

State of Alaska FY2021 Governor's Operating Budget

Department of Health and Social Services

Department of Health and Social Services

Mission

To promote and protect the health and well-being of Alaskans. AS 47.05.101

Priority 1. Health & Wellness Across the Lifespan

Priority 2. Health Care Access, Delivery & Value

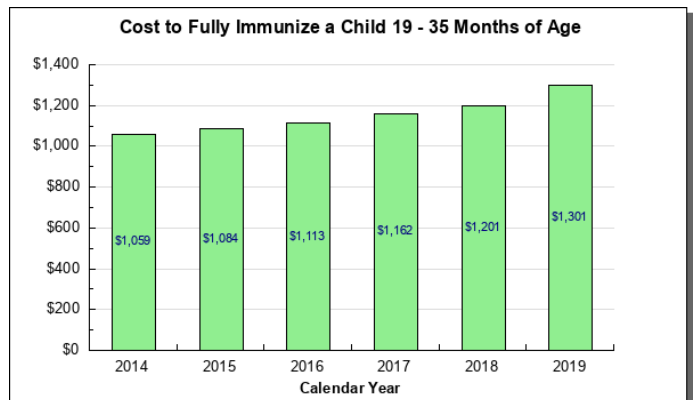
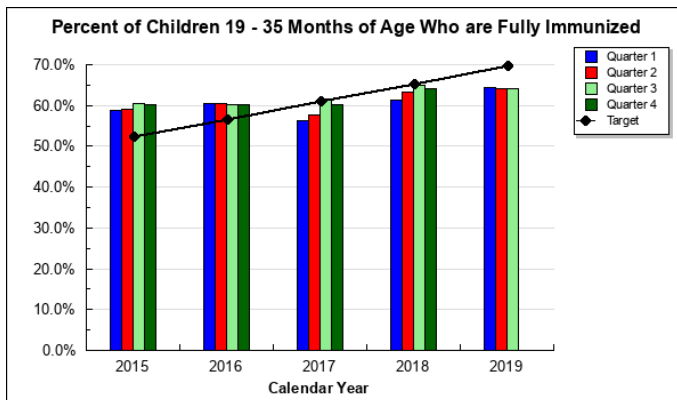
Priority 3. Safe & Responsible Individuals, Families & Communities

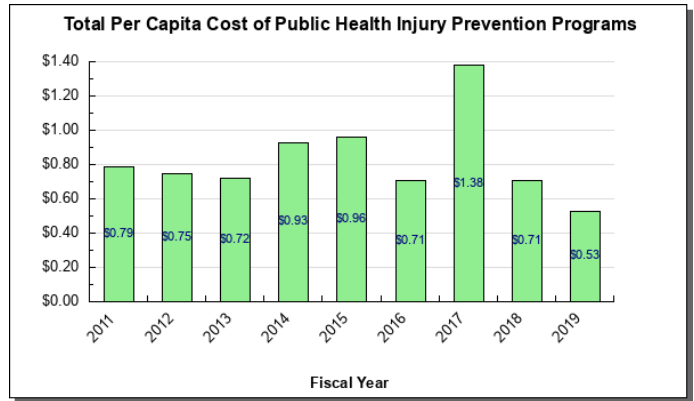
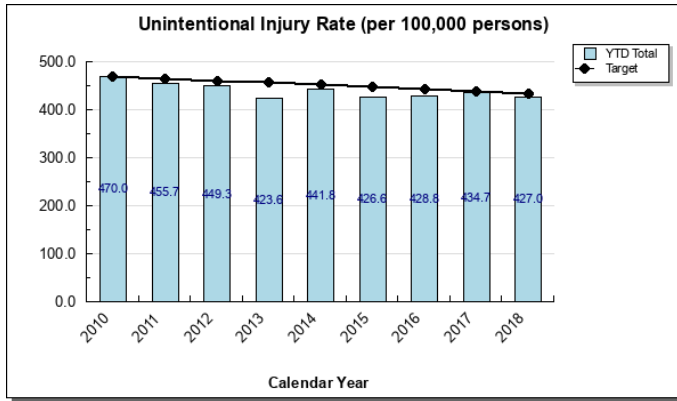
	Core Services (in priority order)	UGF	DGF	Other	Fed	Total	PFT	PPT	NP	% GF
1	Protect and promote the health of Alaskans.	483,572.6	40,173.8	59,811.0	1,226,059.4	1,809,616.7	987.0	2.2	29.7	49.5%
2	Provide quality of life in a safe living environment for Alaskans.	128,673.7	14,940.2	34,558.0	175,426.1	353,598.0	721.0	9.2	17.3	13.6%
3	Manage health care coverage for Alaskans in need.	60,193.6	7,824.1	12,959.1	159,861.3	240,838.1	154.2	5.3	6.4	6.4%
4	Facilitate access to affordable health care for Alaskans.	56,386.3	2,384.5	4,115.1	152,421.5	215,307.4	84.6	0.4	0.7	5.6%
5	Strengthen Alaska families.	75,489.1	6,537.4	20,003.0	57,650.4	159,679.9	443.3	6.3	7.5	7.8%
6	Protect vulnerable Alaskans.	133,834.8	14,261.7	30,905.2	105,883.8	284,885.5	897.5	8.8	13.9	14.0%
7	Promote personal responsibility and accountable decisions by Alaskans.	32,956.3	608.2	3,100.3	13,816.1	50,480.9	226.5	0.7	4.6	3.2%
	FY2020 Management Plan	971,106.4	86,729.9	165,451.7	1,891,118.7	3,114,406.7	3,514.0	33.0	80.0	

Measures by Core Service

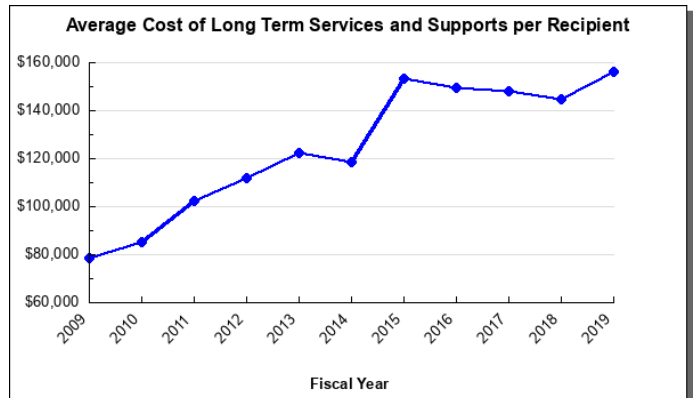
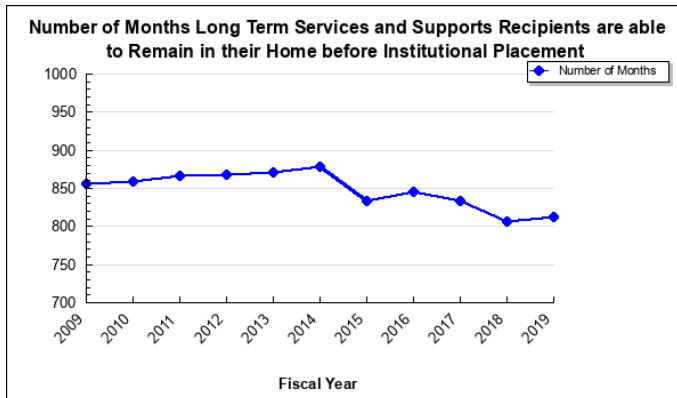
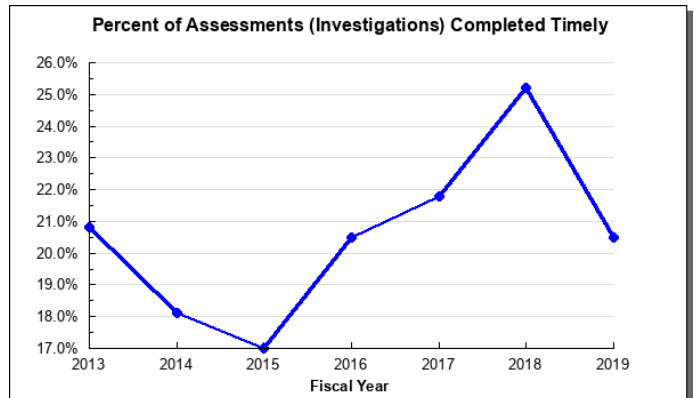
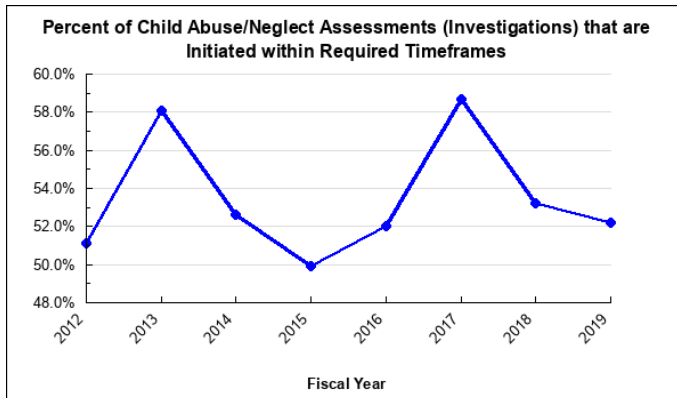
(Additional performance information is available on the web at <https://omb.alaska.gov/results>.)

1. Protect and promote the health of Alaskans.

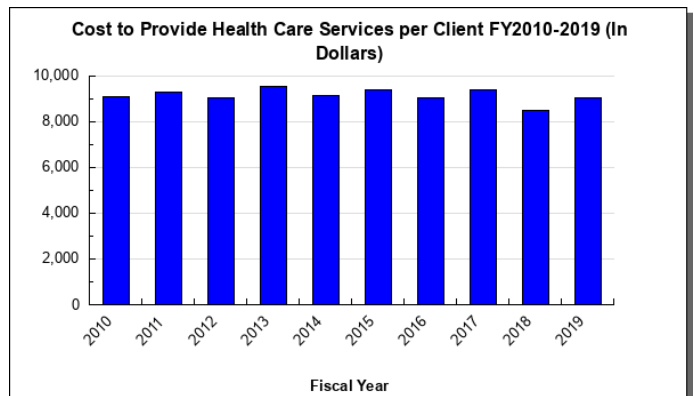
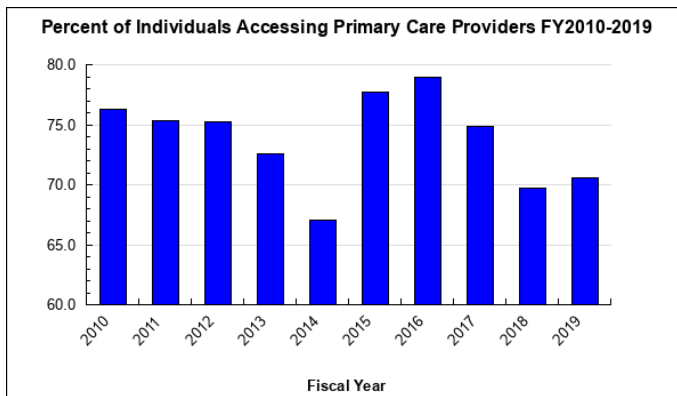




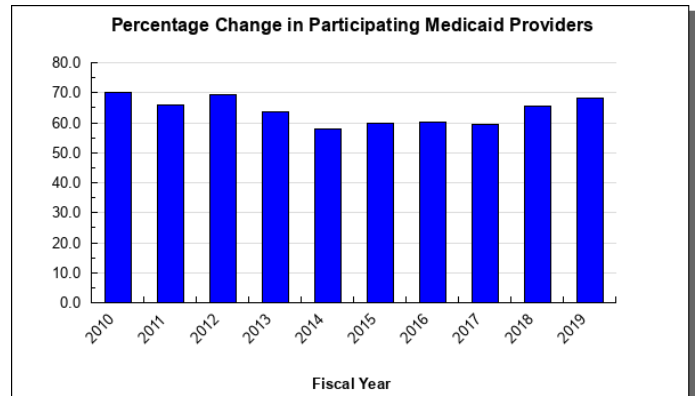
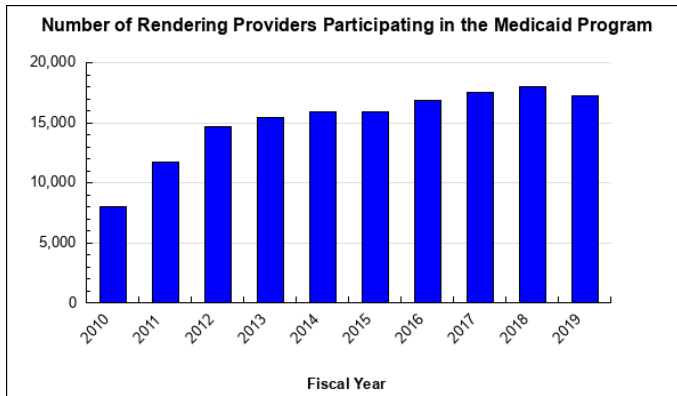
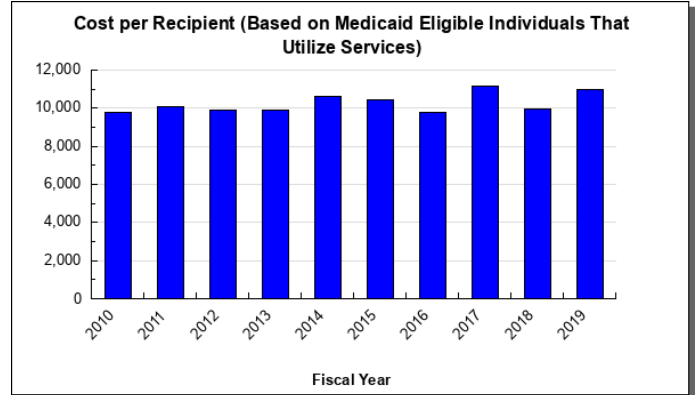
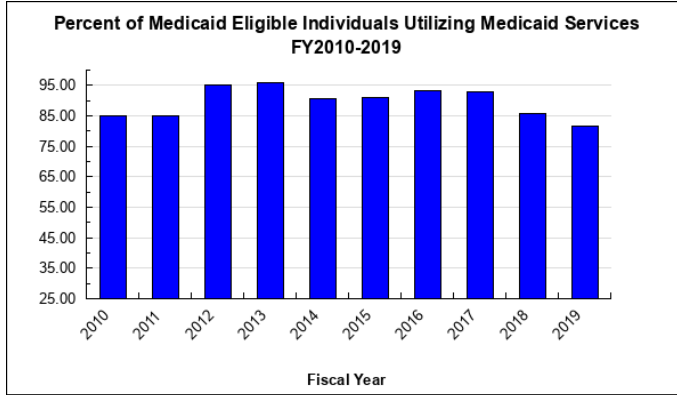
2. Provide quality of life in a safe living environment for Alaskans.



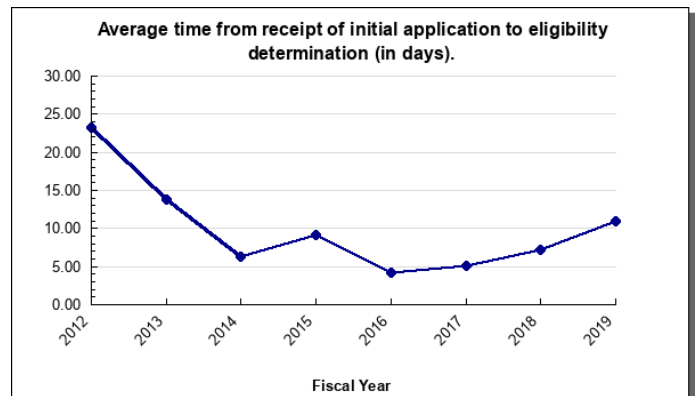
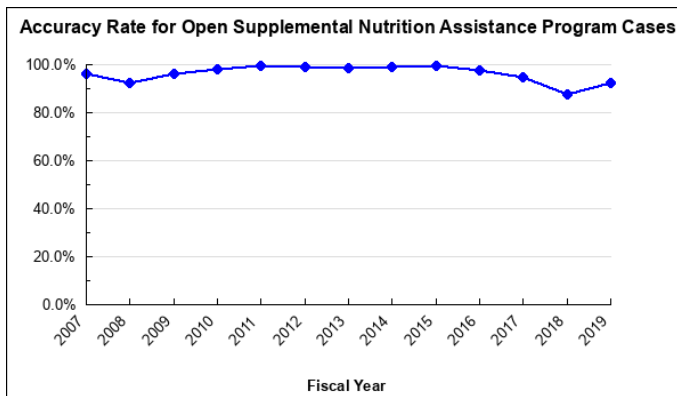
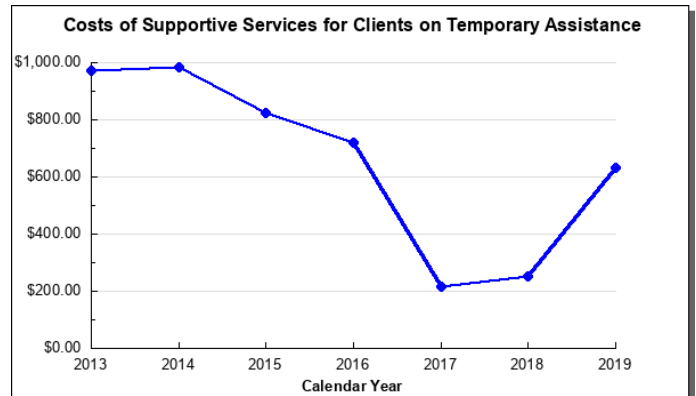
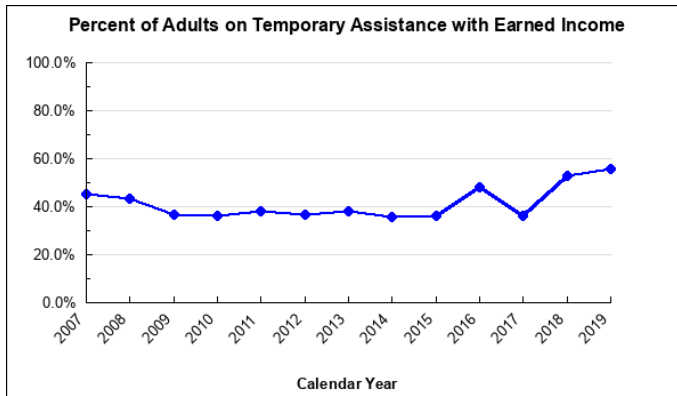
3. Manage health care coverage for Alaskans in need.



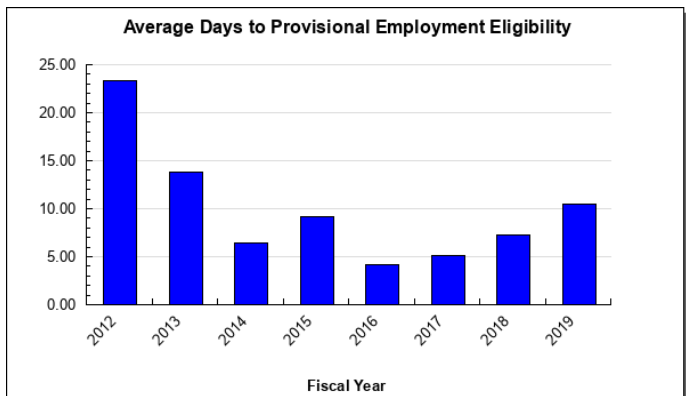
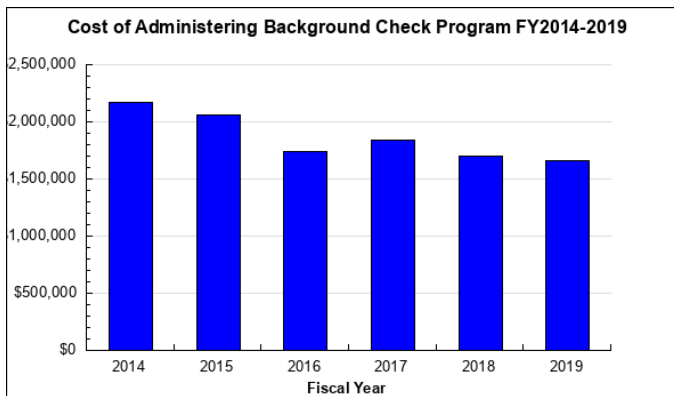
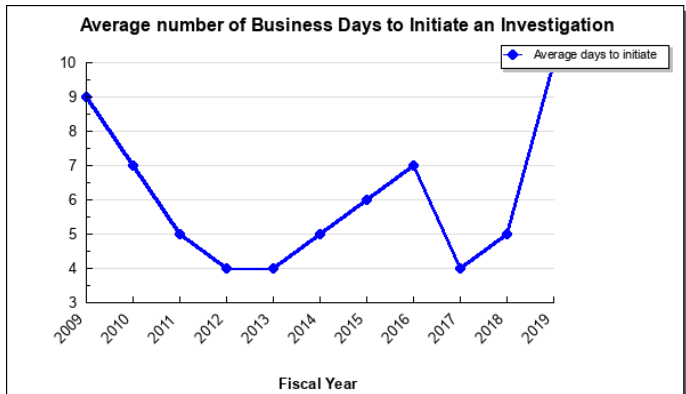
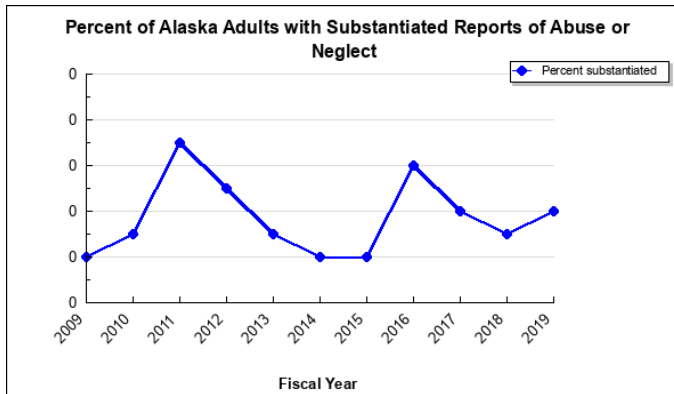
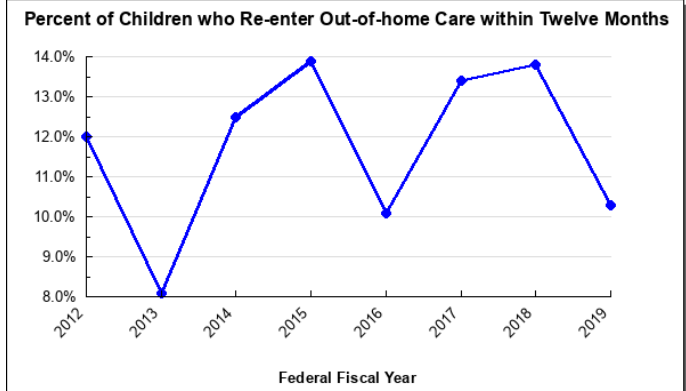
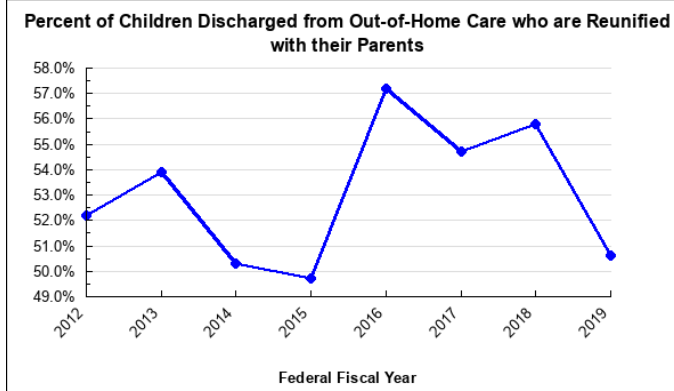
4. Facilitate access to affordable health care for Alaskans.



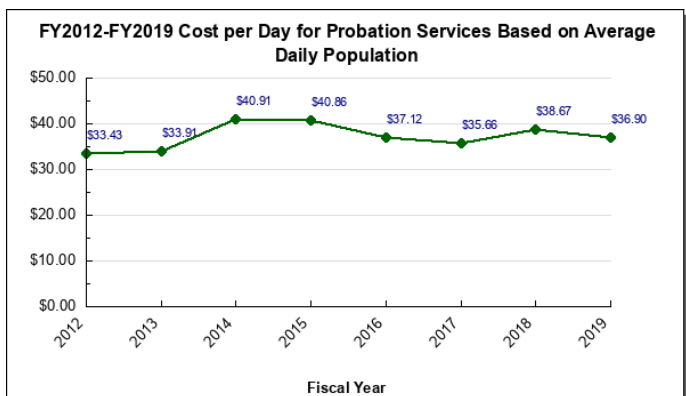
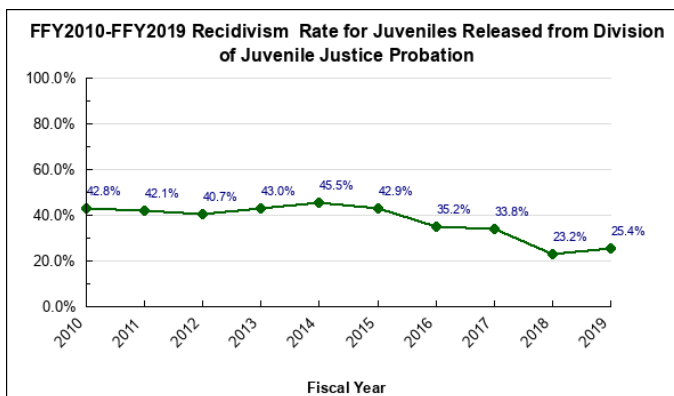
5. Strengthen Alaska families.



6. Protect vulnerable Alaskans.



7. Promote personal responsibility and accountable decisions by Alaskans.





Major Department Accomplishments in 2019

- Conducted a feasibility study on hospitality services (which include, laundry, janitorial, and food services) within the Pioneer Homes which demonstrated a potential for significant cost savings if privatized.
- Proposed regulations to Title 7 of the Alaska Administrative Code increasing quality and service levels while also increasing levels from three to five to better serve Alaska's elderly.
 - Included rate adjustments to align rates with the actual cost of services; as well as adding a new payment assistance program.
- Successfully transitioned billing for elders into the division's electronic health record platform, PointClickCare.
- The Alaska Psychiatric Institute (API) passed a Centers for Medicare & Medicaid Services (CMS) survey which rescinded a termination action; CMS now considers API to be in good standing with federal requirements.
- Centers for Medicare & Medicaid Services restored Alaska Psychiatric Institute's deemed status through Joint Commission and removed the facility from the State Survey Agency Jurisdiction.
- The Alaska Psychiatric Institute received full state license renewal to continue to operate an 80 bed facility and recently increased capacity from 19 to 46.
- Restructured the Alaska Psychiatric Institute as its own division with the department with its own appropriation and allocation to gain efficiencies and effectiveness while continuing to build capacity in all operational areas.
- The Alaska Psychiatric Institute improved staff morale and developed workforce placement and retention strategies.
- A key priority for the department was the completion and submission of the 1115 Waiver Demonstration Project. This groundbreaking project will allow increased flexibility within Medicaid to maximize assistance for Alaskans experiencing serious behavioral health issues while staying cost neutral.
 - The department received approval for the Substance Use Disorder (SUD) portion of the 1115 waiver in November 2018, service implementation followed in July 2019.
 - Leveraged additional federal resources for FY2019-2020 to improve treatment access and outcomes for individuals with substance use disorder (SUD) in Alaska.
- The department completed the proposal evaluation process for an Administrative Service Organization (ASO) contract. The ASO will work with the division in implementing and managing the 1115 Waiver to improve coordination of 1115 Waiver services, provide workforce development support, manage cost, and achieve efficiencies in the delivery of services.
- The Office of Children's Services increased foster care placements with relatives.
- The Office of Children's Services expanded opportunities for foster care youth transitioning to adulthood.
- The Office of Children's Services enhanced staff training and workforce development strategies.
- The Division of Juvenile Justice improved conditions and rehabilitation services through Performance Based Standards in expanded trauma and resiliency screening project to four secure facilities.
- All Juvenile Justice (DJJ) facilities are certified as compliant with the Prison Rape Elimination Act (PREA).
- Successfully implemented the Trauma Informed Effective Reinforcement System (TIERS) reducing incidents of aggression and self-harm resulting in fewer restraints in the girls Detention and Treatment Units at McLaughlin Youth Center; due to positive results it will be expanded to the Fairbanks Youth Facility. In addition, the Trauma and Resiliency Screening tool is being implemented at all DJJ facilities to assist staff in identifying youth trauma and resiliency and incorporating this information into case planning and activities.
- Reduced Public Assistance applications backlog from approximately 24,000 to less than 2,000.

- Improved processing timeframes for Medicaid and SNAP cases.
- The department made substantial progress in implementing a document management system to create efficiencies and resolve several audit findings.
- The department made substantial progress in resolving several items identified in a Corrective Action Plan to reauthorize the Child Care Development Block Grant.
- Isolated Alaska's single measles case preventing a public health crisis.
- Promptly responded to the 2018 Anchorage earthquake by activating the DHSS emergency operations center within three hours to provide critical information statewide.
- Implemented a comprehensive Marijuana Use Prevention, Education, and Treatment Program.
- Passed legislation reauthorizing the Alaska Vaccine Assessment Program.
- Developed a Statewide Opioid Action Plan in coordination with the Alaska Opioid Policy Task Force.
- The Division of Senior and Disabilities Services conducted 243 quality assurance investigations and substantiated 69 allegations.
- The Division of Senior and Disabilities Services completed 358 telehealth assessments.
- The Division of Senior and Disabilities Services served approximately 36,300 individuals through Senior Community Based programs.
- The Adult Protective Services General Relief/Temporary Assisted Living program served 809 clients; received 6,373 reports of harm and investigated 2,138 of these reports.
- Decreased FY2019 Medicaid general fund expenditures by 7.3 percent.
- Implemented the Community First Choice 1915 (k) state plan option that includes an additional 6 percent federal assistance.

The Department of Health and Social Services continues to make progress towards the following overall objectives:

- Integrate and coordinate services
- Strategically leverage technology
- Implement sound policy
- Practice fiscal responsibility
- Measure and improve performance

Key Department Challenges

Some of the Department's challenges include:

- Although health care jobs are the fastest growing occupational sector of this decade, the department is challenged to attract and retain highly skilled professionals statewide.
 - Within the Division of Public Health, this especially affects scientists and highly skilled professionals in the public health labs, public health nursing, and epidemiology, leaving critical positions vacant and reducing the capacity to positively affect public health for Alaskans.
 - The Alaska Psychiatric Institute struggles to attract and retain skilled professionals to provide level of care and increase bed census to an 80 bed capacity.
 - The sensitive nature of work performed within the department is demanding, tense and stressful; staff work with the most vulnerable people, from infants to seniors; finding and retaining staff to work under these conditions is difficult.
 - The number one challenge facing the Office of Children's Services is staff retention. Staff vacancies affect the department's ability to meet state and federal requirements for family contact, worker visits with children, and worker visits with parents. Those three requirements alone directly correlate to the likelihood of a family being successful or a child being reunified or achieving permanency in a timely fashion.
 - Recruiting qualified applicants for facilities, probation, and support positions throughout Division of Juvenile Justice continues to be a challenge. This challenge extends to rural facilities, probation offices and leadership positions.
 - Providing timely, accurate, and effective service delivery for needy Alaskans with existing staff resources despite a steady growth in applications for assistance, growing number of households and individuals qualifying for public assistance, and changes to federal program policies continues to challenge the department.
- Alaska has the fastest growing senior population in the nation for the past five years.
 - People age 60+ are the fastest growing demographic in the state. People are living longer, and many are

active; however, the numbers of seniors with dementia, chronic health conditions, and behavioral health needs are also increasing proportionately. This results in the increased need for long-term care services and increased waiting lists for nutrition, transportation and support services.

- Finding psychiatric services and geriatric psychiatric residential care facilities for residents that have behavioral health needs or complex dementia-related behaviors beyond the scope that the Pioneer Homes can manage.
- Assuring intra-departmental and inter-departmental activities are planned and executed in a manner that considers both short and long-term results to maximize federal and other non-state revenues.

Significant Changes in Results to be Delivered in FY2021

The Department of Health and Social Services is committed to creative thinking and identifying new ideas to continue critical services while reducing state spend.

Contact Information	
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FY2021 Capital Budget Request

Project Title	Unrestricted Gen (UGF)	Designated Gen (DGF)	Other Funds	Federal Funds	Total Funds
Alaska Psychiatric Institute Projects to Comply with Corrective Action Plan	0	1,619,264	0	0	1,619,264
Anchorage Pioneer Home Renovation	0	2,080,000	0	0	2,080,000
Emergency Medical Services Match for Code Blue Project	500,000	0	0	0	500,000
MH Assistive Technology	500,000	0	0	0	500,000
MH Deferred Maintenance and Accessibility Improvements	0	250,000	250,000	0	500,000
MH Essential Program Equipment	300,000	0	300,000	0	600,000
MH Home Modification and Upgrades to Retain Housing	750,000	0	300,000	0	1,050,000
Department Total	2,050,000	3,949,264	850,000	0	6,849,264

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

From FY2020 Management Plan to FY2021 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2020 Management Plan	971,106.4	86,729.9	165,451.7	1,891,118.7	3,114,406.7
One-time items:					
-AK Psychiatric Institute	-4.7	0.0	-682.0	0.0	-686.7
-Behavioral Health	-400.0	-2,234.5	-1,397.5	0.0	-4,032.0
-Children's Services	0.0	-73.3	0.0	0.0	-73.3
-Juvenile Justice	0.0	0.0	-163.3	0.0	-163.3
-Public Assistance	-1,107.1	0.0	0.0	-1,107.2	-2,214.3
-Public Health	-379.0	0.0	-240.0	0.0	-619.0
-Senior and Disabilities Svcs	0.0	0.0	-892.1	0.0	-892.1
-Medicaid Svs	-300.0	0.0	-3,125.0	-2,934.5	-6,359.5
Adjustments which continue current level of service:					
-Alaska Pioneer Homes	11.6	360.8	223.3	16.4	612.1
-AK Psychiatric Institute	76.7	0.0	327.3	0.0	404.0
-Behavioral Health	-11,366.9	11,404.9	1,393.3	29.0	1,460.3
-Children's Services	450.7	0.0	4.3	270.7	725.7
-Health Care Services	605.5	8.3	-223.2	611.7	1,002.3
-Juvenile Justice	587.3	0.0	84.7	1.9	673.9
-Public Assistance	1,400.2	0.0	11.2	1,471.5	2,882.9
-Public Health	771.9	32.9	333.6	209.6	1,348.0
-Senior and Disabilities Svcs	93.8	0.0	875.8	107.1	1,076.7
-Departmental Support Services	-484.2	0.0	1,098.9	-1,195.9	-581.2
Proposed budget increases:					
-Alaska Pioneer Homes	5,000.0	0.0	0.0	0.0	5,000.0
-AK Psychiatric Institute	2,529.2	0.0	6,837.2	0.0	9,366.4
-Children's Services	0.0	0.0	0.0	2,700.0	2,700.0
-Public Assistance	7,471.2	0.0	0.0	0.0	7,471.2
-Public Health	0.0	0.0	1,270.8	0.0	1,270.8
-Senior and Disabilities Svcs	137.5	0.0	0.0	7,412.5	7,550.0
-Departmental Support Services	379.7	0.0	109.0	253.2	741.9
-Medicaid Svs	128,273.6	0.0	10,727.8	173,294.3	312,295.7
Proposed budget decreases:					
-Alaska Pioneer Homes	0.0	-2,592.2	-7,407.8	0.0	-10,000.0
-Behavioral Health	0.0	0.0	-70.2	0.0	-70.2
-Departmental Support Services	0.0	-100.0	0.0	0.0	-100.0
FY2021 Governor	1,104,853.4	93,536.8	174,547.8	2,072,259.0	3,445,197.0