was due largely to expense of privatizing psychiatric services.

2. Grant Reformation – How Grant Reductions are Impacting Providers

- $5,800.0 reduction to its $61,000.0 Comprehensive Behavioral Health Treatment and Recovery budget component for FY2017 (equal to an overall 9.5% reduction to that component).
- This reduction reflects the State's efforts to begin shifting from a reliance on grants funded by General Fund (GF) dollars to program funding via Medicaid dollars. The total reduction was made applying the following two scenarios:
- The first was a ***proportional reduction to all eligible grants***, with the intent of maintaining continuity of services and applying a consistent allocation formula to the majority of grants funded by the Treatment and Recovery component.
- The second was ***an additional reduction*** to those behavioral health agencies that were able to benefit from access to new revenue via Medicaid Expansion payments received between September, 2015 and the end of May, 2016.

3. Working to Cure the Gaps in Service

- Our focus is on Behavioral Health System Reform and Redesign
- The Alaska effort was, from the first, described as a "Behavioral Health Access Initiative"
- From the Medicaid Reform and System Reform perspectives, the reasons are clear:
  - For the economy – the need to reduce General Fund expenditures (including grants to Behavioral Health providers) and manage Medicaid costs.
  - For the consumer – Alaska's high rates of suicide, drug and alcohol consumption, the current opioid crisis, the incarceration of persons with behavioral health diagnoses, the rates of adverse childhood experiences, and increasing concerns around the homeless – all call for a less fragmented, less crisis-driven system of care and the need for more access to a broader range of mental health and Substance Use Disorder treatment and support options.

It Takes a Village for the 1115

- Six 1115 Waiver Teams Have Been Created with a total of 96 Members:
  - Benefit Design: 20 members
  - Cost: 20 members
  - Data: 13 members
  - Quality: 17 members
  - Writing: 9 members
  - Policy: 17 members

Behavioral Health Reform – The Goals for a Transformed Behavioral Health System of Care

- Expand Treatment Capacity and Improve Access to Services
- Integration of Care (between primary care and behavioral health and between and across the behavioral health and intellectual and developmental disabilities systems, as well)
- Cost and Outcomes of Reform
- Provider Payment and Accountability Reform
- Delivery System Reform

A Lot is Riding on Plans for the 1115 Behavioral Health Demonstration Waiver

- What the Department of Health and Social Services Expects from a Transformed Behavioral Health System of Care
- The Strategies the Department of Health and Social Services will Deploy in its Transformational Efforts
- A Key Component: the Administrative Service Organization (ASO) and the Readiness Assessments

A Key Component of the Redesign is the Administrative Service Organization

- As a part of its BH System reform, DHSS intends to contract with an Administrative Services Organization (ASO)
- Administrative Services Organizations are private (generally for-profit), third party organizations with special expertise in (behavioral) health systems management with whom a state contracts in order to obtain the specified administrative services – and Medicaid costs savings – identified by the state as necessary to manage the state's system of care on its behalf.
- Primary Functions of an Administrative Services Organization:
  - Provider utilization management
  - Provider network management
  - Management of service quality and outcomes
  - Data management
  - Claims processing
  - Member (client/patient) enrollment services

Alaska Opioid Policy Task Force

- Final Recommendations Issued January 19, 2017
- 23 Members of the Task Force and 3 Staff, including Dr. Jay Butler, Chief Medical Officer, Department of Health and Social Services , and Erin Narus, State Medicaid Pharmacist, Department of Health and Social Services
- The recommendations were derived from information provided to task force members by Alaskan and national experts, public comment at task force meetings and other forums around the state, input from local community heroin/opioid coalitions, research and evidence.
- The recommendations are organized according to a public health framework promoted by the Association of State and Territorial Health Officials.

The Framework for the Task Force's Recommendations

- Environmental Controls and Social Determinants of Health
- Chronic Disease Screening, Treatment, and Management
- Harm Reduction
- Recovery
- Collaboration

Thank You!

QUESTIONS?