

Legislative Presentation House Finance Committee

January 26, 2017



Mission: Improve the lives of beneficiaries

Trust Duties

- Enhance and protect the trust
- Provide leadership in advocacy, planning, implementing, and funding of a Comprehensive Integrated Mental Health Program
- Propose a budget for the Comprehensive Integrated Mental Health Program
- Coordinate with state agencies on programs and services that affect beneficiaries
- Report to the Legislature, the governor and the public about the Trust's activities

TRUSTEES

- Russ Webb, chair
- Mary Jane Michael, vice chair
- Larry Norene, secretary
- Laraine Derr
- Paula Easley
- Jerome Selby
- Carlton Smith



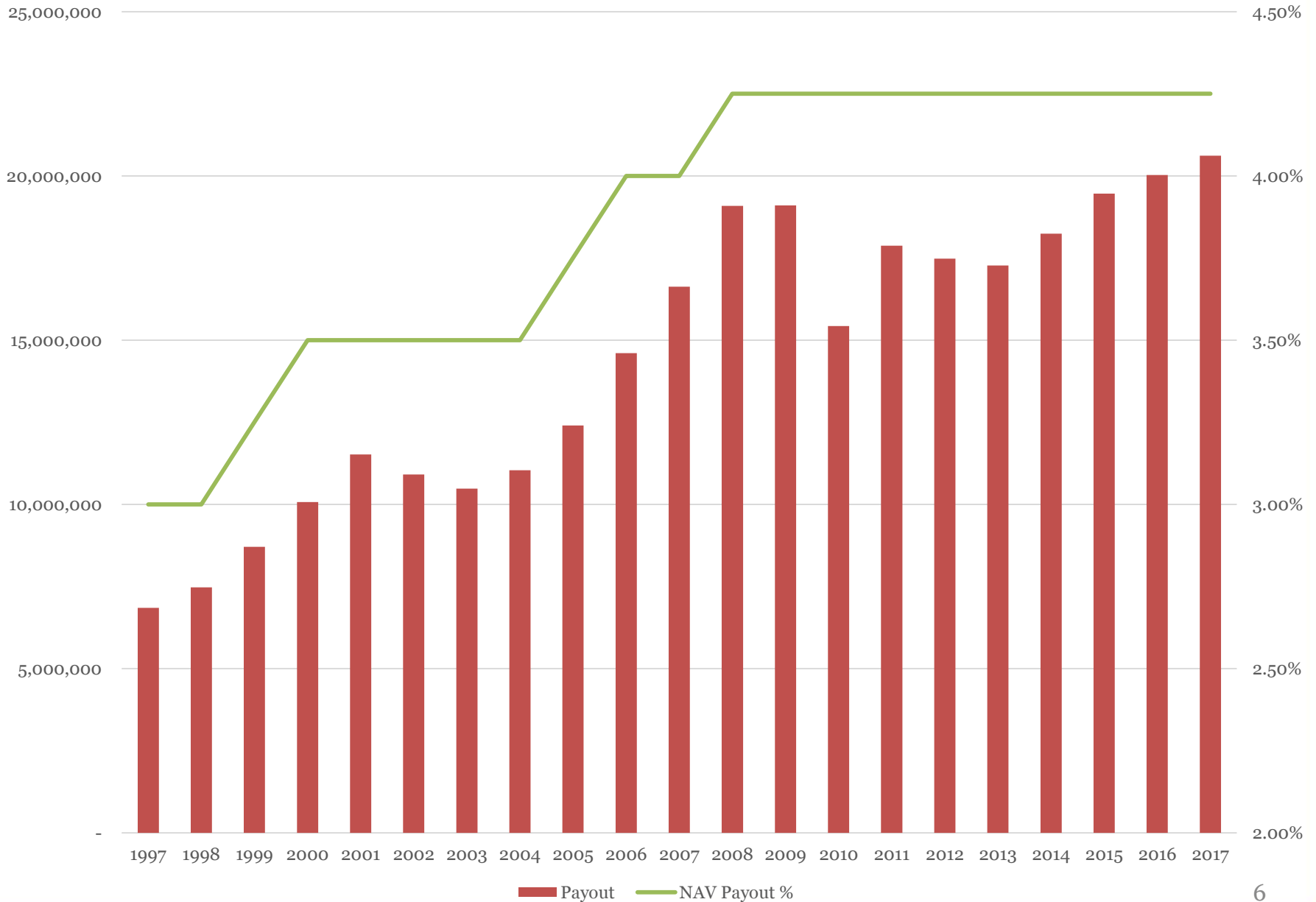


RECENT UPDATES

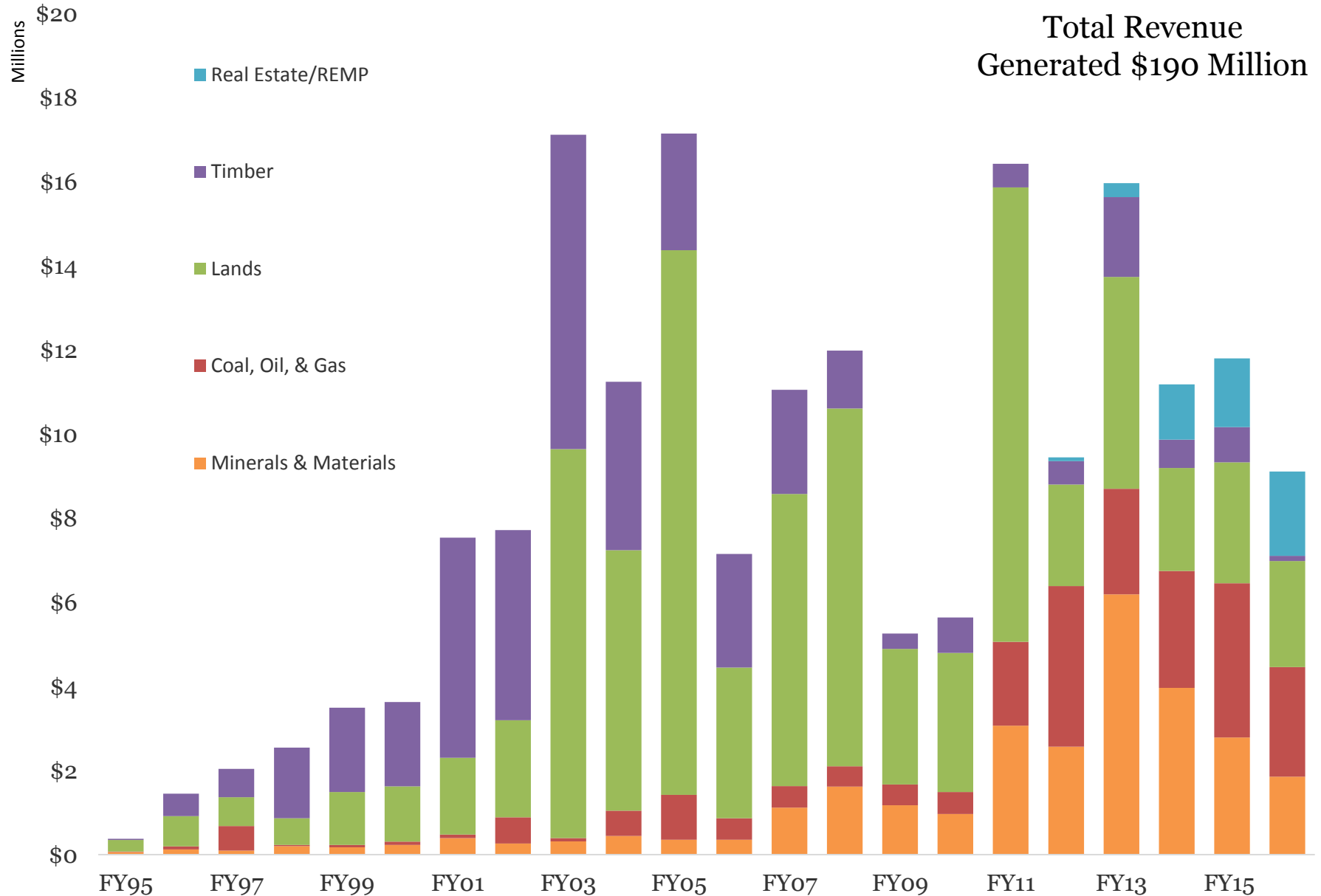
- Leadership Change
 - Greg Jones, Interim CEO
- Legislative Audit

FY18 BUDGET

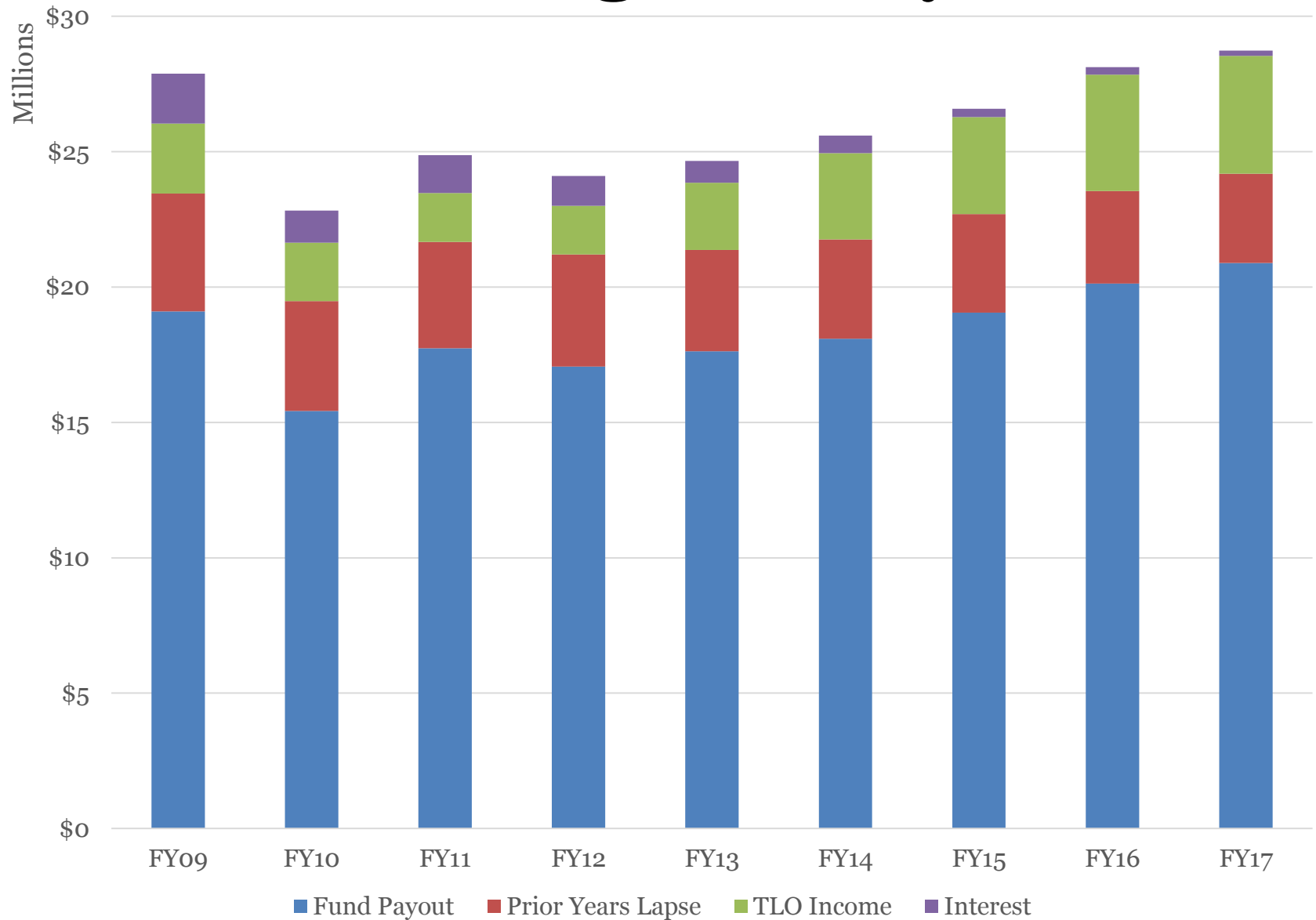
Permanent Fund Payout History



Trust Land Office Annual Revenue



Funding History



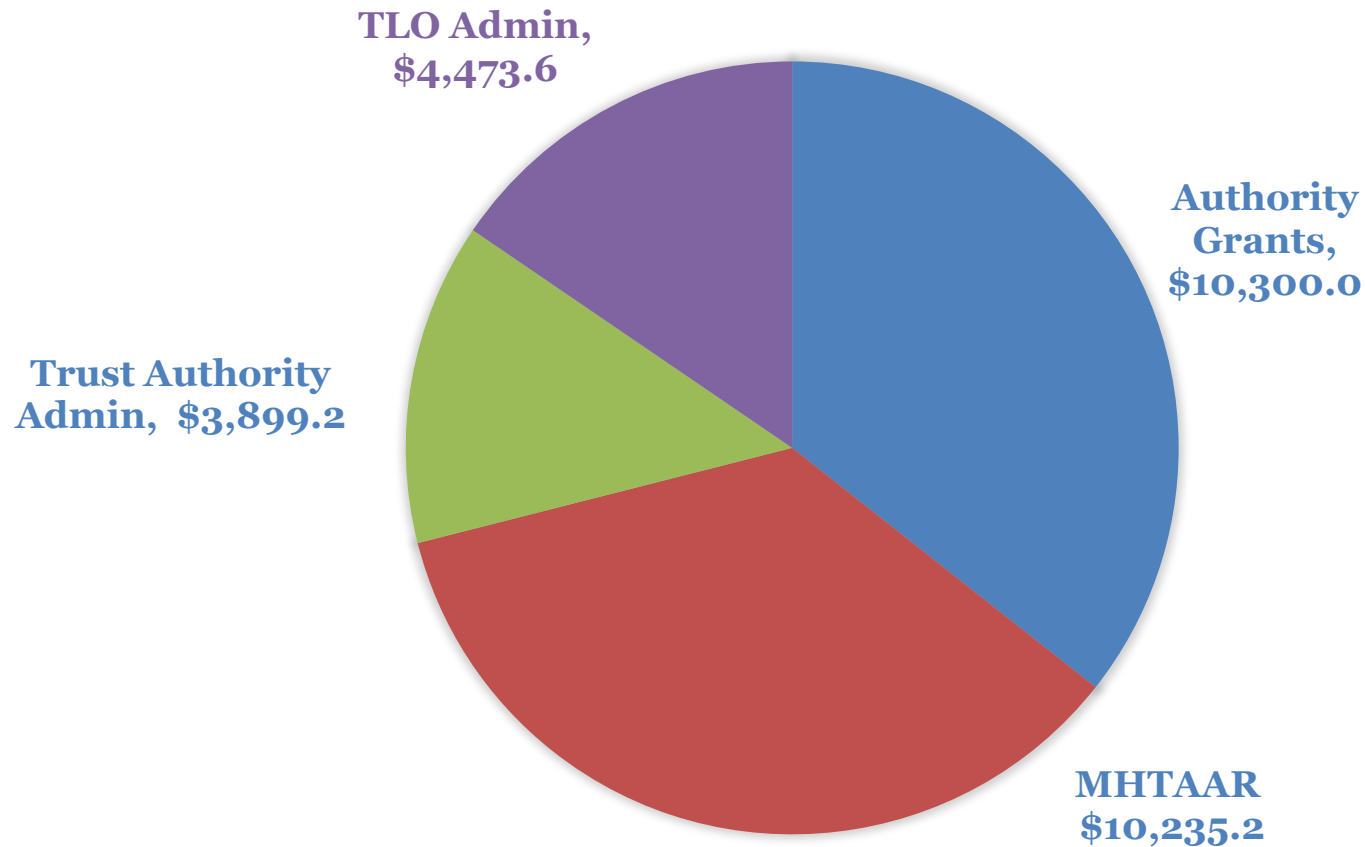
FY18 Anticipated Available Funding

Distributable Funds

Payout	\$21,067,000
Prior Years Average Lapse	\$3,042,000
Land Office Average Spendable Income	\$4,534,000
Interest Average	\$283,000
Total	\$28,926,000

FY18 Budget

in millions



Trust Beneficiaries

Approximate Number of Trust Beneficiaries	
Mental Illness	34,000
Developmental Disabilities	13,000
Chronic Alcoholism/Substance-Related Disorders	20,000
Alzheimer's Disease and Related Dementias	6,000
Traumatic Brain Injury	12,000



Mental Health Budget Bill

1. General Fund/Mental Health
2. Capital Budget
3. Mental Health Trust Authority
Authorized Receipts (MHTAAR)

General Fund/Mental Health Base

- Amount is established by identifying the mental health services funded within the state's GF budget
- These funds are designated as GF/MH
- Final budget from the previous fiscal year establishes the base

Capital Budget

- Separate MH appropriation bill includes portion of the state's capital budget that funds mental health projects
- Includes funds for both operating and construction to provide housing for Trust beneficiaries

Mental Health Trust Authority Authorized Receipts - MHTAAR

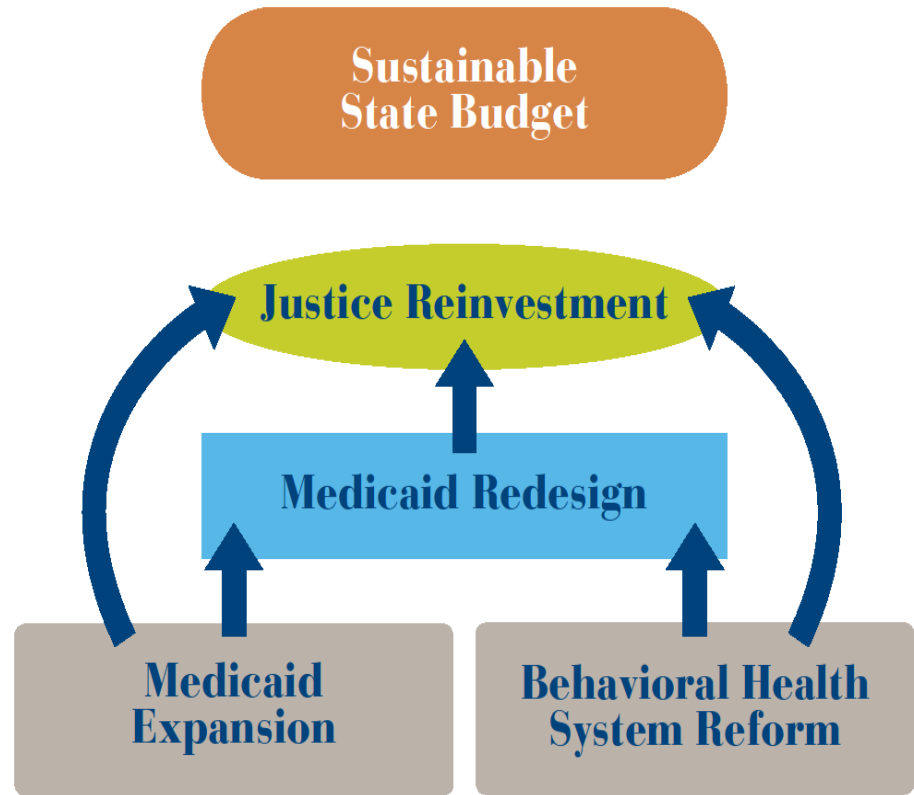
- Trustees authorize state agencies to spend Trust funds for specific operating and capital projects
- State agencies must have legislative approval to receive and expend Trust funds

Established Focus Areas

1. Disability Justice
2. Substance Abuse Prevention & Treatment
3. Beneficiary Employment & Engagement
4. Housing and Long-term Services & Supports

Current Priorities

1. **Medicaid Redesign**
2. **Justice Reinvestment**



Multi-prong approach: expanding and redesigning Medicaid and reforming the behavioral health system are the foundation to successful criminal justice reform.

Legislative Priorities

- Criminal Justice Reform + Reinvestment
 - Medicaid Reform Efforts
 - Alcohol Excise Tax
 - Title 4 Revisions
-
- Forest Service Land Exchange – Trust Land Office

Criminal Justice Reform + Reinvestment

- Continue efforts to ensure the successful diversion and re-entry of beneficiaries
- Committed nearly \$4 million in FY18 for community prevention, diversion and re-entry programs
- Support Criminal Justice Commission recommendations

Medicaid Reform efforts

- Approved nearly \$10 million on reform efforts over three years
- Advocating for maintaining same optional services that the state currently provides which allows beneficiaries to remain in their community and often at a lower cost of care
- Build flexibility into programs to accommodate potential federal funding changes

Alcohol Excise Tax

- Increased alcohol excise tax generates much needed revenue which could be used to fund programs that reduce the negative impacts of alcohol abuse and state general fund costs for the consequences

Title 4

- Multi-year effort to rewrite Title 4 statute
- Balance the interests of alcohol industry, public health and public safety

Forest Service Land Exchange

- Equal value land exchange that better positions Trust's timber assets in locations that support a viable Southeast timber industry
- Exchanges approximately 18,000 acres of Trust land for 20,000 acres of USFS land
- Prevents timber asset devaluation and provides increased future revenues
- Federal legislation (S.131 & H.R.513)
- State legislation to be introduced this year

FY18 Operating Increments

	MHTAAR	GF/MH
Alaska Justice Information Center		
Trustees Proposed	225.0	150.0
Governor Proposed	225.0	150.0
IT Application/Telehealth Service System Improvements		
Trustees Proposed	100.0	100.0
Governor Proposed	100.0	100.0

FY18 Capital

	MHTAAR	GF & GF/MH	AHFC
Home Modifications and Upgrades to Retain Housing			
Trustees Proposed	300.0	750.0	0
Governor Proposed	300.0	500.0	250.0
Homeless Assistance Project			
Trustees Proposed	950.0	850.0	6,350.0
Governor Proposed	950.0	4205.7	2644.3
Special Needs Housing Grant			
Trustees Proposed	200.0	1,750.0	1,750.0
Governor Proposed	200.0	0	1,500.0
Coordinated Transportation			
Trustees Proposed	300.0	1,000.0	0
Governor Proposed	300.0	0	0
Medical Appliances Assistive Technology			
Trustees Proposed	0	500.0	0
Governor Proposed	0	0	0
Deferred Maintenance			
Trustees Proposed	250.0	250.0	0
Governor Proposed	250.0	0	0

FY18 Mental Health Budget Bill Increments

OPERATING TOTALS	MHTAAR	GF/MH
Trustees Proposed	8,235.2	250.0
Governor Proposed	8,235.2	250.0

CAPITAL PROJECT TOTALS	MHTAAR	GF & GF/MH	AHFC
Trustees Proposed	2,000.0	5,100.0	8,100.0
Governor Proposed	2,000.0	4,705.7	4,394.3

ADMINISTRATIVE COSTS	MHT - ADMIN	MHTAAR	GF/MH
AMHTA - Trustees Proposed	3,889.2	0	0
AMHTA - Governor Proposed	3,782.2	0	0
TLO - Trustees Proposed	0	4,473.6	0
TLO - Governor Proposed	0	4,418.9	0

Thank You

