



AKCHILD & FAMILY

#37  
Josephson

March 27, 2023

Dear Representative Josephson,

Thank you for your support of Behavioral Health Treatment and Recovery grants. Grants are an essential foundation for supporting a continuum of behavioral health services to ensure access to quality care for our state's most vulnerable individuals and families. By investing in behavioral health services, and ensuring gaps within the continuum of care are addressed through grants, we can create healthier, more resilient communities where individuals can thrive and reach their full potential.

The demand for behavioral health services has increased significantly over the past few years however; behavioral health services are often underfunded leading to a lack of resources. This can create financial challenges for behavioral health providers and limit access to those in need. While the 1115 Waiver continues to hold great promise, grants are necessary to fill the gaps in the behavioral health continuum of care.

Many families do not meet eligibility for Medicaid and/or are under insured. Ensuring these families have access to the lowest level of care possible before their situations escalate into a crisis is not only more humane but is much more cost effective for the state in the long run because families would be stabilized at a lower and less expensive level of care.

Billable services only cover a fraction of the cost of service provision. In addition to significantly increased expenses throughout the pandemic and continuing forward to include but not limited to the cost of living, supplies, and recruitment and retention there are also a number of services that are provided by AK Child & Family that are not covered by Medicaid but are crucial to support youth to prevent the need to access higher levels of care and ensure quality. A few examples include:

- Consultation and training for case managers, direct care specialists and therapeutic treatment parents related to service provision for youth with complex and unique needs
- Administrative costs for grant requirements whose reporting demands have increased while funds have been historically reduced

- Crisis intervention services provided by Case Managers within the therapeutic treatment home while necessary to maintain the stability of placement are not a billable service
- Services performed by Case Managers that are otherwise outside billable limits
- Costs associated with monitoring and maintaining compliance with state and federal licensing requirements
- Crisis responses that require overlapping professionals
- The cost associated with monitoring and maintaining compliance with state and federal licensing requirements, which can be significant, is not covered through the 1115 Waiver.
- The Directing Clinician is a required participant in each treatment plan/ review however the cost of this additional service is not covered as typically the Case Manager bills for the service. The current reimbursement limitations for treatment plan reviews can create difficulties for providers who need to conduct more frequent reviews to meet service requirements and ensure quality care. The 1115 waiver only allows for 4 treatment plans a year, however service requirements stipulate that a treatment plan must be reviewed at least every 90 days while also holding the reimbursement limitation of no more than every 90 days. This does not cover reimbursement for all treatment plan/reviews that would be needed in a year of service. Providers are left to maintain compliance to the 90-day review length, without the possibility for reimbursement for a necessary 5th review of the treatment plan when services may need to extend a full year.

This is just a short and incomplete list of some of the essential aspects required for quality care that are not covered through billing the state plan or 1115 waiver services.

Investing in behavioral health services reduces healthcare costs by preventing the need for more expensive services such as hospitalizations or emergency room visits. Treating behavioral health disorders early can reduce the need for long-term treatment and support. Supporting behavioral health providers and investing in the continuum of care, benefits families and strengthens communities by improving health outcomes and reducing healthcare costs.

Thank you again for your support, and we look forward to continuing our work together to promote the well-being of our community.

Sincerely,

*Anne Dennis-Choi*

Anne Dennis-Choi

President & CEO

## Alaska Behavioral Health Association

John Solomon, LPC  
Chief Executive Officer  
Alaska Behavioral Health Association (ABHA)  
P.O. Box 32917 Juneau, Alaska 99803



Representative Andy Josephson  
BY EMAIL: [Representative.Andy.Josephson@akleg.gov](mailto:Representative.Andy.Josephson@akleg.gov)

RE: Amendment to 2023 Treatment & Recovery Grants

Dear Representative Josephson,

The Alaska Behavioral Health Association, representing over 80 behavioral health provider organizations across the state of Alaska, wish to offer our support for the amendment put forth adding additional funding to the Treatment and Recovery grants.

Cuts and flat funding of grants since the inception of the 1115 waiver has put the behavioral health system in crisis. The promise of the 1115 waiver, a promise of giving Alaskans more access to care, while providing cost savings for the state, will never be realized if organizations are unable to keep their doors open, let alone stand up these new services.

The system is at a breaking point with exponential inflation, ongoing cuts and flat funding of grants, as well as late payments from the failing ASO. Organizations are writing to the state to say that not only layoffs, but organizational collapse are real concerns in the immediate future. We urge lawmakers to take action and support the amendment to the 2023 Treatment and Recovery grants so that agencies can continue to provide services for all Alaskans. These grants help us serve the people of the state of Alaska in a time of critical need and they will be an investment in the future success of 1115 services.

Thank you Representative Josephson for putting forth this critical amendment for the behavioral health care system.

John Solomon

Chief Executive Officer  
Alaska Behavioral Health Association



**Vision**

A Native Community that enjoys physical, mental, emotional and spiritual wellness.

**Mission**

Working together with the Native Community to achieve wellness through health and related services.

**Customer-Owners**

Serving over 65,000 Alaska Native and American Indian People

**Communities Served**

*Anchorage Service Unit and 55 Tribes to include:*

Anchorage	Matanuska-
Chickaloon	Susitna Borough
Ektutna	McGrath
Igiugig	Newhalen
Iliamna	Ninilchik
Kenaitze	Seldovia
Knik	St. Paul Island
Kokhanok	Tyonek

**Services Offered**

*Over 90 Community-Based Programs Including:*

Medical  
Behavioral  
Dental  
Co-Own and Co-Manage the Alaska Native Medical Center

**Board of Directors**

Karen Caldec, Chairperson  
Roy M. Huhndorf, Vice Chairman  
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Dr. Terry Simpson, Director  
Lisa Wade, Director

**President and CEO**

April Kyle, MBA

**Tribal Authority**

Cook Inlet Region, Inc.

March 27, 2023

Representative Andy Josephson  
Alaska State Capitol  
Juneau, AK 99801

RE: Behavioral Health Grants

Dear Representative Josephson,

On behalf of Southcentral Foundation, I offer support for legislative efforts to expand the funding for behavioral health grants in the Fiscal Year 2024 budget. Behavioral Health Treatment and Recovery grants are vital sources of funding that keep clinic and program doors open. The Medicaid funding from the 1115 waiver is inadequate to meet the needs of community members seeking accessible behavioral health treatment. Even with the recent rate increase, the first time in the waiver's history, the rates are worth about 13% less than when the waiver started due to inflationary pressures. Furthermore, the costs for clinicians and support staff continue to increase due to a shrinking labor market and wage pressures across the board.

This amendment would partially restore the difference in behavioral health grants funding seen between FY19 and FY23. This will help meet the needs of provider organizations and the Alaskans they serve including Alaskans who have access to Medicaid, as well as those who are not covered by that program.

Thank you for your consideration in supporting this amendment. If you have any questions, please contact me at [mbaker@southcentralfoundation.com](mailto:mbaker@southcentralfoundation.com).

Sincerely,

SOUTHCENTRAL FOUNDATION

Michelle Baker, MBA  
Executive Vice President  
Behavioral Services Division







550 South Alaska Street Suite 202 Palmer, AK 99645 (907) 746-6019  
*Consumers of Daybreak, Inc. will be given the Power, Hope, Choice & Responsibility for their own recovery.*

Representative Andy Josephson  
State Capitol Room 432  
Juneau, AK 99801

March 27, 2023

Re: Letter of Support for Budget Amendment HB39/HB41

Good afternoon,

My name is Polly-Beth Odom, and I am representing myself. I am the executive director of Daybreak, Incorporated, a small Community Behavioral Health Treatment and Recovery grantee. Daybreak also receives income through fee for service through Medicaid by billing 1115 waiver services and Alaska State Plan services. The CBHTR grant funding has been either flat funded or reduced every year since 2019. Unfortunately, the cost of providing services has increased dramatically over the same period. The funds received through the 1115 Waiver are not sufficient to cover the increased cost of providing behavioral health treatment and recovery services.

Furthermore, the delays in Medicaid payments due to issues within the administrative service organization and the division of behavioral health continue to hamstring agencies from developing new 1115 service lines. The amendment, proposed by Representative Josephson, would help to "fill the gap" and allow community behavioral health grantees to provide essential behavioral health and SUD services for Alaska's Trust beneficiaries.

Thank you for your time,

Polly-Beth Odom

Executive Director

Daybreak, Incorporated



[REDACTED]

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**From:** Leslie Davis [REDACTED]  
**Sent:** Monday, March 20, 2023 3:49 PM  
**To:** House Finance  
**Subject:** Add additional funds to assist disability providers!

Hello,

My name is Leslie Davis and I live in Wasilla and am in Senator David Wilson's district and David Eastman's district. My son experiences Autism and major depressive disorder and receives services on the IDD waiver. Without the services he currently gets, he would most likely be in an expensive residential treatment facility or an API like institution. Because of the Medicaid wavier he now has a supportive place to live, getting weekly mental health services and is soon to be getting a job. Please, please in addition to what the Governor has allotted, support additional Medicaid dollars added to the current budget so that we can assure community-based services can continue like those my son receives. We do not want him or others to backslide into expensive institutional care. Thank you for your time!

[REDACTED]

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**From:** Michael Adams [REDACTED]  
**Sent:** Monday, March 20, 2023 3:03 PM  
**To:** House Finance  
**Subject:** My testimony on behalf of those who I serve.

“Hi! My name is Michaelsean Adams I am a career Social worker who recently moved to Anchorage to serve the IDD population. I am proud to be a part of Hope community Resources, a known leader in IDD/Waiver services.

I am very concerned about the stability of the community providers. It is very important to me that Alaskans with disabilities have adequate work force to support them. This will only be accomplished if the rates of reimbursement to providers providing critical services are sufficient to attract and retain workforce. I can personally attest that other states have stepped up and are leading the way: Why can't we also?

I fully support additional funds being added to the budget to provide funds to accomplish this task. If the network of community providers fails, the options for people with disabilities is are extremely limited.

All of us deserve a quality life, one of inclusion and love. It is our Moral responsibility to care for those who are in need, so lets be HUMAN together, please and thanks!

Sent from Mail for Windows